

COMPLAINTS MECHANISM

SG/E/2026/05

**CORRIDOR VC
MEDAKOVO – POPRIKUSE
(BOSNIA AND HERZEGOVINA)**

INITIAL ASSESSMENT REPORT

30 JUNE 2026



SG/E/2026/05

CORRIDOR Vc MEDAKOVO–POPRIKUSE

(BOSNIA and HERZEGOVINA)

Initial Assessment Report

Complaint confidential: No

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Disclaimers

This report is based on the information available to the EIB Group Complaints Mechanism up to 28 May 2026.

In the event of discrepancies between language versions, the English version prevails.

The EIB Group Complaints Mechanism

The EIB Group Complaints Mechanism (Complaints Mechanism) is a tool enabling the resolution of disputes if any member of the public feels that the European Investment Bank (EIB) might have done something wrong, that is, if it has committed an act of maladministration. The Complaints Mechanism is not a legal enforcement mechanism and will not substitute the judgment of competent judicial authorities.

Maladministration means poor or failed administration. It occurs when the EIB fails to act in accordance with a rule or principle that is binding upon it, including its own policies, standards and procedures. The concept of maladministration includes failure by the EIB to comply with human rights, applicable law or the principles of good administration. Maladministration may relate to the EIB Group's decisions, actions or omissions and may include the environmental or social impact of the EIB's projects and operations.

One of the main objectives of the Complaints Mechanism is to ensure the right to be heard and the right to complain. The mandate of the Complaints Mechanism includes the resolution of problems raised by complainants in cooperation with relevant internal and external stakeholders. Where possible, the Complaints Mechanism also actively promotes and supports local resolution efforts (for example, through project-level grievance mechanisms). For more information on the Complaints Mechanism please visit: <https://www.eib.org/en/about/accountability/complaints/index.htm>.

The Initial Assessment Report

The initial assessment generally aims to¹:

- clarify the concerns raised by the complainants and gain a better understanding of the complainants' position as well as the views of other stakeholders (such as the project promoter or national authorities), whenever appropriate;
- assess whether and how the stakeholders (such as the complainants, the project promoter and the relevant EIB Group project team) could seek resolution of the issues raised by the complainants;
- determine if further work by the Complaints Mechanism is necessary and/or possible (investigation, compliance review or collaborative dispute resolution between the parties) to address the allegations or resolve the issues raised by the complainants.

¹ As outlined in §§ 2.2.1 to 2.2.7 of the EIB Group Complaints Mechanism procedures, available at: [EIB Group Complaints Mechanism Procedures dated November 2018](#).

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EXECUTIVE SUMMARY

This report relates to a complaint regarding the Corridor Vc Medakovo-Poprikuse project in Bosnia and Herzegovina. The complaint was submitted by a family owning land plots and a house near the construction of the project. The complainants and the promoter agreed to engage in a collaborative dispute resolution process, facilitated by the Complaints Mechanism, to resolve the issues raised. Consequently, the Complaints Mechanism proposes to proceed with a collaborative dispute resolution process.

1 PROJECT

- 1.1 On 9 September 2020, the EIB Board of Directors approved the financing of the Corridor Vc Medakovo-Poprikuse project (the **project**) in Bosnia and Herzegovina (BiH) for an amount of up to €340 million.² The finance contract was signed by Bosnia and Herzegovina on 28 December 2020. The project is being carried out by the state-owned motorway development company Javno Preduzece Autoceste FBiH d.o.o. (**JPAC**).
- 1.2 The project consists of the construction of a 35 km new motorway section on Corridor Vc in northern BiH, extending from Medakovo to Poprikuse via Ozimica. It will form part of the Pan-European Motorway Corridor Vc, linking Hungary and eastern Croatia to BiH and the Adriatic Sea.

2 COMPLAINT

- 2.1 On 22 January 2026, the Complaints Mechanism received a complaint from a family owning plots of land and a house located near the construction of the motorway (the **complainants**). The complaint raises concerns about the negative social impacts of the project.
- 2.2 The complainants explained that, in 2020, they received notification that part of their land (though not the house) would be expropriated to make way for the construction of the motorway. Given the proximity of the planned motorway to their home, they requested full expropriation of both the land and the house. While the Municipality granted such request, JPAC challenged the Municipality's decision before the court, which ultimately upheld it.
- 2.3 During the expropriation process, the Municipality appointed an expert to assess the value of the complainants' land and house. According to the complainants, neither they nor JPAC objected to the expert valuation within the allotted timeframes. In August 2025, the Municipality scheduled a meeting for the complainants and JPAC to sign an agreement providing for compensation. The complainants alleged that, in anticipation of receiving compensation shortly thereafter, they put a 4,000 KM (approximately € 2,000) down-payment towards the purchase of a new house. However, at JPAC's request, the meeting was postponed and rescheduled for November, resulting in the complainants losing their downpayment. A few days prior to the November meeting, JPAC submitted an objection to the expert's valuation. The expert rejected JPAC's arguments and maintained the original valuation. At the meeting, JPAC offered compensation below the expert's assessed value, without providing justification for the reduction. The complainants declined the compensation offer and the matter was subsequently referred to the court. At the time the complaint was submitted to the EIB-CM, the court

² More information on the project is available at: [CORRIDOR VC MEDAKOVO - POPRIKUSE](#).

proceedings - through which the court will determine the level of compensation to be paid by JPAC - were still ongoing.

- 2.4 The complainants stated that, given the current real estate market conditions, the compensation offered by JPAC would not enable them to acquire a comparable house in a similar location, a quiet neighbourhood close to the city centre. They further expressed the view that the proposed compensation did not comply with the EIB Group Environmental and Social Standards.
- 2.5 Additionally, the complainants expressed concerns that construction works would start at their doorstep before they are able to relocate. They live with their children and grandchildren and wish to ensure that the latter can play safely in the backyard. They noted that the situation has been going on for almost six years, leaving them feeling under significant strain and disrespected.

3 REGULATORY FRAMEWORK

- 3.1 The work of the Complaints Mechanism is governed by the EIB Group Complaints Mechanism Policy³ and Procedures.⁴ For admissible complaints regarding environmental and social impacts of projects financed by the EIB, the policy and procedures require the Complaints Mechanism to conduct an initial assessment of the complaint. The main objectives of the initial assessment are to clarify the concerns raised by the complainants and to determine if further work by the Complaints Mechanism is necessary and/or possible in order to address the allegation(s) or resolve the issue(s) raised by the complainants.⁵ Further work may include a compliance review or a collaborative dispute resolution process. The Complaints Mechanism should identify the relevant stakeholders who are to be involved in a possible collaborative dispute resolution process and should understand their views and willingness to resolve the issues.⁶ This report contains the results of the Complaints Mechanism's initial assessment.
- 3.2 The regulatory framework includes the EIB's policies, procedures and standards relevant to projects, in particular Environmental and Social Standard 1 "Assessment and Management of Environmental and Social Impacts and Risks", Environmental and Social Standard 6 "Involuntary Resettlement", and Environmental and Social Standard 10 "Stakeholder Engagement"⁷ as well as applicable national law.

4 INITIAL ASSESSMENT

- 4.1 During the initial assessment, the Complaints Mechanism: (i) had an initial meeting with the relevant EIB Services on 2 March 2026, (ii) reviewed documents, and (iii) held separate online and in-person meetings with representatives of JPAC, the complainants and their advisor, as well as an in-person joint meeting.
- 4.2 During the initial assessment, the complainants expressed interest in participating in a collaborative dispute resolution process with JPAC, facilitated by the Complaints Mechanism, to discuss and resolve the issues raised.

³ Available at: [EIB Group Complaints Mechanism Policy](#).

⁴ Available at: [EIB Group Complaints Mechanism Procedures](#).

⁵ For more information about the objective of the initial assessment, see page iii.

⁶ § 2.2.5 of the procedures.

⁷ [Environmental and Social Standards \(2018\)](#) (the 2018 version of the Environmental and Social Standards is applicable here, as the finance contract was signed before the current version of the Standards (2022) was in force).

- 4.3 In conversations with the Complaints Mechanism, JPAC indicated that they considered the issue of compensation to be a matter for the court and not appropriate for discussion outside that forum⁸. Nevertheless, they expressed willingness to engage in a collaborative dispute resolution process with the complainants, facilitated by the Complaints Mechanism, with a view to establishing a channel of communication as well as discussing the status of the construction works and other practical aspects of the expropriation process.
- 4.4 The complainants accepted the proposed scope for the dialogue.

5 WAY FORWARD

- 5.1 Following the initial assessment, the Complaints Mechanism proposes to proceed with a collaborative dispute resolution process considering the willingness of the complainants and JPAC to engage in a dialogue to solve the issues raised. A collaborative dispute resolution process is forward-looking in nature and seeks to come to mutually accepted and sustainable solutions. The Complaints Mechanism will coordinate the preparation and implementation of this process with the parties.⁹

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⁸ On that issue, JPAC noted that before the November meeting with the complainants, they had requested the Municipality to provide an additional expert valuation in order to try and resolve the issue amicably. However, that request was not accepted by the competent administrative authority.

⁹ According to the policy, in the event the Complaints Mechanism facilitates a collaborative dispute resolution process, the time limits for processing the complaint may be extended in consultation with the complainant in order to allow for comprehensive engagement of the parties and manage legitimate expectations (see § 4.4.4 of the procedures).