

Some 250,000 citizens in two central Bosnian cantons are to benefit from improved water services, thanks to the new project financed by the European Bank for Reconstruction and Development (EBRD).

A sovereign loan of up to €11 million will be provided to SPV Plava Voda, a water company responsible for the operation, distribution and maintenance of storage reservoirs as well as servicing the municipalities of Travnik, Zenica, Vitez, Busovaca and Novi Travnik. The EBRD financing will be complemented by a loan of the same amount by the Council of Europe Development Bank.

Additional funding for technical assistance has been provided by the European Union (EU) through the Infrastructure Projects Facility, incorporated into the Western Balkans Investment Framework (WBIF). The Swedish International Development Cooperation Agency is also supporting the project with an investment grant for reduction of water leakages and institutional strengthening of the water utilities in the five municipalities. Germany is supporting initial stages of the project implementation.

The funds will be used for the construction of water intake structures at the Plava Voda spring, the construction of the main transport pipeline to the Putovici reservoir site in the municipality of Zenica and regional water facilities to enable connections to the existing water distribution networks.

The quality and reliability of a potable water supply remains problematic in large areas of Bosnia and Herzegovina. As a consequence, many of the larger municipalities face shortages during the summer months and some have problems with water quality after heavy rainfall. The EBRD's financing will help five municipalities address this problem and find a long term solution for the benefit of some 250,000 citizens.

Ian Brown, Head of the EBRD's Resident Office in Sarajevo, said: "With the joint support of the EBRD, the Council of Europe Development Bank, the EU, Sweden and Germany, the people living in the Central Bosnian and Zenica-Doboj cantons will have improved access to potable water. This is a very important project that will contribute to the development of more efficient water infrastructure in this part of Bosnia and Herzegovina and will help improve people's lives."

Lin O'Grady, EBRD Deputy Director for Municipal and Environmental Infrastructure, said: "This is a landmark project for the EBRD in Bosnia and Herzegovina as it's a major objective of the Bosnian authorities and the EBRD to improve regional municipal services in the country. This is a large scale project and we are proud to be increasing our engagement in modernising Bosnian infrastructure and services."

Vjekoslav Bevanda, Minister of Finance and Treasury of Bosnia and Herzegovina, said: "We



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value the EBRD's support to help improve the quality of water supply services in these five municipalities. This project will enable good quality of water supply to our citizens for the foreseeable future."

Since the start of its operations in Bosnia and Herzegovina, the EBRD has invested more than €1.7 billion in more than 119 projects in the country. The Bank invests in infrastructure development, support for small and medium-sized enterprises and the strengthening of the financial sector.

source: ebrd.com