

## Environmental and Social Data Sheet

### Overview

Project Name: Banja Luka Doboј Motorway  
 Project Number: 20110622  
 Country: Bosnia and Herzegovina  
 Project Description: Construction of 72 km of a 2x2 toll motorway between Banja Luka and Doboј in Republika Srpska, Bosnia & Herzegovina.

EIA required: yes (NTS and EIS is on EIB website)  
 Project included in Carbon Footprint Exercise: yes (details are provided in section: "EIB Carbon Footprint Exercise")

### Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The project consists of the construction of 72 km of a 2x2 toll motorway between Banja Luka and Doboј in Republika Srpska, Bosnia & Herzegovina. The project runs parallel to Corridor X in Croatia and connects to Corridor Vc, the north-south axis through Doboј, Zenica, Sarajevo and Mostar. The EBRD has approved financing for the eastern section Prnjavor-Doboј (section 2, 37 km). The EIB has been requested to provide parallel financing for the western section Banja Luka-Prnjavor (section 1, 35 km).

If located within the EU, the Bank's component of the project, concerning new construction would fall under Annex I of the EIA Directive 2011/92/EU and would require a full EIA, including the necessary issues relating to the Habitats and Birds Directives. These requirements are also in accordance with the Environmental law of Republika Srpska/BiH. The project implementation is associated with the need for private land acquisition and resettlement of certain amount of affected households.

As part of the Environmental Impact Assessment (EIA) process, in 2005, a Preliminary Environmental Impact Study (EIS) was prepared (this belongs to the stage of EIA process as per Republika Srpska/BiH EIA legislation). Subsequently, in 2011 a final Environmental Impact Study (EIS) has been done (this belongs to Stage II of the EIA process). Based on this document a "Decision on the approval of EIS with mitigations" was issued by RS Ministry for Spatial Planning, Construction and Ecology in March 2011.

All environmental due diligence was organised in line with the Republika Srpska/BiH legislation and with the respective IFI's Guidelines. The environmental and social impact is limited. The EBRD conducted a Gap Analysis on the EIA to check the conformity relative to EU standards and if all necessary mitigating and compensatory measures were included. The analysis have found the gaps in the EIA to be minor so it was agreed that all missing aspects to be included in a Non-Technical summary (NTS) to plug the gaps rather than require a complete update of the EIA /or and EIA Addenda. So an NTS was prepared independently for each EIB and EBRD section as well as the correspondent Environmental and Social Action Plan (ESAP) as well as Stakeholder Engagement Plan (SEP) This is considered satisfactory to the Bank.

During next steps of the EIA process, it should be prepared the Environmental Management Plans (EMP) and the Land Acquisition and Resettlement Plan (LARP) if the bank finds it necessary. At the time of preparing this ESAP, the project's detailed design is not definite. It is not yet confirmed if further, very unlikely, land acquisition will be needed and therefore the potential impacts cannot be assessed. The existing ESAP outlines a number of precautionary measures to minimise possible impacts. When the detailed design is defined, if additional

impacts associated with land acquisition are assessed as being significant by the Bank, particularly if they include physical displacement, a LARP may have to be developed and implemented.

The country's road safety record is poor. Some actions are being taken by other IFIs and, a tunnel and road safety audit is also proposed as part of the EIB component of the project. The road and tunnel Safety to be performed to the design of the new construction should be in accordance with principles of the Road Safety Management and Tunnel safety EC Directives.

Based on these issues, it can be concluded that the project is acceptable for Bank financing, subject to some Contractual conditions.

### **Positive and Negative Impacts**

Major Positive impacts of the project are related to better accessibility from Banja Luka to the Corridor Vc. The project is a core east-west link making a significant contribution towards economic growth, trade facilitation and integration of Banja Luka within BiH and within the Balkans.

The project is a priority motorway development for Republika Srpska connecting Banja Luka, its capital, to Doboju on Corridor Vc and ultimately to Sarajevo and Belgrade. Within the area of influence of the project area, there are no protected or sensitive areas. The project also does not require major population movements including resettlement and or migration. Most the land is agricultural and according to information provided by the promoter approximately 98% of the land has already been fully acquired and free for construction purposes.

### Major negative impacts

Environmental issues may occur when the construction deals with the 36 major structures/tunnels including three major viaducts (410m, 450m and 150m), a major bridge over river Vrbas (550m) and one tunnel (240m). No particular technical difficulty is envisaged. However all mitigation measures are to be developed in the Environmental Management Plan (EMP).

It is foreseen that 600 Ha for mostly agricultural land needs and has been (more than 98% expropriated and fully acquired already). The majority of people did not oppose expropriation and provided consent to the beneficiary of expropriation (municipality) to enter into possession of their properties. However, a total of 10 cases remain to be fully resolved either through administrative or court procedures. The state has entered into possession of properties in all cases. A Land Acquisition and Resettlement Plan (LARP), if found necessary by the Bank, will be prepared to this effect.

Based on these issues it can be concluded that the project is acceptable for Bank financing. The Bank's component needs to be completed as per the below Contractual Conditions.

### **Key E&S Contractual Conditions (first disbursement)**

#### Environmental conditions (for the Banja Luka-Prnjavor section)

- The Environmental Permit and Construction Permit issued by the relevant Authorities in Republika Srpska/BiH as well as relevant Ecological Permit or Habitats form (similar to the requirement in EU of form A or B).
- The Environmental Management Plan (EMP).
- The Land Acquisition and Resettlement Plan (LARP) if found necessary by the Bank.

Promoter shall implement land acquisition and involuntary resettlement in accordance with the LARP to be agreed with the Bank.

## **Environmental and Social Assessment**

### **Environmental Assessment**

Four basic alternatives were analysed in this EIS studies. The assessment concluded that a mix of all variants scored high and was the chosen one. The EIS studies are an integral party

of the EIA process and included a biodiversity assessment, social impact and mitigation measures as well as a series of public consultation meetings.

Within the area of influence of the project area there are no protected or sensitive areas. The project also does not require major population movements including resettlement and or migration. Most the land is agricultural and according to information provided by the promoter approximately 98% of the land has already been fully acquired and free for construction purposes.

At the time of preparing the Environmental and Social Action Plan (ESAP), the project's detailed design is not definite. It is not yet confirmed if further, very unlikely, land acquisition will be needed and therefore the potential impacts cannot be assessed. When the detailed design is defined, if additional impacts associated with land acquisition are assessed as being significant by the Bank, particularly if they include physical displacement, a LARP may have to be developed and implemented.

### **EIB Carbon Footprint Exercise**

The project is neutral in terms of CO<sub>2</sub> emissions as the slightly longer chosen route and the increased average speed will be somewhat compensated by a more fuel-efficient ridership.

Emissions produced during project construction and O&M have been estimated using a simplified methodology. The project increases CO<sub>2</sub> emissions by 3% or 6 322 tonnes of CO<sub>2</sub> per year over a 25 year period, thus below the 20 000 tonnes p.a. threshold. This is due to the increase in average speeds from approximately 63 km/h to about 110 km/h and to the contribution of new traffic induced by the project. Absolute emissions are above the 200 000 tonnes/year threshold with 256 030 tonnes p.a.

For annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost. In this context and considering a project cost of 520 m EUR<sub>2012</sub> and a loan of 200 m EUR, the corresponding EIB Carbon footprint would be 2 431 tonnes of CO<sub>2</sub> p.a.

### **Social Assessment, where applicable**

The Land Acquisition and Resettlement Plan (LARP) if found necessary by the Bank, is a Condition Precedent (CP) for disbursement. However, no major population movements including resettlement and or migration are foreseen as part of the land acquisition process.

No vulnerable groups affected by the new construction of the motorway.

Compliance with ILO core labour standards and impacts on employment will be done in accordance with BiH labour law standards and ILO obligations ratified by BiH.

Contractors would be required to take care of occupational and community Health and Safety as part of their work contracts.

### **Public Consultation and Stakeholder Engagement, where required**

The Environmental Impact Study (EIS) prepared at stage II of the EIA process included a series of public consultation meetings on the different alternatives being studied for the motorway. Meetings were well attended and organised in all the Municipalities traversed by the new alignment. A total of 4 meetings with the municipalities and public were organised in August 2010 with good attendance.

Approximately 98% of the land has already been fully acquired. The majority of people did not oppose expropriation and provided consent to the beneficiary of expropriation (municipality) to enter into possession of their properties. In cases when the affected owner was not satisfied with the level of compensation, they appealed to the courts to determine compensation.

A total of 10 cases remain to be fully resolved either through administrative or court procedures. The state has entered into possession of properties in all cases.

During next steps of the EIA process, a balance of the EIA should be prepared encompassing the Environmental Management Plans (EMP) and the Land Acquisition and Resettlement Plan (LARP). There is already a Non-Technical Summary (NTS) prepared as well as an Environmental and Social Action Plan (ESAP) as well as Stakeholder Engagement Plan (SEP).

### **Other Environmental and Social Aspects**

An environmental management plan (EMP) will be prepared that will include: risk assessment, plan for environmental impact avoidance and mitigation measures, environmental monitoring plan, emergency reaction plan and waste management plan.

There is already a Non-Technical Summary (NTS) prepared as well as an Environmental and Social Action Plan (ESAP) and a Stakeholder Engagement Plan (SEP).

The promoter has provided all relevant information to the public. The Republika Srpska Motorway Company disclosed its environmental and social policy and grievance mechanism to the public. Information on public disclosure (with list of documents disclosed and addresses) were published in daily newspaper. All interested parties were able to find all the listed information below on the company's website ([www.autoputevirs.com](http://www.autoputevirs.com)) as of June 15, 2011.

In addition, the company made available hard copies of these documents at their headquarters. Hard copies were delivered and made available at the Municipal Buildings as well in Laktasi, Prnjavor, Deventina and Doboj.

The following information is publicly available:

- EIS Final Study: Banja Luka to Doboj Motorway: January 2011 (& Annexes)
- Preliminary EIA: Banja Luka to Doboj Motorway: Book 5 : General Design CIP 2005
- Route Alignment Report: Banja Luka to Doboj Motorway: Book 1 Vol. 4 General Design CIP 2005
- Decision on the Approval of the EIS: Banja Luka to Doboj Motorway: (Decision No. 15-96-135/10)
- Non-Technical Summary Prnjavor to Doboj Motorway (June 2011)
- Environmental & Social Action Plan (ESAP) (June 2011)
- Stakeholder Engagement Plan (SEP) (June 2011) including grievance mechanism

As of February 2013, following information is also publicly available:

- Non-Technical Summary Banja Luka to Prnjavor (January 2013)
- Environmental & Social Action Plan (ESAP) (January 2013)
- Stakeholder Engagement Plan (SEP) (January 2013) including grievance mechanism

The information about works on the BL-Doboj motorway can be found on the Public Company "RS Motorways" website ([www.autoputevirs.com](http://www.autoputevirs.com)).