

Center for Ecology and Sustainable Development has asked the Government to hold the meeting with the EBRD before the donor conference to assist Serbia to recover from the consequences of flooding.

At the meeting, the issues related to the debts and loans that the bank has approved to the Mining Basin would be discussed.

As it has been recalled in the statement of the Center, CEKOR has asked the EBRD to write off the debts of EPS, who had been invested in the mechanization of the Mining Basin "Kolubara".

"If it is impossible because of the politics or political opinion of EBRD", CEKOR has invited the EBRD to transform those assets into a fund for sustainable resettlement of Vreoci and other settlements that are under the influence of Kolubara's operations.

As stated, that money would ensure the timely preparation of the ground for the development of the other lignite fields, since Tamnava West Field is flooded now.

CEKOR points out that, after two weeks of waiting, he has received the response from the EBRD, which states that bank does not plan the proposed transformation of the loan into the fund and, at the same time, as it is stated in the announcement, "completely ignores the request of CEKOR to write off the debt related to the procurement of the mining mechanization for the Tamnava- West Field".

In the response, EBRD adds that, with other financial institutions, it will "continue to support EPS in the reconstruction and the establishment of the market environment and regulations that will help energy efficiency and low-carbon investments and operation in accordance with the EU environmental standards".

"With this response on the proposal of CEKOR, the EBRD shows no interest to demonstrate that they are aware of the responsibility for the situation emerged after the catastrophic floods by writing off the loan and that, unfortunately, they are not prepared to react with crucial steps in order for EPS to go towards the goals set by the EBRD in its response", the statement said. Clearly, as noted, EPS will not be able to return the loans from the results of the used equipment which was procured.

Also, it is clear, that EPS, based on this, will not make a profit which could be paid to the Republic of Serbia and that the loan must be pay out by the citizens of Serbia, or from taxes or through the increased electricity price, and that is how less money will remain for the reconstruction after the flooding and protection of public health, which was marred by digging and burning of the lignite, the statement added.

"So, there is one question remaining. Will the EBRD support Serbia or are they here only to make a good profit on loans? We think that it is necessary for Serbian Assembly to open the discussion on this occasion and make an appropriate conclusion to order the Government of Serbia to take into consideration the new situation with the EBRD and propose the solution to the Government which will be of public interest for the citizens of Serbia", it is said in the

statement and added that it was the right time to do that, when the preparation of the donor conference for Serbia is in progress, which will be held in Brussels on 16th July.

CEKOR points out that they had access to the assessment of the environmental impact on the Tamnava- West Field once, from which it can be seen that the risk of flooding from river Kladnica, which was relocated due to the development of the mine and its tributaries and the relocation of the river Kolubara was and had to be known. However, that risk was not studied and thoroughly presented to the Assembly of Serbia and bank partners at the time when the loans were approved and when the Assembly of Serbia gave a state guarantee.