**Project name:** Ploce Port Bulk Terminal Project  
**Country:** Croatia  
**Project number:** 36127  
**Business sector:** Transport  
**Public/Private:** Public  
**Environmental category:** A  
**Board date:** 5 December 2006  
**Status:** Signed  
**Date PSD disclosed:**  
**Date PSD updated:** 12 May 2006

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**Project description and objectives:**

The proceeds of the EBRD loan will be used to part finance the construction of a new bulk cargo terminal at the Port of Ploce. This will enable the Port to eliminate existing operational bottleneck in handling of the bulk cargo and increase its capacity from the present 2.8 million tonnes to approximately 7-9 million tonnes to meet the current and future market demands. The port will still be considered small to mid-size by international standards. The project is part of the Ploce Port expansion programme undertaken by the Croatian Government to facilitate the regional integration along corridor Vc. The programme is co-financed by the World Bank who is also financing the construction of a new Container Terminal at the Port of Ploce under Trade and Transport Integration Project.

**Transition impact:**

By removing the operational bottleneck at the entry to Corridor Vc, the Project contributes to the integration of the regional economy. It provides the cheapest transportation route for bulk commodities - for which logistic costs determine, to a significant degree, the final price of production - hence contributing to the lowering cost of transactions. The Project will also support commercialisation of port infrastructure management and establishment of market based relationships between the port authority and the port operator in Ploce.

**The client:**

Port of Ploce Authority - a statutory port authority established to administer and manage the operations of Port of Ploce, Croatia.

**EBRD finance:**

EUR 10 million loan; EUR 58.8 mln co-financing is provided by the World Bank.

**Total project cost:**

EUR 89 million.

**Environmental impact:**

Screened A/1. The new bulk terminal would move the current bulk handling within the existing port area one kilometre further away from the city of Ploce and introduce cleaner handling and storage technology. However, the proposed project involves significant construction (including dredging and fill operations) and is located next to the Neretva River Delta, which has been included in the RAMSAR list of Wetlands of International Importance, and in the Important Bird Areas Program.
implemented by the Bird Life International. For these reasons, the project has been required to undergo an Environmental Impact Assessment (“EIA”) and public consultation.

The EIA has been carried out by independent consultants commissioned by Port of Ploce Authority in accordance with the EBRD and the World Bank requirements. The EIA has reviewed in depth potential impacts and has proposed mitigation measures. The investigations showed that the major environmental issues related to Project implementation are: (a) impact on the adjacent RAMSAR site of Neretva Valley; and (b) impact on the aquatic life through dredging operations. They also identified that the current Port activity generates several nuisances, which will be resolved by implementation of the Project, such as; (a) disposal of run-off water from both the CT and the CBT including separation of oil and grease, (b) mitigation of dust problem related to handling of bulk material; (c) handling of both hazardous waste and normal ship waste; (d) treatment of ballast and bilge water from receiving ships, and (e) treatment of sanitary wastewater generated inside the Port area in a two stage treatment plant including a biological step.

The RAMSAR site of Neretva Valley is located just about 150 meters from the planned location of the new bulk cargo terminal. The impact of the Project on the RAMSAR site is expected to be very limited, but the proximity to the site has resulted in substantial changes in the design of the Project. These changes include that the size of received vessels will be limited to 80,000 DWT instead of originally planned 150,000 DWT and that the berth for the new terminal has been moved from the channel between the Port and the RAMSAR site to the early entrance of the channel in order to reduce the area needing dredging and thereby avoiding any physical intrusion into the RAMSAR site. Special attention to protect this ecologically valuable area has been given in the Environmental Management and Monitoring Plan.

The dredging operations are not expected to have any significant adverse impact on the aquatic life, which has been assessed to be very limited in the area for dredging. The dredging masses will be disposed of on land in the port area and on an additional area which will be reclaimed from the sea. The disposal area is planned to be constructed as a confined and sealed area before the disposal of dredging masses. Water draining from the dredging masses will be discharged to the sea via a settling pond and a geo-membrane in order to prevent discharge of different types of pollutants, as well as turbidity caused by suspended solids. In order to prevent negative impacts on fish migration and spawning, the dredging operations will be limited to periods outside of spawning seasons and fish migration.

The Project will address several environmental issues associated with the current port activities. These measures include: (a) treatment of polluted storm water in regard to suspended solids, oil, grease, etc.; (b) reduction of dust from handling of bulk material through installation of a sprinkling system and use of polymers to bind the finest dust particles, and the use of covered conveyor belts for the transport of bulk material to the storage area; (c) installation of reception facilities for hazardous waste, wastewater from arriving vessels, and bilge and ballast water; and (d) biological treatment of sanitary wastewater generated inside the Port. An Environmental Management and Monitoring Plan has been developed for mitigating impacts arising form the project during the construction and operation of the new terminal to ensure the implementation of the project will adhere to the designed environmental, health and safety standards.

Several consultations have taken place during the project preparation with both concerned NGOs and the relevant authorities. Stakeholders representing different governmental organizations, NGOs and the public were involved in discussion of the scope for the EIA before the work was started as well as during its preparation. Public meetings were hold in June and October 2005, and comments received were incorporated in the Draft Final Report. The Draft Final EIA was made available to
public both in English and Croatian in the beginning of March, 2006. On March 16, 2006, a public meeting was organized to discuss the results and conclusions of the EIA. No new issues were raised. The meetings were all announced in both local and regional press, and people and NGOs, which were known having a special interest in the Project, were personally contacted and informed about the meetings. Concerns raised during these consultations are covered in the EIA.

The EBRD will disclose the Final EIA package, including the EIA, Executive Summary, Public Consultation and Disclosure Plan and the Environmental Management and Monitoring Plan in Croatian and English languages for a 120-day public comment period locally and in EBRD offices in Zagreb and in London in the near future.

The project is co-financed with World Bank (“WB”). The WB has already disclosed the Environmental Assessment reports of both the new Bulk Cargo Terminal and the new Container Terminal in English in their InfoShop. An Overarching Executive Summary is under preparation to combine all the environmental issues related to the two projects in one condensed document.

There is an Environmental Impact Assessment available for this project.

**Technical cooperation:**

EUR 50,000 project due diligence TC financed from the Dutch donor funds (completed).

For consultant opportunities for projects financed by technical cooperation funds, visit procurement of consultants.

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**Procurement or tendering opportunities:**

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