

BOSNIA AND HERZEGOVINA

FEDERATION OF BOSNIA AND HERZEGOVINA

JP AUTOCESTE FBiH d.o.o. MOSTAR

**MOTORWAY ON CORRIDOR Vc IN FEDERATION OF BiH
CONSTRUCTION OF SECTION POČITELJ - BIJAČA
PROGRESS REPORT NO. 9
as of 31st December, 2018**

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1. INTRODUCTION

At conferences held in Crete and Helsinki in year 1994 and 1997, ten trans-european corridors have been identified as routes in Central and Eastern Europe which require priority investments. Corridor V (five) which is linking Kiev in the Ukraine to the Adriatic Sea via Lvov and Budapest (Hungary) is one of them. Consisting of three branches, the Vc branch follows European route E73 from Budapest to Ploče (Croatia) via Osijek (Croatia) and Sarajevo (Bosnia and Herzegovina). Bosnia and Herzegovina contains the longest section of the Vc branch. With a total length of approximately 340 km the driving force to construct Corridor Vc motorways is to improve connectivity of BH with its neighbouring countries and to enhance its potential for economic development. The project is strongly supported by the Government and is expected to enable BiH to integrate better with the European economic and social structure.

Corridor Vc is multimodal road corridor that connects Hungary Budapest to Ploče (Croatia), via Osijek (Croatia) and Sarajevo (Bosnia and Herzegovina), it is also the largest project of transport infrastructure in Bosnia and Herzegovina with a total length of about 340 km. The construction of the highway Corridor Vc enhances connectivity of BiH with neighboring countries and enhances the potential for economic development. The project has strong support from the Government of the Federation of Bosnia and Herzegovina, and is expected to enable Bosnia and Herzegovina, better integration with the European economic and social structures in Europe.

Corridor Vc in Bosnia and Herzegovina consists of four main sections (in official documents named as "Lots"), as follows:

- **Lot 1:** Svilaj on The Sava River (connection to Corridor X) - Doboj South;
- **Lot 2:** Doboj South - Sarajevo South (Tarčin);
- **Lot 3:** Sarajevo South (Tarčin) - Mostar North;
- **Lot 4:** Mostar North - Bijača on the southern border with Croatia.

So far there have been constructed and open to traffic 92 km of the motorway on Corridor Vc referring to the following sections:

- Kakanj - Zenica South
- Zenica South - Sarajevo North
- Sarajevo North - Sarajevo West
- Sarajevo West - Tarčin
- Zvirovići - Bijača

The project has been financed by the loan funds of EIB, EBRD, KFAED, as well as the own funds of JP Autoceste FBH.

Section Počitelj - Bijača is entirely located in two cantons (The Herzegovina - Neretva Canton and The West Herzegovina Canton) passing through the northern and western part of Municipalities Čapljina and Ljubuški. According to the plans this part of the Corridor Vc will also

be a part of Adriatic – Ion motorway. It will improve the connection between BH and Croatia on the south and the Adriatic sea.



Map of motorways and expressways in Bosnia and Herzegovina

2. FINANCING THE CONSTRUCTION OF SECTION POČITELJ - BIJAČA

In order to create a stable financial leverage JP Autoceste FBH has addressed International financing institutions in order to support its construction projects. European Investment Bank (EIB) and European Bank for Reconstruction and Development (EBRD) have provided two loans in order to finance the construction of section Počitelj - Bijača which consists of three subsections: Počitelj - Zvirovići, Zvirovići - Kravice and Kravice - Bijača.

First loan agreement was signed in October 2008 with European Bank for Reconstruction and Development (EBRD) in amount of **180 million EUR** out of which **60 million EUR** was used to finance the construction of subsections Zvirovići - Kravice and Kravice - Bijača. Agreement Amendment No. 1 was signed in year 2014 which increases the previous loan amount to **205 million EUR** out of which **5 million EUR** was used to fund the construction of crossing border Bijača.

November 11th 2014, the loan agreement in the amount of **100 million EUR** was signed with The European Investment Bank (EIB) and the loan funds are intended to finance the construction of subsection Počitelj - Bijača. Obtaining the effectiveness of the loan funds is currently in progress.

In addition to the current loan arrangement JP Autoceste FBiH has initiated and other activities related to the providing necessary financial resources from The European Investment Bank (EIB) such as:

- The loan in the amount of **50 million EUR** for co-financing the construction of **the subsection Nemila - Donja Gracanica: Lot 1a Tunnel Zenica. Management Committee of EIB approved loan funds.** The further procedures of credit borrowing are still in progress. Signing of the agreement and the condition of effectiveness of loan funds was the increase the excise tax on fuel.
- The loan in the amount of **100 million EUR** for co-financing the section: **Mostar South - Buna, subsection Buna - Tunnel Kvanj.** The further procedures of credit borrowing are still in progress. Signing of the agreement and the condition of effectiveness of loan funds was the increase the excise tax on fuel.

3. TECHNICAL DESCRIPTION OF SECTION POČITELJ – BIJAČA

The project refers to the construction of 21,255 km long tolled motorway and ancillary structures between Počitelj (in southern Bosnia and Herzegovina) and Bijača at the southern border with Croatia, which will be connected to the existing A10 motorway on Croatian territory. The new motorway section is located within the Herzegovina - Neretva Canton and the West Herzegovina Canton and is a part of the Pan - European Corridor Vc, linking Hungary and eastern Croatia to Bosnia and Herzegovina and the Adriatic Sea in the area of the port of Ploče.

The main goal of the motorway project is the improvement of current north - south motorway, achieving higher functional level and creating a modern motorway infrastructure with increased road safety and capacity.

The construction project includes the construction of 21,255 kilometers long motorway with design speed of 120 km/h and standard cross section of 29,50 meters with 2x2 lanes and hard shoulders. It also includes the relocation of 5100 meters of local roads, the construction of new connections with existing local and national roads, 7 underpasses and 4 overpasses as well as rest area, a frontal toll station, a traffic management control center and a border crossing facility.

The main structures included in the project are 3 junctions (i.e.: interchange Počitelj, interchange Zvirovići - Međugorje and interchange Zvirici), 2 tunnels (i.e.: tunnel 1 and tunnel Bijela Vlaka) in the total length of 1611 meters; 4 viaducts (i.e.: viaduct 1, viaduct 2, viaduct 3 and viaduct Pavlovići) in the total length of 724 meters and 3 bridges (i.e.: Počitelj, Studenčica and Trebižat) in the total length of 1880 meters.

The project has been divided in 3 subsections from north to south as follows:

Subsection: Zvirovići - Kravice: from km 11+000 to km 16+000 Length: 5000 meters	
Junctions	<ul style="list-style-type: none"> • Interchange Zvirovići - Međugorje (chainage km 11+450)
Viaducts and Bridges	<ul style="list-style-type: none"> • Bridge Studenčica (chainage km 12+986 length=555 m) • Viaduct Pavlovići (chainage km 13+828 length=367 m) • Bridge Trebižat (chainage km 15+040 length=380 m)
Galleries	<ul style="list-style-type: none"> • Tunnel Bijela Vlaka (chainage km 14+263 length =411 m)
Other Structures	<ul style="list-style-type: none"> • Connection to the R425a (length = 900 m) • 1 Overpass • 1 Underpass

Subsection: Počitelj – Zvirovići: from km 0+000 to km 11+100 Length: 11.100 meters	
Junctions	<ul style="list-style-type: none"> • Interchange Počitelj (chainage km 0+875)
Viaducts and Bridges	<ul style="list-style-type: none"> • Bridge Počitelj (chainage km 3+800 length=945 m) • Viaduct 1 (chainage km 4+775 length=160 m) • Viaduct 2 (chainage km 4+975 length=70 m) • Viaduct 3 (chainage km 6+625 length=127 m)
Galleries	<ul style="list-style-type: none"> • Tunnel 1 (chainage km 5+800 length=1200 m)
Other Structures	<ul style="list-style-type: none"> • Connection to the M17 (length = 2850 m) • Relocation of local roads (length = 5100 m) • 1 Overpass • 3 Underpasses

Subsection: Kravice - Bijača: from km 16+000 to km 21+255 Length: 5255 meters	
Junctions	<ul style="list-style-type: none"> • Interchange Zvirići (chainage km 19+275)
Viaducts and Bridges	---
Galleries	---
Other Structures	<ul style="list-style-type: none"> • Connection to the R423 (length = 100 m) • Rest area and Service facility Kravice (chainage km 16+400) – both sides • Frontal toll station at Zvirići (chainage km 17+970) • Traffic management and control center (chainage km 19+200) • Border crossing facility at Bijača (chainage km 19+940 length=1165 m) • 2 overpasses • Underpasses

4. INVESTMENT COST ANALYSIS

Cost Items in EUR (€)	Počitelj – Zvirovići	Zvirovići - Kravice	Kravice- Bijača (BC Bijača included)	Total
Works				
Earthworks	0,00	3.230.133,00	5.305.603,00	8.535.736,00
Major bridge structure (>100 m)	0,00	26.696.812,00	0,00	26.696.812,00
Major tunnels (>100 m)	0,00	5.239.877,00	0,00	5.239.877,00
Structures general	0,00	495.648,00	5.805.854,00	6.301.502,00
Drainage, includ. culverts	0,00	1.438.708,00	2.477.318,00	3.916.026,00
Retaining structures	0,00	0,00	0,00	0,00
Road works and pavement	0,00	4.990.515,00	5.131.100,00	10.121.615,00
Safety measures (signage, guard railing)	0,00	3.621.588,00	972.464,00	4.594.052,00
Installations (mechanical and electrical)	0,00	4.257.575,00	2.741.509,00	6.999.084,00
Environment (e.g. noise, fencing, animal protection)	0,00	384.785,00	126.948,00	511.733,00
Other works + Worksitge Safety costs	0,00	847.853,00	2.924.779,00	3.772.632,00
Total works	0,00	51.203.494,00	25.485.575,00	76.689.069,00
General costs				
Preliminary studies and design (*1, *2)	2.720.745,00	447.272,00	447.272,00	3.615.289,00
Management costs	0,00			0,00
Supervision	0,00	1.999.084,16	1.260.583,06	3.259.667,22
Total general costs	2.720.745,00	2.446.356,16	1.707.855,06	6.874.956,22
Land acquisition				
Expropriation and compensations	1.868.048,92	987.621,43	1.742.402,39	4.598.072,74
Other land acquisition costs (removal of subservices)	0,00	249.296,15	45.546,22	294.842,37
Total land acquisition	1.868.048,92	1.236.917,58	1.787.948,61	4.892.915,11
Base costs				
EBRD commitment charge/charge for undrawn loan funds (0,5%) during construction	0,00	903.460,10	363.220,96	1.266.681,06
Interest during construction	0,00	482.226,73	350.785,72	833.012,45
Total project investment costs (excl. VAT)	4.588.793,79	56.264.316,07	29.695.385,35	90.548.495,34

Notes: *1- Total costs of design of section Počitelj – Bijača amount 1.878.542 EUR (exclud. VAT) and it is financed by the Ministry of transport and communications of BH.

*2 - For services of redesign on subsection Počitelj – Zvirovići has been financed by EIB grant funds in the amount of 1.988.491 EUR without VAT.

5. PROCUREMENT PLAN

JP Autoceste has prepared a procurement plan. The estimated values are planned, but real values will be determined after completion of the main project and tender procedures. Please consider that contracted values and changes in the values of contracts occur according to the signed Addendums which are given in detail under **Chapter 10**.

Values are given in thousands EUR

No.	Description	Estimated contract value	Financed by	Financed by others	Contract	Contract	Procurement	Tender	Contract	Contract
			EBRD/EIB	Investor	Amount including VAT	Type	method	Invitation month/year	Award month/year	Completion month/year
1.	Počitelj- South Border to Croatia motorway project	2.500		MTCBH		Supervision	Competitive	Aug-07	Feb-08	April-11
2.	Počitelj – Zvirovići new motorway project	2.000	EIB-grant		2.327	Design	Competitive	July-12	Oct-13	Dec-14 ¹
3.	Počitelj- Bijača(South Border to Croatia) supervision	6.800								
a)	Počitelj - Zvirovići	5.000	EIB			Supervision	Competitive	May-17	Mar-19	Oct-23 including DNP
b)	Zvirovići - Bijača	1.800	EBRD		3.814	Supervision	Competitive	Sep-10	Sep-11	May-14 ² including DNP
4.	Technical assistance to the PIU for the project Počitelj-Zvirovići	600	EIB				Competitive	May-17	Jun-18	May-21
5.	Počitelj- Bijača (South Border to Croatia) motorway construction	163.200								
a)	Počitelj – Zvirovići	105.000	EIB			Construction works	Open	Jul-18	Nov-18	May-21
b)	Zvirovići – Kravice	43.200	EBRD		61.620	Construction works	Open	Sep-10	May-12	Jan-14 ³

¹Amendment No.2 –Deadline for consulting services for the subsection Počitelj-Zvirovići has been extended until March 2015

²Addendum 3 - Deadline for supervision has been extended until August 2016

³Addendum 4 - Deadline for completion of construction works has been extended until February 2015

c)	Kravice - Bijača	15.000	EBRD		29.818	Construction works	Competitive	July-10	Sep-11	Aug-12 ⁴
6.	Land Expropriation	5.305		JPAC						
7.	PDV (17%)	29.342		JPAC						
	TOTAL:	37.147		JPAC MTCBH						
	TOTAL:	172.600	EBRD,EIB							

Table 1. Procurement plan

Notice: VAT charged on the total amount of the budget (does not include land expropriation).

Legend: MTCBH: Ministry of Transport and Communications BiH

JPAC: JP Autoceste FBH

⁴Addendum 3 - Deadline for completion of construction works has been extended until June 2013

6. ENVIRONMENTAL PERMITS

The Federal Ministry of Environment and Tourism issued an environmental permit for subsection Bijača - Zvirovići (Zvirovići - Kravice and Kravice - Bijača) in October 2010, as well as for subsection Počitelj - Zvirovići in April 2014.

7. MAIN DESIGN

Brief information on the main design for subsections Počitelj - Zvirovići, Zvirovići - Kravice and Kravice - Bijača is represented as follows:

No.	Subsection	Investor	Status	Comments
1.	Zvirovići – Bijača	MCTBH	Completed	Section in use.
2.	Počitelj – Zvirovići	MCTBH	Main project completed	Due to requirements of the local community subsection Pocitelj - Zvirovići will be redesigned.
2.1.	Počitelj – Zvirovići	JPAC	New main design completed	Main design of subsection Počitelj - Zvirovići is redesigned. A contract has been signed on October 8 th , 2013, and the drafting of a new preliminary and final design of the subsection Počitelj - Zvirovići has been finished.

Table 2. *Progress of main designs*

Legend: MCTBH: Ministry of Transport and Communications BH
JPAC: JP Autoceste FBH

8. LAND EXPROPRIATION

The following table presents activities of land acquisition and its progress up to 31st December 2018, on the section Počitelj - Bijača, subsection Počitelj - Zvirovići. The land expropriation is completed, but the percentage of completion of the expropriation with permit of early entry into possession by The Government of FBiH is 100 %.

Municipality	Submitted request to start land acquisition	Land plots included in Elaborate of land acquisition	Issued decisions of land acquisition	Number of agreements
Čapljina	27.02.2015 Subsection Počitelj-Zvirovići	741- land plots	284	213

Table 3. *Progress of land acquisition activities*

The proposal for expropriation for subsection Počitelj - Zvirovići was submitted on February 27th 2015. Čapljina Municipality had an obligation to carry out the procedure of land acquisition according to the Law of land acquisition in the Federation of Bosnia and Herzegovina. Procedure of land acquisition is implemented very slowly, for several reasons:

1. Bad dynamics of the Municipality of Čapljina as the presiding officer
2. Uncoordinated property relations on the field and in the Land registry
3. Updates of projects and Land acquisition study by the JP Autoceste FBH.

From the very beginning of the process of land acquisition, Municipality Čapljina lagged in carrying out the preparations for the purchase of land. Also, the problem was to determine the owner of the land, because the data in the Land registry did not match the situation on the field. Total of 66 cases were sent to court to determine ownership.

Because of the lack of access roads and other technical reasons it was necessary to make updates of Land acquisition study and this additionally delayed the proceedings.

During almost the entire procedure of land acquisition, according to the Law of land acquisition in the Federation of Bosnia and Herzegovina, early entry into real estate was not possible before completion of the procedure of land acquisition and payment of compensation to the owner.

In April 2016, the Law of land acquisition in the Federation of BH has changed and enabled the procedure for entering the property before the conclusion of an agreement on compensation.

In accordance with this procedure, by the June 30th 2017 we obtained a permit to enter into possession of all land parcels in which it is not possible to finish procedure of land acquisition. The percentage of completion of the expropriation with permit of early entry into possession by The Government of FBiH is 100 %.

8.1. RESETTLEMENT ACTION PLAN

JP Autoceste is the implementor of construction of Počitelj - Bijača, subsection Počitelj - Zvirovići and for this purpose, the expropriation of property that is necessary for the construction will be conducted along with the payment of appropriate compensations in accordance with the Law on Expropriation ("Off. Gazette of BiH" no. 70/07, 36/10 and 25/12) on the following c.m. Zvirovići, c.m. Trebižat, c.m. Dretelj, k.o. Šumranci, c.m. Počitelj, c.m. Ševaš njive i c.m. Bivolje brdo. The expropriation procedure is in final stage and the table below presents phases of the expropriation process from conducting hearings on the field in the presence of experts, leaders of the proceedings, the attorney of JP Autoceste, property owners and surveyors to the agreements on compensation and paid amount according to the agreement on compensation.

The complete expropriation proceeding through administrative proceedings is conducted by the Municipality Čapljina.

Bijača – Počitelj / Zvirovići – Počitelj

General data	Municipality	Čapljina						
	Cadastral municipality	Zvirovići	Trebižat	Dretelj	Šurmanci	Počitelj	Ševaš njive	Bivolje brdo
	Number of cases	43	2	30	40	11	26	105
	Number of parcels	151	2	73	54	20	76	366
	Date of filling the proposal for expropriation	26.01.15.	26.01.15.	26.01.15.	26.01.15.	26.01.15.	26.01.2015.	26.01.2015.
First phase of procedure	Total number of agreed parcels	151	2	73	54	20	76	366
	Total area of completed parcels (in m ²)	91.203	73.890	282.518	32.211	10.891	184.999	281.145
	Total number of completed parcels – according to Art. 11. LE	50		13	45	1	6	163
	Total area of agreed residential buildings (in m ²)	0	0	0	0	0	0	1
Second phase of procedure	Total number of received findings of experts	90	0	50	38	24	44	241
	Total number of adopted decisions on expropriation	43	2	29	39	11	26	134
	Total number of agreements on compensation	38	2	25	13	11	25	100
	Total area of land for which an agreement has been signed (in m ²)	55.378	73.890	267.699	23.531	10.891	179.658	271.152
	Total area of land with permit of early entry into possession by The Government of FBiH (in m ²)	22.914		14.819	8.450		5.341	10.340
	Number of residential buildings for which an agreement has been signed	0	0	0	0	0	0	0
Third phase of procedure	Total paid amount according to the agreement on compensaion (in KM)	891.451,35	0	545.545,14	25.185,02	19.275,29	435.347,08	1.958.589,61
	Total paid amount based on other conclusions (expert's conclusion, splitting parcels etc.)	47.580,62	0	11.203,72	7.031,23	2.505,82	8.430,21	64.392,18
	Number of registered decisions							
	Number of completed cases							

9. CONSTRUCTION PERMITS

In accordance with Law on land planning and land use in Federation of BH, there is a defined procedure of issuing preliminary construction permit and final construction permit. In order to issue preliminary construction permit it is necessary to collect 17 approvals, whereas the issuance of final construction permit requires a preliminary construction permit, completed land expropriation activities and completed and revised main design.

Accordingly, the construction permit for subsection Zvirovići - Kravice and Kravice - Bijača was obtained in September 2011.

The condition of preliminary approvals required for obtaining urban planning and construction permits for subsection Počitelj - Zvirovići is represented in the table below.

No.	Institutions	Submitted	Condition	Previous Policies
1.	Agency for Water Area Adriatic sea (Previous water consent)/ final consent	24.03.2014	Obtained / obtained	---
2.	Željeznice Federacije BH d.o.o.	24.03.2014	Obtained / obtained	---
3.	BH Gas	24.03.2014	Obtained	---
4.	Elektrodistribucija Mostar	24.03.2014	Obtained / obtained	---
5.	Elektroprijenos Sarajevo - OP Mostar (preliminary / final)	24.03.2014 16.01.2015	Obtained / obtained	---
6.	Ministry of Environment and tourism - the study of environmental impacts has been submitted in order to issue environmental permit	24.03.2014	Obtained	---
7.	Federal Ministry of Physical Planning	The urban approval was obtained in July 2014 and the construction permit in November 2015.		

Table 4. Construction permits

By the order of the executive director Jasmin Bučo, obtaining the necessary approvals for the issuance of urban and construction permits shall not be carried out by the Law on physical planning and land use, but by the Law on motorways on Corridor Vc ("Official Gazette of BiH", No. 8/13) from January 13th, 2013.

10. PREPARATORY ACTIVITIES FOR CONSTRUCTION

Section Počitelj - Bijača is divided into three subsections Počitelj - Zvirovići, Zvirovići - Kravice and Kravice - Bijača, whereas construction works on subsections Zvirovići - Kravice and Kravice - Bijača have been completed in year 2014. Preparatory activities for construction works of subsection Počitelj - Zvirovići are in progress.

10.1. Subsection Počitelj - Zvirovići

The status of project documentation for motorway on Corridor Vc, section Počitelj - Bijača, subsection Počitelj - Zvirovići is as follows:

Completed activities:

- Analysis of the existing northern variant of the subsection Počitelj - Zvirovići;
- Conceptual design;
- Preliminary design;
- Studies for urban planning approval/permit
- Studies of land acquisition
- Main design
- Revision of the main design

Bridge Počitelj

The contract for redesign of the bridge Počitelj has been signed on October 8th, 2013. As far as the bridge Počitelj is concerned, the analysis of the best variant of bridge position is finished. There has been a slowdown in activities on this subsection due to adoption of spatial basis of the Spatial Plan of Federation of BiH. The spatial basis of the Spatial Plan of the Federation of Bosnia and Herzegovina for the period from 2008 to 2028 has been adopted in year 2011 ("Official Gazette of FBH No. 47/11").

Subsection Počitelj - Zvirovići

Procurement of the construction of the motorway on Corridor Vc:

Procedure for procurement of works has been divided into two LOTs: LOT 1: Interchange Počitelj -beginning of bridge Počitelj & end of bridge Počitelj - Interchange Zvirovići and LOT 2: bridge Počitelj. Tender documents for both LOTs has been submitted to the Bank for its approval on 29th June 2018. Deadline for submission of applications is 10th October 2018.

Technical tenders for both lots were opened on 10th October 2018. The Bank's issued the no-objection for Technical evaluation report for LOT 2 on 7th December 2018. The price tenders for LOT 2 were opened on 20th December 2018. Evaluation of price tenders is ongoing.

For LOT 1 JP Autoceste is waiting for the Bank's no-objection to Technical evaluation report.

Procurement of consulting services for supervision during construction of the motorway on Corridor Vc:

The procedure for procurement of consulting services for supervision of works was initiated on 11th May 2017. The final deadline for submission of applications is scheduled for 24th July 2017. Evaluation process of the received applications for procurement of consulting services has been finalized, and short-list evaluation report has been submitted to the Bank for issuing its no-objection confirmation on 18th August 2017. After receiving Bank's comments, additional request for clarification of one of the application has been submitted, and revised evaluation reports has been finalized. The revised report has been submitted to the Bank on 20th October 2017. Additional Bank's comments have been received, and one additional request for clarification has been submitted. Final revised evaluation report has been finalized, and submitted to the Bank on 7th March 2018. Bank's no-objection has been received on 3rd December 2018. All applicants have been notified on results on the first stage of tendering procedure.

Request for Proposal has been submitted to the Bank on 10th December 2018. Bank's no-objection has been received on 20th December 2018. Request for Proposal has been issued on 21st December 2018. Deadline for submission of proposals has been scheduled for 12th February 2019.

Technical Assistance to the Project Implementation Unit of JP Autoceste FBiH for the project of construction of motorway on the section Počitelj - Bijača, subsection Počitelj - Zvirovići

The procedure for procurement of consulting services of technical assistance to the PIU of JP Autoceste FBiH for the project of construction of motorway on the section Počitelj - Bijača, subsection Počitelj - Zvirovići was initiated on 11th May, 2017. The final deadline for applications is scheduled for 24th July, 2017. Evaluation report submitted to the Bank on 21st February 2018.

Bank issued its no-objection on 23rd February 2018. Applicants notified on results of the first phase of the procedure. Request for proposal submitted on 14th March 2018. Deadline for submission of proposals is scheduled for 27th April 2018. Evaluation has been finalized, and Technical Evaluation Report has been submitted to the Bank on 21st May 2018. Bank's no-objection has been received on 23rd May 2018. Financial proposals have been opened on 1st June 2018. After evaluation, Final Evaluation Report has been submitted to the Bank's no-objection confirmation on 4th June 2018, and Revised Final Evaluation Report has been submitted to the Bank's no-objection confirmation on 5th June 2018. No-objection has been received on 7th June 2018, and applicants have been notified on results. The contract has been signed on 18th June, 2018 with the first ranked tenderer, i.e. JV: Ipsa d.o.o. and VCE. The value of the Contract amounts to 350.830,35 EUR including VAT.

11.COMPLETION OF CONSTRUCTION WORKS

Construction works on section Počitelj - Bijača were completed on subsection Zvirovići - Kravice and Kravice - Bijača in year 2014. Thus, the two afore-mentioned subsections are considered as completed construction projects.

11. 1. Subsection Zvirovići - Kravice

- Contractor: Joint Venture OHL Z.Š. Brno, Czech Republic - Niskogradnja d.o.o. Laktaši, BH;
- Number of construction contract: JPAC 247-B35-11;
- Construction Contract signed on May 10th, 2012, also Contractor has repossessed and construction works have started on June 7th, 2012 ;
- Value of the Contract amounts to 61.620.361,22 EUR including VAT;
- The construction period is 600 days;
- Addendum No. 1 was signed on April 21st, 2014 due to extension of the contract for 123 days due to additional construction works on the tunnel Bijela Vlaka and installing fire-fighting equipment, therefore the completion date has been extended until May 31st, 2014.
- Addendum No. 2 the deadline for the execution of construction works has been extended for 76 days, and the completion date was August 15th, 2014. The contract value has remained unchanged.
- Addendum No. 3 has been signed on September 10th, 2014 due to reconstruction of Regional road R-425, completion date is November 30th, 2014. The total value of the rehabilitation of the Regional road is 3.299.400,00 EUR including VAT and will be adjusted according to the actual quantities and under the provision of the Contract.
- Addendum No. 4 was signed on January 30th, 2015 (rehabilitation of Regional road R-425a), completion date is February 28th, 2015 and the value of the Contract remained unchanged. As the Employer did not obtain the loan that would enable construction of Phase II and Phase III works on the regional road R-425 a, so these works on Phase II and Phase III are cancelled.

- Consulting services for the construction of Počitelj - Bijača, subsection Zvirovići - Kravice have been provided by: Roughton International Ltd. Hampshire.

11.2. Subsection Kravice - Bijača

- Contractor BH Consortium: Euro - Asfalt d.o.o. Sarajevo, Hidrogradnja d.d. Sarajevo, GP ŽGP d.d. Sarajevo;
- Construction Contract No. JPAC-216-B27-11 in the amount of 23.308.804,89 EUR including VAT signed on September 6th, 2011 and completion of work set on August 4th, 2012;
- Addendum No. 1 was signed on July 26th, 2012 due to extension of the deadline for completion of works for 57 days due to delay of advance payment (32 days) and natural disaster in accordance with the Decision of Government of Federation of BH on proclaim of natural and other accidents (25 days);
- Addendum No. 2 was signed on December 10th, 2012 due to increased scope of work on the rehabilitation of the regional road R-423 and R - 424 according to the Protocol on Cooperation between JP Autoceste FBH and Municipality Ljubuški to improve local and regional roads due to the expected increase in traffic load after the construction of border crossing Bijača and fixtures Zvirići. According to this Addendum the deadline for completion had been extended for 123 days until January 31st, 2013;
- Addendum No. 3 in the amount of additional 6.015.000,00 EUR including VAT was signed on January 3rd, 2013 regarding the construction of border crossing Bijača - Phase I with a deadline for completion of works until June 1st, 2013. According to the Protocol on cooperation of the competent authorities in Bosnia and Herzegovina in the implementation of construction Bijača GP, signed by Ministry of Communications and Transport of BG, Ministry of Finance and Treasury of BiH, Board of Indirect taxation of BH, Federal Ministry of Transport and Communications and JP Autoceste FBH, the power to construct GP Bijača Phase I have been transferred to JP Autoceste FBH;
- Addendum No. 4 signed on December 27th, 2013 with a fixed final agreed value of 29.818.123,74 EUR including VAT according to calculation by completion;
- Consulting services for the construction of the section Počitelj - Bijača, subsection Kravice - Bijača have been provided by: Roughton International Ltd Hampshire under the Contract no. JPAC-242-E110-11 for supervision services on the section Počitelj-Bijača, subsection Zvirovići - Bijača.

11.3. Consulting services for subsection Zvirovići - Bijača

- Consultant: Roughton International Ltd Hampshire, United Kingdom;
- Contract for consulting services no. JPAC 242-E-110-11 in the amount of 2.757.046,50 EUR including VAT has been signed on September 19th, 2011, and the duration of the Contract was 32 months;
- Addendum No. 1 was signed on December 10th, 2012 including an increase in the contract value of 2.892.532,50 EUR including VAT due to increase in the scope of services that are a consequence of the extension of duration of Construction

Contract JPAC 216-B27-11 for works that have not been covered by the original Contract.

- Addendum No. 2 was signed on February 14th, 2014 due to extension of completion deadline and implementation of additional geotechnical missions G41 and G42. The completion deadline has been extended to October 4th, 2014, and the contract value has been increased to 3.301.429,95 EUR including VAT.
- Addendum No. 3 was signed on September 1st, 2014 due to the extension of time for completion expected to be awarded for the Construction Contract no. JPAC 247-B35-11 (additional 2,5 months) as well as for reconstruction of regional road to Međugorje (additional 4 months) as well as the obligation of the Consultant to monitor the executed works during Defect Notification Period. Therefore, the new value of the contract is 3.700.787,23 EUR and the contract duration has been extended to 59 months.
- Addendum No. 4 was signed on April 8th, 2015 due to changes to supervision staff in order to the extension of time for completion awarded for the Construction Contract no. JPAC 247-B35-11 (until 28 February 2015) as well as the obligation of the Consultant to monitor the executed works during Defect Notification Period and the duration of their engagement, so the value of the contract has been increased to 3.814.313,29 EUR including VAT.
- Addendum No. 5 was signed on August 19th, 2016 and issued due to changes to minimum required supervision staff and the duration of their engagement in respect to the extension of Defect Notification Period for Construction Contract no. JPAC 216-B27-11 (sub-section Kravice-Bijača) and Construction Contract no. JPAC 247-B35-11 (sub-section Zvirovići - Kravice) in order to ensure monitoring the executed works on both construction contracts during Defect Notification Period as well as to provide Consultant's support to the Employer for expected international arbitration for the Construction Contract no. JPAC 247-B35-11. According to the Addendum No.5 the new value of the contract is 4.010.422,14 EUR including VAT and the duration of the Contract for consulting services no. JPAC 242-E-110-11 has been extended to 83 months.
- This section is in use and Approval for use No. UPI/03-23-2-256/14 SK dated September 16th, 2014 was obtained.

12. PROGRESS OF CONSTRUCTION WORKS

The following two tables show the progress of construction works on subsection Kravice - Bijača and Zvirovići - Kravice up to 31st December, 2018. The third table represents a timetable of start and end of construction works for all three subsections.

12.1. Subsection Zvirovići - Kravice

No.	ID	Task Name	Duration	Start	Deadline	% of Completion	Type of Construction works
1.		Motorway route					Construction works were completed and the subsection has been put in use.
	1.1.	New route	20 months	07.06.2012	07.02.2014	100%	
2.		Interchange Zvirici				100%	
	2.1.	Construction of toll station Zvirovići	20 months	07.06.2012	May 2021	58%	Completion of the object will be carried out after construction of subsection Počitelj - Zvirovići
3.		Constructions and Structures	20 months	07.06.2012	07.02.2014	100%	
	3.1.	Passages	20 months	07.06.2012	07.02.2014	100%	
4.		Bridges	20 months	07.06.2012	07.02.2014		
	4.1.	Viaduct Pavlović	20 months	07.06.2012	07.02.2014	100%	
	4.2.	Bridge Trebižat	20 months	07.06.2012	07.02.2014	100%	
	4.3.	Bridge Studenčica	20 months	07.06.2012	07.02.2014	100%	
5.		Tunnel Bijela Vlaka	20 months	07.06.2012	07.02.2014	100%	

Table 5. Progress of construction works: Subsection Zvirović - Kravice

12.2..Subsection Kravice - Bijača

No.	ID	Task Name	Duration	Start	Deadline	% of Completion	Type of construction works
1.		Motorway route					The project is completed and the use permit is obtained.
	1.1.	New route	10 months	10.10.2011	30.07.2012	100%	
2.		Interchange Zviríci				100%	
	2.1.	Tool station Zviríci	8 months	10.10.2011	15.06.2012	100%	
	2.2.	COKP Zviríci: objects	9 months	10.10.2011	15.07.2012	100%	
3.		Contructions and objects	10 months	10.10.2011	30.07.2012		
	3.1.	Passages	7 months	10.10.2011	30.04.2012	100%	
4.		Bridges	10 months	10.10.2011	30.07.2012		
	4.1.	Bridges - construction	10 months	10.10.2011	30.07.2012	100%	
	4.2.	Resting area Kravice - construction	7 months	10.10.2011	30.04.2012	100%	

Table 6. Progress of construction works: Subsection Kravice - Bijača

12.3. Schedule of start and end of construction works for all three subsections

Section	Subsection	Lenght (km)	Start of works	End of works
Počitelj - Bijača	Počitelj - Zvirovići	11.00	April 2019	July 2021
	Zvirovići - Kravice	5.00	June 2012	February 2015
	Kravice - Bijača	5.25	October 2011	June 2013

Table 7. Schedule of start and end of works