Early Warning System

EBRD-54978

Foca - Hum Road

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Quick Facts

Countries	Bosnia and Herzegovina
Specific Location	Between Brod na Dirini in the Municipality of Foca and Hum (on the border with Montenegro)
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Proposed
Bank Risk Rating	B
Voting Date	2025-12-03
Borrower	Government of Bosnia and Herzegovina - Putevi Republike Srpske
Sectors	Transport
Investment Type(s)	Loan
Investment Amount (USD)	$ 56.46 million
Project Cost (USD)	$ 115.28 million

Project Description

According to the Bank’s website, the project consists of the provision of a sovereign loan of up to EUR48 million to Bosnia and Herzegovina, to be on-lent to Public Company Putevi Republike Srpske through Republika Srpska to finance the rehabilitation of the existing road and construction of new road sections between Brod na Dirini in the Municipality of Foca and Hum on the border with Montenegro. The Project will be co-financed with a loan from the World Bank in the amount of up to EUR32 million.

The project objectives are:
- Improve BiH's connectivity and regional integration within the Western Balkans and with EU markets;
- Enhancement of road safety standards and climate resilience.

The Project consists of three sections: A) rehabilitation of the existing road section between Brod na Drini and Donji Kopilovi (approx. 5.5 km), B) construction of a new road section between Donji Kopilovi to Hum (approx. 13.3 km), and C) construction of a border crossing bridge (approx. 380 m) over the Tara River to Montenegro. Section B will be co-financed by the EBRD and the World Bank. Section A will be financed by Putevi RS. Section C will be financed jointly by BiH and Montenegro.

Early Warning System Project Analysis

Categorised B (ESP 2019). The Project does not trigger a Category A given limited alignment change and site-specific impacts that can be mitigated.

The key E&S issues and risks associated with the Project include land acquisition, occupational health and safety and community health and safety issues, waste and wastewater management, contractor management, supply chain issues, transport safety and impacts to biodiversity and local cultural heritage sites. The Project is a combination of greenfield (approx. 13.26 km) and brownfield components (approx. 5.5 km) and includes a border-crossing bridge over the River Tara to Montenegro (approx. 0.38 km). The construction phase involves technically demanding works across steep terrain, with high-risk activities for workers such as earthworks, bridge and retaining wall construction. These works may also lead to temporary but disruptive impacts on nearby communities, including noise, dust, vibrations and access limitations, particularly for facilities close to the alignment or spoil disposal sites. Recreational activities such as rafting, fishing and hiking may also be affected during peak tourist months.

Labour risks are assessed as low. The size and structure of the workforce for construction will be determined when the contractor is selected.

The land expropriation procedure for the Project commenced in 2021 with 66 expropriation cases initiated, covering a total of 121 land plots, and the process is nearly complete. The main design will be prepared by the contractor, which can result in additional land take not estimated to be significant.

The biodiversity impact assessment identified potential risks to species and habitats of conservation concern, including those listed under the European Union ("EU") Habitats and Birds Directives, Bern Convention, and relevant national legislation.

One culturally significant site is located near the planned bridge works in Hum, a Hum-Bastasi Mosque, which is approximately 20 m from the viaduct alignment. No physical impacts to the mosque are expected, however, temporary disturbances such as noise or access disruptions may occur during construction.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

A sovereign loan of EUR 48,000,000.00.
Total project cost: EUR 98,000,000.00

Contact Information

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ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form: https://www.ebrd.com/eform/information-request

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at: http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html

Bank Documents

- PSD Translation (Bosnian)