



Independent
Project
Accountability
Mechanism

Problem Solving Report

Port of Brcko
EBRD Project Number 47546
Case 2023/07

February 2025

The Independent Project Accountability Mechanism (IPAM) is the European Bank for Reconstruction and Development's (EBRD) accountability mechanism. IPAM independently reviews issues raised by individuals or organisations concerning Bank-financed projects that are believed to have caused or be likely to cause harm. The purpose of the mechanism is to facilitate the resolution of social, environmental, and public disclosure issues among project stakeholders; to determine whether the Bank has complied with its Environmental and Social Policy and the project-specific provisions of its Access to Information Policy; and, where applicable, to address any existing noncompliance with these policies, while preventing future non-compliance by the Bank. For more information about IPAM, contact us or visit www.ebrd.com/project-finance/ipam.html

Contact information The Independent Project Accountability Mechanism European Bank for Reconstruction and Development Five Bank Street London E14 4BG Telephone: +44 (0)20 7338 6000 Email: ipam@ebrd.com	How to submit a complaint to the IPAM Concerns about the environmental and social performance of an EBRD Project can be submitted by email or via the online form at: https://www.ebrd.com/project-finance/ipam.html
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Unless otherwise indicated, capitalised terms used in this report are those as set forth in the 2019 Project Accountability Policy.

LIST OF ABBREVIATIONS

Abbreviation	Long Form
Board	the Board of Directors of the European Bank for Reconstruction and Development
Case	the consideration of a Request under the Project Accountability Policy following its registration
CAO	the Chief Accountability Officer of the EBRD, and IPAM head
Case Registry	the registry of Cases created in accordance with Section III, Paragraph 3.1 of the Project Accountability Policy, which can be found on the IPAM Webpage
Compliance	the IPAM function which determines whether EBRD has complied with its Environmental and Social Policy or the Project-specific provisions of its Access to Information Policy in respect of a Project
EBRD (or Bank)	the European Bank for Reconstruction and Development
ESIA	Environmental and Social Impact Assessment
ESP	the EBRD's Environmental and Social Policy in force at the time of Project approval
IPAM	the Independent Project Accountability Mechanism of the EBRD established as per the 2019 Project Accountability Policy
IPAM Head	the EBRD managing director responsible for the running of IPAM, the implementation of the Project Accountability Policy and for making the decisions that are the responsibility of IPAM under said Policy
PAP	the 2019 Project Accountability Policy
Parties	the individuals, entities, and/or organisations with a direct interest in a Case. Parties may include (but are not limited to): the Requesters; their Representatives, if any; the relevant Bank department, team, or unit; the Client; and other Project financiers or other entities responsible for the implementation of a Project
Problem Solving	the IPAM function which supports voluntary dispute resolution engagement between Requesters and Clients to resolve the environmental, social, and public disclosure issues raised in a Request, without attributing blame or fault.
PSD	Project Summary Document
President	the President of the EBRD

Executive Summary

The Request¹

On the 16th May 2023, Mr Samir Muranjikovic, a resident of Brcko in Bosnia and Herzegovina, who lives with his family next to the railway, sent a [Request](#) to the [Independent Project Accountability Mechanism](#) (IPAM). The Request raises allegations of noise due to the rehabilitation of the [Port of Brcko \(OP 47546\)](#) (the Project) and its future operation. According to the Requester, this is particularly affecting a member of the family who is hypersensitive to noise due to a permanent medical condition. The Requester sought to have his concerns addressed through Problem Solving.

The Project²

The [Port of Brcko Project \(OP ID 47546\)](#) is a sovereign loan of up to EUR 10 million to the State of Bosnia and Herzegovina, which was on-lent to the District of Brcko. The funds are used to rehabilitate and upgrade the facilities at the Port of Brcko and optimise road and railway access to the Port. The Project was approved on 30 November 2016 as category B under the EBRD's 2014 Environmental and Social Policy. The loan is currently being repaid by the Client.

IPAM Process

The Request was registered by IPAM on 15 August 2023 under [Case 2023/07](#). The Problem Solving was conducted by IPAM from December 2023 to November 2024 with the participation of the Requester, the Client, Bank management, Contractors, and Consultants. The concerns raised required proposing noise mitigation measures that would be fit for purpose. When IPAM registered the Request, the Client had already made a proposal, but given the specific nature of the concerns, the Requester sought the assistance of IPAM to ensure that the solution would be effective.

Therefore, as part of the design of the Problem-Solving Initiative IPAM commissioned a technical expert to opine on special requirements when vulnerable populations were impacted, and Bank Management, asked the Client to conduct noise impact assessment to determine impact of noise level due to increased railway movement. These two actions were the key elements to design mitigation measures that would be fit for purpose.

Conclusion and Next Steps

On 5 November 2024 the Parties reached an agreement. The Client committed to build a noise protection barrier and, if needed due to increased railway movement, expand it in future. The construction of the barrier is expected to be completed in June 2025. As per Paragraph 2.5 of the Project Accountability Policy, IPAM will monitor its implementation of the Problem Solving Agreement until all commitments made by the Parties are fully implemented.

This document provides the outcomes of the Problem Solving process and the agreement reached which Parties decided to publicly disclose in the virtual case file for [Case 2023/07](#). A draft version of this Report was shared with Parties and their comments were considered by IPAM in finalising it.

The final version of this Report is circulated to the Parties and is being disclosed in the virtual case file for [Case 2023/07](#), in both English and Bosnian after it is submitted to the Board and the President for information. The case will then be transferred to the Problem Solving Monitoring stage.

¹ The Request is available in the case summary at [Case 2023/07](#).

² EBRD's Project Summary Document is available [here](#).

1. Background

1.1. The Request³

On the 16th May 2023, IPAM received a [Request](#) from a resident of Brcko District, in Bosnia and Herzegovina, who is living with his family in a house adjacent to the railway alignment that is being rehabilitated with financial support from the EBRD. The Request raised allegations of increased noise due to construction works and during the operation of the railway as a result of increased number of trains passing near the affected family house. In addition, the Request indicates that the railway alignment has slightly changed and is now closer to their house by a few meters. According to the Requester, this is particularly affecting a member of the family who is hypersensitive to noise due to a permanent medical condition. The Requester seeks to have his concerns addressed through Problem Solving.

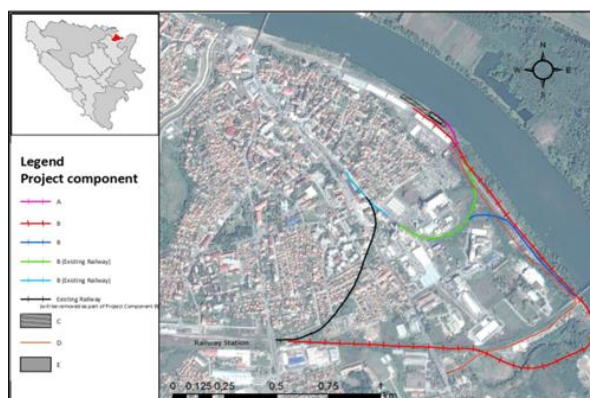
1.2. The Project and its Current Status⁴

The [Port of Brcko Project](#) (OP ID 47546) is a sovereign loan of up to EUR 10 million to the State of Bosnia and Herzegovina, which was on-lent to the District of Brcko. The funds are to be used to rehabilitate and upgrade facilities at the Port of Brcko and optimise road and railway access to the Port.

The Project will improve the Port's operational efficiency and will increase its cargo handling capacity, which is currently limited by the difficult rail access and outdated infrastructure. The Project is expected to provide a change in transport mode from road to primarily rail for the Port's traffic, providing a cost-effective and environmentally friendly transport route to local traders of commodities. In addition, the Project is expected to improve the efficiency and safety of rail operations in the city of Brcko, by enabling the relocation of the existing railway line which currently passes through the central urban area. The rehabilitation of the railway in the vicinity of the Requester's house is part of the Project's component B which entails the reconstruction of an industrial railway track on the line from the Port of Brcko to the train station Brcko Novo and the reconstruction of connections to the industrial zone.

According to the [Project Summary Document](#) potential environmental and social impacts are expected to be temporary and associated mainly with the construction stage. The Project was approved on 30 November 2016 as category B under the EBRD's 2014 Environmental and Social Policy. At the moment of receipt of the Request the loan had been fully disbursed and was in repayment stage.

Figure 1: Overview of Project Components.



Source: [Non-technical Summary](#).

³ The Request is available in the web case summary at [Case 2023/07](#).

⁴ The information is sourced from the [Project Summary Document](#) and the [Non-technical Summary](#).

1.3. Case Processing: Registration and Assessment

IPAM registered the Request on 16 August 2023 under [Case 2023/07](#) and conducted the Assessment stage until 12 December 2023. As part of the Assessment, on 20 September 2023 IPAM visited the Project site in Brcko and engaged in-person with representatives of the Port of Brcko (the Client), the Requester and the EBRD project team in Sarajevo to get a better understanding of the Project and hear their views on the issues raised in the Request.

Photographs of the Project Site and IPAM meetings

Requester's house



IPAM meeting with the Requester



Rehabilitation of the railway near Requester's property



Source: IPAM

At the end of Assessment stage, IPAM confirmed that the Case will proceed to Problem Solving as all relevant Parties (the Requester, the Client, and Bank management) have expressed their willingness to engage in IPAM's Problem Solving function. In addition, the Client was already working in finding a suitable solution to protect the affected family from the noise coming from moving trains. Based on this, the Case was moved to the Problem Solving stage. The [Assessment Report](#) was issued on 12 December 2023 and it included preliminary Terms of Reference for Problem Solving whereby the

proposed scope, methods, the timeframe, the type of expertise required were presented (Terms of Reference are available in Annex 1).

2. THE PROBLEM-SOLVING INITIATIVE

2.1. Background and Scope

The Problem-Solving function facilitates dialogue between Requesters and Clients to resolve the environmental, social, and public disclosure issues raised in a Request, without attributing blame or fault. IPAM engages with all relevant stakeholders as a neutral third party, to help find mutually satisfactory resolutions through flexible, voluntary, consensus-based alternative resolution approaches.

The 2019 PAP establishes that the purpose of Problem Solving is to facilitate dialogue between the Parties; pursue resolutions acceptable to all Parties⁵, which resolve the issues raised in the Request and facilitate the conclusion of agreements between the Parties.

The [2019 PAP](#) provides the framework for adapting the Problem Solving methodology and approach as required by any specific Case. Specifically, it states that “IPAM will take into account all circumstances of the Case (including the nature of the issues raised, their urgency, and the reasonable likelihood of success), with a view of identifying the most appropriate approach to Problem Solving”⁶. For [Case 2023/07](#), the concerns raised required proposing noise mitigation measures that would be fit for purpose. When IPAM registered the Request, the Client had already made a proposal, but given the specific nature of the concerns, the Requester sought the assistance of IPAM to ensure that the solution would be effective.

Therefore, as part of the design of the Problem-Solving Initiative IPAM commissioned a technical expert to opinion on special requirements when vulnerable populations were impacted, and Bank Management, asked the Client to conduct noise impact assessment to determine impact of noise level due to increased railway movement. These two actions were the key elements to design mitigation measures that would be fit for purpose.

2.2. The Parties

The Parties involved in the Problem Solving were:

The Requester: a resident of Brcko District, in Bosnia and Herzegovina, who lives with his family in a house adjacent to the railway under rehabilitation with EBRD funding.

The Client: Port of Brcko is responsible for the rehabilitation and upgrade of Port facilities and optimisation of road and railway access to the Port.

Other Actors

In addition to the main Parties, the following actors were fundamental to the effective resolution of the concerns.

The Noise Assessment Consultant was hired by the Client and was responsible of conducting a noise assessment near the Requester’s house and proposing noise mitigation measures.

⁵ The PAP defines Parties as “the individuals, entities, and organisations with a direct interest in a Case. Parties may include (but are not limited to): the Requesters, their Representative, if any; the relevant Bank department, team, or unit; the Client; and other Project financiers or other entities responsible for the implementation of a Project”.

⁶ 2019 Project Accountability Policy, Section 2.4, (b) I.

The **Expert on Sensitive Receptors** was hired by IPAM and provided guidance on noise levels relevant to sensitive receptors, and reviewed the proposed mitigation measures proposed by the Consultant and the Client to ensure they are fit for purpose and address the Requester's concerns.

EBRD Management: although not considered as an active party in the Problem Solving, the Project team worked closely with the Client in ensuring that funds were identified to have the noise impact assessment done and find a solution. IPAM maintained regular information meetings with the Project team through the process, to ensure alignment and collaboration.

2.3. The Problem Solving Activities

The Problem-Solving initiative started in December 2023 and was facilitated directly by IPAM. In January 2024 IPAM commissioned an expert's opinion regarding noise tolerance for sensitive receptors, given the vulnerability of a family member being hypersensitive to noise due to a permanent medical condition. The expert engaged with the Requester and provided her expert opinion on the matter and proposed to the Parties mitigation measures to address the Requester's needs effectively.

In March 2024 the Client hired a consultant to conduct a noise assessment near the Requester's property. In October 2024, the noise assessment was completed (available at [Case 2023/07](#)) which concluded that current noise levels near the Requester's property exceed the 45 dB threshold (recommended by World Health Organization) by 5.1 dB with the passage of two trains daily.

In that regard, the consultant recommended building a noise barrier designed to industry standards and best practices, of at least 60 meters long and 2.5 meters high, with the potential for future extension. This measure considered current and projected noise levels, including the specific needs of the vulnerable member of the household who experiences noise hypersensitivity.

All through this process, IPAM monitored progress virtually and maintained the Requester informed of the status of the Problem-Solving process, timeframe and expected outcomes. In parallel, IPAM engaged with Bank management to ensure that the Client's decision on the Requester's claim was in line with the requirements of the EBRD's Environmental and Social Policy.

2.4. The Problem Solving Agreement

On 5 November 2024, IPAM facilitated a joint meeting of the Parties in Port of Brčko. The objective of the meeting was to discuss the outcomes of the noise assessment, agree on noise mitigation measures and reach agreement.

The Parties agreed on the construction of a noise protection barrier as outlined in the noise assessment findings. The Problem Solving Agreement (available at [Case 2023/07](#)) was signed at that time specifying the roles and responsibilities of each Party, and setting June 2025 as the tentative timeframe for completion. Below is a summary of actions to be undertaken by each Party as set in the Agreement:

Port of Brcko Authorities

- The Port of Brčko committed to build a noise barrier of 60 m long and 2.5 m high at 3.6 m from the railway's centerline, on public land in an existing trench to support adequate drainage and avoid obstructions.
- The noise barrier will be built of high-absorption aluminum panels, designed to reduce noise levels by 5–15 dB to meet the noise mitigation requirements.
- If rail traffic projections materialize, the design of the noise barrier allows for an extension to be built.

- If the extension is required, Port of Brcko commits to building the extension up to 220 m in length and 5 m in height. The length and height proposed would ensure noise protection in case of increased train traffic⁷ which is expected in about 5 years' time.

Requester's responsibilities

- The Requester will allow access through his backyard for the construction of the noise barrier, on the condition that any damage to the ground caused by the passage of heavy vehicles (such as trucks or excavators) be repaired and restored to its original state.
- The Requester would have to contact the Port of Brcko authorities if, and when, an increase in traffic would require revising the noise mitigation measures.

As per Paragraph 2.5 of the Project Accountability Policy, the Parties agreed for IPAM to monitor the implementation of the Agreement and ensure that Parties deliver the solution agreed within the set timeline. Parties also decided that IPAM would disclose the Problem-Solving Agreement in IPAM Case Registry under [Case 2023/07](#).

Photos of Parties join meeting and signing the Agreement, 5 November 2024.



Source: IPAM

⁷ Port of Brcko authorities signalled that it is estimated that rail traffic may increase from 2 trains per day to 12 trains per day within the next five years. In this situation, noise levels could increase by up to 14 dB. To mitigate this, the consultant proposed constructing a longer noise barrier of 220 meters in length and 5 meters in height, covering a total area of 1,110 m².

3. Conclusion and Next Steps

This Problem Solving Report was circulated to the Parties and was disclosed in the virtual case file for [Case 2023/07](#) in both English and Bosnian after its submission to the Board and the President for information.

The Case was transferred to the Problem-Solving Monitoring stage for IPAM to monitor the Agreement implementation until all commitments made by the Parties are fully implemented.

Annex 1. Terms of Reference for Problem Solving

I. About the IPAM Problem Solving Process

The Project Accountability Policy in section 2.4 establishes general guidance to be observed in IPAM-facilitated Problem Solving initiatives in general:

Guiding Principles for Problem Solving

The Problem Solving initiatives led by IPAM are based on the following guiding principles:

Co-design: the design of Problem Solving processes should be based on the methods, format and preferences of the Parties.

Good Faith: the success of Problem Solving processes requires that all Parties are willing to participate in good faith, effectively seeking to find mutually agreeable solutions.

Rules-based: Problem Solving processes require that the Parties define from the start the ground rules that will guide the process and that they commit to abiding by them.

Voluntary Nature: The Parties have the right to enter, as well as withdraw from a Problem Solving process.

II. Objective

The objective of the Problem Solving is to:

- Facilitate the dialogue between the Requester and EBRD Client (together as Parties) to ensure common understanding and support them find solutions to the concerns raised.
- Formalize the agreements reached and accompany the implementation of these agreements until fully executed.

For the purpose of the Problem Solving, these Terms of Reference apply to all actions undertaken as part of the EBRD financed components of the [Port of Brcko Project](#) (OP ID 47546). Activities carried out under this Problem Solving Terms of Reference may be subject to modification, provided that the IPAM Head expressly agrees to the change(s), and as long as such changes do not prejudice the interests of any Party.

III. Approach

IPAM serves as a third party impartial facilitator that provides guidance and seeks to promote trust building between the Parties and ensure that the engagement is equitable and accessible. In order to achieve the objective of finding mutually acceptable resolution to the issues presented in the Request, IPAM will:

- i. take into account all circumstances of the Case (including the nature of the issues raised, their urgency, and the reasonable likelihood of success), with a view to identifying the most appropriate approach to Problem Solving. Approaches will be chosen in consultation with the Parties, and may include information gathering and sharing, shuttled diplomacy, joint fact-finding or supported negotiation;
- ii. engage an external consultant to support and facilitate the dialogue process in accordance with the Procurement Rules and Paragraph 3.1 i) of PAP, if deemed necessary by IPAM; and
- iii. not support agreements that would be contrary to EBRD policies or in breach of any applicable law.

IV. Termination.

The Problem Solving process may be terminated at any time:

- by IPAM, if in IPAM's view, following consultation with the Parties, the Problem Solving is no longer likely to lead to a positive outcome, and/or if the Problem Solving process has ceased to constitute an efficient use of resources, in which case IPAM will notify all Parties in writing; or
- by any Party; Problem Solving is a voluntary process, and Requesters and Clients may withdraw from it at any time.

V. Scope of the initiative

The scope of the initiative is limited to the issues raised in the Request in relation to the [Port of Brcko Project](#) (OP ID 47546) and further elaborated in the Assessment Report. In particular, the Parties have preliminarily expressed their agreement that IPAM would serve as a third-party independent facilitator to assist them in identifying solutions to the concerns raised, reach Agreement, and assist during the implementation of the proposed solutions. In addition, IPAM's role would be to facilitate the flow of information and ensure Parties' common understanding to ensure a successful outcome.

VI. Proposed Methodology

As per the Assessment findings, and subject to confirmation as the initiative advances, the methods utilised in this Case would include:

- Information gathering and sharing in culturally appropriate formats
- Fact finding on the issues raised in the Request
- Shuttled diplomacy
- Facilitated bilateral and joint discussions with Parties
- Supported negotiation

VII. Resources Required

Independent External Facilitator

In line with the provisions of the 2019 PAP, the Problem Solving process will be led by IPAM's Problem Solving Lead with the possibility of identifying a local external facilitator to assist the Parties in their engagement. The intensity of the engagement will be dependent on the noise assessment results and the position of the Parties regarding mitigation measures.

The facilitator will engage with Parties as a neutral 'third party', in an independent and impartial manner and should have no conflicting interests in relation with the Project or any of the Parties involved in Problem Solving. It is not the role of the facilitator to decide whether Parties' actions, opinions or perceptions are right or wrong or to arbitrate in favour of one of the Parties.

Sensory Perception Expert

During the Problem Solving process IPAM is intending to contract a Sensory Perception Expert to provide guidance on noise levels relevant to the IPAM Case and review the proposed mitigation measures to ensure they are fit for purpose.

Interpretation and translation

Interpretation and translation services will be required during the initiative to facilitate IPAM's communication with local Parties.

Site Visits

Site visits by the external facilitator and the IPAM team will be required during the process. Any travel will require prior approval by the IPAM Head.

VIII. Problem Solving Timeframe

A preliminary schedule of the main milestones and deliverables is presented below and may vary depending on the availability of Parties and other external factors beyond the control of IPAM.

Proposed Milestones and timeline

Activity	Tentative timeline
Requester to share information and documents supporting the claims raised	October 2023
Noise assessment is made available by the Client	Mid-January 2024
IPAM to commission an expert's opinion regarding noise tolerance levels for sensitive receptors	February 2024
Client to be working on feasible noise mitigation options that are fit for purpose and financially viable	February 2024
Joint meeting of Parties to review proposed options	March 2024