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Abstract: For decades, the Vinča landfill near Serbia's capital Belgrade was one of Europe's largest uncontrolled dumpsites, posing serious health and environmental risks. When a complex, Euro 400M public-private partnership (Belgrade Waste Management PPP Project) was launched to transform it, the Project hit a multi-dimensional crisis involving public stakeholders, private investors, international funders, civil society organizations, and marginalized local population. Formal compliance investigation (or even a possible court process) risked derailing this critical infrastructural Project and damaging investor confidence, so the parties turned to a consensual problem solving process – mediation.

Keywords: Public-Private-Partnership, Governance, Stakeholder Inclusivity, Multi-Party-Mediation, Power of Tailored Problem-Solving Approach, EBRD – IPAM Problem Solving process, Independent Project Accountability Mechanism (EBRD-IPAM)¹, Challenges, Achievements, Monitoring.

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Mediation in Serbia's Largest Environmental PPP Dispute

Reflective Lessons

1. Context and significance

The Belgrade Waste Management PPP¹ is Serbia's first major environmental public-private partnership and one of the largest infrastructure projects in the Western Balkans. Conceived to transform Belgrade's outdated waste management system, it addresses the remediation of the Vinča landfill, operational since 1977 and long regarded as one of Europe's largest uncontrolled dumpsites.

For over four decades, Vinča accumulated millions of tons of waste without adequate lining, leachate control, or gas collection. Spreading over 45 ha and reaching up to 100 meters in height, it was a site of frequent fires, methane emissions, and slope instability that endangered public health and nearby communities, while the site's proximity to the Danube heightened regional environmental risks.

The Project's ambition was transformative, to replace a long-standing environmental hazard with a sustainable, circular waste management system. Yet, the governance of such a partnership was inevitably complex. It involved overlapping responsibilities between the City

of Belgrade and other municipalities, private investors, contractors, and international financial institutions, all bound by distinct legal, financial, and social accountability frameworks.

This complexity extended into the social realm, where the Project affected the lives of some of Belgrade's most marginalized citizens, alleging that the Project caused physical and economic displacement, loss of income, inadequate resettlement and housing, and hindered access to education and social services.

2. The public-private framework

The PPP was structured as a 25-year Design-Build-Finance-Operate-Transfer (DBFOT) concession co-financed by the EBRD, International Finance Corporation (IFC), and other international funders. The implementing company, Beo Čista Energija d.o.o. (Beo Clean Energy), brought together global expertise and investment through a consortium including Itochu Corporation, the

1) <https://www.ebrd.com/home/work-with-us/projects/psd/46758.html>

Marguerite Fund II, and major waste management operators such as SUEZ and later Veolia.²

International engineering and environmental consultants, including Arup, were engaged to support Project design, remediation planning, and implementation oversight. The PPP's complexity extended beyond engineering, it demanded alignment between municipal authorities, concessionaires, and international financiers under strict environmental and social standards (EBRD's Performance Requirements and IFC's Performance Standards³).

This ambitious and technically demanding Project combined engineering, environmental, and social components and therefore required sophisticated coordination among public, private, and financial stakeholders.

3. The social reality: A human dimension to infrastructure

For decades, informal waste picking at Vinča was the only source of livelihood for many Roma families. Their work, though unregulated and unsafe, represented both survival and community identity. When the landfill rehabilitation began, these families faced not just physical displacement but the loss of their economic and social anchors.

The situation reflected a broader structural challenge in the region: The continuing marginalization of the Roma population, whose access to education, housing and formal employment remains precarious. Their concerns, about housing conditions, affordability of utilities, and the lack of livelihood opportunities, were legitimate, complex and deeply personal.

When the complaint reached IPAM in late 2020, it was clear that no single institutional actor could unilaterally resolve these issues. Their case emphasized a fundamental challenge in modern infrastructure governance – how to reconcile large-scale environmental improvements with the protection of those most affected by them.

4. Why was mediation not just appropriate, but necessary process

The dispute was multi-dimensional, involving:

- The City of Belgrade, responsible for resettlement and social policy, City of Sabac, and Municipality of Vladimirci;

- The private concessionaire, tasked with delivering technical works;
- 17 Roma families, to be resettled from the original Vinča landfill site; and
- A11 Initiative for Economic and Social Rights, and CEE Bankwatch, CSOs representing and advising Roma families in the process.

In addition to the above, the EBRD Project team and other international funders, responsible for the implementation of the PPP project, and ensuring compliance with international social and environmental standards, were engaged as stakeholders.

➤ **This mediation was not simply one of several available tools, it was the only process capable of bridging the gap between the formal structures of a PPP and the experience of those affected by it.**

Each formal actor operated under a different legal and institutional framework. In disputes of such complexity, where multiple layers of responsibility intersect and power imbalances are profound, adversarial or administrative procedures offer limited relief. They allocate blame but rarely produce solutions.

The risks of escalation were numerous. For the project, unresolved grievances could have triggered delays, contractual penalties, reputational harm, and even a formal compliance investigation, undermining investor confidence and the broader credibility of PPP initiatives in Serbia. For the affected families, the absence of acceptable solutions would have meant continued housing insecurity, unmanageable debt, and deepening social vulnerability, further eroding trust in public institutions. At a systemic level, a failure to demonstrate effective social risk management through dialogue could have discouraged other investors from entering PPP arrangements in socially sensitive sectors, limiting Serbia's capacity to attract sustainable finance.

Mediation, within IPAM's Problem Solving function, provided a voluntary, confidential, and interest-based platform for dialogue. It enabled the City of Belgrade and

2) <https://www.bcenergy.rs/belgrade-waste-management-ppp-project/ppp-project-delivery-structure/>

3) <https://www.ebrd.com/home/who-we-are/ebrd-values/ebrd-environmental-social-sustainability/reports-and-policies/performance-requirements.html>

<https://www.ifc.org/en/insights-reports/2012/ifc-performance-standards>

other local governments, the Project consortium, and the affected families to re-engage in conversation that had, until then, been fragmented or absent. Most importantly, it created an environment where all voices could be heard, especially those of families whose concerns were often drowned out by technical or bureaucratic priorities.

5. The design of the IPAM Problem Solving process⁴

The IPAM Problem Solving function is firmly grounded in the principles of mediation: voluntariness, inclusivity, good faith, and co-design. In the Vinča case, these principles were brought to life through a tailored and adaptive process design.

Rather than seeking a single, standardized solution, the IPAM team facilitated a series of parallel dialogues, each addressing a different set of circumstances and needs. This approach reflected the recognition that complex disputes demand differentiated pathways. What emerged was not a single negotiation, but a carefully tailored web of interdependent conversations, each one requiring its own balance of trust, timing, and sensitivity.

The process unfolded in three interlinked stages:

i. Preparation and trust-building (2021–2022): The IPAM team engaged each party in bilateral consultations to identify representatives, build trust, and establish jointly agreed Ground Rules. Given the social sensitivity, significant time was devoted to preparing the affected families, ensuring understanding of the process, and guaranteeing confidentiality.

ii. Dialogue and negotiation (2022): Over the next year, the IPAM team facilitated a combination of joint and bilateral meetings with the City of Belgrade and other two local governments, Beo Čista Energija d.o.o., and the 17 affected families. Recognising that each family, and each municipality, faced unique circumstances, from housing deficiencies to debts and income loss, multiple parallel negotiation tracks were established.

iii. Agreements and monitoring (2023–2025): The mediation culminated in 17 individual Problem-Solving Agreements, signed in July 2023. Each agreement addressed the specific needs of one household, covering permanent housing, utility debt resolution, access to social protection, and livelihood restoration. A formal Monitoring Plan was adopted, ensuring ongoing supervision by IPAM and regular reporting by the parties.

This design of the intervention was, in itself, a mark of innovation. It reflected an understanding that procedural fairness and relational repair cannot be mass-produced, they must be built, and individually tailored step by step, through authentic human engagement. Effectively, we conducted 17 different negotiations and achieved 17 tailored solutions. This family-by-family, and municipality-by-municipality design represented an extraordinary innovation: it combined the structure of institutional mediation with the personalisation of community-based dialogue.

6. The work and achievements of the IPAM team

Behind this process stood a dedicated IPAM team that combined institutional discipline with human empathy. Their work was as much about creating structure as it was about creating safety that allowed both institutions and individuals to speak truthfully and listen openly.

Throughout the two-year process, the IPAM team:

- **Rebuilt dialogue** where communication had previously collapsed;
- **Maintained inclusivity** by ensuring that every affected person could participate meaningfully, regardless of social or cultural barriers;
- **Bridged institutional divides** between international financiers, municipal authorities, and private partners;
- **Sustained momentum** through political changes, pandemic restrictions, and shifting operational realities; and
- **Created replicable tools** for future accountability cases, such as co-designed Ground Rules, joint monitoring plans, and culturally sensitive mediation protocols.

The IPAM team's facilitation model combined procedural clarity with creativity.

» **It was mediation in its purest sense: guided but not imposed, structured yet adaptable.**

The result was not only a series of negotiated agreements, but a restoration of confidence in institutional accountability and the credibility of mediation as a tool for development governance.

4) <https://www.ebrd.com/home/what-we-do/projects/independent-project-accountability-mechanism/case-registry/belgrade-solid-waste-ppp-request-2.html>

7. Challenges

The process unfolded against a backdrop of shifting institutional and political landscapes. Elections in Belgrade changed leadership; the pandemic disrupted planned meetings; administrative turnover tested continuity. At times, even the act of bringing the right people to the same table was negotiation in itself.

Yet, it was precisely these challenges that underscored the importance of process resilience, the ability of mediation to adapt without losing integrity. The success of the IPAM team lay in its persistence: in maintaining continuity, ensuring communication, and keeping all parties engaged even when external circumstances shifted.

8. Outcomes and impact

By the summer of 2023, the process culminated in a set of Problem-Solving Agreements that addressed housing, utilities, social protection, and livelihood restoration for all affected families. But beyond these tangible results, the process delivered something far more valuable: a renewed sense of dignity, recognition, and connection. The agreements created clear, implementable commitments. The subsequent monitoring framework ensured accountability and transparency.

Key lessons:

i. Mediation bridges systemic divides. Complex PPPs require platforms that integrate legal, technical, and human dimensions. Mediation is uniquely positioned to do so.

ii. Inclusivity determines legitimacy. The meaningful participation of Roma families facilitated by IPAM's design, was not symbolic, it was the foundation of durable outcomes.

iii. Co-design sustains commitment. Jointly developed rules and agendas fostered ownership and commitment to ensure implementation and sustainability.

iv. Tailored solutions build trust. By concluding 17 separate agreements, among three municipalities, the process respected each family's autonomy and reality of the local context.

v. Institutional mechanisms matter. IPAM's credibility, neutrality and procedural safeguards made the process possible. Mediation thrives when embedded within accountable institutions.

vi. Dialogue restores both rights and dignity. The most profound result was not only improved living but the re-humanisation of relations between institutions and communities.

9. Broader reflections

The Vinča problem-solving experience illustrates a powerful truth: that mediation is not only about resolving disputes, but also about rebuilding relationships within systems that have lost their capacity to listen.

» In development contexts, where public purpose meets private investment and community life, mediation offers a bridge between worlds that rarely meet as equals.

Active participation and openness demonstrated by Beo Čista Energija d.o.o. throughout the Problem-Solving process were instrumental to its success. From the outset, the company recognised the value of dialogue and engaged constructively, even when discussions required flexibility beyond its immediate contractual obligations. Its representatives showed a consistent willingness to listen, to understand the concerns of affected families, and to explore practical, good-faith solutions that balanced social needs with operational realities. This attitude not only helped restore trust between the company and the community but also set an important example of corporate responsibility in complex public-private partnerships, showing that sustainable development depends as much on empathy and responsiveness as on technical excellence.

Constructive engagement of the three local governments, the City of Belgrade, City of Šabac and Vladimirci Municipality, played a vital role in translating the mediated commitments into tangible results on the ground. Their readiness to cooperate across jurisdictions, adapt administrative procedures, and prioritise the well-being of affected families demonstrated a commendable commitment to partnership and public service. By embracing dialogue and collaboration, these municipalities helped ensure that the outcomes of the mediation were not only agreed upon but effectively realised within their communities.

A11 Initiative for Economic and Social Rights and CEE Bankwatch, supporting the displaced households, were instrumental in preparing and submitting the initial Request to IPAM. Throughout the process they provided continuous legal, technical and social support to the

17 project-affected families, ensuring their voices were heard, their rights protected, and the final Problem-Solving Agreement delivered sustainable and fair livelihood restoration solutions.

What the IPAM team achieved in Serbia goes beyond the closure of a dispute. It demonstrated how institutional mediation can restore balance between development imperatives and human rights, between efficiency and empathy. It showed that progress, when built on dialogue, can be both sustainable and humane.

10. Conclusion

It (Belgrade Waste Management PPP – Problem Solving Initiative) stands as a case study in what 21st-century mediation can achieve when it is principled, adaptive, and grounded in respect for human experience.

It reminds us that process design matters, but what matters more is how mediators, institutions, and parties together create the conditions for understanding and change.

Through this mediation, IPAM not only resolved a complex PPP dispute but also redefined what accountability can mean in practice: **not blame, but balance; not verdicts, but solutions; not silence, but dialogue.**



Kontakt

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Mediation in komplexen öffentlich-privaten Partnerschaften: Das Fallbeispiel der Mülldeponie Vinča in Serbien

Kontext und Ausgangslage

Die Mülldeponie Vinča nahe Belgrad galt über Jahrzehnte als eine der größten unkontrollierten Depo-nien Europas. Auf 45 Hektar hatten sich seit 1977 Millionen Tonnen Abfall ohne Abdichtung, Sicker-wasserreinigung oder Gasfassung angesammelt – ein dauerhaftes Gesundheits- und Umweltrisiko für die umliegenden Gemeinden und, aufgrund der Nähe zur Donau, für die gesamte Region. Regelmäßige Brände, Methanemissionen und Erosionen prägten das Bild dieser ökologischen Altlast.

Zur Sanierung und Transformation in ein modernes Abfallwirtschaftssystem wurde Serbiens erstes großes Umwelt-PPP ins Leben gerufen: ein 25-jähriger Design-Build-Finance-Operate-Transfer (DBFOT) Konzessionsvertrag in Höhe von 400 Millionen Euro,

kofinanziert durch die Europäische Bank für Wieder-aufbau und Entwicklung (EBRD), die International Fi-nance Corporation (IFC) sowie weitere internationale Geldgeber. Die Projektgesellschaft Beo Čista Ener-gija d.o.o. (BCE) vereinte ein internationales Konsor-tium, bestehend aus der Itochu Corporation, dem Marguerite Fund II sowie den Entsorgungsunterneh-men SUEZ und Veolia. Neben nationalem Recht wa-ren die strengen Umwelt- und Sozialstandards der Geldgeber – insbesondere die EBRD Performance Requirements und die IFC Performance Standards - verbindlich einzuhalten.

Die soziale Sprengkraft des Projekts lag in seiner unmittelbaren Wirkung auf eine der am stärksten marginalisierten Bevölkerungsgruppen Belgrads. Für zahlreiche Roma-Familien war das informelle

Wertstoffsammeln auf der Deponie seit Generationen die einzige Existenzgrundlage. Mit Beginn der Sanierungsarbeiten drohten ihnen physische Vertreibung, Einkommensverlust, unzureichende Umsiedlung und der Verlust des Zugangs zu Bildung und sozialen Diensten. Ende 2020 reichten die Betroffenen - unterstützt von den NGOs A11-Initiative für wirtschaftliche und soziale Rechte sowie CEE Bankwatch - eine formelle Beschwerde beim unabhängigen Rechenschaftsmechanismus der EBRD-IPAM (Independent Project Accountability Mechanism) ein.

Warum Mediation die einzig adäquate Antwort war

Der Konflikt betraf fünf recht unterschiedliche Interessengruppen: die öffentliche Hand in Gestalt der Stadt Belgrad sowie der Kommunen Šabac und Vladimirci, den privaten Konzessionär BCE, 17 direkt betroffene Roma-Familien, die Vertreter der zivilgesellschaftlichen Organisationen sowie das EBRD-Projektteam als Hüter der internationalen Sozialstandards. Jede dieser Parteien agierte in einem eigenen rechtlichen, institutionellen und kulturellen Bezugsrahmen – eine Konstellation, in der klassische Verfahren rasch an ihre Grenzen stoßen.

Formale Compliance-Untersuchungen oder gerichtliche Auseinandersetzungen hätten das Projekt verzögert, Vertragsstrafen ausgelöst und das Investorenvertrauen beschädigt, ohne den betroffenen Familien praxistaugliche Lösungen zu bringen. Gegnerische Verfahren klären die Zurechnung und den Verschuldensgrad, schaffen aber selten zukunftsgerichtete Lösungen. Für die Familien hätte das Ausbleiben einer Einigung dauerhafte Wohnungsnot und existenzbedrohende Verschuldung bedeutet; auf systemischer Ebene hätte ein Scheitern des sozialen Risikomanagements künftige Investitionen in sozial sensiblen Sektoren des Westbalkans blockiert.

Die Mediation im Rahmen der IPAM-Problembehandlungsfunktion bot demgegenüber eine vertrauliche, selbstbestimmte und interessenbasierte Plattform, auf der alle Stimmen gehört werden konnten – insbesondere jene der Familien, deren Anliegen im bürokratischen Rauschen des Großprojekts zu

verschwinden drohten. Sie ermöglichte es den Parteien, einen Dialog wiederaufzunehmen, der zuvor entweder völlig abgebrochen oder nur fragmentiert geführt worden war.

Prozessdesign und Verlauf

Das IPAM-Verfahren basierte auf den Grundsätzen der Mediation – Freiwilligkeit, Allparteilichkeit, Inklusivität, Vertraulichkeit und Co-Design - und gliederte sich in drei ineinandergreifende Phasen. In der Vorbereitungsphase (2021–2022) führte das IPAM-Team bilaterale Sondierungsgespräche mit allen Parteien, klärte die Vertretungsstrukturen und vereinbarte gemeinsame Spielregeln (Ground Rules). Besonderes Augenmerk galt der behutsamen Vorbereitung der betroffenen Familien auf das Verfahren und der Schaffung eines geschützten Raums für den Dialog.

In der Verhandlungsphase (2022) moderierte das IPAM-Team eine Vielzahl bilateraler und gemeinsamer Treffen. Da jede Familie und jede Kommune mit spezifischen Problemen konfrontiert war – von Baumängeln in Ersatzunterkünften über horrenden Energieschulden bis zum vollständigen Einkommensverlust – wurden mehrere parallele Verhandlungsstränge aufgesetzt. Im Juli 2023 wurden schließlich 17 individuelle Vereinbarungen unterzeichnet, je eine pro Haushalt. Sie regelten dauerhaften Wohnraum, Schuldenbereinigung, Zugang zu Sozialhilfeleistungen und Maßnahmen zur Existenzsicherung; ein formeller Monitoring-Plan sichert die Umsetzungsüberwachung durch IPAM bis 2026.

Diese Architektur war methodisch bemerkenswert: Sie verband die Struktur institutioneller Mediation mit der Personalisierung gemeindenaher Konfliktvermittlung. Faktisch wurden 17 eigenständige Verhandlungen geführt und 17 maßgeschneiderte Lösungen erzielt – ein Beleg dafür, dass verfahrensrechtliche Gerechtigkeit in Großprojekten nicht standardisiert werden kann, sondern individuelle Beziehungsarbeit erfordert. Das Verfahren bewährte sich auch unter widrigen Bedingungen: politische Umbrüche durch Kommunalwahlen, pandemiebedingter Ausfall persönlicher Treffen und häufige Personalwechsel in den Behörden wurden durch Prozessresilienz und die Beharrlichkeit des IPAM-Teams überwunden.

Ergebnisse und Lehren für die Mediationspraxis

Die erzielten Vereinbarungen schufen nicht nur materielle Verbesserungen, sondern stellten etwas Grundlegenderes wieder her: Würde, gesellschaftliche Anerkennung und Vertrauen in öffentliche Institutionen. Wesentlichen Anteil am Erfolg hatte die konstruktive Haltung aller Beteiligten. BCE zeigte eine Flexibilität weit über die vertraglichen Mindestpflichten hinaus; die drei Kommunen demonstrierten durch ihre jurisdiktionsübergreifende Zusammenarbeit ein modernes Verständnis von bürgernaher Verwaltung.

Aus dem Fall Vinča lassen sich mehrere grundsätzliche Lehren für die Mediationspraxis ziehen. Mediation überbrückt systemische Gräben zwischen Recht, Technik und menschlicher Realität auf eine Weise, die kontradiktorische Verfahren strukturell nicht leisten können. Inklusivität ist dabei keine Formalität, sondern die Grundlage dauerhafter Lösungen – nur wer sich als Gestalter seiner eigenen selbstbestimmten Lösung erlebt, trägt diese auch langfristig mit. Co-Design erzeugt Eigenverantwortung und sichert die Umsetzung. Maßgeschneiderte Einzellösungen

sind Pauschalregelungen überlegen, weil sie die Autonomie der Betroffenen und die Realität des lokalen Kontexts respektieren. Institutionelle Verankerung – hier durch den IPAM-Rahmen – schafft die nötige Neutralität und Glaubwürdigkeit. Und schließlich, Dialog rehabilitiert nicht nur Rechte, sondern auch die Würde der Betroffenen.

Das Fallbeispiel Vinča zeigt, dass Mediation im 21. Jahrhundert weit mehr als Streitbeilegung leistet. Sie ist ein Instrument zur Wiederherstellung von Beziehungen in Systemen, die verlernt haben, einander zuzuhören – und damit eine unverzichtbare Kompetenz in der Governance komplexer Infrastrukturprojekte.

Zusammengefasst und übersetzt durch: Jean-Christophe Barth, IMI-Certified Mediator, akkreditiert bei FSM, Deutsch-Französische Auslandshandelskammer und CCAMI, Weinstein JAMS Foundation International Fellow, Executive Director von WAPPP.net und Inhaber von hasesolutions.com aus Genf.