



Case 2021/02 Gradacac Water Supply (45810) - Bosnia and Herzegovina

Summary of Request

Introductory Note

During the registration period, IPAM has engaged numerous times with the Requesters to clarify their concerns allowing additional time for the presentation of necessary information. As a result the initial Request has been complemented by several documents and email communications which have been considered by IPAM to decide on whether the registration criteria were being met.

To summarise the information received IPAM has prepared the following request summary for public disclosure purposes. This summary does not replace the request and supplementary information received from the Requesters.

Summary

On 26 August 2021, IPAM received a Request in relation with the EBRD's project [Gradacac Water Supply - OP 45810](#) from Musa Suljevic, who is also representing a second Requester who asked for confidentiality due to fear of reprisals. The two Requesters are residents of the Gradacac municipality in Bosnia and Herzegovina and allege that the renovation of the water distribution system carried out by the municipality of Gradacac has caused actual and potential harm on their land and private property.

Requesters also claim that the works on the water supply network were undertaken without due authorisation from the landowners and that they were not compensated for the damage caused to their property.

Additionally, the Request raises alleged damage and risk of further damage on an underground network of plastic tubes owned by Musa Suljevic through his commercial company Bridistel d.o.o. The underground network is aimed to provide Internet and TV services in the area.

Finally, concerns are expressed around impacts on the roads and traffic safety due to the construction works undertaken on the water supply network.

[REDACTED]

to:

Independent Project Accountability Mechanism, European Bank for Reconstruction and Development, Attn: **Victoria Marquez-Mees**, Chief Accountability Officer, One Exchange Square, London EC2A 2JN, United Kingdom

Email: ipam@ebrd.com

Copy – [REDACTED]
Principal, Investigations
Office of the Chief Compliance Officer

European Bank for Reconstruction and Development
One Exchange Square, London EC2A 2JN
Tel: [REDACTED]
Email: [REDACTED]

Brčko / Gradačac, Bosnia and Herzegovina

Our number: 130/2021

Datum, 25.08.2021

Subject: Project implementation matters

Dear Mrs. Victoria Marquez-Mees,

We are addressing you as Chief Accountability Officer, related to Gradačac Water Supply Project (EBRD Project ID 45810; ECEEP ID 10356572 - Reconstruction of the existing water supply facilities and network in the City of Gradačac (central urban area) in Bosnia and Herzegovina - hereinafter referred to as “the Project”)

We have studied in detail the IPAM - the independent accountability mechanism of the EBRD.

Musa Suljević

- Let us point out that, (to our best knowledge) due to "political pressure" and latent "intimidation", many individuals do not dare to make public their observations (they are ready to speak only "face to face" in Gradačac, provided complete anonymity).

We refer in our address to **your Environmental and Social Policy- April 2019**

I. FIRST PROBLEM – destruction / damage of local, regional and main roads - Traffic and Road Safety

During the execution of works on the "Project", the road belt and the bank of local, regional, and main roads in the territory of the municipality of Gradačac were used.

During these works, there was **great damage to the roads**, so that traffic safety on those roads is significantly endangered. This is especially true for regional road Kerep - Zelinja Donja - Zelinja Srednja (R465a).

This is covered in the following procedures in Environmental and Social Policy-April 2019 - EBRD Performance Requirement - **Traffic and Road Safety**

30. The client will identify, evaluate and monitor the potential traffic and road safety risks to workers and **project-affected communities** throughout the project life-cycle and, where appropriate, will develop measures and plans to address them. For projects that operate moving equipment on public roads and other forms of infrastructure, the client will seek to prevent the occurrence of incidents and injuries to members of the public associated with the operation of such equipment.

31. The client will take into consideration relevant EU road and traffic safety management standards

44, Identify road safety measures for both motorised and non-motorised road users and incorporate technically and economically feasible and cost-effective road safety components into the project design to **mitigate potential road safety impacts on the local affected communities**. Where appropriate, the client will undertake a **road safety audit** for each phase of the project and routinely monitor incident and accident reports to identify and resolve problems or negative safety trends. For clients with vehicles or fleets of vehicles (owned or leased), the client will introduce GIP arrangements to manage road and traffic risks

Consistent with the objectives of the Directive 2008/96/EC of the European Parliament and of the Council of 19 November 2008 on road infrastructure safety management.

In accordance with good international practice such as ISO 39001 Road Traffic Safety Management

What do we hope to achieve through the IPAM process?

We suggest applying the following algorithm from the IPAM:

Path 1– Problem Solving: IPAM can act as a neutral third Party to help find mutually-satisfactory resolutions through flexible, consensus-based problem solving approaches.

We suggest the following:

1. According to the available information, the investor did **not** provide the necessary approvals for works on regional and main roads from the Tuzla Roads Directorate and the Sarajevo Roads Directorate. The investor should immediately stop such illegal works on regional and main roads
2. Investor - EBRD client should immediately provide **road safety audit** of all regional and main roads on which works related to "the Project" were performed. Road safety audit should be provided by a team of experts independent of political influence (preferably experts from outside the municipality of Gradačac and Tuzla Canton). The competent inspectors and representatives of the road directorates from Tuzla and Sarajevo must participate in the work of this team.
Representatives of local communities whose population uses these roads must be involved in the work and regularly informed about the results of road repairs
3. According to the findings of such a team of experts, repairs of all damages on the mentioned roads should be started **immediately**. Particularly dangerous are the so-called "hidden damage" in the body of roads for which the investor and the contractor are jointly and severally liable for a period of ten (10) years after the completion of works and commissioning of the Water Supply System Gradačac (according to Article No. 644 of the Law on Obligations).
4. Work can continue only after obtaining the appropriate written consent and permission of the competent directorates for roads from Tuzla and Sarajevo
Appropriate supervision and monitoring by neutral observers should be ensured. Oblige the EBRD client to provide feedback and make available to the public all relevant information related to the repair of damaged roads (the transparency requirement)

II. SECOND PROBLEM - EBRD Performance Requirement 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

During the realization of "the Project" so far, over 120,000 meters of the route were laid - (up to approximately additional 100,000 meters of the route is planned). In addition to the road zone of public roads, private properties were also used for laying the water supply installation.

In every democratic country, the right to private property is **sacred**. We are afraid of that this is not the case in the realization of this project.

Namely, the route of water pipes, underground manholes and other infrastructure was realized on over 100 private properties (pieces of land). According to our available information, the national laws of Bosnia and Herzegovina and the EBRD procedures have not been complied with in any case: The following is necessary for any digging and laying of water pipes and other infrastructure:

- voluntary consent of the landowner
- a written contract between the landowner and the investor certified by a notary public
- market compensation to the landowner for laying the infrastructure in his land (approximately 2,000 German marks - about 1,000 Euros for each piece of land)

There are clear indications of possible political blackmail and intimidation of landowners. The owner of Bridistel d.o.o., Musa Suljević, has over 40 years of practical experience. He has successfully solved "thousands" of such cases in his career. He does not recall a single case where a landowner allowed "voluntary" passage over his land without payment (on average from 500 to 1000 euros per case) and without a mutual contract made by a notary public.

The laws of Bosnia and Herzegovina demand this as a compulsory requirement.

The City Administration of the City of Gradačac has been, so far, rigorous in implementing the applicable laws of Bosnia and Herzegovina. This was the case when Bridistel d.o.o. laid its underground installations and in the case of other buildings (other investors), as well.

It remains a "mystery" why such gross human rights violations and illegal handling of sacred private property are allowed!?

This is covered in the following procedures in Environmental and Social Policy-April 2019 - EBRD Performance Requirement 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement:

47 "Land acquisition" refers to all methods of obtaining land for project purposes, which may include outright purchase, expropriation of land and assets and acquisition of temporary or permanent access rights, such as easements, **rights of way**, establishment of restrictions of access to protected and other

areas. Land acquisition may also include: (a) acquisition of unoccupied or unutilised land whether or not the landholder relies upon such land for income or livelihood purposes; (b) repossession of public land that is used or occupied by individuals or households; and (c) **project impacts that result in land being submerged or otherwise rendered unusable or inaccessible**. "Land" includes anything growing on or permanently affixed to land, such as crops, buildings and other improvements, and appurtenant water bodies.

What do we hope to achieve through the IPAM process?

We suggest applying the following algorithm from the IPAM:

Path 1– Problem Solving: IPAM can act as a neutral third Party to help find mutually-satisfactory resolutions through flexible, consensus-based problem solving approaches.

We suggest the following:

1. STOP the described illegal practice of misuse of private property IMMEDIATELY

2. Within a reasonable time period for each landowner, whose land has so far been used for the needs of "the Project", provide subsequent voluntary signing of a written contract concluded with a notary public and fair compensation to landowners for the use of their land

In doing so, appropriate supervision and monitoring by neutral observers should be ensured. Oblige the EBRD client to provide feedback and make available to the public at the end of the procedure a table of all landowners with whom a contract has been voluntarily concluded with notaries public with fair compensation (*the transparency requirement*)

1. Who is submitting this Request? Please provide your name(s) or the name of your organisation *

Musa Suljević

2. IPAM is committed to protecting your identity if you fear reprisals. Do you want your name(s) (or the name of your organisation) to be kept **confidential throughout this process?**

We do not want to be anonymous. Feel free to use our identity.

3. Do you fear risk of retaliation for sharing your concerns with IPAM? *

Revenge is obvious and is being used almost every day against our company and Musa Suljevic personally. Indirect forms of intimidation and political-administrative pressure are used, as well.

4. Country *

Bosnia and Herzegovina

5. Please provide your contact information

Musa Suljević, [REDACTED]
[REDACTED]
[REDACTED],
[REDACTED]

6. Please name or describe the **EBRD Project(s)** that raises concerns. If you don't know the Project name, you can include details like the name of the company in charge of the Project, its location, or the activities it is involved in that are affecting you. *

Water Supply Project (EBRD Project ID 45810; ECEEP ID 10356572 - Reconstruction of the existing water supply facilities and network in the City of Gradačac (central urban area) in Bosnia and Herzegovina

7. What harm do you believe has been caused, or might be caused, by the Project? * Please include details.

Please see the information given above

8. Are you directly and personally affected by the Project? *

Musa Suljevic is directly affected as an individual, because the Project also includes the street where he lives [REDACTED]

It is also our company affected, because H.K.Gradašćevića (where our headquarters are located) is covered by "the Project". Bridistel d.o.o. has built an underground network of cable television in the central part of the city of Gradačac in the total length of 10 to 15 kilometres. With the realization of the quoted "the Project", there is a real danger that this network will be damaged / destroyed. In one of the streets of the city of Gradačac - Josip Šiber Street (main road M14.1) damage has already been done in the amount of [REDACTED]

We support "the Project" as long as the following conditions are fully met during the implementation of the Project:

- 1) EBRD procedures
- 2) All provisions of the Law on Spatial Planning and Construction of Tuzla Canton ("Official Gazette of Tuzla Canton", number: 06/11, 04/13, 15/13, 02/16)
- 3) relevant BAS technical standards

9. Have you ever contacted the EBRD or the EBRD Client to try to raise and voice your concerns? *

We have contacted several times the EBRD – Office of the Chief Compliance Officer in London (and EBRD office in Bosnia, as well) and EBRD client - JP "Komunalac" d.d. Gradačac- the administration of the city of Gradačac. Numerous meetings were held, letters were exchanged. So far there have been no results at all.

We think that we have tried everything possible over the last year or so. The IPAM is indeed a 'tool of last resort'.

Complete correspondence and all the information are available to [REDACTED] as Principal, Investigations, Office of the Chief Compliance Officer. She knows the complete situation and she has all our correspondence with the EBRD and the EBRD client. Therefore, this correspondence is copied to her.

Contact details:

[REDACTED]

Principal, Investigations
Office of the Chief Compliance Officer

European Bank for Reconstruction and Development
One Exchange Square, London EC2A 2JN

Tel: [REDACTED]

Email: [REDACTED]

10. What do you hope to achieve through the IPAM process?

Please see the information given above

11. IPAM has two paths for reviewing your concerns.

Please see the information given above

12. Please list the Policy requirements you believe the EBRD has not met on this Project, if you are familiar with the Environmental and Social Policy or Access to Information Policy.

Please see the information given above

13. Have you submitted any complaints to other organisations In relation to the concerns raised in your Request?

According to European Union officials, the rule of law in Bosnia and Herzegovina is at very low level. Bribery and corruption are everywhere. This is especially true in the case of public procurement (as is the case with the "Project" in question).

At the local level, almost nothing can be achieved in a legal way. One political option is dominant at the level of the city of Gradacac and Tuzla Canton. Trials last for years or even decades with an uncertain outcome. Aware of this fact, as the only realistic option, we point out that only the EBRD ("who has the money, has the power in Bosnia and Herzegovina") and the public can achieve something, to eliminate these shortcomings.

So far, we have submitted to the EBRO documentation of about five hundred pages. Additional documentation of nearly thousand pages is ready to be dispatched. If the dangerous situation (described in this correspondence) is not resolved very soon, we have no choice but to inform the public electronically, by sending this documentation to over a hundred addresses throughout Bosnia and Europe.

So far, only the EBRD offices in Sarajevo and London have been contacted

14. Any other information you consider relevant?

At your request we will provide you with any additional available information

Kind regards

Musa Suljević

Bridistel d.o.o

CEO

Musa Suljević, MBA, M.Sc., dipl.ing.el, MIEEE

to:

Independent Project Accountability Mechanism, European Bank for Reconstruction and Development, Attn: Victoria Marquez-Mees, Chief Accountability Officer, One Exchange Square, London EC2A 2JN, United Kingdom

I, [REDACTED] from [REDACTED] Municipality Gradačac, Tuzla Canton, Bosnia and Herzegovina, as the Requester in accordance with "the Project Accountability Policy 2019, paragraph 2.1,d)

viii. **Representatives**, European Bank for Reconstruction and Development (EBRD) as my Representative I appoint the following person:

Musa Suljević, [REDACTED],
Bosnia and Herzegovina (Representative) - email : [REDACTED]

The task of the Representative is to assist me in the IPAM procedure before the EBRD regarding the Gradačac Water Supply Project (EBRD Project ID 45810; ECEEP ID 10356572 - Reconstruction of the existing water supply facilities and network in the City of Gradačac in Bosnia and Herzegovina – (hereinafter referred to as "the Project").

During the execution of works on the " Project " without my consent water pipes were laid out on my property (attached drawing area and evidence of the ownership)

I am asking IPAM to help me (problem solving method) by enabling / assisting me in signing the contract) with a notary public on the right of easement of installed installations with the competent investor / contractor for a fee of 1,000 (thousand) Euros, construction of water supply connection to my house without fees, repair of all damages on my land and compliance with all EBRD procedures, applicable laws in Bosnia and Herzegovina and applicable technical standards.

I also demand that all public roads in the area of the municipality of Gradačac, which were damaged during the implementation of the "Project", be inspected by responsible and professional persons, and that all damage be repaired immediately.

The representative is the person for all formal communications between IPAM and me. If necessary, you can contact me directly in my native language using the contact details below.

I declare that

- During the procedure, I do not want to be anonymous (underline) or
- During the proceedings, I wish to remain anonymous (underline) for the following reasons:

DUE TO POSSIBLE HARASSMENT OF THE
MUNICIPAL ADMINISTRATION



Ja, .. [redacted] opština Gradačac, Tuzlanski
(ime i prezime) (mjesto stanovanja)

kanton, Bosna i Hercegovina, kao Podnosilac zahtjeva shodno "Politici odgovornosti projekta 2019, stav 2.1.d) Predstavnic" Evropske banke za rekonstrukciju i razvoj (EBRD) ovim, kao svojeg predstavnika, određujem slijedeće lice:

Musa Suljević, [redacted] Bosna i
Hercegovina (Predstavnik) - email: [redacted]

Zadatak Predstavnika je da mi pomogne u IPAM postupku pred EBRD vezano za Gradačac Water Supply Project (EBRD Project ID 45810; ECEEP ID 10356572 - Reconstruction of the existing water supply facilities and network in the City of Gradačac in Bosnia and Herzegovina - hereinafter referred to as "the Project")

Tokom izvođenja radova na "Projektu" bez moje saglasnosti su položene vodovodne cijevi/infrastruktura na mojem zemljištu (u prilogu skica zemljišta i dokazi vlasništva)

Molim IPAM da mi pomogne (problem solving method) tako da omogućiti/pomogne u potpisivanju ugovora kod javnog notara o pravu služnosti položenih instalacija s nadležnim investitorom/izvođačem radova uz nadoknadu od 1.000 (hiljadu) Eura, izradi vodovodnog priključka do moje kuće bez naknade, popravka svih nastalih oštećenja na mojem zemljištu te poštovanje svih EBRD procedura, zakona u Bosni i Hercegovini i tehničkih standarda.

Zahtjevam i da se od strane odgovornih i stručnih lica pregledaju svi javni putevi na području opštine Gradačac koji su oštećeni tokom realizacije "Projekta" te odmah pristupi popravkama svih oštećenja.

Predstavnik je osoba za sve formalne komunikacije između IPAM i mene. U slučaju potrebe možete mi se direktno obratiti na mojem maternjem jeziku. Izjavljujem da.

- Tokom postupka ne želim biti anoniman (podvući) ili
- Tokom postupka želim ostati anoniman (podvući) zbog slijedećih razloga:

Zbog mogućeg maltičarstva opština Ra
Predstavnik Podnosilac zahtjeva

(Requester)

(potpis/signature)

Ime oca/father's name

Tel.: +

Email:

Adresa

GRADAČAC, 27.09.2021.

Bosna i Hercegovina
Federacija Bosne i Hercegovine
Tuzlanski kanton
Grad Gradačac
Gradska služba za geodetske i
imovinsko-pravne poslove

Broj: [REDACTED]
Datum: 22.09.2021

IZVOD IZ POSJEDOVNOG LISTA BROJ [REDACTED]

Katastarska općina: ZELINJA SREDNJA

Kat.broj	Nositelj prava	Adresa	Udio	Pravo			
Parcela	Pl./Sk.	Naziv parcele	Pov.(m ²)	Način korištenja	Svojina	Prihod	Pov.(m ²)
UKUPNO:						120,35	3946

[REDACTED]
Naknada u iznosu od 8 KM naplaćena je na osnovu Tarifnog broja [REDACTED], Privremene odluke o naknadama za korištenje podataka premjera i katastara (Službene novine FBiH [REDACTED]).



POSREDOVNIK GRADONAČELNIKA

U. [REDACTED]

U. [REDACTED] dipl. ing. geod., s.r.

*hormonizacij
podataka*

On August 26th we received a Request from you concerning several issues in regard to the Gradacac Water Supply project in Bosnia and Herzegovina. We are in the process of reviewing your request and for us to evaluate it against the registration criteria provided by the PAP we need to kindly ask you for some further information.

Firstly, according to what is stated in the Request, this is submitted to IPAM representing not only you but also other persons/communities. We, therefore, need to ask for the identity of these people, proof of their willingness to be represented by you and the reason why they preferred not to submit the Request themselves.

At least half of the population of the municipality of Gradačac feels the negative consequences of the implementation of the Water Supply project in the municipality of Gradačac (not all of them are future users of the Water supply project). One complete local community () withdrew from the project (although it was initially included).

There is great dissatisfaction (on the verge of "social revolt"). It is cleverly hidden.

Namely, the political situation in the municipality of Gradačac is extremely polarized. If you ask someone from the "position", he/she will tell you that the Water Supply project in Gradačac is "the best project in the history of mankind". Others will say the exact opposite!?

THAT IS WHY THE OBJECTIVE FACTUAL STATUS NEEDS TO BE ESTABLISHED!

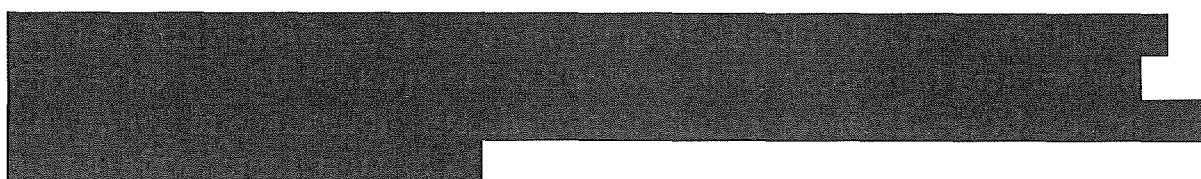
The administration of the city of Gradačac is not cooperative and the data are not available to us (and others). This can only be determined by the EBRD with its authority as someone who provides finance to the project. We believe that it is necessary to determine the LIST of all pieces of land over which water pipes are installed (i.e. complete infrastructure) and / or it is planned to be installed. Therefore, we suggest that the EBRD, through its independent consultant, request and get from the City Administration of the City of Gradačac and / or the Contractor an official LIST containing the following information:

- name and surname of the landowner, address, contact details with JMBG number (for public area the name of the legal entity that manages that area) (local, regional and main roads with their ID number)**
- identified number of lands (as kept in the official Land Register.) over which water pipes have been laid and / or are planned to be installed**

- number and date of the document issued by the official notary public by which the owners give the "right of way - easement" for the laying of the water pipe and the complete infrastructure (if such document exist!?).

ACCORDING TO OUR AVAILABLE DATA, THERE IS NOT A SINGLE CASE (out of more than a hundred cases) in which property legal relations have been legally resolved, ALTHOUGH RESULTS ARE REQUIRED BY THE NATIONAL LAWS OF BOSNIA AND HERZEGOVINA.

Unofficially, we have heard that private “voluntary” consents have been obtained from certain individuals, grandparents etc.. It is all about political pressure, coercion, and undemocratic pressures.



I personally (together with my staff) can voluntarily provide all assistance to your independent consultant regarding the collection of this data and further work.

Therefore, we cannot officially declare whether the cited landowners want to be anonymous. We must first establish their official identity (data on their land). So far, I have been personally addressed by several TENS of people who point out the quoted illegalities. They do not want to be officially identified for fear of reprisals (some are even employed by the Gradačac city administration). However, they are ready to provide information (even photos) to your independent consultant in Gradačac (“face to face”)

If your complaint is registered (and for that purpose we need to see if it meets the registration criteria, attached for your information are the IPAM registration criteria), we make the complaint public in our IPAM Case Registry. However, we can maintain the confidentiality of your identity and the identity of other Complainants if you fear that by disclosing your name, or the names of other Complainants, you might be subject to reprisals. So, please let us know if you require confidentiality, and if you do, the reasons for it.

Secondly, we would like to ask you to confirm for us your home address and the one of your Company Bridistel d.o.o.

- Musa Suljević home address – [REDACTED] (please see the maps attached – marked as [REDACTED])
- The headquarters address of the company is: Asima Derviševića 39a, 76250 Brčko, Brčko Distrikt BiH- tu subsidiary in Gradačac: Reufa Huseinagića bb/H.K.Gradašćevića bb, 76250 GRADAČAC (please see the maps attached – marked as Bridistel building)

Also, please specify if the water supply pipes network is being laid out on the street where you live and/or on the street where your company is located

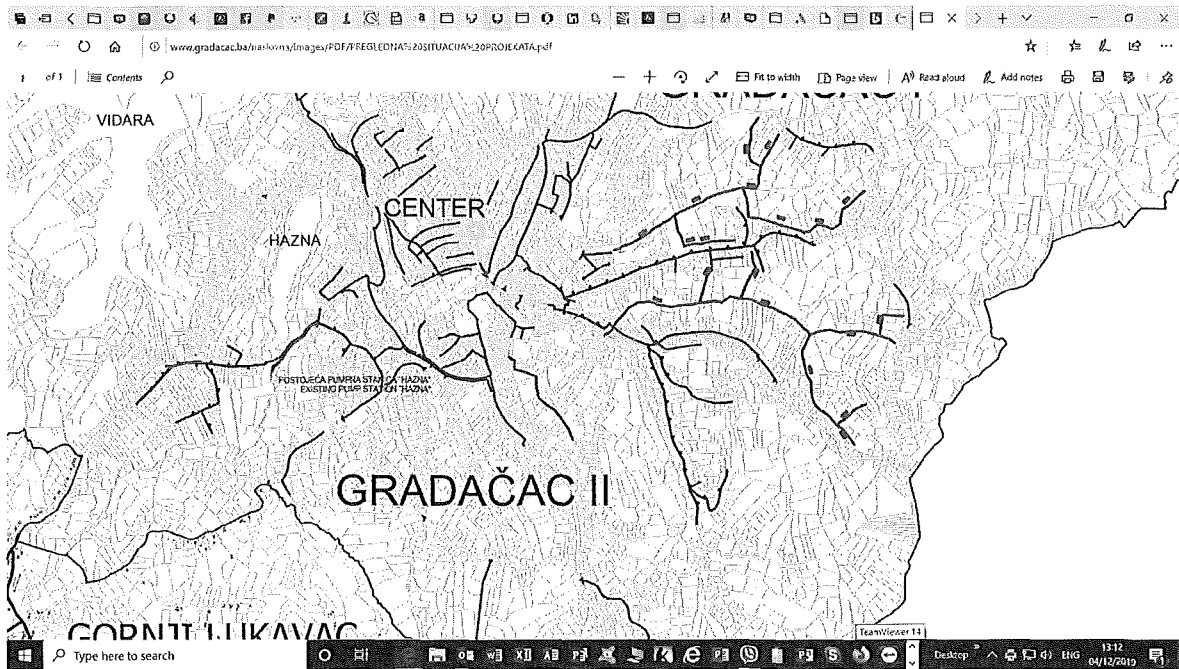
- **The water supply pipes network is being laid out on the same street where I live – street Hasana Kikića (please see the maps attached)**
- **The water supply pipes network is being laid out on the same street(s) where my subsidiary is located – street H. K. Gradašćevića & street Reufa Huseinagića (please see the maps attached)**

or on the streets where Bridistel company has its cable network? If you could indicate the names of the streets that would be helpful. This would allow us to understand if you are directly impacted by the project and further understanding your Request.

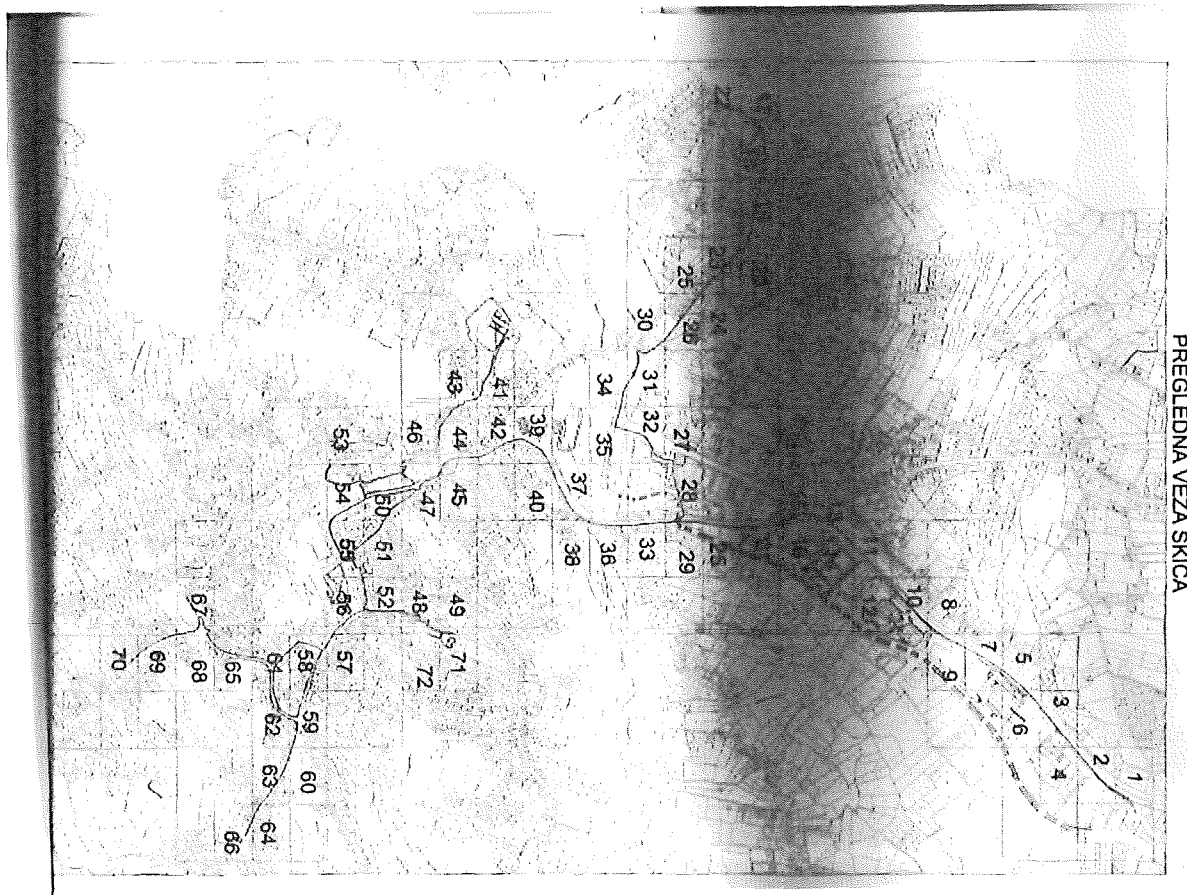
Please see the maps attached. You can see the following:

- **Our Cable TV network – Fibre to the Home (FTTH) covers almost the whole central urban area of Gradačac (there are 70 maps – please see the attached maps/drawings). Almost all streets in the central urban area of Gradačac are included. The rest of streets will be covered shortly, as well. There is, so far, approx. 12. 000 metres of our CATV pipes laid out in central urban area of Gradačac**

Our CATV Gradačac and the Water supply pipes network in Gradačac OVERLAP at least in 70% cases (Investor - client (Komunalac dd Gradačac) does not have precise plans + existing plans are constantly changing – because they do not have proper permissions). The following is the plan of Water supply network in Gradačac:



And our CATV network is



THE RESEMBLANCE/OVERLAPPING IS OBVIOUS!!!

- Our CATV in Gradačac is designed and build up using the most advanced international technical standard ITU-T L.48 (please see attached copy of this ITU-T technical standard)
- The most of world cities around the globe (Sarajevo, Paris, London, New York etc.) have been build up using this technical standard.
- **Please note the following:** The construction of the cable television network in Gradačac directly applies the international technical standard - ITU-T L.48. This has the following **extremely positive environmental effects**:
 - During the construction of the CATV, a narrow and shallow channel (up to 15 cm wide and 10 cm to 30 cm deep) is excavated. This minimizes **environmental damage**, minimizes damage to existing underground installations and obstruction of traffic during construction and subsequent technical maintenance.
 - On the other hand, BH Telecom uses "classic method" by excavating a trench at least 80 cm deep. In this way, already in 2019, they caused real "chaos" in the city centre. BH Telecom, with the help of the Gradačac City Administration, produced an immeasurable environmental impact and, almost, a social rebellion of the population in the centre of Gradačac.

The underground CATV network, built using the cited international technical standard ITU-T L.48, enables dismantling of existing aerial cables owned by BH Telecom. These aerial cables "*do not add to the beauty*" of Gradačac and are not suitable for the 21st century. They have a lower life span, a higher maintenance cost and, together with the pillars on which they are installed, can, to a certain extent, pose a safety risk to the population.

Finally, using an underground cable network with fibre optic cables, reduces **radiation and harmfulness** from electromagnetic waves, as optical cables do not radiate EM waves into the environment.

The conclusion is clearly drawn that the built Gradačac underground CATV network has an **extremely large positive effect on the environment**

Their main complaint is that the existing cable TV installations in Gradačac were allegedly dug too shallow. Apparently, they have never heard or seen about the "mini - trenching" technique covered by the ITU - T L48 international technical standard. An excerpt from this standard is shown in in the following diagram:

In general, the mini-trenching cable laying technique can be applied on routes that generally involve **asphalted/cement surfaces** such as roads and sidewalks with a subgrade of compact material. This is precisely the situation in the narrower part of Gradačac, where the existing underground installation in the City of Gradačac was laid out.

ITU-T Recommendation L.48

Mini-trench installation technique

1 Scope

This Recommendation:

- gives advice on general requirements of the main phases in which the work can be divided;
- gives advice on the methods and procedures for performing the works;
- gives some application criteria.

2 The mini-trenching cable-laying technique

The mini-trenching technique can be applied on routes that generally involve asphalted surfaces such as roads and sidewalks with a subgrade of compact material.

It is not recommended that the technique be used on routes where the soil subgrade is sandy, gravelly or contains medium-sized cobbles (i.e., measuring 10 to 20 cm in diameter). If other underground utilities crossing a planned route already exists at a depth interfering with the depth of the mini-trench, this technology is not appropriate.

The advantages of this technique over conventional cable laying technologies lie essentially in its speed of execution, lower cost, significantly lower environmental impact and limited disruption to road traffic and, as a consequence of the previous items, the easiness in obtaining permits for the occupation of public area.

Mini-trenching is normally carried out by simultaneously cutting through the paving and digging a trench whose depth and cross-section vary in accordance with the number of ducts to be laid: depth is normally between 30 and 40 cm, while cross-section can vary between 7 and 15 cm. In order to guarantee a protection against impact resulting from road-repairing, the depth of the laid infrastructure shall be maintained constant at a known level that must be 5 cm deeper than the foreseen asphalt cutting depth normally specified for road surface repair works.

Figure 1 shows one of the possible installation configurations that can be used. Which configuration is selected will depend on the type of machinery employed and the number of ducts or cables envisaged in the project.

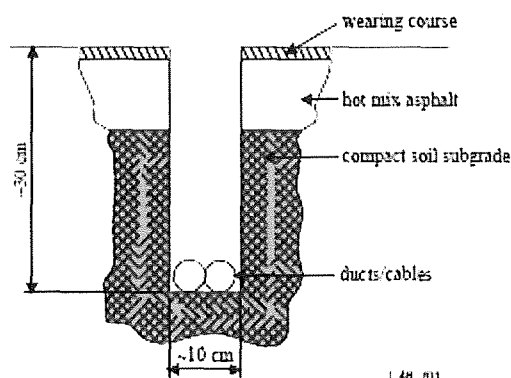


Figure 1/L.48 – Example of mini-trenching installation configuration

The **advantages** of this technique over conventional cable laying technologies lie essentially in its speed of execution, lower cost, **significantly lower environmental impact** and **limited disruption to road traffic**.

Mini-trenching is normally carried out by simultaneously cutting through the paving and digging a trench whose depth and cross-section vary in accordance with the number of ducts to be laid: depth is normally between 30 and 40 cm, while cross-section can vary between 7 and 15 cm.

In order to guarantee a protection against impact resulting from road-repairing, the depth of the laid infrastructure shall be maintained constant at a known level that **must be 5 cm deeper than the foreseen asphalt cutting depth normally specified for road surface repair works.**

This is exactly the method in the case of "mini - trenching" in Gradačac. Alkaten - PEHD pipes are laid in asphalt / concrete pavement at a depth of 20 to 30 cm (sometimes shallow due to objective circumstances), trench width approx. 20 to 25 cm with a concrete / asphalt surface protection of 6 cm on the trench surface (precisely according to the quoted international technical standard ITU-T L48).

We beg and invite the EBRD representative in Sarajevo ([REDACTED]) to confirm that the company LOGOSOFT d.o.o. in Sarajevo, installed by this technique ("mini trenching") almost all of Sarajevo (at least several tens of km of trenches - approx. 40 to 50 km). The traces of digging channels are still today clearly visible!!! With this technique, underground installations are being dug and laid out in cities like Zenica, Tuzla and other settlements of Bosnia and Herzegovina and all over the world.

It's not a shame not to know something. Utility workers - "plumbers, lawyers and local politicians are not supposed to know something about modern fibre optic cables. However, it is a great shame and a crime to remove and tear down already installed underground installations, built to the most up-to-date technical standards, without the approval or any knowledge (**installations were ready to use !!!**).

The eventual or partial destruction of the built cable network, apart from the enormous damage, would have a major **negative social effect** on the population gravitating to this network. Specifically, the Gradačac CATV network is built with "Fibre to the Home - FTTH" technology, which provides access speeds of several hundred megabits/s up to 1 gigabits/s. FTTH technology provides a full range of possible services - broadband internet, hundreds of TV channels and everything else that is relevant to 21st century population standards. On the other hand, the existing operator - BH Telecom (state-owned) provides much slower access speeds with relatively

modest maintenance. This is especially true for certain edge sections of the network.

This has already led to "discontent" with current and future internet and cable users. It is a classic "**social rebellion**" of the part of the population and business organizations (the so-called "industrial zone of Gradačac") that gravitates to the area currently covered by CATV Gradačac. This also applies to other areas of Gradačac Municipality, where extensions of this network are planned. A **petition** is being written, which will be published shortly in the media and on social networks.

Simply put, demolition and/or devaluation of a legally built CATV network Gradačac would have an **immeasurable negative social impact**

On the same line, we would also like to ask you for some further details on how specifically are you being affected by the project as well as all the other people previously mentioned if they decide to be part of the complaint. Please, feel free to provide us with any information you think could be relevant for us in understanding better your Request.

THE ALMOST COMPLETE LIST follows:

1. **Prohibited practices**

In the description of **every projects**, there is, among others, the following statement:

"Contracts will be subject to the Bank's Procurement Policies and Rules"

Relevant to this complaint, the most important part of the Procurement Policies and Rules (revised in October 2014) is the following clause 2.9

Prohibited Practices 2.9

The Bank requires that clients (including beneficiaries of Bank-financed operations), as well as tenderers, suppliers, contractors, and consultants under Bank-financed contracts including any sub-supplier, sub-contractor or sub-consultant, observe the highest standard of transparency and integrity during the procurement, **execution and implementation** of such contracts.

Any occurrence, or suspected occurrence, of a Prohibited Practice in the procurement, award, or implementation of a Bank-financed contract shall be dealt with in accordance with the provisions of the **Enforcement Policy and Procedures** (revised in October 2017). Suppliers and contractors selected pursuant to Section III, Article 2.4 and Article 3 (Procurement Rules for Public Sector operations), and consultants selected pursuant to Section III, Article 5 (Procurement of Consultancy Services) and any sub-supplier, sub-contractor or sub-consultant thereof, as well as the Bank's clients shall fully cooperate with the Bank in any investigation into an alleged Prohibited Practice to be carried out pursuant to the Enforcement Policy and Procedures and shall permit the Bank or its representative to inspect such of their accounts and records as may be relevant for such investigation and to have such records and accounts audited by the auditors appointed by the Bank. Provisions to this effect will be included in the Bank's financing agreements with its clients, and in any contracts awarded pursuant to Section III, Article 3 (Procurement Rules for Public Sector operations, (excluding Article 3.10) or Section III, Article 5 (Procurement of Consultancy Services).

The following two prohibited practices are most relevant/important to this complaint:

- **“COERCEIVE practice”** - means impairing or harming, or threatening to impair or harm, directly or indirectly, any part or the property of the part to influence improperly the action of a party
- **“COLLUSIVE practice”** - means an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the action of another party

“COERCEIVE practice” – There are three parts to this practice: **The first part** (impairing or harming) deals with the damage in Josipa Šibera - Gradačac street. The detailed description is enclosed in English. The damage already done is estimated at a minimum of **EUR 10 thousand**.

The second part (EXPECTED DAMAGE TO THE COMPLETE CABLE NETWORK refers to future damage to the rest of the cable television network in Gradačac. The possible damage is estimated at over **EUR 1 million**.

Third part (threatening to impair or harm) - Bridistel d.o.o. is in final

serious discussions with a group of foreign investors (Islamic banking) with the aim of cabling the rest of the entire Gradačac municipality (approx. 100 km of route). Due to the need to cover the entire territory of the Municipality of Gradačac, the following projects, that are already in the implementation phase, are relevant:

Expansion of water supply system (area Zelinje)- Construction of water supply facilities and distribution network and

Reconstruction and expansion of sewerage system
(funded or co – financing by **Czech Grant** -
already overlaps with part of the existing cable television network -
parts of the city Gradačac: Škorici and Vida II)

The essence of Islamic banking is in investing in the capital-equity of a company (such as Bridistel d.o.o.), rather than lending to a company. Like every investor they seek so called "*Investor required return*". Due to the newly created situation, investors are looking for additional risk premium (apart from other risks - business and financial risks and so-called "country risk" - which has also increased regarding Bosnia and Herzegovina in the meantime).

The additional risk premium is based on the additional risk / risk of demolition of the existing Gradačac cable television network (measured by Sortino ratio, conditional value at risk CVaR, etc.).

They are deeply alarmed by the damage already caused in Josipa Šibera Street and the very real likelihood of causing future damage (practically demolition) to the remaining 98% of the already established cable television network in Gradačac.

The damage is expected to be over **EUR 2 million** resulting from lost profit. Namely, if these investors withdraw from the investment, the lost profit is estimated at over 2 million euros. This is the profit that Bridistel d.o.o. could expect by the "*natural course of things*."

According to the national Law on obligations - ZOO, the one who causes the damage, is obliged to compensate, except "Ordinary pecuniary damages" (Latin *damnum emergens*) under Article 154, ZOO, and the above-mentioned lost profit under Article 155, ZOO "(Latin *Lucrum cessans*).

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

Problem - solving initiative

We strongly believe that there is a **win-win** solution to the problems that have arisen. Our initiative consists of the following steps:

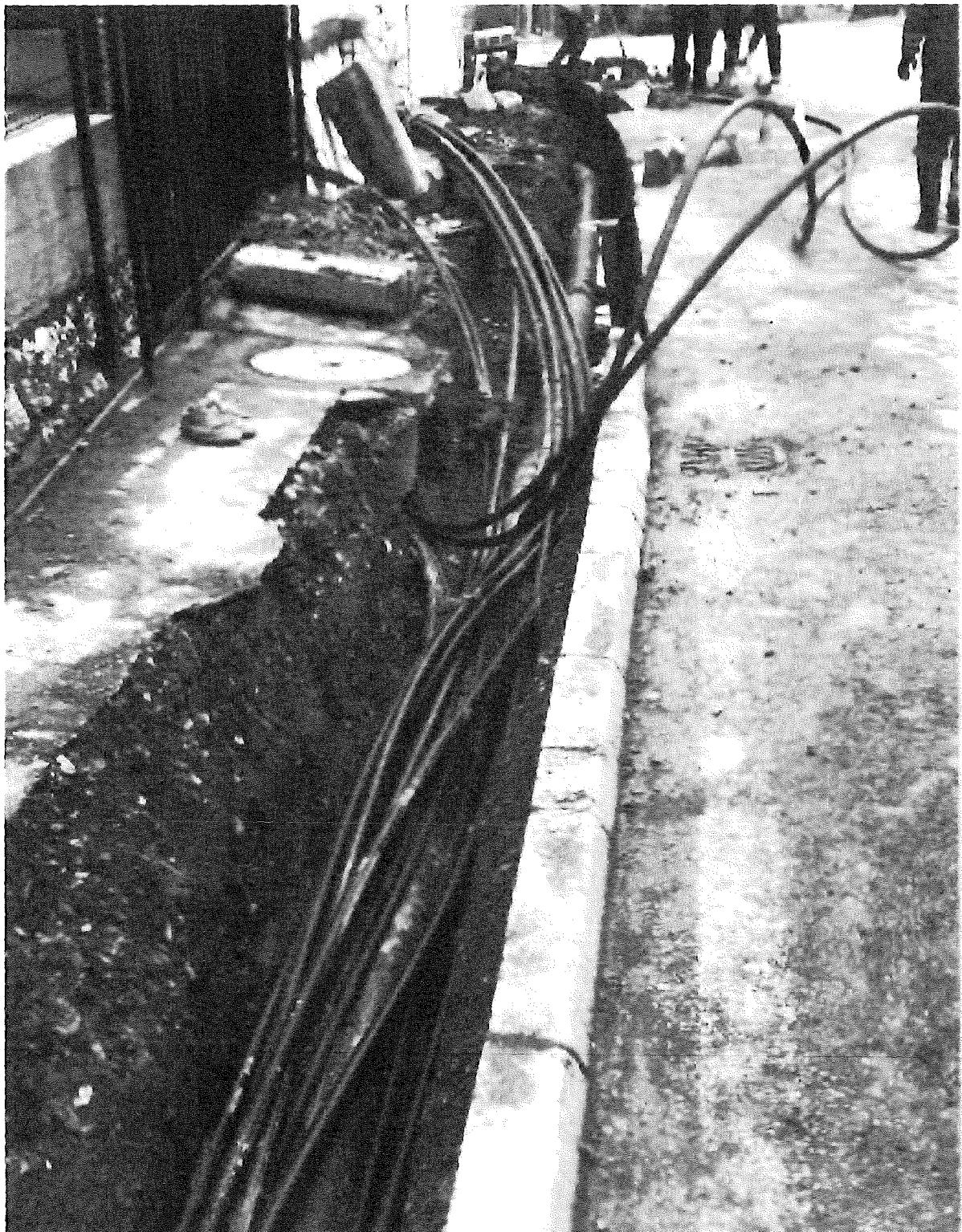
1. To pay immediately to our company Bridistel d.o.o. for damages already incurred on existing installations in Josipa Šibera Street in Gradačac in the amount of EUR 10,000.
2. Excavate two separate channels in the cited street of Josip Šiber at least 0.5 meters or more apart in accordance to relevant applicable BAS technical standards and/or ITU-T technical standards, in particular the L.xxxx series: *Environment and ICTs, climate change, e- waste, energy efficiency; construction, installation and protection of cables and other elements of outside plant* (current list in the enclosure of this document – please pay attention to the already cited standard L.48/2003)

Simultaneously start and eliminate as soon as possible all prohibited practices (detailed in this document). We believe that this is a *conditio sine qua non* for any further activities

2. Bridistel d.o.o. accepts the fact that at certain locations in Gradačac (individual lengths of several meters or tens of meters) there is a very narrow space available with a maximum width of up to 1 meter. It will be almost impossible to install future rigid water and/or sewer pipes in these locations without damaging existing underground installations. It will be easier to dislocate existing more flexible alkaten - PEHD pipes with an outside diameter of 50 mm. Therefore, a partial lateral displacement (± 0.5 meters) of the existing cable television network will probably have to occur at these locations. Bridistel d.o.o. is prepared to consider, at these special locations, all reasonable proposals for the partial lateral displacement of existing pipes by (± 0.5 meters). The same technique must be used (mini-trenching in accordance of ITU-T L.48 technical standard). It is essential that there is mutual understanding, support from Gradačac city administration and that one knows who will bear the costs of the relocation.

3. Investor and current water supply contractors CANNOT do this, because they PUT EVERYTHING IN ONE TRENCH as

shown in the following picture (please see the rest of photographs in attachments)



4. DEFICIENCIES OF THE MAIN WATER NETWORK PROJECT

- 1) The main project was made around 2008. Existing underground installations are not taken into account when selecting the route (eg. CATV Bridistel installations, existing underground power cables up to 10 kV, etc.). ROUTES of the new network in the main project are drawn mostly arbitrarily without major details (accuracy of points ± 2 cm is required)
- 2) There is no main project of the existing water supply network that is being reconstructed
- 3) There is no use permit for the water supply network in Gradačac that is being reconstructed
- 4) There is no geodetic survey of the location of the existing underground water supply network (they use the memory and notebooks of the plumber Omer - who died about 10 years ago)

5. **DEFICIENCIES OBSERVED - the following shortcomings have been observed so far:**

1) There is no construction permit for the complete water supply network (lack of consent of the Public Company Highways from Sarajevo for main roads for parts of these roads that pass through Gradačac:

- Main road Pelagićevo - Gradačac - Modriča
- Main road Ormanica - Gradačac - Bosanski Šamac

Please, see attached the copy of the Law on roads of Federation of Bosnia and Herzegovina

2) There is a lack of approval from the Bridistel company for parallel guidance and transition over the existing and already built underground infrastructure of the cable television CATV in Gradačac. There are also problems with owners / users of other existing infrastructures

3) Frequent changes of the route are made in relation to the routes from the main project, on the basis of which the construction permit was issued (for example, instead of a 1 km long section, an alternative 1.5 km long route is being built, because property - legal relations, etc. are not resolved)

4) Obviously, the valid international technical standards - BAS technical standards - are not respected. They don't even KNOW what it's all about!?

5) Certain parts of the networks (Požarike, Međida, Zelinja, etc.) are put into operation without technical acceptance. There is a fear that water supply pumps of insufficient capacity and performance have been installed and that water pipes of insufficient profiles have been installed.

6) Parts of the constructed water supply network do not have sufficient pressure and do not work in accordance with expectations and technical standards.

There is much discontent among locals who want to cancel the connection to the new water supply network and want to return to the use of pre-built rural water supply

7) Some water pipes burst immediately after commissioning

8) There is a possible insufficient cooperation between the companies "Buk" and "BalegeM" (should be checked!?) ... they accuse each other of inappropriate work of certain parts of the water supply network.

9) One gets the impression that there is a strong political influence on the complete construction of the water supply network in Gradačac. At the local level in Gradačac, [REDACTED]

[REDACTED] belong to the

[REDACTED] There was a visible synchronization of the construction of parts of the water supply network with the date of the local elections in BiH (October 2020) (signing of contracts, commissioning of a new reservoir in Mionica 3, etc.) - all in order to promote the local party in power, ie

[REDACTED] the strongest local party). In principle, this does not have to be negative.

However, due to the speed of work on the route, underground manholes and other material (valves, etc.) were not installed, but after commissioning. This directly affected the quality of the works (water started leaking from the pipes, sufficient pressure in the pipes cannot be achieved, inadequate pump operation, etc.).

10) During the public campaign for the local elections - October 2020, (TV, Radio, etc.) openly discussed possible criminal acts (bribery and corruption) related to the construction of the water supply network. It was publicly rumored that the land in Domazeći (the location of the main water source) was paid about three times more expensive than the market price, etc.) [REDACTED]

11) There are "whispers" in public about other possible illegalities

6. **RECOMMENDATIONS:** We recommend:

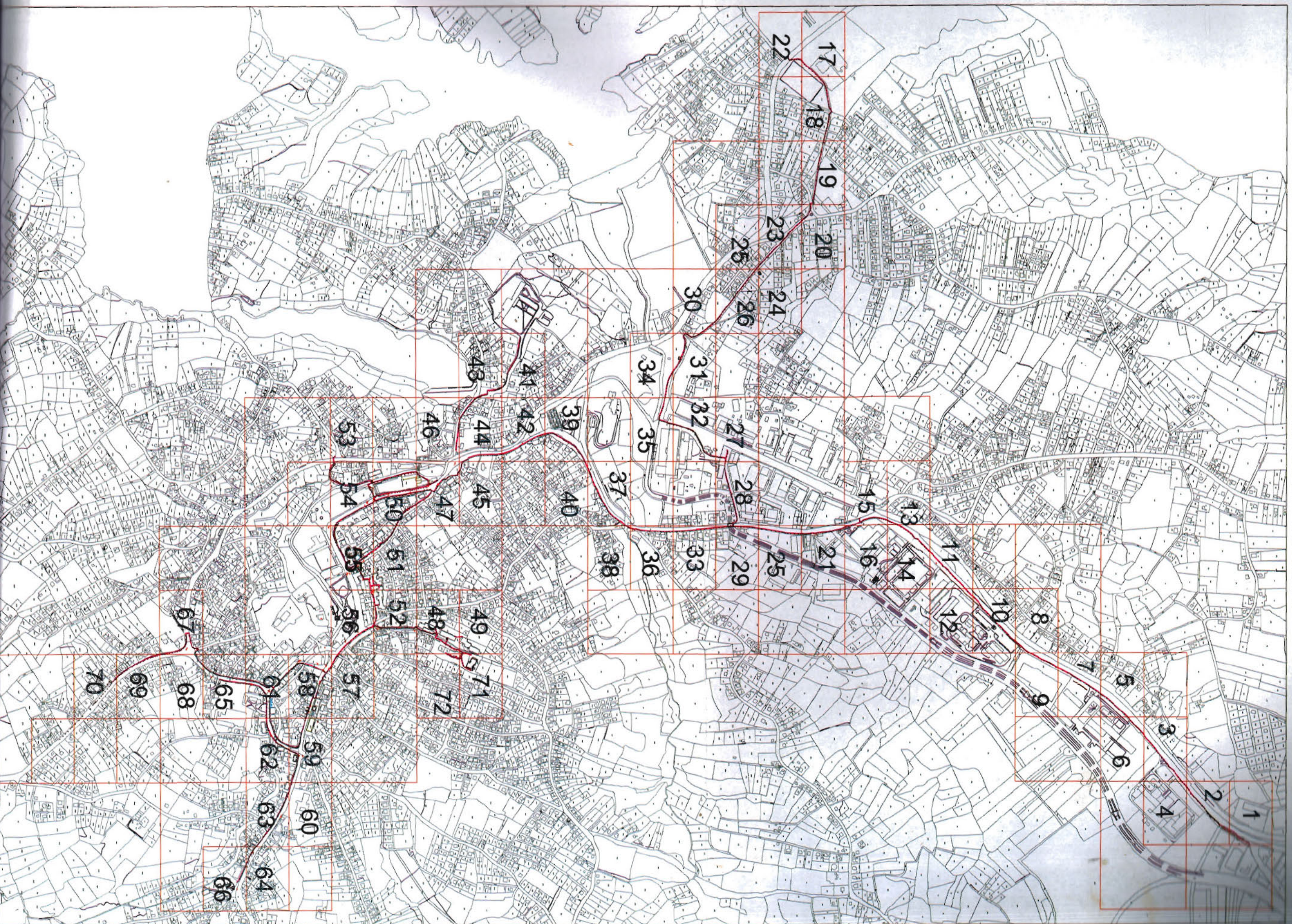
1. Carry out a detailed review of all works performed so far. Determine how much has deviated from the Main Project on the basis of which the building permit was issued, and separately check:

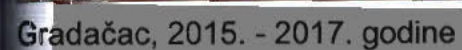
- ***Are the EBRD procedures from the mutual agreement respected?***
- ***Are works being performed according to the valid Law on Spatial Planning and Construction of Tuzla Canton?***
- ***Are the works performed according to the valid BAS (international) technical standards relevant to the water supply network in question?***

SUPERVISION BY INDEPENDENT PROFESSIONALS WITH PRACTICAL EXPERIENCE IS HIGHLY RECOMMENDED

2. There are indications that works performed before the conclusion of a mutual contract are being invoiced and that there are differences between issued invoices and performed works (quantity and quality of works and installed material). Detailed control of ALL items in all invoices with the situation in the field is recommended.

PREGLEDNA VEZA SKICA





Agencija "GEOCOMP"
GRADACAC
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