

# Bosnia and Herzegovina: EU grant worth €11.8 million for Corridor Vc signed today



- The EIB has signed an €11.8 million EU grant to Bosnia and Herzegovina for the construction of the 6.9 km-long Tarčin-Ivan section of the motorway along the pan-European Corridor Vc.
- The grant comes from the Western Balkans Investment Framework (WBIF) Connectivity Agenda and complements a previously approved EIB loan worth €40.4 million.
- The project will improve regional connectivity and road safety and allow for faster social and economic integration of the Western Balkans and the European Union.

The European Investment Bank (EIB) has signed an €11.8 million EU grant with Bosnia and Herzegovina to finance the construction of the 6.9 km-long Tarčin-Ivan section of the pan-European Corridor Vc. The EU grant comes from the Western Balkans Investment Framework (WBIF) and complements an earlier EIB loan worth €40.4 million approved by the EU bank for the same section of the Corridor Vc. For the entire section including the 1 720 m long double-tube Tunnel Ivan, the European Union has provided a total of €23.3 million in grants in addition to financing provided by the EIB and the European Bank for Reconstruction and Development (EBRD), complementing funds provided by Bosnia and Herzegovina. This agreement marks another important step forward for EU assistance to the country in the construction of the Corridor Vc.

Corridor Vc is the most ambitious investment programme in Bosnia and Herzegovina to improve regional connectivity, shorten travel times and increase road safety along the route connecting the main economic and administrative centres in the country. In addition, Corridor Vc will contribute towards faster social and economic integration of the Western Balkans and the European Union.

**EU Ambassador to Bosnia and Herzegovina Johann Sattler** said: *“The EU has allocated more than €200 million of grants under the Connectivity Agenda to help Bosnia and Herzegovina accelerate the construction of the Corridor Vc in the country. The construction works did not stop even during the coronavirus pandemic. The protective measures put in place in all active construction sites are a very positive sign as they mean retaining jobs in these difficult times. Large public investment programmes most importantly generate new jobs and acceleration of construction is more necessary than ever to mitigate the adverse impact of the pandemic.”*

The grant agreement was signed by Bosnia and Herzegovina and the EIB on behalf of the European Union and will complement an EIB loan worth €40.4 million.

## **Head of EIB Lending Operations in Croatia, Slovenia and Western Balkans**

**Matteo Rivellini** said: *“The EIB remains committed to the long-term, sustainable development of Bosnia and Herzegovina and we are proud of our role as one of the major investors in country’s road infrastructure. As motorways are drivers of economic and social development, this section will speed up integration of Bosnia and Herzegovina with the EU and help create new business opportunities throughout the region and with them jobs and income for the people. In times of economic uncertainty due to the COVID-19 pandemic, strategic investments like this are clear signals that the EU bank remains a reliable partner for the Western Balkans.”*

*“This project will bring Sarajevo and Mostar closer and shorten the travelling distance by connecting the M17 Road with Corridor Vc. In addition to faster and more comfortable travelling, this modern section will also give rise to new economic opportunities and improve environmental protection,”* said **Minister Vjekoslav Bevanda** after signing the agreement.

More than 335 km of Corridor Vc runs through Bosnia and Herzegovina, connecting the port of Ploče in Croatia with Budapest. Thus far, 155 km have been completed or are currently being built. Recognising the need to support the country in this significant and expensive project, the European Union will facilitate construction of 11 mature projects on Corridor Vc. Under the Connectivity Agenda, the EU is also supporting construction of the Gradiška bridge and the rehabilitation of the Brčko Port.

The EU grant funds have been allocated through the **Western Balkans Investment Framework (WBIF)**.

[Western Balkans Investment Framework \(WBIF\)](#) provides financing and technical assistance to strategic investments in the energy, environment, social, transport, and digital infrastructure sectors. It also supports private sector development initiatives.