

Progress Report as a Result of Fourth Joint Meeting

Radnevo Municipality Building, Bulgaria
11 May 2018, 9:30 – 13:30

Facilitators/mediators: Albena Komitova, Constantin-Adi Gavrila, Erica Bach

Context of the meeting

The holding of the Fourth Joint Meeting in the dialogue process between MME EAD (the Company) and the residents of Beli Bryag (the Community) was decided at the Third Joint Meeting among these Parties and the mediators, determined under EBRD's PCM.

During the Third Joint Meeting, the Parties agreed on the implementation of the following next steps:

- Community members:
 - Sharing the issues concerning the cemetery with the PCM in writing; Proposed valuation methodology;
 - Written proposal by 20 April, tentatively (legal basis, example terms of reference and annex) on the proposed valuation methodology;
 - Confirmation of the final document for publication from the First Joint Meeting;
 - Sharing comments on the progress report from the Second Joint Meeting;
 - Sharing comments on the progress report from the Third Joint Meeting;
- The Company:
 - Drafting and sharing feedback upon receipt of the Community's written proposal on the application of a different valuation methodology;
 - Confirmation of the final document for publication from the First Joint Meeting;
 - Sharing comments on the progress report from the Second Joint Meeting;
 - Sharing comments on the progress report from the Third Joint Meeting;
- The PCM:
 - Sharing questions about the cemetery, as per the Community instructions;
 - Sharing the Community's proposed valuation methodology with the Company, GP and the EBRD project team;
 - Providing the progress report on the First Joint Meeting for approval before publishing;
 - Summarizing the comments and finalizing the progress report on the Second Joint Meeting to be agreed by the Parties for its adoption at the Fourth Joint Meeting;
 - Preparing and providing the progress report on the Third Joint Meeting for comments and agreement by the Parties for its adoption at the Fourth Joint Meeting;
 - Convening a Fourth Joint Meeting on 11 May 2018 at the same place with a preliminarily announced agenda.

After coordination with the Parties, the PCM team held a meeting with the tenants of the village of Beli Bryag (previous owners of property in the village who have already sold it to the Company). The meeting was held on 09.05.2018 from 17:30 in the hall of the village of Beli Bryag.



Meeting with the tenants in the village of Beli Bryag

This meeting was attended by about 12-13 tenants, members of the Community. Present property owners also attended.

The main topic was the capability and willingness of tenants to take part in the dialogue process by actively participating in the discussion, adoption and implementation of the package of social measures envisaged in relation to resettlement. They were presented with the dialogue process and its various stages. An explanation was made to the tenants that they can make their requests

and suggestions for their needs to be met, by actively engaging in the negotiation process.

After a brief discussion, the tenants decided that they would like to join the negotiation process and have agreed to appoint a representative for this purpose – Mr. Danko Petrov.

Bilateral meetings were held with representatives of the Community, the Company, and the Mayor of Radnevo Municipality.

The meeting with Company representatives was also attended by EBRD representatives, Mrs. Debbie Cousins and Mr. Valentin Seider, as well as a representative of Green Partners – Mr. Ciprian Popovici.

The preparatory meetings with the parties were organized around the draft agenda for the Fourth Joint Meeting and included conversations about options for next steps and process efficiency.

After holding the individual meetings with the Community and the Company, the following Fourth Joint Meeting topics for discussion and agenda have been prepared and approved with the cooperation of the PCM:

1. Welcome and introductions;
2. Approval of the Progress Reports from the Second and Third Joint Meetings;
3. Review of the implementation of the commitments undertaken to date by the Parties/PCM;
4. Status of the RAP approval process; feedback from the Company and comments of the Community on the RAP;
5. Presentation of the needs and priorities of the Company;
6. Compensation valuation methodology proposed by the Community;
7. Discussion of the “social package” (including the relocation of the cemetery, if the Parties wish so); presentation by the Company; feedback from the Community;
8. Next steps.

On 11 May 2018, between 9:30 AM and 1:30 PM local time, members of the community in Beli Bryag, representatives of Za Zemiata Association, representatives of MME EAD, representatives of the EBRD, and a representative of Green Partners took part in the Fourth Joint Meeting on the resettlement of the village of Beli Bryag, held with the independent assistance of the PCM.

This Report summarizes the debates and the next steps discussed at this meeting.

The meeting was opened by the PCM mediation team.

Before moving on with the items in the agenda, employees of Radnevo Municipality – Mr. Deko Delev, Secretary of the Radnevo Municipality and Mrs. Mariyana Dikova, “Ritual Activity” Organizer – presented a plan for the relocation of the cemetery of the village of Beli Bryag. They explained the organization put in place for the relocation – its method and time line.

After the presentation of this plan, the participants in the meeting introduced themselves.

Approval of the Progress Reports from the Second and Third Joint Meetings

During the bilateral preparatory meetings with the Community and Company representatives under the PCM it was agreed that the reports be revised taking into account the comments made by the Parties and that a shorter version be drawn up.

The Parties agreed that the Progress Report as a Result of the First Joint Meeting be published on the PCM website.

Follow-up on the implementation of the commitments undertaken to date by the Parties under the PCM

All tasks agreed upon between the Parties have been successfully fulfilled.

Status of the RAP approval process; feedback from the Company and comments of the Community on the RAP;

A presentation was made by Company representatives, which is attached to the Report. The Company representatives informed the participants about having discussed all the notes and comments made by the Community representatives. They said separate meetings have been held between representatives of the Community and a representative of the Company, at which various proposals had been discussed. Some of them would be included in the RAP. Once all the additions and amendments were approved by the Company, the plan would be submitted and proposed for approval by the Board of Directors at the end of May.



Fourth Joint Meeting, also attended by EBRD and Green Partners representatives

Presentation of the needs and priorities of the Company

A Company representative laid out the main priorities of the company:

- Coal extraction;
- The activity complying fully to the Bulgarian legislation;
- The activity being in line with the PR5 (Performance Requirement 5) of EBRD's Environmental and Social Policy;

- RAP approval;
- Good relationship with community;
- Good reputation.

The company said it was inspected by the Bulgarian Energy Holding every month and that their entire activity was subject to control.

Company representatives said they had informed eight institutions about the resettlement process of Beli Bryag village.

The Community representatives suggested that the Minister of Energy or a representative be invited to attend the meetings and, after a brief discussion, MME EAD said they did not object to the invitation of the Minister or a representative.

Community representatives undertook to prepare a real example of property valuation to be presented for comparison and as an example.

Compensation valuation methodology proposed by the Community

Attorney-at-Law Regina Koleva gave two presentations:

- An opinion on the lack of a legal restriction in the choice of method for valuation of real estate properties purchased by MME EAD;
- Analysis of the valuation specificities in accordance with the EBRD's Resettlement Guidance and Good Practice;

After a discussion on the property valuation methodology and the possibilities to consider options for compensation, the Parties to the dialogue agreed to set up joint working groups between Company and Community representatives on the:

1. **Resettlement monitoring** joint working group, focusing on the monitoring of the implementation of the resettlement process of Beli Bryag;
2. **Community support** joint working group, focusing on the implementation of the social package and other community measures to support the resettlement process;
3. **Cemetery relocation** joint working group, focusing on the relocation of the cemetery.

Further discussion of the valuation methods, it being expected. The Community representatives would present a concrete example with a valuation of a particular property.

As a strategic approach to mediation, the meeting participants agreed that the working groups will be instrumental in implementing actions and achieving progress discussed in joint meetings by the representatives of the company and the community. Therefore, the working groups will receive mandate from the joint meeting members. Also, the results of the work of each of the groups would be presented to the residents of the village of Beli Bryag.

Discussion of the “social package” (including the relocation of the cemetery, if the Parties wish so); presentation by the Company; feedback from the Community

Due to the lack of time, the “social package” was not discussed in detail, but only the relocation of the cemetery, which is a separate process from the RAP.

The presentation given was in line with the clarifications made at the beginning of the meeting by the Radnevo Municipality employees.

The Parties to the dialogue agreed to set up a joint group to organize and track the entire relocation process.

Next steps

Next steps adopted by the participants in the meeting

- Community members will:
 - Propose members to be part of all three joint working groups;
 - Prepare a specific example with a valuation of a particular real estate property;
 - Prepare a proposal for an invitation to the Ministry of Energy for getting involved in the next joint meeting;
 - Share comments on the progress reports.

- The Company will:
 - Provide the revised RAP to the Community for information;
 - Submit a proposal for approval of the RAP to the Board of Directors of MME EAD;
 - Propose members to be part of all three joint working groups;
 - Observe the language in the communication to the Ministry of Energy before being sent by PCM;
 - Share comments on the progress reports.

- The PCM will:
 - Share the next steps with the Parties;
 - Share the presentations made at the meeting;
 - Summarize the comments and finalize the progress report on the Second and Third Joint Meetings to be agreed by the Parties;
 - Monitor the implementation of the commitments made by the Parties;
 - Send the invitation letter to the Ministry of Energy after coordination with the Parties;
 - Prepare and provide the progress report on the Fourth Joint Meeting for comments and agreement by the Parties for its adoption at the Fifth Joint Meeting.

Appendices

- “Opinion on the lack of a legal restriction in the choice of method for valuation of real estate properties purchased by MME EAD” Presentation;
- “Analysis of the valuation specificities in accordance with the EBRD's Resettlement Guidance and Good Practice Requirements” Presentation;
- Presentation by MME EAD

LIST OF PARTICIPANTS

1. **Slavina Slavova** – Community of Beli Bryag;
2. **Rumen Yovchev** – Community of Beli Bryag;
3. **Petar Ivanov Tenev** – Community of Beli Bryag;
4. **Yanko Yankov** – Community of Beli Bryag;
5. **Genady Kondarev** – Za Zemiata NGO;
6. **Zhelyazko Zhelyazkov** – Community of Beli Bryag;
7. **Zhivko Zhelyazkov** – Company;
8. **Anna Turlakova** – Company;
9. **Leonid Ganozliev** – Company;
10. **Stefan Zhelev** – Company;
11. **Daniela Zheleva** – Company;
12. **Krasimira Ilieva** – Company;
13. **Regina Koleva** – attorney-at-law, Za Zemiata;
14. **Albena Komitova** – PCM, Facilitator/Mediator;
15. **Konstantin-Adi Gavrila** – PCM, facilitator;
16. **Ciprian Popovici** – Green Partners;
17. **Desislava Stoyanova** – Za Zemiata;
18. **Evelin Petkov** – Community of Beli Bryag.
19. **Erica Bach** – PCM/EBRD
20. **Katina Siegel** – Company;
21. **Maria Dineva** – Company;
22. **Danko Petrov** – Tenant;
23. **Debbie Cousins** – EBRD;
24. **Valentin Seider** – EBRD.