



Independent
Project
Accountability
Mechanism

Assessment Report

High Speed Rail Belgrade to Nis

EBRD Project Number 53136

Case 2025/01

July 2025

The **Independent Project Accountability Mechanism (IPAM)** is the project grievance mechanism of the EBRD. It reviews environmental, social, and Project disclosure-related concerns raised by Project-affected people and civil society organisations. IPAM can address concerns through two avenues: i) Problem-solving, which supports dialogue between Requesters and Clients without attributing blame or fault; or ii) Compliance, which determined whether the EBRD has complied with its Environmental and Social Policy and Access to Information Policy in relation to the Project.

For information about IPAM, please contact us at ipam@ebrd.com or visit the [IPAM webpage](#).

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Unless otherwise indicated capitalised terms used in this report are those as set forth in the 2019 Project Accountability Policy.

Acknowledgements

The Independent Project Accountability Mechanism (IPAM) would like to thank the Requesters, EBRD Management and the Client for their support, clarifications, and cooperation during the Assessment stage and in the preparation of this report.

List of Abbreviations

Abbreviation	Long Form
AIP	the EBRD's Access to Information Policy in force at the time of Project approval
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
Client	the Serbian Railways Infrastructure
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
EIB	The European Investment Bank
ESAP	Environmental and Social Action Plan
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 Chief Accountability Officer 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
MoCTI	Ministry of Construction, Transport, and Infrastructure of Republic of Serbia
NTS	Non-Technical Summary
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 15 December 2024 members of the Citizen Group of Jagodina, submitted a request to IPAM concerning the [High Speed Rail Belgrade to Nis Project \(OP ID 53136\)](#) in Serbia, after intensive engagement with the EBRD, the Client and local authorities. Requesters are raising concerns regarding the selected alignment of the railway going through Jagodina. They are particularly concerned about the closure of the current level crossing in the centre of Jagodina, as in their view this would increase traffic congestion, air, and noise pollution. They further claim public safety risks due to potential release of hazardous substances in case of train accidents and are asking for the railway to be moved outside of the city. They also allege that the Client has not addressed the concerns they raised during public consultations, nor has taken into consideration other suggested alignments which in the view of the Requesters would have less impact to the population and businesses of Jagodina.

The Project²

The [High Speed Rail Belgrade to Nis Project \(OP ID 53136\)](#) is a tranché sovereign loan of up to EUR 550 million to the Republic of Serbia, anticipated to be co-financed by the European Investment Bank (EIB) and supported by EU grant funding. The loan is financing the modernisation of approximately 230 km of railway infrastructure along Serbia's Corridor X, with the aim of increasing train speed, enhancing service quality, and improving regional connectivity. The implementation responsibilities lie with the public rail infrastructure company, Serbian Railways Infrastructure (the Client), under the oversight of the Ministry of Construction, Transport, and Infrastructure (MoCTI). The Project was approved on 30 November 2022 as **category A under the EBRD's 2019 Environmental and Social Policy** for the commitment of Tranche 1 of the loan. At the time the Request was submitted, the Project status was signed and the environmental and social impact assessment process for the Request-relevant section was ongoing, as was a study of alternatives.

The European Investment Bank is a co-lender in this Project.

IPAM Process and Findings

The Request was registered by IPAM on 24 January 2025 under [Case 2025/01](#), initiating the Assessment stage in accordance with the [2019 Project Accountability Policy \(PAP\)](#). At the request of Bank Management, IPAM extended the duration of the Assessment stage, as the MoCTI was going through senior management changes and engagement could not take place before new officials were appointed.

During this stage, IPAM has engaged virtually with Requesters, the Client and Bank management. It has also reviewed Management's response and public documentation relative to the Project and the relevant tranche.

Based on the Assessment activities undertaken in relation to Case 2025/01, IPAM confirmed the following facts:

- Requesters confirmed to IPAM that they would be amenable to a Problem Solving process if the option of looking at alternative railway alignments was open to dialogue. If this was not possible then they asked for their Request to be considered under the Compliance function.
- Requesters were assured by the Client that their concerns would be considered, and that further assessment of alternatives would be carried out during the ESIA process. However, the Client stated that the decision to maintain the existing alignment had been made and that this was the most financially and technically viable.

¹ The Request is available [here](#)

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

- Bank Management informed IPAM that the environmental and social impact assessment was ongoing and that prior to committing further tranches of the loan, Management would ensure that the ESIA and ESAP are reviewed and updated as needed to align with the Bank's Performance Requirements

Conclusion and Next Steps

Based on the activities undertaken during the Assessment stage and given the contrasting views of the Requesters and the Client on options to address the issues, as well as the express interest of the Requesters to have their Case considered under Compliance, **IPAM has determined that a Problem-Solving Initiative is not feasible.**

As per 2.3 (c) of the 2019 PAP, the Assessment Report is submitted to the Board and the President for information, and the Parties are notified of its disclosure in the virtual case file [Case 2025/01](#) in English and Serbian. After which, **it will be transferred to the Compliance function**, where the Compliance team will assess it to determine if it is eligible for a Compliance Review based on the criteria set in the PAP.

N. B. It should be noted that at the moment of disclosure of this Assessment Report (July 14, 2025), the IPAM team had not visited the Project site, nor has the Environmental and Social Disclosure Package for the relevant section been disclosed.

1. The Case and processing to date

1.1. The Request³

On 15 December 2024, IPAM received a Request from a group of residents (the Requesters) from Jagodina, Serbia, concerning the [High Speed Rail Belgrade to Nis Project \(OP ID 53136\)](#), alleging that the selected railway alignment foresees the closure of a central level crossing and fencing of the railway, which they claim will disrupt the physical and visual connectivity between the eastern and western areas of the city.

In their allegations, they also cite as harms, the potential increase in travel times and traffic, related impacts to air quality and drop of in property values. Finally, they raise concerns regarding transportation of hazardous materials and risk of spillage. Table 1 lists the five key issues raised in the Request.

They also allege that the decision to close the crossing was made without prior consultation or disclosure. Furthermore, they state that they repeatedly attempted to engage the Ministry of Construction, Transport and Infrastructure and the Serbian Railways Infrastructure, but got no response.

They wish the Client to reconsider the railway alignment and to be recognised as interested third parties.

Table 1. Issues raised in the request and related performance requirements.

Issues raised	Allegations	Related PRs
Closure of existing level crossing will reduce connectivity within the city	<ul style="list-style-type: none"> The closure of the current level crossing will create mobility constraints between the eastern and western parts of the city, affecting daily commute and increasing travel times. The alternative overpasses are located far from where people normally cross, leading to increased travel times and costs and social disruption, contrary to assurances Requesters were given by Project representatives during public consultations. The installation of noise barriers will visually and physically split the city, cause traffic congestion and impact emergency access. 	PR 1
Risk of economic displacement and reduced property values	<ul style="list-style-type: none"> Local businesses and residents in the eastern part of Jagodina will experience property devaluation and higher living costs because of the railway fencing and limited access to the city centre. Requesters claim economic displacement due to the burden of traveling longer distances and property devaluation. No mitigation or compensation measures have been offered or discussed. 	PR 1
Air pollution	<ul style="list-style-type: none"> Increased traffic on alternative roads and the new railway infrastructure, may worsen local air quality due to increased emissions. 	PR 3
Public safety and hazardous cargo concerns	<ul style="list-style-type: none"> The Project increases the risk of hazardous freight transport accidents in a densely populated area, raising fears of potential leaks or derailments near residential zones. The installation of overhead lines and the rise in freight operations create safety risks that haven't been assessed. 	PR 4
Lack of meaningful consultation	<ul style="list-style-type: none"> Requesters allege that they have not been recognized as an interested party in the planning and design of the railway route through Jagodina and claim that key decisions such as closing the level crossing were made without consideration of their views. 	PR 10

1.2. The Project⁴

The [High Speed Rail Belgrade to Nis Project \(OP ID 53136\)](#) is a tranchised sovereign loan of up to EUR 550 million to the Republic of Serbia, approved on 30 November 2022 by the EBRD Board of Directors

³ The Request is available in the case summary at: [Case 2025/01](#)

⁴ The information is sourced from the EBRD's Project Summary Document available [here](#) and the Non-Technical Summary available [here](#)

as a Category A project (2019 Environmental and Social Policy), where the Ministry of Construction, Transport and Infrastructure (MoCTI) is the ministry responsible for the Project and the Serbian Rail Infrastructure (SRI) is the implementing agency. SRI is fully owned by the Republic of Serbia and is responsible for the management of the infrastructure, construction, maintenance, and operation of the railway network.

The operation will finance the modernisation and upgrade of the ca. 230 km-long electrified railway infrastructure section between Belgrade and Niš (the “Project”). The proposed loan will be structured in six tranches to finance each one of the main Project’s sub-sections or components: (i) the first tranche of up to EUR 60 million, will be committed at signing (“Tranche 1”) and will finance the works of the Stalac-Djunis sub-section; and (ii) five tranches with a total amount of up to EUR 490 million, will be committed at the Bank’s discretion conditional on satisfactory completion of the technical and environmental and social due diligence (including ESIA disclosure) for remaining sub-sections (“Uncommitted Tranches”). Tranche 3 refers to the section relevant to the request received by IPAM.

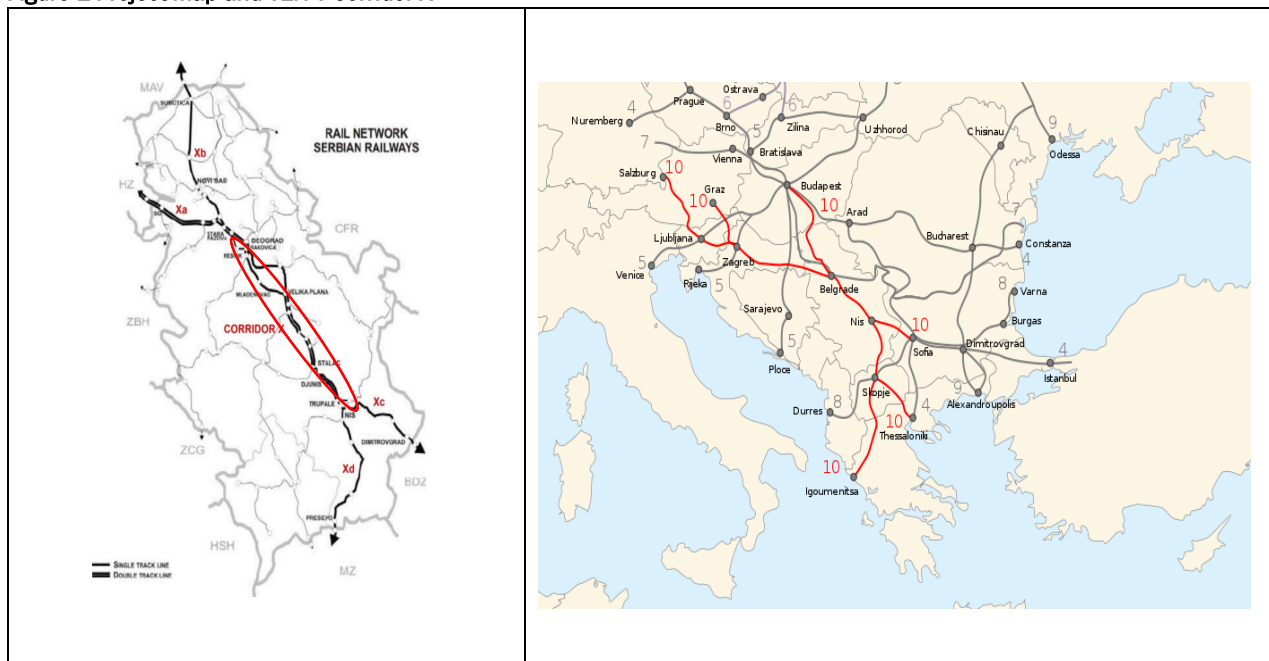
- Tranche 2: Up to EUR 140 million to finance Belgrade Centre-Velika Plana sub-section.
- **Tranche 3: Up to EUR 85 million to finance Velika Plana-Paracin sub-section.**
- Tranche 4: Up to EUR 100 million to finance Paracin-Medjurovo sub-section.
- Tranche 5: Up to EUR 55 million to finance Belgrade and Niš railway nodes sub-section.
- Tranche 6: Up to EUR 110 million to finance signalling/telecommunications contract (for all sub-sections)

After approval by the Board of the first tranche, separate Board approval on a no-objection basis will be sought for the commitment of each one of the Uncommitted Tranches.

The Project is co-financed with a EUR 1.1 billion framework loan provided by EIB and a EUR 598 million investment grant provided by the EU through the Western Balkans Investment Framework (“WBIF”).

According to the [Project Summary Document \(PSD\)](#), Environmental and Social Due Diligence has included a corridor Environmental and Social Assessment for the full Belgrade–Niš route

Figure 1 Project map and TEN-T Corridor X



Source: Non-technical Summary

1.3. Processing to Date

The Request was registered by IPAM on 24 January 2025 [Case 2025/01](#) as it met the criteria for Registration established in Section 2.2 (b) of the PAP, and none of the exclusions set in Section 2.2 (c) of the PAP applied at that stage. The registration of a Request is an administrative step⁵ establishing that the following criteria have been met:

- all mandatory information has been provided.
- issues raised relate to specific obligations of the Bank under the Environmental and Social Policy and/or the project-specific provisions of the Access to Information Policy.
- it relates to a Project that the Bank has approved; and
- the Request submitted is related to an active project or is submitted within 24 months of the date in which the Bank has ceased to have a financial interest in the project.

Immediately after registration, the Request was transferred to the **Assessment Stage**, which has a standard duration of 40 business days, as established in para. 2.3 of the 2019 Project Accountability Policy (PAP), to:

- develop a clear understanding of the issues raised in the Request.
- discuss the Problem Solving and Compliance functions with the Parties, their scope, and outcomes.
- assess the Parties' willingness to engage in each function.
- consider the updated status of other grievance resolution efforts, if applicable; and
- make a final determination with three alternative outcomes:
 - the Case could proceed to Problem Solving, based on the agreement of the Requesters and the Client; or
 - the Case would be transferred to Compliance Assessment if no agreement to pursue Problem Solving is reached and the Requesters would have expressly asked for this; or
 - the Case would be closed.

For the [Case 2025/01](#), the Assessment was initiated at the end of January 2025 and was finalized in June 2025. An extension on the Assessment duration was granted by IPAM at the request of Management due to changes in senior management on the side of the Client.

In line with the approach established in the PAP (see section 2.3), the IPAM team undertook the following activities during the Assessment stage:

- revision of relevant Project documents.
- virtual meetings with the Bank team responsible for the Project, representatives of the Client, and the Requesters.

In addition, IPAM requested a formal Management response that was received on 21 February 2025.

2. Background

As mentioned in the Project section, the tranching sovereign loan was approved on 30 November 2022 and overall management of the Project until January 2025 was the responsibility of MoCTI.

The development of the Project including design, ESIA, procurement and implementation has been divided into discrete sections which are proceeding on separate schedules for the purpose of the project development.

⁵ Registration of a Request does not involve a judgement on the merits, truthfulness, or correctness of its content. Nor does it have the effect of suspending the Bank's interest in a Project.

At the moment of approval, in relation to the relevant section, the Environmental and Social Due Diligence by the Bank focused on the preparation and review of a Corridor Environmental and Social Assessment for the overall Project from Belgrade to Nis.

According to the Management Response, the preliminary design for section II Velika Plana – Paraćin was initiated in late 2022 and was nearing completion at the date of submittal of said response. A review of the proposed ESIA was being undertaken by both EBRD and EIB at the time.

In parallel, the Client updated the spatial plan Sections II and III (originally adopted in 2020) and disclosed said update in March-April 2024. During the public disclosure of the updated spatial plan in March - April 2024, citizens, and local government representatives from Jagodina submitted concerns regarding the route alignment and E&S impacts to the spatial planning agency. In June 2024 Requesters wrote to the Ministry of Construction, the EBRD, and other stakeholders with their concerns. Their letter included a petition signed by Jagodina residents and businesses and a map proposing an alternative alignment along the E75 motorway.

A response from the Client was issued to these concerns in August 2024, the route alignment was retained, and the spatial plan was adopted in October 2024.

The Requesters' concerns relate to the planned alignment of the High-Speed Rail Belgrade to Niš, Section II, Velika Plana to Paraćin, specifically the route passing through the urban area of Jagodina. Requesters claim that the closure of the Kapetana Koče Street level crossing and the fencing of the railway would divide the city, isolate the eastern part from the essential services located on the western part, would increase travel time, reduce property value, and increase environmental and safety risks.

Following the formal adoption of the updated Spatial Plan in October 2024, which confirmed the alignment through Jagodina and after engagement with the Client, local authorities and the EBRD, in mid-December 2024 Requesters submitted their Request to IPAM.

3. Assessment activities and Parties' perspectives

3.1. IPAM assessment activities

This section presents the perspectives of the Requesters, the Client, and Bank management as documented by IPAM during virtual engagements from December 2024. It also reflects information exchanged through written submissions, follow-up correspondence, Project documentation and the written response to the Request provided by Bank management.

As the Formal communication with the relevant counterparts were possible to be initiated in April 2025 once the new management was in place.

After virtual engagement with all Parties and the review of Project documentation and the Bank management response, IPAM determined that a site visit to Serbia is not warranted during the Assessment stage given Parties opposing views and lack of conditions to conduct a Problem-Solving initiative.

Table 2. Project and Case Timeline

Year/Month	Activity
2022	
30-Nov	EBRD Board of Directors approves tranching loan
11-Dec	Start of the preliminary design stage
2024	
9-April	Public disclosure of updated spatial plan
15-Apr	Requesters' letter to MoCTI and the Client asking to move the railway outside the city
18-Jun	Response from the Project Implementation Unit, as no realignment was planned
20-Jun	Requesters approached IPAM flagging their concerns
25-Jun	Requesters' letter to EBRD
17-Jul	Initial meeting between Requesters, the Client, MoCTI and designers
18-Jul	Requesters' letter to MoCTI – requesting mutually agreeable solution
19-Jul	Response from MoCTI committing to address their concerns
19-Sep	Public consultation meeting
12-Oct	Adoption of the new spatial plan
15-Oct	Requesters' letter to MoCTI asking to relocate the railway outside the city
15-Dec	Request submitted to IPAM
2025	
24-Jan	IPAM registration of Case 2025/01
31-Jan	Request from Bank management to extend the Assessment stage
21-Jan	Bank management formal response to the Request

Source: IPAM

3.2. Parties Perspectives

The Parties have been consulted on the following sections capturing their views to ensure that they are reflected accurately.

3.2.1. Requesters

During the Registration and Assessment stages, the IPAM team held several virtual meetings with the Requesters, on 4 July 2024, 12 December 2024, 16 January 2025, and 16 April 2025 and exchanged information and documentation via email.

Requesters informed IPAM that, while they support the modernization of the national railway infrastructure in Jagodina, they are concerned about the closure of an existing level crossing in the city centre, near the Kapetana Koce street and the introduction of two new overpasses at more distant locations. They assert that this could reduce connectivity between the eastern and western parts of Jagodina, increase traffic congestion, and prolong residents' travel times to essential services such as schools, hospitals, and government institutions.

Requesters estimate that residents living a few hundred meters away from the city centre might need to take detours of several kilometres to access key services. They further claim that the increased travel distance and reduced accessibility could raise the cost of living, devalue property in affected neighbourhoods, and potentially lead to economic displacement.

Requesters further allege that the fencing of the railway and the installation of noise barriers, would physically and socially divide the city and isolate the eastern area that risks of becoming marginalized due to limited access to infrastructure.

Requesters shared that, according to the information they had, railway traffic would increase up to 190 trains per day (106 of those being freight trains. They consider this a significant increase in the frequency of freight traffic which would raise the risk of accidents particularly related to hazardous cargo, citing past incidents of this nature in the region.

They fear the adverse impacts to businesses and have collected signatures from 50 local companies expressing concerns that their operations could be affected if the railway stays in the city.

From their point of view the existing industrial rail tracks are largely non-functional and suggest that relocating the railway outside Jagodina could better serve the new industrial zone. This zone is now operational and in need of a railway is located next to the E-75 highway, along with a customs terminal and a warehouse. Furthermore, the suggested railway alignment goes mainly through agricultural land, reducing impacts, enhancing safety, and providing better long-term benefits for both freight and passenger transport.

Requesters further propose that reconstructing the existing railway involves dismantling old infrastructure, raising the track level by one meter, and building new overpasses, an effort they argue is comparable in scale to building a new railway outside Jagodina. The alternative route proposed by Requesters is nearly a kilometre shorter than the existing one, and no sound barriers would be required, which would result in Project savings. They also claim that relocating the railway is technically feasible and economically justified, referencing similar solutions implemented in other cities in Serbia, such as Niš and Belgrade.

Requesters shared that they have engaged with relevant institutions in Serbia, including the Ministry of Construction, Transport and Infrastructure, Serbian Railways, and the EBRD, but despite their efforts, they were not treated as relevant stakeholders in the decision-making process, as defined in the EBRD's environmental and social requirements. Requesters believe that the Project has progressed without proper consultations with affected community members or assessment of alternatives.

In a series of exchanges and public consultations, the Requesters noted that the Client only declaratively expressed understanding of their concerns and willingness to consider solutions, but in reality, they have maintained the existing railway alignment through Jagodina. This decision became obvious to Requesters as in early April 2025, the Client requested from the local telecommunications company the renewal of an existing permit for the railway route crossing the city.

Finally, Requesters expressed their interest in participating in an IPAM led Problem Solving initiative with the condition that the Client assesses the possibility of relocating the railway outside Jagodina. If this condition is not met, the Requesters expressed interest in having their Request considered under the IPAM's Compliance function.

3.2.2. Client

During IPAM's engagement with the Client they explained that the objective of the High-Speed Rail Belgrade to Nis Project is to modernise the existing railway infrastructure, improve safety and environmental conditions through electrification, installation of noise barriers, and updating traffic management solutions, which is expected to double once the upgrades are complete.

The Client further indicated that they updated the spatial plan which was then presented to community members in Jagodina who shared concerns regarding the route alignment and environmental and social impacts. A response was provided to community members in August 2024 and the route alignment was retained through Jagodina, then the spatial plan was adopted in October 2024. The Client further explained that the existing alignment of the Belgrade–Nis railway through Jagodina has been in place for over a century and the town developed around it over time.

They noted that multi-criteria analysis is in process of being conducted by external consultants who are comparing the existing alignment with a few alternatives, including the option of relocating the railway outside Jagodina. According to the Client, the current alignment going through Jagodina is the most cost efficient, allows to use the existing infrastructure including the train station located in central Jagodina, supports local accessibility and economic integration, minimizes land acquisition, and presents less environmental and social impacts.

They confirmed that a detailed assessment of alternatives including the preferred railway alignment will be part of the Environmental and Social Impact Assessment for this section and will be subject to public disclosure. They also shared that they were planning to organize a public meeting to present the outcomes of the alternatives analysis.

Regarding Requesters' concerns around the closure of one level crossing in the centre of Jagodina, the Client indicated that alternatives have been considered, including the use of existing overpasses, the construction of pedestrian overpasses, and the development of a new vehicular underpass located at approximately 0,2km away from the current level crossing.

Finally, the Client shared their scepticism about the potential of reaching common ground with Requesters in an IPAM led Problem Solving process, given the opposing views and interests of the Parties and the need for a Project solution that is both technically and economically feasible.

3.2.3. EBRD Management

IPAM received a written response on the Request from Bank Management on 21 February 2025, stating that, at the time of the Project approval, only Section I had progressed to the design and ESIA stage, while Section II remained at the feasibility stage. Environmental and social due diligence was conducted through a corridor-level Environmental and Social Assessment and a supplementary disclosure package, both of which were prepared by independent consultants and disclosed for a 120-day public consultation period in April 2024. Management stated that no material comments requiring revision of the disclosed documentation were received during that process.

They acknowledge that concerns related to the Jagodina section were raised during the public consultation on the updated spatial plan in early 2024. Management became formally aware of them upon receipt of a letter in June 2024, which included proposals for relocating the alignment outside the urban area of Jagodina. In response, the Bank engaged with the Client to understand how these concerns had been considered in project planning and confirmed that the Client held meetings with the citizens in July and September 2024. According to Bank management, the Client presented the rationale for retaining the existing alignment, shared preliminary analysis of the proposed alternative, and discussed additional measures to address the concerns related to access, traffic, and safety.

Bank Management informed IPAM that the Client is finalising the alternatives assessment, which will form part of the ESIA for Section II. This assessment will document the review of the proposed realignment around Jagodina and include further evaluation of associated environmental and social impacts. They also mentioned that the ESIA is expected to include assessment of impacts related to noise, visual intrusion, public safety, connectivity, and potential changes in travel patterns. They estimated that the ESIA for Section II would be disclosed in the first half of 2025, and that subsequent engagement with the affected population would follow.

Bank Management noted that the safety of the upgraded railway infrastructure will be enhanced through full fencing of the corridor, closure of certain level crossings, and improved access arrangements at stations. In relation to property value, management noted that in their view property values may increase due to proximity to improved transport infrastructure.

Finally, it was confirmed that prior to committing further tranches of the loan, Management will ensure that the ESIA and ESAP are reviewed and updated as needed to align with the Bank's Performance Requirements. Management also informed IPAM that it had requested the Client to enhance its stakeholder engagement capacity and ensure continued dialogue with Project affected communities.

4. Assessment Findings

Based on the Assessment activities undertaken in relation to Case 2025/01, IPAM confirmed the following facts:

- Requesters confirmed to IPAM that they would be amenable to a Problem Solving process if the option of looking at alternative railway alignments was open to dialogue. If this was not possible then they asked for their Request to be considered under the Compliance function.
- Requesters were assured by the Client that their concerns would be considered, and that further assessment of alternatives would be carried out during the ESIA process. However, the Client stated that the decision to maintain the existing alignment had been made and that this was the most financially and technically viable.
- Bank Management informed IPAM that the environmental and social impact assessment was ongoing and that prior to committing further tranches of the loan, Management would ensure that the ESIA and ESAP are reviewed and updated as needed to align with the Bank's Performance Requirements

Based on this, IPAM made the following determinations regarding the [Case 2025/01 High Speed Rail Belgrade to Nis](#) process:

- As required by the PAP, IPAM confirms that, after an in-depth analysis of the concerns raised, the Request meets the Registration criteria set in the PAP and the case should continue its processing.
- Given the contrasting views of the Requesters and the Client on options to address the issues, IPAM has determined that a Problem-Solving Initiative is not feasible.
- Given the lack of conditions to initiate Problem Solving and the Requesters' expressed interest to have their Case considered under the IPAM's Compliance function, the Case will be transferred to Compliance Assessment.

5. Conclusion and Next Steps

Based on the activities undertaken during the Assessment stage, **IPAM has determined that a Problem-Solving Initiative is not feasible.**

As per 2.3 (c) of the 2019 PAP, the Assessment Report is to be submitted to the Board and the President for information, and the Parties will be notified of its disclosure in the IPAM Case Registry under case file [Case 2025/01](#) in English and Serbian. After which, [Case 2025/01](#) will be transferred to the **Compliance function**, where the Compliance team will assess if the case is eligible for a Compliance Review.

N. B. It should be noted that at the moment of disclosure of this Assessment Report (July 14, 2025), the IPAM team had not visited the Project site, nor has the Environmental and Social Impact Package for the relevant section been disclosed.