

CEKOR had a meeting with the EBRD Director for Serbia, Daniel Berg, at which the Report on EBRD Complaint Mechanism was considered. In accordance with the undertaken contractual obligations, the EPS should enhance its procedures not only for the case of Vreoci, to which the complaint referred, but also at all locations where it performs business operations. In this sense, CEKOR expects the EPS to accelerate the relocation of Vreoci, as well as to also engage in addressing, in a socially responsible manner, the relocation of households encompassed by the protection zones of mining in the villages of Junkovac, Radljevo, Baroševac, Zeoke in the Kolubara region, and the entire village of Drmno in the Kostolac region.

Director Berg announced that, in due course, he would visit Vreoci and get acquainted with the situation on the field.

Considering that the European Bank for Reconstruction and Development has a high-quality policy which protects the environment and the local communities from the possible harm caused due to the EBRD-funded projects, the contracts of this monetary institution require that the beneficiaries of EBRD loans, such as the EPS in this case, should also comply with the policies developed by the EBRD.

In this sense, on 17th August 2012, the Environmental Society Vreoci and the local community Vreoci sent a formal complaint to the independent body which controls if the EBRD and the beneficiaries of its funds comply with the proclaimed policies of this institution with reference to the loan granted to the EPS for the development of Kolubara mines, which has numerous negative impacts on the environment and the property of the village of Vreoci's inhabitants, because it is located directly between two large open pit mines. On 1st October 2013, an additional complaint was submitted by the Center for Ecology and Sustainable Development, as a member of the Bankwatch network, linking the impacts of several projects of the EBRD and EPS, indicating towards their cumulative impacts.

After a detailed procedure, the response of the EBRD's independent body for complaint processing was published a month and a half ago.

The independent expert Glen Armstrong has established that the bank and its client fell short of implementing the bank's policy in points 1, 3, 5 and 10 of the EBRD's 2008 Environmental and Social Policy. A Management Action Plan (in the addendum) was also enclosed with the report, the plan having been adopted by the EBRD's International Board of Directors. Among the many objections to the implementation of projects, we emphasize the recommendation to enhance the EPS's environmental and social policy implementation capacity and system. In this sense, during the corporate restructuring, the EPS is expected

to adopt a new environmental and social policy management system which will refer to the entire company. The EBRD will continue to cooperate with the EPS in the resettlement program implementation and, generally, in solving disputes with stakeholders - it is stated in the mentioned document.

The issue of social responsibility is very topical considering that the EPS is currently expecting a new EBRD loan, and non-governmental organizations believe that this has to be associated with an urgent improvement in standards.