



Independent
Project
Accountability
Mechanism

Problem Solving Summary

Belgrade Solid Waste Public Private Partnership

EBRD Project Number 46758

Case 2021/01 (Request #2)

November 2023

The Independent Project Accountability Mechanism (IPAM) is the European Bank for Reconstruction and Development's (EBRD) accountability mechanism. IPAM independently reviews issues raised by individuals or organisations concerning Bank-financed projects that are believed to have caused or be likely to cause harm. The purpose of the mechanism is to facilitate the resolution of social, environmental, and public disclosure issues among project stakeholders; to determine whether the Bank has complied with its Environmental and Social Policy and the project-specific provisions of its Access to Information Policy; and, where applicable, to address any existing noncompliance with these policies, while preventing future non-compliance by the Bank.

For more information about IPAM, contact us or visit www.ebrd.com/project-finance/ipam.html

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How to submit a complaint to the IPAM

Concerns about the environmental and social performance of an EBRD Project can be submitted by email or via the online form at:

 <https://www.ebrd.com/project-finance/ipam.html>

Contents

LIST OF ABBREVIATIONS	4
EXECUTIVE SUMMARY.....	5
1. BACKGROUND.....	6
1.1. The Request	6
1.2. The Project and its current status	6
1.3. Case Processing: Registration and Assessment	7
2. THE PROBLEM SOLVING INITIATIVE.....	7
2.1. Background.....	7
2.2. The Parties.....	8
2.3. The Scope of the Problem Solving	9
2.4. The Problem Solving Initiative: stages, challenges and outcomes.....	10
3. CONCLUSION AND NEXT STEPS.....	15
ANNEX 1 TERMS OF REFERENCE FOR PROBLEM SOLVING.....	16

Unless otherwise indicated, capitalised terms used in this report are those as set forth in the 2019 Project Accountability Policy.

LIST OF ABBREVIATIONS

Abbreviation	Long Form
Board	the Board of Directors of the European Bank for Reconstruction and Development
Case	the consideration of a Request under the Project Accountability Policy following its registration
CAO	the Chief Accountability Officer of the EBRD, and IPAM head
Case Registry	the registry of Cases created in accordance with Section III, Paragraph 3.1 of the Project Accountability Policy, which can be found on the IPAM Webpage
Compliance	the IPAM function which determines whether EBRD has complied with its Environmental and Social Policy or the Project-specific provisions of its Access to Information Policy in respect of a Project
EBRD (or Bank)	the European Bank for Reconstruction and Development
ESIA	Environmental and Social Impact Assessment
ESP	the EBRD's Environmental and Social Policy in force at the time of Project approval
IPAM	the Independent Project Accountability Mechanism of the EBRD established as per the 2019 Project Accountability Policy
IPAM Head	the EBRD managing director responsible for the running of IPAM, the implementation of the Project Accountability Policy and for making the decisions that are the responsibility of IPAM under said Policy
PAP	the 2019 Project Accountability Policy
Parties	the individuals, entities, and/or organisations with a direct interest in a Case. Parties may include (but are not limited to): the Requesters; their Representatives, if any; the relevant Bank department, team, or unit; the Client; and other Project financiers or other entities responsible for the implementation of a Project
Problem Solving	the IPAM function which supports voluntary dispute resolution engagement between Requesters and Clients to resolve the environmental, social, and public disclosure issues raised in a Request, without attributing blame or fault.
PSD	Project Summary Document
President	the President of the EBRD

Executive Summary

On 24 November 2020 the [Independent Project Accountability Mechanism](#) (IPAM) received a [Request](#) from five Roma households of waste pickers (Requesters) represented by A11 - Initiative for Economic and Social Rights and advised by CEE Bankwatch. Requesters alleged that the [Belgrade Solid Waste PPP \(46758\)](#) (the Project) has caused them physical and economic displacement as they had to move from the Vinca landfill in Serbia where they used to live and work. They expressed that some of them weren't offered temporary housing, or the housing that was offered wasn't adequate, and they were unable to pay utility costs. Requesters asked for their identities be kept confidential as a precautionary measure, due to concerns of potential intimidation, pressure, and reprisals. They expressed interest in Problem Solving.

IPAM registered the Request on 14 January 2021 under [Case number 2021/01](#), thus initiating the [Assessment](#) stage which was conducted until April 2021 in accordance with the [2019 Project Accountability Policy](#) (PAP). During the Assessment stage 12 additional affected families who were relocated from the Vinca landfill joined the IPAM Case, making 17 households in total that. IPAM undertook an in-depth analysis of the Request and the additional information provided by the Parties and engaged virtually with the Requesters, their Representatives, Advisers, Beo Cista Energija d.o.o Beograd (the Client), the City of Belgrade and the EBRD management. IPAM determined that the Case was suitable for Problem Solving as all Parties expressed their willingness to engage in a Problem Solving Initiative under the facilitation of IPAM.

IPAM conducted the Problem Solving initiative from May 2021 to June 2023. Several concerns have been addressed, by providing short-term support measures and defining long-term housing solutions for all 17 resettled families, nine were resettled in Belgrade, three in Šabac and five in Vladimirci. Requesters have got access to social benefits, household appliances, furniture, follow to be offered employment opportunities and vocational training and those self-employed received tools and equipment.

On 4 and 5 July 2023 the Parties signed Problem Solving Agreements as per Paragraph 2.4 e) i. of the Project Accountability Policy. The Case was transferred to the Problem Solving Monitoring stage where IPAM will monitor the implementation of the commitments made by the Parties, in accordance with Paragraph 2.5 of the Project Accountability Policy.

This document provides a high-level summary of the initiative as the Parties agreed that the Problem Solving process and the Agreements would be confidential. A draft version of this Summary was shared with Parties and their comments were considered by IPAM in finalising it. The final Summary will be submitted for information to the EBRD Board of Directors and the President and the Parties will be notified of its disclosure in the virtual case file [Case 2021/01](#) in both English and Serbian.

1. BACKGROUND

1.1. The Request

The Request¹ was submitted to IPAM on 24 November 2020 by five families of Roma waste pickers represented by A11 - Initiative for Economic and Social Rights and advised by CEE Bankwatch. Requesters alleged that the [Belgrade Solid Waste PPP](#) (46758) caused them physical and economic displacement as they had to move from the Vinca landfill where they used to live and work. During the Assessment stage 12 additional affected families that were relocated from the Vinca landfill joined the IPAM Case, making 17 households² in total. Requesters expressed that they received no temporary housing, or for some of them the housing that was offered wasn't adequate, and they were unable to pay utility costs. In addition, Requesters claimed that lost personal property during the resettlement process and the resettlement process has not complied with the local legislation of Serbia and the EBRD's Environmental and Social Policy. Requesters asked for their identities be kept confidential as a precautionary measure, due to concerns of potential intimidation, pressure, and reprisals and expressed interest in Problem Solving.



Waste picker at Vinca landfill before remediation. Source: Beo Čista Energija

1.2. The Project and its current status

The [Belgrade Solid Waste PPP](#) (46758) involves debt financing in an amount of up to EUR 70 million to Beo Čista Energija d.o.o Beograd who is in charge of the construction of new sanitary landfills, energy-from-waste facility for thermal treatment of solid municipal waste and production of electricity and heat for the residents of Belgrade. The Project also envisages the construction of a landfill gas facility which utilizes landfill gas for energy production, a leachate collection system and a leachate treatment facility, and construction and demolition of a waste recovery facility. The



Vinca landfill after remediation. Source: Beo Čista Energija

The Project is also receiving support from the International Financial Corporation (IFC) in the amount of up to EUR 70 million. The existing Vinca landfill was one of the largest non-sanitary landfills in Europe which has been operating since 1977, spreading over 45ha and reaching 80m in height. Through the Project the landfill is being stabilized,

¹ The Request and supporting documentation are available at: [Case 2021/01](#)

² A11 submitted complaints from two additional families, but those were rejected as the other Parties in the process expressed that they didn't participate in the census of Roma waste pickers conducted by the City of Belgrade in 2016 and were not included in the Resettlement Action Plan.

remediated, and covered, thus preventing landfill gas pollution and leachate generation, and polluting the surrounding soil.

Under the Project's Public Private Partnership, the City of Belgrade is responsible for carrying out land acquisition and resettlement. In this regard, in 2018 the City of Belgrade prepared a Resettlement Action Plan in line with the EBRD's PR 5. The families who used to live on the dumpsite in makeshift houses had to be relocated to Belgrade, Šabac and Vladimirci during December 2018 – January 2019. Considering that waste pickers were expected to lose their income, livelihood restoration measures have been provided in the Resettlement Action Plan.

The Project was approved for financing by the EBRD Board of Directors on 18 September 2019, as Category A under the EBRD's 2014 Environment and Social Policy. The loan is currently being repaid.

1.3. CASE PROCESSING: REGISTRATION AND ASSESSMENT

On 24 November 2020, seven individuals representing five Roma households of waste pickers, submitted their Request to IPAM raising issues around impacts associated with the Project. As per the [2019 Project Accountability Policy](#), IPAM registered the Request on 14 January 2021 under [Case number 2021/01](#), initiating the Assessment stage which was conducted until April 2021. IPAM undertook an in-depth analysis of the Request and the additional information provided by the Requesters, their Representatives, the Client, City of Belgrade and EBRD management. IPAM also held online meetings with all relevant Parties who expressed their willingness to engage in a Problem Solving facilitated by IPAM to help them address the concerns raised in the Request. Based on the Assessment findings, the [Assessment Report](#) included preliminary Terms of Reference for the Problem Solving whereby the proposed scope, methods to be used, the timeframe for the initiative and the type of expertise required are presented.

2. THE PROBLEM SOLVING INITIATIVE

2.1. BACKGROUND

The Problem Solving function of IPAM, supports dialogue between Requesters and Clients to resolve the environmental, social and public disclosure issues underlying a Request, without attributing blame or fault. IPAM engages with Project-affected People, Clients and other stakeholders as a neutral third party, in order to help find mutually satisfactory resolutions through flexible, consensus-based problem-solving approaches.

The 2019 Project Accountability Policy defines Parties as “the individuals, entities, and organisations with a direct interest in a Case. Parties may include (but are not limited to): the Requesters, their Representative, if any: the relevant Bank department, team, or unit; the Client; and other Project financiers or other entities responsible for the implementation of a Project”³.

Furthermore, the 2019 PAP establishes that the purpose of Problem Solving is to: i. facilitate dialogue between the Parties; ii. pursue resolutions acceptable to all Parties, which resolve the issues raised in the Request; and iii. facilitate the conclusion of agreements between the Parties. Therefore, the first step taken by IPAM in the early stages of this case was identifying who the Parties were.

³ 2019 Project Accountability Policy, Section II: Definitions.

2.2. THE PARTIES

Requesters: the initial Request had been filed on behalf of five affected families. However, during the Assessment, IPAM was asked by Bank Management to consider a holistic process that would include all the 17 resettled families⁴. The other Parties agreed that this would ensure that all affected families would have their concerns addressed. In accordance with this, the Problem Solving Initiative expanded its scope to include all the resettled families as Requesters. The Requesters were to be represented in the process by A11 Initiative for Economic and Social Rights. Through the processing, CEE Bankwatch would act as advisor to A11 Initiative.

A11 - Initiative for Economic and Social Rights is a non-governmental organisation from Serbia which promotes and protects the rights of individuals from vulnerable, marginalized, and discriminated groups, with a particular focus on economic and social rights.

CEE Bankwatch is a network of grassroots, environmental and human rights groups in central and eastern Europe. Their role is to monitor public finance institutions that are responsible for investments, including the EBRD. CEE Bankwatch is supporting affected communities to file complaints with independent accountability Mechanism of IFIs, such as the IPAM.

The Project was the first Public-Private Partnership in Serbia and obligations for Project activities were split between the Client and the City of Belgrade who is the public sector partner. Therefore, the initiative required the participation of both Parties.

The Client is Beo Cista Energija who in 2017 signed a Public Private Partnership contract with the City of Belgrade to provide services for the treatment and disposal of over 500,000 tons of solid municipal waste on a yearly basis. Beo Cista Energija is responsible to design, finance, construct, maintain and operate for 25 years two co-generation plants for production of electrical power and heating energy by utilizing waste and landfill gas recovery. In addition, Beo Cista Energija is in charge of the remediation of the existing Vinča landfill and the construction a new sanitary landfill.

As regards the resettlement, as per the PR 5 of the Bank's Environmental and Social Policy, the Client is expected to collaborate with the government agency in charge of resettlement, to the extent permitted by the agency, to achieve outcomes that are consistent with the objectives of PR 5. In addition, where government capacity is limited, the client is expected to play an active role during resettlement planning, implementation, and monitoring.⁵

The City of Belgrade: As per the Project Resettlement Action Plan⁶ "the City of Belgrade had the obligation to develop and implement a Resettlement Plan for the households that lived in the informal settlement at the Vinča waste dump and on land planned for the construction of structures of public communal infrastructure, as well as a plan for the restoration of livelihood sources of waste pickers, with the aim of mitigating adverse effects of the Project and re-establishing and improving the living standards of Project affected people"⁷. The City of Belgrade Secretariat for Social Protection was responsible for coordinating the resettlement of the families that had residency in Belgrade (nine families).

Additionally, as per Article 79 of the Serbian Law on Housing and Maintenance of Residential Buildings, for those households that did not have a registered place of residence on the territory

⁴ [Assessment Report for Case 2021/01](#)

⁵ [EBRD's 2014 Environmental and Social Policy, PR 5, para 41.](#)

⁶ [Resettlement Action Plan for Belgrade Solid Waste PPP](#)

⁷ Resettlement Plan for households living in the informal settlement located on the Vinča waste dump as well as for restoration of livelihoods of waste pickers on the Vinča waste dump, Belgrade, September 14, 2018, page 4.

of the City of Belgrade, the right to displacement with the appropriate type of housing support was to be provided by the local self-government unit where the head of the household had the last registered place of residence (Article 79 paragraph 1 and paragraph 2 of the Law on Housing and Maintenance of Residential Buildings in Serbia), which in this case was the City of Šabac and the Municipality Vladimirici.

The City of Šabac is responsible for the resettlement of those families that had registered residency in Šabac (three families).

The Municipality of Vladimirici is responsible for the resettlement of those families that had registered residency in Vladimirici (five families).

Other Participants

EBRD Management: although the EBRD team was not considered as an active participant in the dialogue, IPAM considered it essential to engage with them continuously as the Project was in construction and the loan was being disbursed. IPAM maintained weekly information meetings with the Project team; sought their support for governmental contacts and engaged in brainstorming on potential solutions to ensure alignment with the Project scope.

International Financial Corporation: the multilateral was a co-lender of the project. IPAM engaged with them periodically to ensure alignment of priorities and implementation schedule.

2.3. THE SCOPE OF THE PROBLEM SOLVING

As per the requirements set in the 2019 PAP, the agreed Terms of Reference established the framework for the Problem Solving Initiative, listing the topics that the Parties were amenable to reviewing and outlining the methodology that IPAM would use to facilitate the dialogue and the resources required.

Summary of Problem Solving Terms of Reference for Case 2021/01

Scope

The scope of the initiative would centre on the following topics:

- Adequate and sustainable housing for resettled families;
- Affordable costs for rent and utilities;
- Waste pickers' access to education; and
- Income generation for resettled families.

Methodology

The methods utilised in this Case would include:

- Information gathering and sharing in culturally appropriate formats;
- Fact finding on the issues raised in the Request;
- Capacity building activities with Parties;
- Facilitated information-exchange;
- Mediated bilateral and joint discussions; and
- Conciliation.

Use of Resources

- Hiring an expert local facilitator to collaborate with the IPAM team in the facilitation of the Problem Solving Initiative;

- Site visits: the initiative would require periodic visits by the IPAM team to Serbia to participate in joint dialogue meetings, engage in-person with Requesters and other Parties; and
- Interpretation services.

Topics

Parties have demonstrated their commitment to engage in a respectful, rule-based process and to look at mutually agreeable solutions for the concerns raised. During the process design, IPAM supported Parties to agree on the following main topics to be discussed and addressed during the dialogue process:

- Adequate and sustainable housing for resettled families;
- Affordable costs for rent and utilities;
- Waste pickers' access to education; and
- Income generation for resettled families.

Parties agreed to engage in discussions on the topics listed above and have committed to listen to each other with due consideration and support their positions with documentation and data in their possession. They have expressed their willingness to engage in alternative dispute resolution process under the facilitation of IPAM and shared with IPAM that they expected all Parties to engage in good faith and efficiently.

At the beginning of the process nine families that had their residency in Belgrade were resettled to social apartments, but due to loss of income, Requesters couldn't pay utility bills and enforcement proceedings have been initiated against them. These issues prevented Requesters from accepting formal employment as a good part of their salary would have been taken by enforcement agencies.

Five families resettled to Vladimirci were moved to temporary accommodation, while new houses were built with support from central government, the municipality, and the Client. Three families were moved to Šabac and offered temporary and then permanent accommodation with support from central government, the City of Šabac and the Client. All 17 families required support to access relevant education and income generation opportunities.

Expert Local Facilitator

In May 2021, IPAM hired a local expert facilitator to work with the IPAM team in the dialogue process. The facilitator was a trained dispute resolution specialist, with a track record of participatory engagement with community groups and private companies. The bilingual facilitator had a good knowledge of the regional context and the local culture where the Project operates.

2.4. THE PROBLEM SOLVING INITIATIVE: STAGES, CHALLENGES AND OUTCOMES

The Problem Solving stage commenced in May 2021 and formally ended in July 2023 with the signing of agreements. The process can be divided into three sub periods:

- Preparation of the Parties which started in May 2021 and ended with the signing of the Ground Rules for Problem Solving in March 2022.
- Multi-Party Dialogue which included bilateral and joint meetings, project site visits, engagement with other stakeholders and changes in representatives during the period April to December 2022.
- Negotiations on the Terms of the Agreement - from December 2022 to July 2023.

Preparation of the Parties

During the early engagement, because of Covid-19 restrictions, IPAM conducted meetings virtually. Those meetings were used to identify representatives for each Party and understand the positions of each of them.

Representation

In the summer of 2021, as travel restrictions were gradually lifted, IPAM organized the first in-person meeting with Requesters from Belgrade to directly hear their concerns. As they had asked for their identities to be kept in confidence, it was also relevant at that stage to assess how they would effectively participate in the Problem Solving process. The Requesters decided that A11 would represent them in the multi-party dialogue, while they would be present in bilateral meetings with IPAM.

The Client delegated relevant representatives to participate in the dialogue process, including senior managers, who showed full commitment and good will in supporting the resolution of the Requesters' concerns. At the same time, the Client emphasised that the main Party responsible for the resettlement and livelihood restoration of Requesters is the City of Belgrade.

The City of Belgrade delegated officials from relevant secretariats from the city administration to participate in the dialogue process and committed themselves to work with the other Parties to improve the living conditions of Requesters, support them to exercise their rights for social protection, health protection and register with the national employment service.

Considering that eight families didn't have registered residency in Belgrade, the City of Belgrade suggested that the City of Šabac and the Municipality of Vladimirci be invited to the Problem Solving process, as they had delegated authority to resolve the issues that the families were experiencing due to the resettlement.

Positions

All Parties agreed from very early in the process, that the situation the 17 families were experiencing as a result of the involuntary resettlement and economic displacement required addressing. However, each of the Parties had different views on how to address them and initially the conversation was more focused on the problems and not on identifying mutually agreeable solutions.

The Multi-Party Dialogue

The Parties had not participated before in a dispute resolution process like the one offered by IPAM which seeks to create a safe space for jointly exploring alternatives without attributing blame. The IPAM process also focuses on building bridges of communication between Parties with different views and interests and supports them to listen to each other.

The joint meetings were convened by IPAM, who was also responsible for proposing dates, agenda items and renting meeting rooms and providing Serbian - English interpretation services. Typically, each Party attended dialogue sessions with a delegation of two to four members. After each meeting IPAM would confirm next steps and agreements.

List of joint dialogue sessions

Date	Session
2021	
21 November	First Joint Dialogue Session
2022	
16 March	Second Joint Dialogue Session
19 April	Third Joint Dialogue Session
9 December	Fourth Joint Dialogue Session

First joint dialogue session

The first joint dialogue session was held in Belgrade in November 2021. During that meeting, the Parties discussed the structure of the dialogue: agenda, meeting format and the conditions to ensure respectful and constructive engagement.

Given the lack of experience in dialogue process of the participants, agreeing on the terms of the Ground Rules and signing them took a long time. However, after extensive engagement undertaken by the local facilitator, in March 2022, all Parties agreed and signed the Ground Rules for Problem Solving. By that time, the actual dialogue was already underway.

Ground Rules

Considering that most of the Parties were participating for the first time in a facilitated dialogue, agreeing and negotiating on the Ground Rules took a few months. However, this initial engagement with Parties was key in building their capacity and skills to engage respectfully and work together in identifying mutually agreeable solutions. IPAM facilitated the exchange of information that was in the possession of Parties and could assist them in addressing the Requesters' concerns. In addition, IPAM ensured that technical terms were simplified to allow Parties make informed decisions. Finally, IPAM supported Parties to take a forward-looking approach and work together to find comprehensive and sustainable solutions for the issues that were discussed without criticizing or assigning blame.

In March 2022 Parties signed Ground Rules for the Problem Solving. The objective was to create a respectful and constructive framework for productive communication and negotiation between the Parties in order to pursue mutually acceptable resolutions during the Problem Solving initiative facilitated by IPAM.

The second joint dialogue session was held in Belgrade in March 2022. The objectives of the session were (i) to review progress of agreed action points; (ii) to identify outstanding concerns not discussed; (iii) to review options of resolution, and (iv) to ensure that all Parties had the same understanding of the coverage of an Agreement in Problem Solving and the monitoring role of IPAM regarding agreed commitments.



Second dialogue session, Belgrade, March 2022. Source: Beo Cista Energija

After the dialogue session, IPAM travelled to Šabac and Vladimirci to meet with the families resettled to those locations to assess their situation. Within the scope of the visit, IPAM held meetings with the mayors of Šabac and Vladimirci to confirm their commitment to the process and to support Requesters.

After the second joint meeting, it was clear that the Problem Solving process would require an

individualized approach, as each family had distinctive characteristics and needs.

Regarding housing, the issues faced by the Requesters were different in each locality. Families in Belgrade had been resettled to apartments where utility bills included both individual consumption and communal costs that could not be covered by them and debts were mounting up. In Vladimirci, the Municipality was building houses, but the construction was taking a long time and, in the meanwhile, families were in temporary housing. In Šabac, the Municipality provided housing for the three resettled families, but the houses required basic renovations, furniture, and appliances.

In relation to livelihood restoration, most Requesters were unemployed and depended on governmental support, but not all of them had been able to access social benefits or healthcare services due to lack of documentation or because of the debts they had incurred.

Third joint dialogue session

The third joint dialogue session was held in Belgrade in April 2022. The objective of the session was to review progress since the previous dialogue session and agree on the next steps. The issues discussed included: information exchange, access to social services, adequate and sustainable housing, affordable housing and utility costs, access to education, training and income generation opportunities, and compensation for lost property.

Parallel to this meeting, the City of Belgrade was undergoing an electoral process. The local authorities changed which meant that the City of Belgrade representatives in the IPAM process had to change as well. During this transition, the IPAM process came to a standstill as there was no City of Belgrade counterpart to engage with.

In May 2022, although Parties had already reached consensus on some of the issues, the process was losing momentum. The Project Accountability Policy establishes a timeframe of 12 months for Problem Solving initiatives. The Parties asked IPAM to extend the timeframe to allow for new City of Belgrade representation with the commitment to identify solutions by the end of 2022 at the latest.

The extension was granted and once the new government took office, IPAM with the support of Bank Management and the Client met with the recently elected officials and introduced them to the process. Given the relevance of the project to the City of Belgrade and their relationship with



Parties' meeting in Šabac, October 2022. Source: Beo Cista Energija

the Bank, the new government agreed to participate in the process and provided several options to promote more affordable housing for the Belgrade Requesters.

In October 2022, IPAM was invited to join an EBRD - IFC project supervision mission. For two days a multiparty delegation representative of the IPAM process visited the resettled families in the three localities and met with the Client and the officials of the three governments. In all meetings, IPAM was accompanied by representatives from A11 and CEE Bankwatch.

In the following months the process got reactivated. A11 conducted a survey about the 17 resettled families. This allowed Parties to jointly produce a Livelihood Restoration Table, identifying immediate needs and priorities and proposed several practical solutions regarding housing, utility debts, access to benefits and livelihood restoration measures for each of the 17 families.

Fourth joint dialogue session

On 9 December 2022, IPAM held the fourth and final joint dialogue session in Belgrade with the participation of all Parties. During that meeting, the Parties reached agreements on affordable housing, outstanding debts, and restoration of livelihoods. They accepted formalizing their commitments in a Problem Solving Agreement that would include both completed and pending actions. For the latter, they agreed that IPAM would be responsible for monitoring their completion.

In the subsequent months IPAM was in direct engagement with all Parties supporting them in drafting the Problem Solving Agreement and consulting it to make sure that the actions were to the satisfaction of all involved, in line with Serbian legislation and the EBRD's Environmental and Social Policy and that the timeline was realistic.



Requesters move to new houses in Vladimirci. Source IPAM

Agreement

On the 4th and 5th of July 2023, the Parties met in Belgrade and Vladimirci for the Problem Solving Agreement signing ceremonies. The signing of the Agreement was an important milestone for the 17 resettled families. All affected families were provided with short-term support measures and long-term sustainable housing solutions. All Requesters received affordable social housing and were offered access to subsidized utility costs. Requesters residing in Belgrade were supported to cover utility debts and had their enforcement proceedings suspended, which is enabling them to take formal job opportunities. Requesters can access social benefits and healthcare services as per their entitlements, follow to be offered training opportunities and employment opportunities. Each family received furniture and house appliances and self-employed Requesters were offered tools and equipment.

The major concerns raised in the Request have been addressed and acted upon during the dialogue phase, however, some agreed actions are still pending completion, in particular Requesters' livelihoods restoration and for that, IPAM produced a Monitoring Plan in consultation with Parties with a timeline for implementation. In the Monitoring Plan, IPAM commits to follow up with all Parties until all actions are completed and it is only then that the Case can be considered resolved and closed. In addition, IPAM committed to issues bi-annual Problem Solving Reports to describe on-going monitoring activities as per the Project Accountability Policy.



Agreement signing, Belgrade July 2023. Source: IPAM

3. CONCLUSION AND NEXT STEPS

On 4 and 5 July 2023 the Parties signed Problem Solving Agreements as per Paragraph 2.4 e) i. of the Project Accountability Policy. The Case was transferred to the Problem Solving Monitoring stage where IPAM will monitor the implementation of the commitments made by the Parties, in accordance with Paragraph 2.5 of the Project Accountability Policy.

Problem Solving Parties shared with IPAM that the dialogue process was a new way of engaging and addressing the concerns of Requesters. They added that would recommend to other institutions to use it as a way of building trust and dealing with unintended harm. IPAM wishes to thank all Parties involved in this Problem Solving initiative. The success of this process was possible thanks to the commitment and dedication of everyone who participated formally in the dialogue process and the other stakeholders that supported it indirectly in many ways.

This document provides a high-level summary of the process as the Parties agreed that the Problem Solving process and the Agreement reached would be confidential. A draft version of the Summary was shared with Parties and their comments were considered by IPAM in finalising it. The final Summary is submitted for information to the EBRD Board of Directors and the President and the Parties are notified of its disclosure in the virtual case file [Case 2021/01](#) in both English and Serbian.

ANNEX 1 TERMS OF REFERENCE FOR PROBLEM SOLVING

I. About the IPAM Problem Solving Process

The Project Accountability Policy (PAP) in section 2.4 establishes general guidance to be observed in IPAM-facilitated Problem Solving initiatives in general:

Guiding Principles for Problem Solving

The Problem Solving initiatives led by IPAM are based on the following guiding principles:

Co-design: the design of Problem Solving processes should be based on the methods, format and preferences of the Parties.

Good Faith: the success of Problem Solving processes requires that all Parties are willing to participate in good faith, effectively seeking to find mutually agreeable solutions.

Rules-based: Problem Solving processes require that the Parties define from the start the ground rules that will guide the process and that they commit to abiding by them.

Voluntary Nature: The Parties have the right to enter, as well as withdraw from a Problem Solving process.

II. Objective

The objective of the Problem Solving is to:

- facilitate dialogue between Requesters and the EBRD Clients (together as Parties),
- pursue resolutions acceptable to all Parties, which aim to resolve the issues raised in the Request; and
- facilitate the conclusion of mutually acceptable agreements between Parties.

For the Problem Solving, these Terms of Reference apply to all actions undertaken as part of the EBRD financed components of the Belgrade Solid Waste PPP. Activities carried out under this Problem Solving Terms of Reference may be subject to modification, provided that the IPAM Head expressly agrees to the change(s), and so long as such changes do not prejudice the interests of any Party.

III. Approach

IPAM serves as a third-party impartial facilitator that provides guidance and seeks to promote the building of trust between the Parties and ensure that the engagement is equitable and accessible.

To achieve the objective of finding mutually acceptable resolution to the issues presented in the Request, IPAM will:

- i. consider all circumstances of the Case (including the nature of the issues raised, their urgency, and the reasonable likelihood of success), with a view to identifying the most appropriate approach to Problem Solving. Approaches will be chosen in consultation with the Parties, and may include facilitated dialogue, mediation, conciliation, information sharing, joint fact-finding or supported negotiation;
- ii. engage external consultants to support and facilitate the dialogue process in accordance with the Procurement Rules and Paragraph 3.1 i) of PAP, if deemed necessary by IPAM; and

- iii. not support agreements that would be contrary to EBRD policies or in breach of any applicable law.

IV. Termination

The Problem Solving process may be terminated at any time:

- by IPAM, if in IPAM's view, following consultation with the Parties, the Problem Solving is no longer likely to lead to a positive outcome, and/or if the Problem Solving process has ceased to constitute an efficient use of resources, in which case IPAM will notify all Parties in writing; or
- by any Party, Problem Solving is a voluntary process, and Requesters and Clients may withdraw from it at any time.

V. Scope of the initiative

The scope of the initiative is limited to the issues raised in the Request in relation to the Project and further elaborated in the Assessment Report. In particular, the Parties have expressed preliminarily that the initiative would centre in the following topics:

- Adequate and sustainable housing for resettled families;
- Affordable costs for rent and utilities;
- Waste pickers' access to education; and
- Income generation for resettled families.

VI. Proposed Methodology

As per the Assessment findings, and subject to confirmation as the initiative advances, the methods utilised in this Case would include:

- Information gathering and sharing in culturally appropriate formats;
- Fact finding on the issues raised in the Request;
- Capacity building activities with Parties;
- Facilitated information-exchange;
- Mediated bilateral and joint discussions; and
- Conciliation.

VII. Resources Required

Independent External Facilitator

In line with the provisions of the 2019 PAP, the Problem Solving process will be led by IPAM staff and will be supported by an independent external facilitator. The facilitator is expected to be a trained dispute resolution specialist, to have a track record of participatory engagement with community groups and private companies. The facilitator should have good knowledge of the regional context and the local culture where the Project operates and be familiar with issues faced by vulnerable and marginalized, such as Roma population.

The facilitator should speak fluently Serbian and English and be an excellent communicator. He/she should have demonstrated experience facilitating complex multi-party disputes around development projects. IPAM expects the facilitator to have the ability to travel to the Project location in Serbia and engage extensively with Parties.

The facilitator will moderate the dialogue as a neutral ‘third party’, in an independent and impartial manner and should have no conflicting interests in relation with the Project or any of the Parties involved in Problem Solving. It is not the role of the facilitator to decide whether Parties’ actions, opinions or perceptions are right or wrong or to arbitrate in favour of one of the Parties.

Site Visits

Site visits by the external facilitator and the IPAM team will be required during the process. Any travel will require to take into consideration the current travel restrictions caused by the global Covid-19 Pandemic.

VIII. Problem Solving Timeframe

As per the PAP, the Problem Solving initiative has an estimated timeframe of 12 months. The process will commence once IPAM has identified and contracted an external facilitator.

A preliminary schedule of the main milestones and deliverables is presented below, subject to Parties’ agreement:

Proposed Milestones and Schedule

Activity	Estimated timeline
Initiation of the Problem Solving	Q2 2021
Identification of Representatives; agreement on ground rules for the Problem Solving; agenda, format, specific activities, and timeframe	Q2 2021
Capacity building for Parties to effectively engage in Problem Solving	Q2 2021
Engagement with Parties to discuss the concerns raised and seek for solutions	Q3 -Q4 2021
12-month timeframe limit	End of Q1 2022