

Connecting or Dividing?

The South Mostar section of Corridor Vc in Bosnia and Herzegovina



Corridor Vc, Bosnia and Herzegovina

Corridor Vc Background

The route of the pan-European Corridor Vc runs more than 325 kilometres through Bosnia and Herzegovina (BiH), connecting the Adriatic port of Ploče in Croatia with Budapest in Hungary. As of 31 December 2020, 155 kilometres of the BiH section have been built or were under construction¹.

In the last 12 years, the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD) have signed loans totalling EUR 1.7 billion for

¹ Western Balkans Investment Framework (WBIF), 3 August 2020, Another EU-Grant for BiH signed, <https://www.wbif.eu/news-details/another-eu-grant-corridor-vc-bosnia-and-herzegovina-signed>.

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

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twelve projects (see Table 1 below). The European Union has provided technical cooperation grants² amounting to EUR 214 million for Corridor Vc through the Western Balkans Investment Framework (WBIF). In total, two billion Euros have been invested by the EU, EIB and EBRD in Corridor Vc in Bosnia and Herzegovina³.

CEE Bankwatch Network has monitored the project since 2009⁴, when communities and civil society requested rerouting of the proposed motorway sections around Blagaj and Počitelj. The alternative routes approved in 2011 were acceptable to local communities; however, another change of routes in 2015 has raised new concerns among local people and independent experts.

South Mostar – Tunnel Kvanj route of Corridor Vc

This report concerns the route of the section of Corridor Vc between the South Mostar Interchange and Tunnel Kvanj in the Federation of Bosnia and Herzegovina (FBiH). This section

is to receive a EUR 60 million loan by the EBRD as Tranche 2 of the Corridor Vc – Part 3 project⁵. Tranche 2 of the loan has not yet been signed, as *‘the availability of Tranche 2 will be at the EBRD’s sole discretion and will be subject to compliance with the Bank’s Environmental and Social Policy.’*

The Tunnel Kvanj project is at a more advanced stage of implementation, so it may predetermine the route of the Corridor Vc South Mostar section. Tunnel Kvanj is financed by the EIB as part of the Corridor Vc Mostar South project⁶. Therefore, both banks are concerned with the routing of this part of the Corridor Vc.

At the beginning of 2020, Bankwatch was contacted by representatives of affected local communities whose concerns have fallen on the Corridor Vc financiers’ deaf ears. In 2017, these people submitted formal complaints to the EIB’s and EBRD’s accountability mechanisms⁷. The EBRD’s mechanism did not register the 2017 complaint, while the EIB’s Complaint Mechanism did not properly examine the issues raised in the complaint. Therefore, the people filed new complaints, which are currently being investigated by the complaint mechanisms.

² WBIF, Mediterranean Corridor: Construction of Road Corridor Vc in Bosnia and Herzegovina (PRJ-BIH-TRA-002), <https://wbif.eu/project/PRJ-BIH-TRA-002>.

³ And additional EUR 400 million for connecting Republika Srpska to the Corridor Vc through the EIB and EBRD projects for the Banja Luka – Doboј Motorway, also included in Table 1.

⁴ CEE Bankwatch Network, 2 February 2010, Report from fact-finding mission on Corridor Vc Motorway, Bosnia and Herzegovina, <https://bankwatch.org/publication/report-from-fact-finding-mission-on-corridor-vc-motorway-bosnia-and-herzegovina-23-25-february-2010>.

⁵ EBRD PSD, 2 August 2017, Corridor Vc in FBH – Part 3 (49058), <https://www.ebrd.com/work-with-us/projects/psd/corridor-vc-in-fbh-part-3.html>; Tranche 1 ESIA disclosure, 21 July 2017, <https://www.ebrd.com/work-with-us/projects/esia/corridor-vc-in-fbh-part-3.html>.

⁶ EIB, 19 April 2017, Corridor Vc Mostar South (20150773), <https://www.eib.org/en/projects/pipelines/all/20150773>.

⁷ EIB Complaint Mechanism, 2017 closed complaint: <https://www.eib.org/en/about/accountability/complaints/cases/sg-e-2017-15-corridor-vc-mostar-south>; 2020 new complaint to EIB CM: <https://www.eib.org/en/about/accountability/complaints/cases/corridor-vc-mostar-south-sg-e-2020-01>; EBRD Independent Project Accountability Mechanism 2020/06 complaint on Corridor Vc in FBiH - Part 3 project: <https://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism/ipam-register.html>.

Report purpose and methodology

The purpose of this report is to provide additional analysis and recommendations regarding the routing and assessment of the South Mostar sections of Corridor Vc. These recommendations echo the concerns and arguments of local people to a large extent and are complemented by Bankwatch's additional analysis. They will hopefully inform the decisions of the EBRD, EIB, EU and FBiH decision makers on how to proceed with the project.

The report is based on desk research that included:

- analysis of available project summaries by the EIB, EBRD and WBIF and public statements and videos by international financiers, BiH authorities and project promoters;
- analysis of the newest Environmental and Social Impact Assessment (ESIA) from 2020 on Tranche 2 of the EBRD's Corridor Vc in FBiH - Part 3 project;
- analysis of the documentation on the complaints made by South Mostar communities to the EIB's and EBRD's accountability mechanisms;
- review of multi-criteria analyses for the selection of Corridor Vc routes south of Mostar.

To supplement the desk research with additional information and to hear more voices from local communities and local stakeholders, a Bankwatch team conducted a fact-finding mission (FFM) to the Mostar area in the week of 26-31 October 2020. The FFM team met:

- 40 local people from the villages Malo Polje, Carski Vinograd, Ortiješ and Kosor;
- 8 representatives of local CSOs and associations in Mostar, including lawyers, architects, and biodiversity and cultural heritage experts;
- 2 journalists;
- representatives of JP Autoceste in Sarajevo.

Executive summary

In the early 2000s, the Corridor Vc route south of Mostar was planned to run through the Neretva valley, but due to strong local opposition, in 2011 this was changed to a route on the nearby plateau. In 2015 and 2016, yet another decision was made to return the route down into the valley again, on a somewhat different alignment. The report finds very weak justification for this second, unexplained change, which has the highway run through villages and fertile agricultural land in the valley, as well as twice crossing extremely valuable river ecosystems.

Importantly, the selection of the valley route, vis-à-vis the available ridge route, was taken without due consideration of the questions and objections voiced by people in local communities and by independent experts. The multi-criterial analyses of route variants were not available to the public at the time of the ESIA consultation, including to affected communities and property owners in the South Mostar villages.

An alternative route does exist that will not impact the settlements and the scarce agricultural land in the valley. People have asked repeatedly why the motorway should go down into the valley only to have to go back up on the ridge. These questions have not been answered properly by the project promoters, as the detailed analyses were kept secret until recently and the ESIA documentation lacks a comprehensive and clear explanation.

Many interested people were denied access to the ESIA consultations in September 2020, due to COVID-19 restrictions. Project promoters made no attempts to publicly live-stream the ESIA consultation meeting in Mostar's City Hall or to provide other opportunities for online consultations.

In particular, the impacts of the route on the property and livelihoods of Serb war returnees, who have rebuilt their lives in the South Mostar area in the last two decades, have not been given due regard. This has resulted in concerns about divisive and politicised decisions that go against the peacebuilding efforts and against the Dayton Peace Agreement.

Unfortunately, it appears that European financiers may be complicit in the failure of FBiH decision-makers to maintain the fragile balance of interests of different ethnic groups in this post-war community. For example, ethnic minorities should be treated as vulnerable groups that require additional safeguards and consultations, according to the EBRD's safeguards policy; however, the 2020 ESIA fails to provide either detailed analysis or adequate mitigation measures.

Moreover, affected landowners alleged that JP Autoceste employees have trespassed on their land, setting up markers for the motorway routing without even consulting them.

In spite of the formal complaints made to the EIB's and EBRD's accountability mechanisms and EBRD staff's presence at the September 2020 consultation in Mostar, the financiers did not ensure the meaningful participation of impacted and interested stakeholders in the ESIA consultation and decision-making. The failure to conduct transparent and inclusive consultation on the ESIA only increased the sense of injustice among impacted communities and narrowed the prospects for a successful resolution of their grievances.

Furthermore, in an assessment published on 6 January 2021 by the EBRD Accountability Mechanism, both the EBRD and its client commented that the route selection was a done deal and the ESIA consultations or problem-solving facilitated by the mechanism would be unlikely to reverse a decision made by the Federation's parliament – a clear indication that the consultation process was not meaningful and did not take place when all options were open, as required by the Aarhus Convention.

In addition to the unchecked social, economic and cultural impacts, there are concerns about the impact of the selected valley route on biodiversity. The ESIA and critical habitat assessment suffer from numerous inadequacies, including lack of fieldwork, outdated fish data, lack of analysis whether the project meets the critical habitats conditions of the EBRD's Environmental and Social Policy, a flawed approach to applying the EU's Habitats Directive, lack of information about gravel extraction, and unrealistic mitigation measures.

In conclusion, the section from Mostar to Tunnel Kvanj needs to be rerouted to the ridge alternative, in view of the avoidable adverse impacts of the valley route. The EBRD, EIB and the European Union need to ensure that Corridor Vc does not marginalise vulnerable groups by dividing post-war communities, as it strives to connect Bosnia and Herzegovina to the EU.

Graph 1. Diagram of proposed road sections and EIA/ESIAs covering those sections

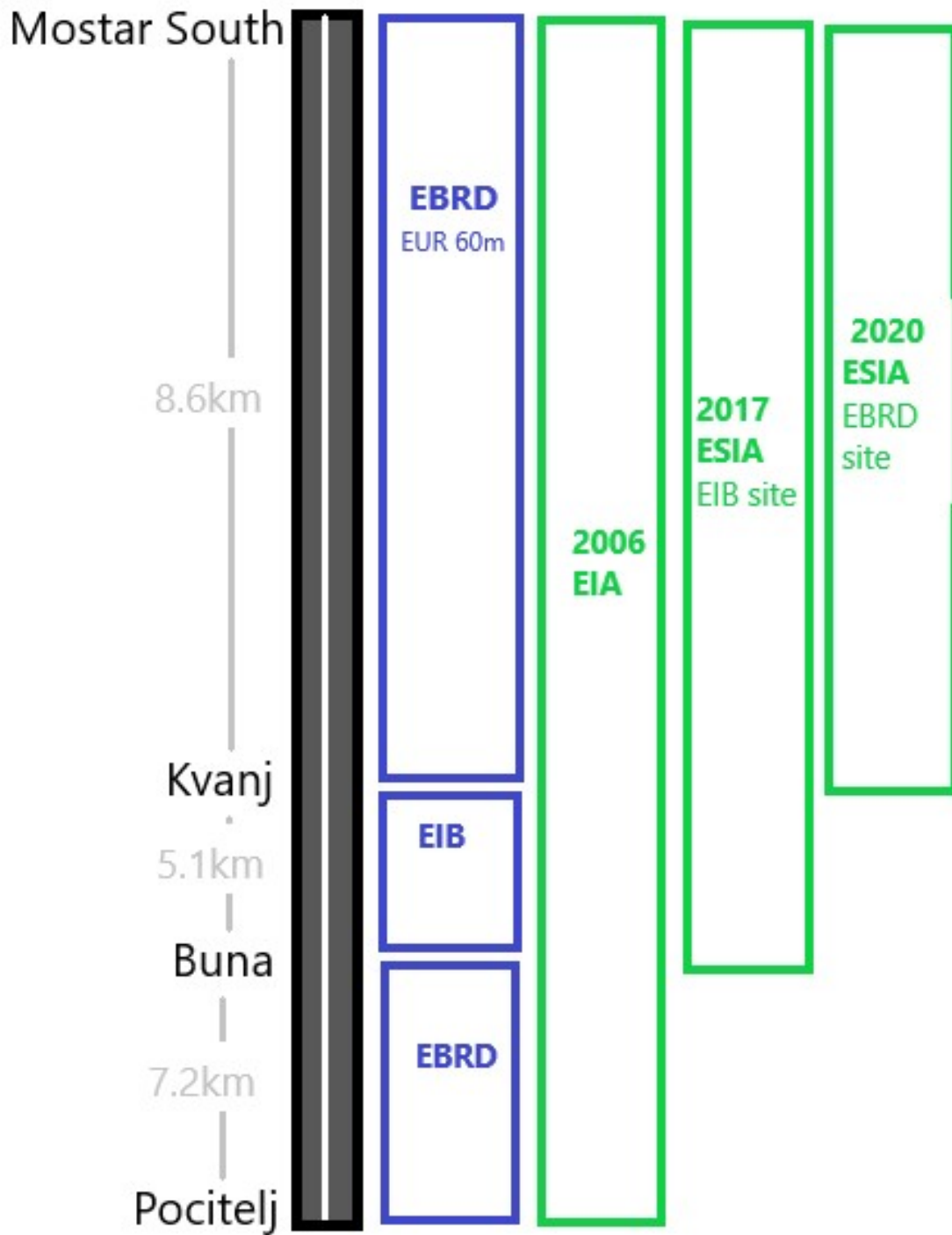


Table 1. EIB and EBRD projects

Year	Approved	Invested ⁸	Project name	Bank	Details
2007	EUR 75 million	Signed 18/12/2008	Corridor Vc – first phase - North ⁹	EIB	Zenica South - Kakanj, approx. 15km.
2008	EUR 180 million	205 mln signed 28/10/08, active	Corridor Vc ¹⁰	EBRD	Four sections in FBiH: 1) Kakanj to Drivuša (15.2 km), north of Sarajevo; 2) Vlakovo to Tarčin (18.9 km), just west of Sarajevo; 3) Počitelj to Southern Border with Croatia (21.4 km); 4) Odžak to Northern Border with Croatia (10.9 km).
2008	EUR 191 million	Signed 22/08/2012, 27/04/2017	Corridor Vc – Second Phase project ¹¹	EIB	1) Vlakovo - Tarčin, south of Sarajevo, 19 km. 2) Svilaj - Odžak, 9 km, at the northern border with Croatia, including a bridge across the Sava River, the border between BiH and Croatia.
2008-2010		EUR 774 931 complete	Technical Cooperation grants ¹²	EBRD	TC assignments to develop: resettlement action framework and plans, the creation of the FBiH Motorway Company (Autoceste), PPP feasibility studies for the Corridor Vc.
2011	EUR 195 million	EUR 194,978,626	Banja Luka to Doboje Road ¹³	EBRD	Banja Luka - Doboje section between Prnjavor and Doboje, 37 km,

⁸ For report on actual EBRD Investments 1991-2019 see: <https://www.ebrd.com/work-with-us/project-finance.html>.

⁹ EIB, 5 December 2007, Corridor Vc – first phase - North, <https://www.eib.org/en/projects/pipelines/all/20070168>.

¹⁰ EBRD Project Summary Document, 16 May 2008, Corridor Vc (38716), <https://www.ebrd.com/work-with-us/projects/psd/corridor-vc.html>.

¹¹ EIB, 20 February 2008, Corridor Vc – Second Phase (20080045), <https://www.eib.org/en/projects/pipelines/all/20080045>.

¹² EBRD Evaluations Dept. (EvD), March 2012, TC Operation Evaluation Corridor Vc, <https://www.ebrd.com/downloads/about/evaluation/1203Corr.pdf>.

¹³ EBRD PSD, 22 June 2011, Banja Luka to Doboje Road (41370), <https://www.ebrd.com/work-with-us/projects/psd/banja-luka-to-doboje-road.html>.

		signed 26/04/12, active			connecting Republika Srpska to Corridor Vc.
2013	EUR 207	Signed 16/12/2013	Banja Luka - Doboj Motorway	EIB	Construction of a 2x2 76 km toll motorway from Banja Luka to Doboj in Republika Srpska, BiH, connecting RS to Corridor Vc.
2014	EUR 100 million	Signed 11/11/14	Corridor Vc Počitelj - Bijača project ¹⁴	EIB	21 km motorway section in FBiH.
2015	EUR 156 million	EUR 80 mln signed 22/12/15, EUR 76 mln signed 22/12/16, both active	Corridor Vc 2 ¹⁵ and Corridor Vc 2 - Extension	EBRD	Sections in FBiH: 1) 7.2 km, Buna - Počitelj 2) 3.9 km, Donja Gračanica - Zenica Tunnel; 3) 5.8 km Donja Gračanica - Klopče; 4) 10.4 km Svilaj - Odžak.
2016	EUR 69 million	Signed - 26/04/2018	Corridor Vc Zenica North ¹⁶	EIB	2.8 km-long motorway section including a 2.4 km-long twin tunnel and ancillary structures between Ponirak and Vraca (exit of the tunnel Zenica) in the central part of BiH.
2017	EUR 70 million	70 mln signed 27/12/17, active	Corridor Vc (RS) – Part 1 project ¹⁷	EBRD	Motorways of Republika Srpska to construct two interchanges at Johovac and Rudanka and a motorway section between them, approx. 6 km.

¹⁴ EIB, 7 March 2014, Corridor Vc Počitelj – Bijača (20130476), <https://www.eib.org/en/projects/pipelines/all/20130476>.

¹⁵ EBRD PSD, 30 July 2015, Corridor Vc 2 project (47372), <https://www.ebrd.com/work-with-us/projects/psd/corridor-vc-2.html>.

¹⁶ EIB, 2 August 2016, Corridor Vc Zenica North (20150774), <https://www.eib.org/en/projects/pipelines/all/20150774>.

¹⁷ EBRD PSD, 31 July 2017, Corridor Vc Part 1 (49053), <https://www.ebrd.com/work-with-us/projects/psd/corridor-vc-in-rs-part-1.html>.

2017	EUR 180 million ¹⁸	120 mln signed 12/09/18 active EUR 60 mln	Corridor Vc – Part 3 ¹⁹	EBRD	Tranche 1) section from Poprikuša to Nemila and Tunnel Ivan; Tranche 2) section from the Mostar South Interchange to Tunnel Kvanj.
2017	EUR100 mln	Signed 26/04/2018	EIB Corridor Vc Mostar South (20150773)	EIB	20.9 km motorway between Počitelj and Mostar in FBiH.
2019	1) EUR 150 million 2) EUR 60 million	210 mln signed 09/05/19, active	Doboj Bypass project ²⁰	EBRD	Approx. 14 km section: 1) RS Motorways: a bridge over River Bosnia south of the Rudanka interchange in RS in the north, continuing southbound, bypassing the town of Doboj, towards FBiH via Usora to Medakovo (6 km, incl. two tunnels and a viaduct). 2) FBiH Motorways: at the end of the second tunnel (Putnikovo brdo 2), the alignment crosses into the FBiH and continues for another 8 km. It includes a short bridge over River Usora and two interchanges, Karuše/Usora and Medakovo.
2019	EUR 152 million	Signed 27/02/2020, 29/07/2020	Corridor Vc Centre ²¹	EIB	Total of 12.4 km for two sections (including four viaducts, two twin-tube tunnels, three bridges and an operation and traffic control centre).
2020	EUR 340 million	Signed 28/12/2020	Corridor Vc Medakovo - Poprikuše ²²	EIB	35km Medakovo-Poprikuše section in FBiH.

¹⁸ EBRD Press Release, 12 Sept. 2018, EBRD E180 million loan for Corridor Vc, <https://www.ebrd.com/news/2018/ebrd-180-million-loan-for-corridor-vc.html>.

¹⁹ EBRD PSD, 2 Aug. 2017, Corridor Vc in FBH – Part 3 (49058), <https://www.ebrd.com/work-with-us/projects/psd/corridor-vc-in-fbh-part-3.html>; Tranche 1 ESIA disclosure, 21 July 2017, <https://www.ebrd.com/work-with-us/projects/esia/corridor-vc-in-fbh-part-3.html>.

²⁰ EBRD PSD, 18 February 2019, Doboj Bypass project (50603), <https://www.ebrd.com/work-with-us/projects/psd/corridor-vc-doboj-bypass.html>.

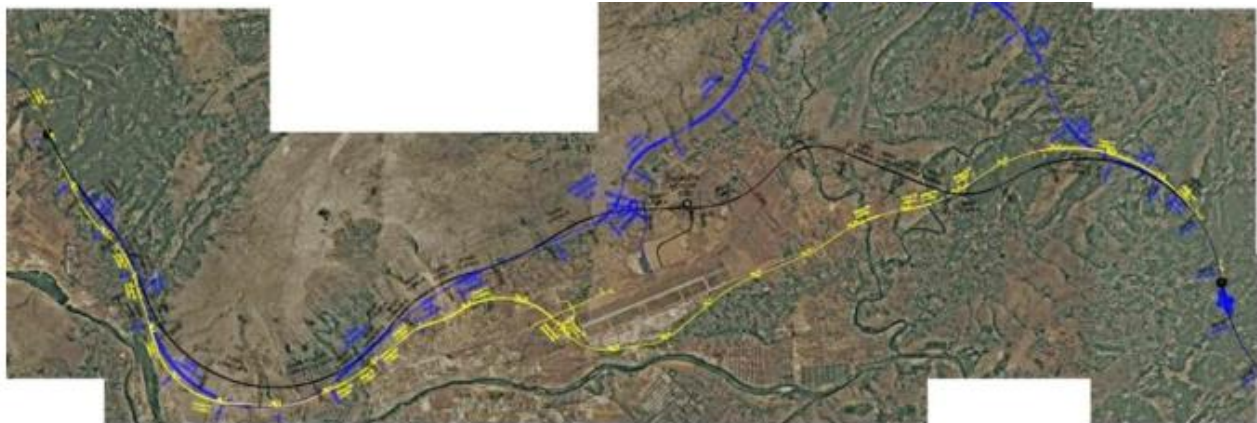
²¹ EIB, 10 April 2019, Corridor Vc Centre (20180270), <https://www.eib.org/en/projects/pipelines/all/20180270>.

²² EIB, 29 June 2020, Corridor Vc Medakovo-Poprikuše (20190751), <https://www.eib.org/en/projects/pipelines/all/20190751>.

1) Spatial planning and route selection in secret

During the October fact-finding mission, the Bankwatch team spoke with more than 40 local people from the villages Malo Polje, Carski Vinograd, Ortiješ and Kosor, as well as independent experts and lawyers. All local people we spoke to expressed a preference for the highway to be rerouted on the ridge route, which in the 2020 ESIA documentation is marked in blue – 2011 (see Figure 1).

Figure 1: Overview of alternatives subject to first multicriteria analysis (black route - 2006, blue route - 2011, yellow route - 2005)



People in the four villages expressed various reasons for why the ridge route should be selected. The first and most commonly mentioned one was the need to avoid the destruction of good quality arable land, which is limited in the Mostar area²³. Second, the ‘blue’ ridge route would not require expropriation, as the land is mainly state-owned. Third, the ridge route would avoid a negative visual impact, which is particularly problematic for people in Blagaj and others depending on tourism. Fourth, people whose property is close to the proposed valley route have concerns about noise and air pollution, which could also be addressed by selecting the ‘blue’ ridge route.

From the point of view of local communities, the problem appeared to have been solved in 2011 with the re-routing of the motorway above Blagaj on the Podveležje plateau. However, in 2016 a new route was proposed, bringing Corridor Vc down into the valley again and re-igniting debate about its impacts. We therefore sought to better understand why the 2011 route had been deemed unsuitable, several years after it had been proposed.

To start with, the 2020 ESIA for the project lacks a detailed assessment of alternatives, including a comparison of cost of those alternatives, and raises more questions than answers. For example, the ESIA presents a chronology of the Corridor Vc Spatial Planning process that has a six years gap from the initial proposal of the Spatial Plan in 2011 and its approval by FBiH Parliament in 2017:

Spatial Plan for Area of Special Interest to FBiH – Motorway Corridor Vc

The initial text of the Spatial Plan for the Motorway on Corridor Vc in FBiH was prepared in 2010 without the sections in Blagaj and Počitelj, due to opposition by local communities. It was decided

²³ According to the ESIA, there is only 30km² of high quality land (category I-IV) out of 590km² in the Mostar region (Table 33).

at the time by the FBiH Parliament to conduct additional research and consider alternative solutions for this section within a 6-month period. In 2011, the full draft of the amended Spatial Plan was made available for public consultations.

Two public hearings were organised: a public hearing in Mostar (November 2011), organised by the Federal Ministry of Spatial Planning, and a public hearing in Sarajevo (November 2011), organised by the BiH Parliament (Committee for Transport and Communication).

The Plan was then adopted by the FBiH Parliament and officially published in December 2017.

It took FBiH Parliament not six months, but six years to consider the alternatives. So, what happened during that time and why were local communities kept in the dark?

The 2020 ESIA refers to three different multicriteria analyses (MCAs) that are not part of the ESIA documentation and concludes: *'The multicriteria analysis revealed that, from the aspect of technical-operational costs, the [valley] variant of the motorway near Ortiješ airport is more favourable, while from the aspect of spatial-economic and spatial-ecological criteria, the [ridge] variant of the motorway in the hinterland of Blagaj is more favourable.'*

At the meeting with our team in Sarajevo in October 2020, JP Autoceste, the project sponsor, refused the request from Bankwatch to disclose the three multicriteria analyses (MCA) for the route between Mostar and Počitelj (dated 2011, 2016 and 2017)²⁴. In response to an official email request from Bankwatch, the MCA were disclosed by JP Autoceste in January 2021.

When asked about the formal consultation on the routes, JP Autoceste confirmed that the public consultation on the Spatial Plan happened on 8 November 2011 in Mostar and 11 November 2011 in Sarajevo²⁵.

Consultations in 2011 cannot be considered meaningful for a project that would be implemented after 2020, as they do not even relate to the same routing now planned. New routes were proposed and assessed in 2016 and 2017 that ignored the local consensus from 2011. In addition, some impacted property owners acquired or returned to their properties after the 2011 consultation, so the set of stakeholders has also changed since.

The MCAs help us to understand to some extent why the valley/airport route was chosen once it was on the table. What remains completely unclear is why it was decided that alternatives to the 2011 route had to be explored at all, considering the relative local consensus around the 'blue' ridge routing. The justification is not clearly explained either in the 2020 ESIA or in the MCAs.

Altogether, four routes were analysed in these documents, but none of the documents analyses all four together, and the documents are not directly comparable because even for the 'same' routes, the details differ between different documents.

²⁴ The request was made at a meeting with JP Autoceste represented by Amina Mezec, Amir Fejzić and Emir Heall on 30 October 2020 in Sarajevo.

²⁵ Email from Amir Fejzić, dated 3 November 2020.

The MCA's conclusion, as presented in the 2020 ESIA, chooses the new valley/airport route as the overall most favourable option. However, this methodology is not disclosed in the 2020 ESIA and a proper justification is missing for why the option that is most favourable from spatial-economic and spatial-ecological points of view was not selected.

Regarding cost, according to the 2016 MCA, the valley route was cheaper to build, although there are no detailed cost estimates and the logic of cost increases and decreases is not intuitive. For example, in the 2016 analysis, a longer section of the original valley route is examined than in the 2011 analysis. Also, longer tunnel and bridge lengths were reported in 2016, which may have been because a longer section was examined, or because there had been changes to the design. However, the 2011 MCA is not detailed enough to compare the structure of the section.

Oddly, the construction cost rose from 2011 to 2016 for the ridge route, but not significantly for the original valley route, despite the longer tunnels and bridges in both variants in 2016.

Table 2. Multicriteria analyses comparison

Route variant	2011 analysis					2016 analysis					2017 analysis		
	Length of section	Tunnels length and no.	Bridges length and no.	Construction cost	Cost per km	Length of section	Tunnels length and no.	Bridges length and no.	Construction cost	Cost per km	Length of section	Tunnels length and no.	Bridges length and no.
Original valley route	23.4 km	4,738 m (4)	2,810 m (7)	BAM 548.4 million	BAM 23.4 million	26.6 km	10,171 m (11)	4,486 m (11)	BAM 549.4 million	BAM 20.6 million	N/A		
Ridge route (blue) (2011)	26.4 km	6,550 m (6)	2,550 m (5)	BAM 539.4 million	BAM 20.4 million	30.2 km	11,855 m (10)	3,075 m (7)	BAM 556.6 million	BAM 18.4 million	N/A		
New valley/airport route (2015)	N/A					27.4 km	8,141 m (7)	2,657 m (11)	BAM 439.8 million	BAM 16.1 million	16.8 km	4,140 m (5)	962.5 m (4)
Neretva right bank route (2017)	N/A					N/A					14.9 km	4267 m	1,215 m

Note: Text in blue denotes noticeably lower values than previous analysis while text in yellow denotes noticeably higher values than in previous analysis, underlining the lack of comparability in the different MCAs.

Since the 2017 MCA did not analyse the same length of the new valley route as the 2016 PCA, it was not easy to tell whether additional bridges and tunnels had been added afterwards that would make it more expensive. A look at the costs per kilometre would suggest this was not the case.

We therefore believe that the EBRD and EIB need to re-examine why the 2011 ridge route was abandoned and was not examined in the 2020 ESIA as a project alternative.

2) Insufficient public participation

On 24 June 2016, the FBiH government put forward the new valley route. In response, the local residents circulated a petition calling for the project to be brought back to the previously proposed ridge route, *'along the slopes of the hill east of the settlement of Opina, Kočina, Gnojnica, Dračevica, Čobanovo Polje, Kamena, Rotimlje and further according to the decision of experts,'* so that it *'in no way endangers the settlements in the southern part of Mostar.'* The petition gathered over 3,000 signatures, approximately a third of residents of the affected villages. The petition was shared with the EBRD at the meeting between local activists and EBRD's representatives in May 2019 in Sarajevo²⁶.

The local residents of Ortiješ, Malo Polje, Kosor and Carski Vinogradi have been organising, primarily since the approval of the new route in 2016. A lawyer they hired and other activists from the area have helped obtain crucial information and establish limited communication with JP Autoceste and municipal and national authorities, as well as the EIB and the EBRD. Several members of the communities said they had a meeting in May 2019 and a call in February 2020 with representatives of the EBRD. Two JP Autoceste representatives joined the call in February 2020.

All interviewees complained that they have not been consulted about the project. Many of them stressed that they have been provided with little to no information about the project and its implications for them and their communities. Local residents, many of whom fear they could be losing their farmlands or homes to the motorway, have also not had a chance to voice their concerns, in spite of EBRD and EIB policy requirements for informed and meaningful consultations.

A public meeting was organised by JP Autoceste in Blagaj in January 2017, about five months after the petition was circulated, in which the new route was presented. But at this meeting, no assessment of alternatives was presented, in particular a comparison to the ridge route that is favoured by an overwhelming majority of local residents.

Some of the people we talked to said that they had attended the presentation of the new valley route, but they stressed that this was not a consultation meeting, since they were not given a chance to express their views and concerns. Some said the company representatives had refused to respond to various comments and the meeting ended in chaos²⁷, yet the strong rejection of the valley route by local communities was clear.

The modification of the route was determined by Parliamentary vote on the Spatial Plan, published in the FBiH Official Gazette on 25 December 2017, but neither this nor any other publicly available document included an assessment of the impacts of the 2011 route compared to the 2016 alternatives. The decision to relocate the route was non-transparent and was based on a multicriteria analysis that was not publicly available at the time, nor publicly consulted.

During Bankwatch's meeting with JP Autoceste's representatives at the company's Sarajevo headquarters, arranged thanks to the help of the EBRD's Sarajevo office, JP Autoceste's representative

²⁶ As evident from an email communication between local activists and the EBRD's Sarajevo office from 13 May 2019.

²⁷ See video: Bljesak, 22 January 2017, Burna rasprava u Blagaju: Autocesta će proći samo ako nas pobiju!: <https://www.bljesak.info/business/flash/video-burna-rasprava-u-blagaju-autocesta-ce-proci-samo-ako-nas-pobiju/184107>.

confirmed the above-quoted information from the ESIA that only two ‘public debates’ on the draft Spatial Plan that concerns Corridor Vc were organised by the Federal Ministry of Spatial Planning, in Sarajevo and in Mostar, in November 2011 – that is, five years before the new valley route was announced.

A public presentation of the ESIA was held on 14 September 2020 by project promoters in Mostar. Local residents said they had not received a notification or an invitation to attend, but only learned about it indirectly. Information about this meeting, it seems, was poorly circulated (see below). They also complained that only few of them were able to enter the room, and said that most other participants had been either residents of faraway communities or employees of JP Autoceste and other state-owned companies. Around 40 other affected residents had to stay outside.

According to the list of participants we have seen, out of a total of 50 participants, 10 were clearly marked as JP Autoceste employees, while 20 others did not identify themselves. An EBRD staff member also attended the meeting.

According to those who had attended the meeting, the presentation hardly touched on the project’s impact on the communities. After the long presentation there was limited time for a discussion and many questions from participants remained unanswered.

According to the company representatives, information about the September 2020 public presentation was published in two newspapers, *Avaz* and *Nezavisni List*, as well as on the websites of JP Autoceste, the EBRD and the Federal Ministry of Environment and Tourism.

In reality, these announcements seem to have done little to enable public participation. The announcement on JP Autoceste’s website, which has now been removed, was published under the Public Procurement section, so it was not at all likely to be discovered by a regular member of the public. The ESIA announcement on the EBRD’s website includes the documentation²⁸, but no information about the public consultation meeting, nor about deadlines for submitting comments.²⁹ The JP Autoceste representatives said the company heard at that meeting about local residents’ concerns about the alignment, technical issues and mitigation, though they did not clarify how these concerns would be addressed.

The JP Autoceste representatives we met argued that much of the land acquisition in the South Mostar area has been completed. And yet, we also heard from some affected residents that they have not received any information about the level of compensation they would receive for having to vacate their land and homes. Their understanding is that not all affected property owners would even be eligible for compensation.

Several local residents have told us they have found markers on their properties where the motorway is expected to run. The Bankwatch team saw some of these markers in a vineyard in Ortiješ and in a front yard in Malo Polje, which were placed, according to the local residents, in early 2019 and in June 2020, respectively. In all cases, the property owners said the markers were placed without their consent or without even informing them, and while the property owners were away.

²⁸ EBRD disclosure of the 2020 ESIA: <https://www.ebrd.com/work-with-us/projects/esia/corridor-vc-in-fbh-part-3.html>.

²⁹ The period for ESIA consultations under EBRD rules are set out in the Bank’s safeguard policies, but local communities would not necessarily know this.

These trespassing incidents are obviously illegal and are seen by owners as a demonstration of power and pressure on landowners. Also, they could only result in reinforcing communities' suspicion and animosity toward JP Autoceste and the authorities, especially before the land acquisition process is even completed.

3) Social, economic and cultural impacts

Vulnerable groups

The definition of vulnerable groups in the EBRD's 2014 Environmental and Social Policy (ESP 2014) includes special consideration for ethnic minorities that *'may be more adversely affected by project impacts than others and who may be limited in their ability to claim or take advantage of project benefits'*. ESP 2014 provides a number of additional requirements for informing and consulting individuals and groups that are identified as vulnerable³⁰.

During the fact-finding mission in October 2020, the Bankwatch team identified a group of war returnees from the Serb minority who were displaced during the Bosnian war from 1992 to 1995 and now are a part of a multi-ethnic community living and owning land between Ortiješ and Kosor. Part of the valley route of Corridor Vc crosses their agricultural lands.

The ESIA recognises returnees as among the vulnerable groups that would be affected by the project, but it only briefly mentions them without an in-depth analysis. Specifically, the ESIA fails to provide information regarding the number of project-affected returnees and the magnitude of the social, economic and cultural impact on those who live in the project area or own land there³¹.

Local residents interviewed by the Bankwatch team in October 2020 widely believed that this decision on the valley route of Corridor Vc is politically driven and find it divisive and discriminatory. They repeatedly complained that the currently selected valley route in South Mostar would lead to the second displacement of returnees who invested significant resources, including international aid, to rebuild this territory after the war.

These concerns are also reflected in the complaints submitted by residents of Blagaj, Malo Polje, Ortiješ, Kočine, Opine and local civil society associations to the EIB Compliance Mechanism (CM) and the EBRD's Accountability Mechanism (IPAM). The complaints provide figures on international funding that went to return war refugees and to rebuild their communities after the war. According to the complaints, this list of international donors involved in this restoration includes but is not limited to CEFA, Maltaiser, the Government of Japan, Cooperazione Italiana, CWS and Swiss Caritas. People pointed out that these significant joint efforts of the international community would be undone.

The Complaint to IPAM states: *'Due to concerns about property rights and loss of economic value or land, the return of refugees has been limited. Many homes remain unbuilt and returnees have no guarantees that their property rights or democratic rights will be respected if they do return.'*

³⁰ EBRD Environmental and Social Policy, 2014. Relevant provisions can be found in Performance Requirements 1, 5 and 10: see PR 1 #18; PR 5 #12, 13, 26, 30; PR 10 #10, 12, 18.

³¹ ESIA, p. 127.

Therefore, the Corridor Vc project, instead of being a development project contributing to greater connectivity, is seen by returnees as one fragmenting communities and deepening old political and ethnic divisions in the South Mostar area.

Economic impacts on farmers

In addition to the social and cultural impacts, many people whom Bankwatch interviewed reported that the sale of agricultural products from their land was a main source of income. Crops that are grown by the community include figs, grapes, pomegranates, oranges and apples. The complaint to IPAM states: *'The planned route also trespasses on the most fertile lands in Hercegovina with the unique combination of sunny days/year, fertile soil, and water access that is currently covered with 85,000 orchard trees and 800,000 grape trees that will be directly or indirectly affected by this route.'*

However, the ESIA lacks proper assessment of the economic impacts of the project on the affected community. The ESIA seems to narrow the impacts of economic displacement by the project only to those owners whose property is directly on the Corridor Vc (which can be seen in 7.3, 'Analysis of social impacts' and 8.11, 'Economic Displacement'), but not on neighbouring plots.

The impacts on the plots that are located in close proximity to the project area is totally disregarded. For example, people who get to keep their land fear the impact of the road on the quality of agriculture products during the construction phase and then pollution from traffic. Therefore, special attention should be given to residents who are economically dependent on agricultural production in all four communities.

One interviewee told the Bankwatch team: *'I make wood boxes for fruit for a living. If they build the road here my business will be destroyed'*.

Last but not least, returnees were not identified in the Land Acquisition and Livelihood Restoration Plan (LALRP) as a vulnerable group, although it is mentioned in the LALRP that project consultations with representatives of the Association of Serb Returnees Mostar took place on 4 December 2019³². This information was not verified by local people. Bankwatch asked the President of the Association about this meeting, but he did not know anything about it or about the LALRP. He mentioned that there is a political organisation called Association of Serbs - Mostar which is different from the Association of Serb Returnees - Mostar.

4) Biodiversity impacts and their assessment

ESIA published prematurely, before adequate fieldwork done

The ESIA study for the Mostar South - Tunnel Kvanj section has been published prematurely and cannot offer a relevant environmental baseline due to:

- a lack of any field research in spring and autumn, which are particularly important for birds (spring, during migration and breeding) and fish (autumn, with lower water levels that allow easier studying);

³²

Land Acquisition and Livelihood Restoration Plan (LALRP), p. 20.

- a total lack of field research on fish (relevant for the Buna and Bunica bridge crossings) and only old data from desk research used (see below);
- much of the project area being inaccessible to the researchers due to landmines; and
- a lack of data on dissolved oxygen and ammonia in the Buna and Bunica.

The lack of field research on fish is of particular concern due to the rivers' critical habitat status (see below).

The ESIA needs to be updated with the results of further field research and only then can the impacts be assessed. The EBRD has already been found non-compliant with its Environmental and Social Policy in a case where it approved the project before proper biodiversity research had been carried out – the Ombla hydropower plant in Croatia – and must not repeat this mistake.

For areas not accessible due to mines, the precautionary principle must be applied: all possible species (for similar habitats in other well-studied areas) should be listed and if there is no way to prove they are absent, it must be assumed they are there.

With an incomplete biodiversity baseline, it is also premature to prescribe mitigation measures, as it is not even clear whether this motorway routing can be acceptable at all. As described above, route alternatives have not been meaningfully described in the ESIA, and the 2016 multicriteria analysis found the ridge route more favourable than the currently proposed route from the point of view of spatial-economic and spatial-ecological criteria.

Inadequate assessment of the rivers Buna and Bunica as a critical habitat

Anyone who has visited the area around Blagaj can testify to the stunning beauty of the Buna and Bunica rivers. But they are not just visually attractive. They are home to a range of important species, including several from the IUCN Red List and the Red List of FBiH.

Table 7.2.1.5 of the ESIA shows fish species present in different threat categories according to the IUCN and the FBiH Red Lists (RL).

<i>The IUCN category</i>	<i>IUCN RL</i>	<i>FBiH RL</i>
Critically endangered (CR)	1 species: Anguilla anguilla - European eel	3 species: Anguilla anguilla - European eel Salmo marmoratus - Marble trout Salmothymus obtusirostris oxyrhinchus - Softmouth trout
Endangered (EN)	1 species: Salmothymus obtusirostris oxyrhinchus - Softmouth trout, Adriatic trout	2 species: Chondrostoma knerii - Dalmatian Nase Gasterosteus aculeatus – Burnstickle
Vulnerable (VU)	2 species: Squalius svallize - Adriatic dace Chondrostoma knerii - Dalmatian Nase	1 species: Squalius svallize - Adriatic dace
Near threatened (NT)	1 species: Samarutilus rubilio - South European roach	-
Least Concern (LC)	13	10

The EBRD's 2019 Environmental and Social Policy describes critical habitat as follows:

The most sensitive biodiversity features are defined as critical habitat; which comprise one of the following:

- (i) highly threatened or unique ecosystems;*
- (ii) habitats of significant importance to endangered or critically endangered species;*
- (iii) habitats of significant importance to endemic or geographically restricted species;*
- (iv) habitats supporting globally significant migratory or congregatory species; or*
- (v) areas associated with key evolutionary processes.*

By this definition, the rivers Buna and Bunica are clearly critical habitats, as they support endangered and critically endangered species as classified by the IUCN, as well as globally significant migratory species (*Anguilla anguilla*).

According to the ESIA, the Buna-Bunica area was one of the potential areas identified for protection as a Natura 2000 site as part of the *Support to the Implementation of the Birds and Habitats Directive in BiH* project (October 2012-2014). The Project supported FBiH institutions in the approximation of the EU Birds and Habitats Directives. According to the ESIA, the project's experts carried out field research and identified more than 200 species and 60 habitats of the Natura 2000 network in a total of 122 areas (about 19% of the territory of FBiH). However, no progress appears to have been made since then in protecting the Buna-Bunica site.

Outdated and incomplete fish data: As mentioned above, no field work on ichthyofauna was done for the purposes of the ESIA study. In addition, the sources mentioned in the ESIA on fish are all more than 10 years old, raising doubts about their accuracy. In recent years taxonomy research on fish species in Europe has developed rapidly and many species/subspecies of the Neretva River basin could be endemic according to recent knowledge. New field work clearly needs to be done in the Buna and Bunica in order to establish a reliable baseline.

Yet even without additional fieldwork, it is clear that the data in the ESIA is incomplete. In Annex C-1 of the ESIA, Section 2.3 states that no recent research has been undertaken in the envisaged area. However, this is not true. It failed to include a 2019 study showing that the Buna is one of two key habitats for *Salmo obtusirostris* (known as the softmouth trout), which is available even with a brief internet search:

Mrakovčić et al. (2019): [Studija pregleda stanja i valorizacije mekousne pastrve u regiji Jadranskog slijeva](#), Javna ustanova za upravljanje zaštićenim dijelovima prirode na području Splitsko-dalmatinske županije More i Krš.

The tables below show the study's sampling results at the Buna on 24 July 2018 and 25 July 2018 at two sites:

Tablica 14. — Struktura ulova na postaji Buna 2

OSNOVNI FOND		Mase (%)		Relativni brojčani odnos (%)
Vrsta ribe	kom	kg		
Mekousna pastrva, <i>Salmo obtusirostris</i>	5	2,135	93,02	12,5
Koljuška, <i>Gasterosteus aculeatus</i>	15	0,047	2,04	37,5
Pijor, <i>Phoxinus sp.</i>	20	0,113	4,92	50
Ukupno jedinki	40	2,295	100	100

Buna pokazuje značajke očuvane rijeke u kojoj pored mekousne pastrva, žive i druge autohtone vrste poput

Tablica 13. — Ulovi na postaji Buna 1 (2018)

POSTAJA BUNA				
Vrste	broj	%	masa	%
Koljuška <i>Gasterosteus aculeatus</i>	1	5	5	0,62
K.pastrva <i>Oncorhynchus mykiss</i>	2	10	190	23,60
Masnica <i>Rutilus basak (Heckel, 1843)</i>				0
p.pastrva <i>Salmo farioides (Karaman, 1938)</i>	2	10	340	42,2
Mekousna p. <i>Salmo obtusirostris (Heckel, 1851)</i>	15	75	270	33,5
Ukupno	20	100	805	100

The most notable outcome is that the sampling shows that not only is *Salmo obtusirostris* present, but that the Buna is one of its two key habitats, along with the River Vrljika in Croatia.

The study also states (page 45) that the Buna hosts the most important *Salmo obtusirostris* spawning grounds and that it is important to protect it. Moreover, one of the Buna's three spawning sites is at the location where the motorway is planned to cross the river.



The middle spawning ground is where the planned Buna bridge would cross the river, signifying that this is a particularly sensitive location. *Salmo obtusirostris* relies on very specific conditions for spawning, with

gravel not packed too tightly, good water oxygenation levels and steady water levels that do not fluctuate too much. This makes the Buna an optimal site.

In Annex D of the ESIA – the Critical habitats assessment, page 31 (English version) says of the softmouth trout:

The Project area is a potential habitat of this species. The species are found in a narrow area of the Neretva river basin. Along with the Marble trout, the Softmouth trout is an endemic species of the upper and middle courses of the Neretva River. It inhabits mostly quiet and deeper parts of streams and lives in groups. The species lives in cold water with a lot of oxygen.

Anticipated loss of habitat as planned in the Preliminary Design (2018), together with geographically restricted area of species distribution may lead to significant impacts with regard to the long-term survival of this endemic species.

In light of the 2019 study mentioned above, this is quite an understatement. The Buna is an absolutely key habitat and spawning ground for this endangered species. Therefore even the slightest disturbance may be a very serious blow to the whole species.

The ESIA concludes that no supporting pillars for the motorway should be built in the riverbed, but does not examine whether there would still be impacts on key species even if the motorway is built over the rivers while not placing support pillars directly in them.

As well as key information on *Salmo obtusirostris* being missing, section 5.2.4.2 of the ESIA, 'Fish' (pages 60-61 of the English version), has very little to say about the European eel. It mentions that it is critically endangered, but does not analyse the fact that the EU has a regulation devoted solely to the recovery of this species – *European Council (EC) Regulation No 1100/2007 establishing measures for the recovery of the stock of European Eel*. The current situation of *Anguilla anguilla* in the Buna and Bunica must be established, as well as what measures need to be applied to aid its recovery.

Inadequate mitigation measures instead of critical habitat protection: Performance requirement (PR) six of the EBRD's Environmental and Social Policy 2019 states that in critical habitats, the client will not implement any project activities unless the following conditions are met:

- no other viable alternatives within the region exist for development of the project in habitats of lesser biodiversity value;
- stakeholders are consulted in accordance with PR 10;
- the project is permitted under applicable environmental laws, recognising the priority biodiversity features;
- the project does not lead to measurable adverse impacts on those biodiversity features for which the critical habitat was designated as outlined in paragraph 13;
- the project is designed to deliver net gains for the critical habitat impacted by the project;
- the project is not anticipated to lead to a net reduction in the population of any endangered or critically endangered species, over a reasonable time period; and
- a robust and appropriately designed, long-term biodiversity monitoring and evaluation programme aimed at assessing the status of critical habitat is integrated into the client's adaptive management programme.

Instead of proposing mitigation measures, the ESIA and critical habitat assessment must assess whether the project meets the EBRD's policy conditions. So far, not even the first two conditions have been met, since no convincing reasons have been given as to why the project cannot be re-routed onto the ridge above Blagaj. Perhaps there is a good reason, and in any case such an alternative would also need to have its environmental impact assessed, but so far no good reasons for why this route is unsuitable and less favourable have been presented to the public. In addition, public consultation, as explained above, has been highly inadequate.

Instead, the ESIA and accompanying documents jump straight to the conclusion that the project can be implemented in this critical habitat, without examining the list of conditions above.

Moreover, the mitigation measures proposed in the ESIA and critical habitats assessment to avoid impacts on the river – no disturbance of the river habitats during construction and operation phase, including avoidance of channelling and concreting the river banks – sound nice on paper but are not likely to be sufficient in reality to avoid disrupting such a delicate habitat as the key spawning ground of an endangered fish species.

No chances can be taken here, particularly given the BiH authorities' lack of capacity and political will to enforce environmental legislation. Bankwatch's experience all across the Western Balkans from projects including motorways crossing rivers and the construction of small hydropower plants is that mitigation measures are not respected, rivers are often filled with dug out materials and/or unnecessarily channelled, and no-go periods of construction (e.g. during the breeding season) are usually not respected.

All this makes it particularly important to re-examine why the 2011 route was abandoned and whether this was strictly necessary.

Incorrect approach to the Habitats Directive and need for appropriate assessment

The appropriate assessment information in Section 7.2.2.2 of the ESIA on page 149-152 of the English version states that no appropriate assessment is needed, because Bosnia and Herzegovina has not protected the Buna-Bunica habitat. However, it is clear that there are species present in the vicinity that are protected under the Habitats Directive (e.g. *Salmo marmoratus*, *Salmothymus obtusirostris*, *Austropotamobius pallipes*) so their habitats must be protected, regardless of whether Bosnia and Herzegovina has done so or not.

In addition, the Habitats Directive requires an appropriate assessment to be carried out if there is a possibility of negative impacts on a Natura 2000 site. In fact, downstream on the Neretva in Croatia, there is the HR5000031 Delta Neretve Natura 2000 site which stretches from the coast to the border with Bosnia and Herzegovina. The site has 14 fish species – including *Salmothymus obtusirostris*, for which the site has been designated population A (one of the most important sites in Croatia). Therefore, an appropriate assessment needs to be carried out for potential impacts on these species (e.g. because they are migratory, or because of impaired water quality caused by the construction works).

Moreover, in Annex C-2 of the ESIA on Herpetofauna, additional species protected under the Habitats Directive were identified, including five species of reptiles protected under Annex IV recorded during the on-site fieldwork. In addition to these findings, ten species of amphibians and reptiles that are listed in Annexes II-IV of the Habitat Directive had been recorded in previous studies.

For Annex IV species, a strict protection regime must be applied across their entire natural range within the EU, both within and outside Natura 2000 sites. While the EBRD cannot force BiH to formally protect the sites, it can and must make sure that an appropriate assessment is done, and that it does not finance a project which would affect the habitats and species in question.

Yet the attitude of the ESIA authors is that it is up to the animals to get out of the way. In Annex C-2, 4.2.2 Construction phase:

During the construction phase, a potential impact may occur for amphibian and reptile species that are slow or due to construction near water from which the juvenile stages of amphibians cannot swim away.

Since a high frequency of individuals of the Testudo hermanni species has been determined in the area of the motorway route, it is necessary to implement several mitigation measures in order to reduce the possibility of tortoises being run over on the roads during construction.

The mitigation measures proposed on page 9 of Annex C-2 are unrealistic and go against the logic of protecting Annex IV species: ‘Every morning, workers engaged on the site must do route monitoring and eventually remove individuals of Hermann’s Tortoise from the route under construction. The period of vegetation clearance, excavation and earth works must be undertaken with daily supervision and removal of individuals outside from the route.’

Based on our experience with other construction projects in the Balkans, this measure, if the workers ever become aware of it at all, is more likely to become a running joke among the construction workers than to be implemented.

Under Article 6(4) of the Habitats Directive, if:

in spite of a negative assessment of the implications for the site and in the absence of alternative solutions, a plan or project must nevertheless be carried out for imperative reasons of overriding public interest, including those of a social or economic nature, the Member State shall take all compensatory measures necessary to ensure that the overall coherence of Natura 2000 is protected. It shall inform the Commission of the compensatory measures adopted.

Furthermore, for a project impacting a priority natural habitat type and/or a priority species, the only considerations which may be raised in allowing a project to go ahead despite expected impacts are those relating to human health or public safety, to beneficial consequences of primary importance for the environment or, further to an opinion from the Commission, to other imperative reasons of overriding public interest.

Given the lack of adequate analysis of the ridge route alternative, there is so far no justification at all for letting the motorway go ahead in damaging the Habitats Directive species identified, nor for allowing it to impact on habitats that ought to be protected under the Directive and/or under the Bern Convention.

Sourcing of construction materials

The ESIA contains far too little information on the sourcing of construction materials, particularly gravel. Section 2.5.4 of the ESIA (page 26, English version), mentions borrow pits, and the quantities of sand and gravel needed, but there is no information where they will be sourced from.

Page 174 recognises that:

Illegal sourcing of material can cause permanent damage to environment as it will not be followed by appropriate mitigation measures. Therefore, this impact is assessed as major and will require careful consideration by the Contractor when choosing source of materials for construction and supervision by JPAC to avoid illegal activities.

Extraction from valuable rivers is a serious problem in the Balkans, and the fact that a supplier is ‘legal’ (i.e. has the relevant permits/concession) doesn’t mean that the source of the gravel will be a sustainable one. There are most likely a limited number of suppliers and sources that such gravel could come from, so a much more in-depth review of the sources is needed in the ESIA.

A concrete illustration of this issue comes from neighbouring Croatia, where gravel for the construction of another section of the Corridor Vc is being taken from the River Drava, one of the last natural lowland river sections in central and eastern Europe, characterised by wetland habitats with an abundance of bird and fish species.

A project is currently ongoing for the ‘removal of excess sediment from the Drava River to reduce flood risk’, i.e. excavating 460,000 m³ of gravel from a 2.5 kilometre-long section. According to the project promoters, the sediment will be used to build the Croatian part of Corridor Vc.

The project location is under Natura 2000 protection, and in a 2010 report commissioned by the European Commission for a similar dredging project on the Drava, the authors concluded that excavation of sediment on the river could not be allowed because there is an overall shortage of sediment in the river system and the dredging activities would lead to riverbed degradation.

Four Croatian environmental NGOs challenged the positive screening decision for the project (March 2020) due to, among other issues, inadequate baseline data about the project location, lack of assessment of the project’s impacts on the Natura 2000 sites and lack of cumulative impact assessment, and as of December 2020, the case is pending before the Croatian High Administrative Court.

It is to be expected that, unless the source of gravel for the Mostar South - Tunnel Kvanj section of the Corridor Vc is clearly identified and the impacts of gravel extraction examined in advance, the road construction will result in significant damage to other rivers in Bosnia and Herzegovina, as well as the Buna and Bunica.

Conclusions and recommendations

The EBRD has so far failed to ensure that the 2020 ESIA clearly documents ‘the rationale for selecting the particular course of action proposed’, as the ESIA does not explain why the 2011 ridge route was unsuitable and why the search for a new route began in 2015/2016. Even the MCAs which we eventually obtained do not explain this.

Overall, the evidence gathered points to extremely substandard public participation, not least when the EIB-financed part of the motorway section, Počitelj - Tunnel Kvanj, is already under construction. Notably, there was no consultation at all on the version of the spatial plan containing the current route, and COVID-19 measures appear to have been misused to limit attendance at the public hearing on the ESIA in September 2020.

The assessments of alternatives on which the current valley route selection is based were only disclosed to Bankwatch long after the ESIA or spatial planning processes were carried out. Thus the opportunities for meaningful consultation on the selection of the route were severely limited.

There are cases of trespassing on land owners' properties by JP Autoceste that must not be repeated. The EBRD and EIB must clearly oppose intimidation of landowners by JP Autoceste, whose staff entered private properties to mark the motorway route.

The disproportionate impact on the Serb minority and war returnees in South Mostar villages was not assessed. They should have been informed and consulted as a vulnerable group and their rights should have been additionally safeguarded.

The ESIA and critical habitat assessment suffer from numerous inadequacies, including lack of fieldwork, outdated fish data, lack of analysis on whether the project meets the critical habitats conditions of the EBRD's Environmental and Social Policy, a flawed approach to applying the Habitats Directive, lack of information about gravel extraction and unrealistic mitigation measures.

Considering that interventions in critical habitats and/or habitats of species protected by the Habitats Directive must not be made if there are alternative solutions, before planning further field research and studies, the first step the EBRD needs to make is to consider the ridge routing for the road, instead of the currently proposed one crossing the Buna and Bunica rivers.

Bankwatch has seen no evidence to suggest that there are real barriers to re-routing the road onto the ridge, and indeed the multicriteria analysis in 2016 found that for two out of three aspects, the ridge variant would be more favourable than the valley one.

Therefore, the EBRD and the EIB should require from project promoters the preparation of detailed analyses of the ridge road from 2011 with full and meaningful consultation with affected people.

Financiers need to make sure that the route serves the public interest of people in BiH and contributes to building consensus, cohesion and peace within this multi-ethnic country.