

The CEE Bankwatch Networks Mission is to prevent environmentally and socially harmful impacts of international development finance, and to promote alternative solutions and public participation

THE BELGRADE BYPASS AND GAZELA BRIDGE PROJECTS

Project background

The Belgrade Bypass is a crucial project on the Pan European corridor X for resolving the critical traffic situation in the Serbian capital, and is situated on the junction of two important corridors connecting western Europe, Italy and Austria with Romania (E-70) and linking Austria with Greece and Turkey (E-75) through the Balkans.

The Belgrade Bypass project

The project involves the construction of 69 kilometres in total of bypass roads located in the west and south of Belgrade. It comprises the 9.7 kilometres of Section A from Batajnica to Dobanovci, 37 kilometres of Section B from Dobanovci to Bubanj Potok and the 22 kilometres long Section C from Bubanj Potok through Vinca to Starcevo.

Gazela bridge rehabilitation project

The construction of the bypass roads is closely connected with:

- 1) the urgent reconstruction of the Gazela Bridge over the River Sava on the E70/E75 highway crossing, which includes the relocation of illegal Roma settlements established underneath both ends of the bridge;
- 2) the upgrading of the R251 inner ring road between Lestane and Zeleznik, located in the south of Belgrade, with a total length of 29.4 kilometres.

EBRD and EIB involvement in the projects

From the early planning days, the Belgrade bypass project has been a focus of interest for European financial institutions. Thus, in the late 1980s and early 1990s it received a EUR 100 million loan from the European Investment Bank for the building of the "B" section of the bypass. Political disturbance brought the withdrawal of the banks from this project during the 1990s. However in recent years the project has again come into the sights of the government and the IFIs.

Initially the EBRD was approached by the Serbian government to potentially finance the rehabilitation of the Gazela Bridge, but this has changed lately to an 80 million loan for the Belgrade Highway and Bypass project comprised of:

- 1) the rehabilitation of parts of the E70 and E75 motorways which give access to the Gazela Bridge, but not the rehabilitation of the bridge itself, and;
- 2) funding part of the construction of section A of the Belgrade Bypass project, (although the EBRD PSD and EIA pages have not been updated to clarify this).

At the same time, the EIB has also been asked to finance both the Belgrade Bypass and Gazela Bridge rehabilitation projects.

The current status is that the EIB has recently approved the financing of the EUR 25 million Gazela Bridge rehabilitation project, which includes:

- i) the rehabilitation of the Gazela Bridge
- ii) the rehabilitation and upgrading of access roads with a total length of 29.3 kilometres; and
- iii) the reconstruction/upgrading of the R251 inner ring road.

The Serbian government foresees the need for investments from the IFIs for the "A" and "B" sections – urgently requiring an injection of EUR 260 million – and for the problematic "C" section, requiring approximately an additional EUR 200 million for the period after 2009, although the more detailed costs and dynamics of the works are not clear and are still being used for political promotion.

By slicing up this 'megaproject' into individual segments (deploying so-called 'salami tactics') both the Serbian government and the financing institutions are avoiding a proper EIA of the whole project, thus failing to address the overall costs and impacts, not to mention proper public consultation according to EU standards. For such a huge investment project, Serbian 2004 environmental laws and EU laws require the conducting of a Strategic Environmental Assessment before an EIA.

The EIA study (bypass) and the latest developments

The 'EIA study' for the Belgrade Bypass project was undertaken by Scott Wilson as the environmental part of the 'Feasibility Study for Belgrade City Road Bypass', financed by the European Agency for Reconstruction, and finalised in March 2005.

It was developed in order to approach the IFIs and is not part of the Serbian EIA legal requirements. This EIA study did not observe the principles of the new EIA law which was adopted by the Serbian government in 2002 and approved by the parliament in 2004.

Furthermore, the study assesses only the environmental impacts of Sections A & B and addresses the potential impacts of the two alternatives for Section C. The Gazela Bridge reconstruction is not included in the study at all.

In a response letter from the EIB, the EIB answered that the Gazela project neither falls under Annex I nor under Annex II of the EIA Directive, thus it does not require a full EIA.

Contrary to the EIB we believe that the project will have significant impacts on air-pollution and health in the area of reconstruction of the bridge and the access roads, and it will adversely affect the living conditions of the Roma community living under the bridge. We have subsequently requested the European Commission to review the EIB's decision (there was no response, and the EIB approved the project).

The EIA consultation and problematic issues associated with the bypass

The Scott Wilson study and the public consultation organised by Serbian Roads regarding the Belgrade Bypass and Highway project can not be considered as legitimate since the project sponsor has never published the full EIA, and has never organised a public hearing. The Serbian public has not been given the chance to look and read the document in the Serbian language.

The EIA authorities in the city of Belgrade are not being contacted by the project sponsor at all. The EIA authority for this project is the Environment Directorate at the Ministry of Science and Environment. They never announced any public information about this project.

The 'public consultations' cited in the Scott Wilson report were held over a non-finalised route and were insufficiently advertised in the media and other communication channels.

The public consultation processes and EIA documents in accordance with the new Serbian EIA law will be carried out for Section C at the detailed design stage. The EIA for Section A is currently being clarified, and environmental studies for Section B were undertaken and approved in the 1990s. The necessity for a proper EIA for all sections of the bypass is clear.

Environmental and social problems along the bypass route

Section A

The detailed plan for this section is still under development, including the exact route and a possible road/rail freight terminal. A commercial/industrial zone is planned, but it is unclear what types of industrial activities are envisioned. The interchange will affect a number of residential properties, so land ownership is an important issue along with the visual impact during construction. All existing buildings and structures within 40 metres of the section will be removed. For non-registered properties this means that no compensation is due if they are expropriated for government projects. For Section A the number of properties requiring demolition is approximately 45. An estimation of the non-direct loss for agricultural land is lacking.

Section B

Section B represents a critical strategic link where the E70 and E75 meet and join. The government of Serbia has finished the finance and works on three sectors of the “B” section of the Bypass. The remaining sectors will be constructed using a phased approach.

Section B includes forty new bridges to be constructed, and four tunnels. The water protection zone which supplies Belgrade with drinking water is situated within this section. The EIA lacks careful measures to protect this zone during the construction phase. The number of houses and other buildings belonging to poorer members of the community on the B section route are not officially registered. A full public consultation process should be in place to inform the inhabitants and to provide incentives for registration, in order to be eligible for compensation. Some 95 properties are being identified for demolition in this section.

Section C

Informal communication indicates that construction of Section C is unlikely to happen for at least ten years. This section is the most problematic one, and several route variants exist for further evaluation. For each variant there are planned 12 bridges plus a major new bridge over the Danube River, and two tunnels. The number of properties affected depends on the choice of the alternative, but it is approximately 70 in the sensitive Krcevine and Kremenje areas. In the Vinca area there are eight known archeological/cultural heritage site dating back to pre-historic times. There is no environmental assessment of the possible impacts on these sites. The transport of hazardous waste materials from and to Pancevo during and after construction also needs to be properly addressed.

The non-transparent Roma resettlement issue

Although the EBRD is not financing the Gazela bridge reconstruction, it is involved in the technical cooperation project to work with the Roma community and the authorities on a resettlement plan to international standards. This is because the EBRD originally considered financing of the Gazela Bridge rehabilitation.

The Gazela bridge reconstruction will lead to the resettlement of approximately 2000 Roma people. They live in poor conditions, their houses are built from carton, they live surrounded by rats, and they earn small amounts of money by gathering waste. Without due consideration of its impacts and mitigation measures, as well as an EIA procedure, the resettlement could result in massive social upheaval for both the resettled and host communities.

The EBRD, together with the City of Belgrade, are discussing the basic details of the resettlement action plan (RAP) with the affected families. However, this process is non-transparent and has clearly broken the IFC’s Operational Directive 4.30.

The population living under the bridge has been actively blocked from receiving exact information about the proposed sites and the host community. The failure of the previous resettlement plans several years ago is being used for ‘consultation behind closed doors’. The representatives of the Roma population are not satisfied with the process or with the information given. They do not know about decisions, and for which purpose the money allocated for them will be used and by whom. They do not know when, where and how they will be resettled.

There are organisations and political parties such as the “Roma Union”, a political party representing Roma in the Serbian Parliament, who are in favour of making the RAP process visible and transparent in order to avoid possible corruption and to ensure high standards. Dr. Rajko Djuric, the leader of “Roma Union”, has commented: “The secrecy of the process of the last resettlement plan was the reason for its failure”.

Recommendations

In this and other 'salami approach' projects, the EBRD with its environmental mandate should not:

- Disregard the problematic sections along the project, thus avoiding the full EIA (as with the Gazela bridge)
- Approve projects that are part of a larger overall project for which there is no proper EIA as per EU and local requirements.

Rather, in this case the EBRD should:

- Ensure that an SEA and a new EIA are carried out for the whole Belgrade Bypass project
- Ensure visibility, transparency and a public consultation through a new EIA of the Belgrade Bypass project, in line with Serbian EIA legislation
- Ensure proper consultation on Gazela and transparent resettlement for the Roma community.

For more information

Zvezdan Kalmar
CEKOR, Subotica, Korzo 15/13
Tel/fax: +381 24 523 191
Email: vodana@yahoo.com