

Corridor Vc motorway, Bosnia-Herzegovina



CEE Bankwatch Network's mission is to prevent the environmentally and socially harmful impacts of international development finance, and to promote alternative solutions and public participation

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Summary

In 2008 the EBRD signed a loan for EUR 180 million for several sections of the planned 330 km long Corridor Vc motorway in Bosnia-Herzegovina. Communities living along the route are concerned about the expected negative effects on or even the destruction of valuable arable land. Furthermore another problem lies in the motorway's routing through or nearby tentative UNESCO World Heritage sites, two planned national parks and other ecologically valuable terrain.

Although not all these issues fall within the sections to be financed by the EBRD, both the EBRD and the EIB (as another potential sponsor) should nevertheless take responsibility for a socially and environmentally acceptable conduct of the project as a whole.

Background

The Bosnian section of the Corridor Vc is planned to be 330 kilometres long, running from Svilaj on Bosnia-Herzegovina's northern border with Croatia to the southern border with Croatia near Ljubuski. The route falls mostly within the Federation of Bosnia-Herzegovina Entity, with only a short section in Republika Srpska. The motorway is divided into four Lots, running north to south:

LOT 1: Section Svilaj (Northern Border with Croatia) - Dobož South

LOT 2: Section Dobož South - Sarajevo South (Tarčin)

LOT 3: Sarajevo South (Tarčin) - Mostar North,

LOT 4: Mostar North - Southern Border with Croatia.

In 2008 the EBRD signed a loan for EUR 180 million for¹:

- the Kakanj to Drivusa section (15.2 km) (north of Sarajevo)
- the Vlakovo to Tarčin section (18.9 km) (just west of Sarajevo)
- the Pocitelj to Southern Border with Croatia (21.4 km)
- the Odzak to Northern Border with Croatia (10.9 km)



The EIB is co-financing the Kakanj-Drivusa section with a loan of EUR 75 million (approved December 2008)² and is also considering EUR 120 million of financing for the Vlakovo to Tarčin section³, but has not yet approved the

¹ <http://www.ebrd.com/projects/psd/psd2008/38716.htm>

project. It has also stated that it is considering the other two sections that the EBRD is financing,⁴ but these have not yet officially appeared in its project pipeline.

Problem issues along the route

The environmental impact assessments (EIAs) have already been carried out, however there are a number of unresolved questions on certain sections in Lots 3 and 4, south west of Sarajevo. Much of **Lot 3** (after the Vlakovo-Tarcin section) goes through highly mountainous and ecologically valuable terrain, including a section in the **planned Prenj-Cvrtnica-Cabulja National Park**. Much of the route would involve tunnels and viaducts, no matter which variant is used. Although 'Variant 3' was chosen, it is still not fully clear whether this will be the final choice. Local NGO Zelena Neretva is suggesting the construction of an expressway rather than a motorway, as close to the existing road route as possible, and it is also likely that the freight traffic on this road could be reduced by improvements on the existing Sarajevo-Ploce railway line and incentives for its use.

Blagaj, near Mostar, is on UNESCO's tentative World Heritage Site list⁵ for its variety of Ottoman-era religious and secular architecture. It also possesses the source of the River Buna, which flows from a cave at the foot of a large cliff. The planned route is supposed to cross the large agricultural valley surrounding Blagaj on a viaduct. However, local people and the local authorities do not accept this routing as they state that this would still result in pollution and the destruction of valuable arable land. In the Herzegovina region arable land is scarce, with a great deal of the countryside formed of harsh karst areas. According to the EIA the motorway should be 1.7 km away from the tentative World Heritage Site but it is likely that there will be severe visual impacts.

The local NGOs and authorities propose that instead of going across the valley, the motorway should run along the karst plateau above Blagaj. It is not clear whether this was considered by the consultants. The non-technical summary of the EIA states that 13 variants were considered in the multi-criterial analysis and three in the conceptual design, however it is still not known which these were.

Pocitelj, south of Mostar, is also on UNESCO's tentative World Heritage Site list⁶ for its variety of Ottoman-era architecture. For many years it has also been an art colony. A bridge is planned near Pocitelj, which is not in the protected zone but concerns exist about its visual impacts on the old town. This was discussed during the public hearings but is still not resolved. The section Pocitelj - Croatian border is to be financed by the EBRD and possibly the EIB, so there is a particular responsibility of the IFIs to ensure that this valuable cultural site is not harmed by the motorway construction.

The Kravica Waterfalls, on the Trebizat River near Ljubuski, are only 500 metres from the planned route of the motorway. A plan to declare the waterfalls a Nature Park is under preparation. The EIA states only that: "*Of the protected areas which are in the proximity of the route and on which the motorway may have a negative impact, notable is the Kravica Waterfall with a distance of only around 500m from the route. Taking into account the proximity of the motorway and the permeability of the karst terrain and sensitivity of the travertine barriers ecosystem, it is necessary to take into account safety measures for its protection in case of accidents.*" (Lot 4 EIA, p.129)

This appears too vague to ensure adequate protection, and it would be helpful to know if additional measures have been identified and whether there will also be visual impacts on the waterfalls.

² <http://www.bei.europa.eu/projects/loans/2007/20070168.htm>

³ <http://www.eib.org/projects/pipeline/2008/20080045.htm>

⁴ <http://www.bei.europa.eu/projects/press/2008/2008-157-eib-supports-motorway-construction-in-bosnia-and-herzegovina.htm>

⁵ <http://whc.unesco.org/en/tentativelists/5280/>

⁶ <http://whc.unesco.org/en/tentativelists/5092/>

Resettlement Action Plan

The *Federalna direkcija za izgradnju, upravljanje i održavanje autocesta* has prepared a General Action Plan and Resettlement Action Plan and is responsible for carrying out the expropriation. However local government officials in Mostar and NGOs in Blagaj claim that they have not been consulted about the plan at all.

Public-private partnership

The EBRD has indicated that a public-private partnership arrangement may be used for constructing part of the motorway. Given the mixed experiences with such contracts in other countries, not to mention Bosnia-Herzegovina's high levels of corruption combined with low regulatory capacity, this is a cause for concern.

Conclusions

Of the problematic areas, Pocitelj and the Kravice waterfalls are within the Pocitelj-southern border section financed by the EBRD and potentially the EIB. However, as project sponsors should take responsibility for the conduct of the whole project and not just the sections they are financing, we expect the IFIs to be active in ensuring that the resolution of the remaining questions about the route are carried out in a participatory way, ensuring the maximum protection of both people and natural areas.

Remaining questions

- What is the EBRD doing to ensure that the planned Prenj-Cvrsnica-Cabulja National Park will not be damaged by the motorway?
- What is the EBRD doing to ensure that an environmentally acceptable solution, agreeable to local people, will be found for the Blagaj, Pocitelj and Kravice Waterfalls areas?
- What environmental conditions has the EBRD set out in the loan agreement signed so far?
- What consultations with affected people have taken place on the Resettlement Action Plan?
- Which sections of the motorway are likely to be built through public-private partnerships? Has the long-term budget burden and affordability of this for the Bosnia-Herzegovina state been assessed?

For more information

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