

The forgotten annex

in the EBRD Sustainability Report 2022:

human rights



CEE

Bankwatch
Network

In 2022, Bankwatch and its partner civil society organisations provided the European Bank for Reconstruction and Development (EBRD) with over 12 reports highlighting human rights concerns related to investment projects in the Bank's countries of operation.

Key issues

Retaliation against individuals who raise concerns about EBRD projects, lack of meaningful engagement with communities and workers, poor working conditions, interference in the work of trade unions, violation of labour and land rights, environmental and health impacts, gender-based violence and harassment, gender discrimination, lack of transparency

Key countries

Uzbekistan, Kazakhstan, Kyrgyzstan, Mongolia, Armenia, Georgia, Bosnia and Herzegovina, North Macedonia, Ukraine

Key sectors

Agriculture, waste management, public transport, road infrastructure, natural resources

Selected cases

1. Cotton sector in Uzbekistan

In 2020, the EBRD approved a loan to Indorama Agro to improve the environmental and social standards of cotton farming in Uzbekistan. Since then, many reports have been received from local communities, farmers and workers about land confiscation, livelihood loss, interference with trade unions, labour rights violations and retaliation. In 2022, another round of restructuring at Indorama Agro resulted in job losses and the imposition of exploitative labour conditions. Reprisals remain an issue. More: [Indorama Agro project, Uzbekistan: unmitigated human rights violations persist](#)

2. Support for Ukrainian agribusiness giant

In 2022, the EBRD provided another two loans to Ukrainian agribusiness giant MHP, overlooking the long-term challenges and social and environmental impacts associated with the agricultural sector. In view of Russia's ongoing war in Ukraine, the EBRD is not capable of conducting proper due diligence or adequately monitoring the impacts of these new investments in MHP. The EBRD has failed to engage in consultations with Ukrainian civil society, including affected local communities and complainants that utilise the EBRD's Independent Project Accountability Mechanism. More: [Food security for all](#)

3. Waste management in Karakalpakstan

In 2022, the EBRD approved a waste management project in the Karakalpakstan region of Uzbekistan with the aim of expanding three existing landfills and constructing one other. People living within a 500-metre radius of these landfills have already experienced significant environmental and health impacts. Despite their grievances and requests to relocate the waste sites further away from residential areas, the authorities

have ignored their complaints. Local communities affected by the project have not been consulted and many have expressed a fear of speaking up. More: [Is the EBRD's flagship Green Cities making a difference? Interim evaluation questions with case studies from Uzbekistan and Armenia](#)

4. Public transport in Kazakhstan

In 2019, the Kazakh city of Almaty joined EBRD Green Cities with the aim of boosting green infrastructure and ensuring a sustainable future for the city and its inhabitants. One of its flagship endeavours is the Almaty Electric Public Transport project. However, in 2022, residents of the Kairat district raised concerns about the actions of the EBRD's client in the project, Almatyelectrotrans, which illegally established a diesel bus depot near local homes without a proper sanitary zone, violating national regulations and the right of residents to a clean and healthy environment. More: [Towards a people-powered, green transformation in Almaty](#)

5. Public transport reform in Tbilisi

In 2016, Tbilisi became one of the first cities to join the EBRD Green Cities programme. Unfortunately, since the publication of the Tbilisi Green City Action Plan in September 2017, little progress has been made. The traffic situation in Georgia's capital has deteriorated considerably in recent years and, according to a 2022 study, every third woman using public transport reports having been sexually harassed. More: [Urban public transport reform in Tbilisi](#)

6. Road construction in Georgia

In 2019, the EBRD made an investment in the Kvesheti-Kobi Road project in Georgia. However, in 2021, two residents from the local community, who had spoken out about the project in the media, were arrested and accused of fraudulent appropriation of land. The government, which does not recognise traditional ownership, reclaimed compensation for traditional land use. Additionally, in 2022, one worker died and two others were injured during the construction of the road. More: [Action in Dusheti municipality](#)

7. Motorway construction in Bosnia and Herzegovina

Since 2008, the EBRD has invested in the construction of several sections of the European Transport Corridor Vc in Bosnia and Herzegovina. In 2020, the local community in southern Mostar filed a complaint with the EBRD's Independent Project Accountability Mechanism that the project has adversely impacted their health and livelihoods as well as the biodiversity of the Neretva River. In 2022, local landowners who opposed the proposed valley route were subject to retaliation, including anonymous defamation in the local media and a recent arson attack on private business property. More: [Corridor Vc in Bosnia and Herzegovina](#)

8. Mining in Bosnia and Herzegovina

In 2021, the EBRD invested in the DFF Adriatic Metals project, enabling mining operations to begin near the town of Vareš in Bosnia and Herzegovina. In 2022, residents raised concerns about the development of the project due to its potentially significant impacts on biodiversity and the local water supply. A lack of meaningful engagement and inadequate information disclosure prompted the community to lodge a

formal complaint with the EBRD's Independent Project Accountability Mechanism in August 2022. More: [DFF Adriatic Metals Project, Bosnia and Herzegovina](#)

9. Gold mining in Armenia

In 2020, the EBRD withdrew from the Amulsar gold mine project without taking any measures to ensure a responsible exit. Those opposed to the project still face reprisals. In 2022, Armenia's Administrative Court ruled in favour of the EBRD's former client, Lydian Armenia, in its complaint against a prominent human rights defender in Armenia. Additionally, the EBRD's Independent Project Accountability Mechanism has yet to reach a decision on a complaint filed by affected locals over two years ago. More: [Amulsar's costs to human rights and threats to environmental defenders](#)