SETTLEMENT AGREEMENT ON PETLOVO BRDO INTERCHANGE PROJECT

This agreement made on February 09, 2016 between:

1. PE "Roads of Serbia"

(hereafter referred to as "Roads of Serbia"),

and

2. NGO - Association of Citizens
Association "Green Settlement - Rooster's Hill"

(hereafter referred to as "Complainants"),

WITNESSES THE FOLLOWING:

Article 1

WHEREAS:

- a) Following the complaint, significant improvements were made in the design of the Project;
- All issues raised in the complaint were addressed in the new design of the project (Access roads, access to the settlement, technical solutions, preservation of the forest, safety issues, quality of life of residents, notably increase of pollution and disappearance of recreational area, impact on erosive land);
- c) There is still a need to use some of the forest area, but the number of trees to be cut is reduced from 1652 in the very original estimation, which was further adjusted to 904, to a final amount of 261 trees to be cut in the revised design;
- d) The total forest area to be used was reduced from 47% to 13% (0,78 ha instead of 2.8 ha);

- e) All questions asked during the consultation process were answered and made available to the public;
- f) Roads of Serbia has assessed all alternatives in co-operation with the competent authorities;
- g) There is an overriding public interest that the present mediation process is conducted in a transparent manner and the content of the settlement agreement is made publicly available.

IT IS HEREBY AGREED AS FOLLOWS:

Article 2

According to the new design (see Action Plan in Annex 1 and Report on Public Consultation in Annex 2), Roads of Serbia undertakes to:

- A) Save 87% of the park forest by avoiding construction of direct and indirect ramps within the park forest;
- Ensure service roads and safe traffic connections on Ibarska road, approaches to all private and commercial buildings along the Ibarska road;
- C) Fully compensate the trees cut;
- D) Build new playground area within the forest area;
- E) If and when a need to build the ramps in phase II of the project arises, the situation will be re-assessed and an agreement with all Project Affected Persons (PAP) will be sought regarding possible construction of the remaining part of the Project (one direct and one indirect ramp in the zone of Park-Forest "Borici") or another arrangement that may be feasible at the time. In case of no agreement with PAP regarding Project Phase II, Project will end as Phase I. (Page 4 and 5 of Public Consultation Report).
- F) Prepare a Stakeholders' engagement Plan and maintain close cooperation with the community during the next stages of the project.

Article 3

The complainants undertake to:

- Build an ongoing partnership with Roads of Serbia and actively and constructively engage in the implementation of the project
- Facilitate the information flow and the communication between all stakeholders engaged in the Project
- Participate in the monitoring of the project implementation in accordance with the agreement

Article 4

The Complainants hereby renounce any further claims against Roads of Serbia regarding the Petlovo Brdo Interchange Project, provided that the terms of this Agreement are complied with. Accordingly, on the basis of the amicable settlement of the dispute achieved by this Agreement, the Complainants withdraw and abandon the complaint submitted to the EIB Complaints Mechanism.

Article 5

The EIB will monitor the implementation of the actions hereby agreed in order to ensure effective implementation, except for the actions which do not fall under the loan agreements.

Article 6

The terms and conditions of this Agreement are publicly available on the following websites:

- Roads of Serbia
- Official blog of NGO "Green Settlement Rooster's Hill" http://zelenonaselje-petlovobrdo.blogspot.rs
- Register of EIB Complaints Mechanism

Article 7

This Agreement is made in four identical originals in English and Serbian, out of which, after being duly signed by the Parties, each Party shall take two copies. In the event of any contradiction between the English and Serbian versions of this Agreement, the English version shall prevail.

ON BEHALF OF THE

COMPLAINANTS

PE "Roads of Serbia",

f NGO Green Settlement Rooster's Hill

Annexes:

Annex 1 - Environmental and Social Action Plan for "Petlovo brdo" Interchange Project

http://www.putevi-srbije.rs/index.php/en/interchange-petlovo-brdo-action-plan

http://www.putevi-srbije.rs/images/pdf/2014-04-25 petlja petlovo brdo akcioni plan.pdf

Annex 2 - Report on Public Consultation

http://www.putevi-

srbije.rs/images/pdf/20151202 PPB Report on Public Consultations FINAL V.pdf