1. **PROJECT TITLE**
   BUILDING OF A NEW RACA PORT

2. **SECTOR**
   Transport

3. **LOCATION**
   Bijeljina

4. **BRIEF PROJECT DESCRIPTION**
   Building of a new international port at the location of Raca near Bijeljina represents an investment of a solid financial and socioeconomic rationale.
   The project includes building of a closed (pool-type) port with infrastructure (access roads, water supply and sewerage etc) and superstructure (administrative building, storages, silos, tanks ...). Project purpose is to introduce river transport and thereby accelerate the growth of international trade, which would lead to the improvement of local community development.
   The partnership planned by the project implies establishment of a joint company with the city of Bijeljina’s share in company founding of minimum 20%.
   The level of investment is 24,584,375 BAM or 12,569,791 €.
   Future revenues of the new Raca international port were determined based on an analysis and estimate of the future goods flow and port capacity, and based on experiences.
   Since Raca port is located on the Sava river, for the appraisal of rationale of investment in its building, large importance certainly lies with the positions and evaluations of the Sava Commission given primarily in the following studies: Pre-Feasibility Study for Rehabilitation and Development of the Sava River Waterway, International Sava River Basin Commission, and Feasibility Study and Project Documentation for the Rehabilitation and Development of Transport and Navigation on the Sava River Waterway, International Sava River Basin Commission.

5. **PROJECT DETAILS**

   **WHAT TYPE OF PROJECT IS IT?**
   Public-private partnership

   **PROJECT STATUS**
   - Prepared feasibility study and preliminary design;
   - Project included in the Republic of Srpska Spatial Plan.
REASONS TO INVEST IN THE PROJECT

- Raca port is located on a junction between BiH, Serbia and Croatia. Its close vicinity includes the Sava and Danube basins in Serbia and Croatia which are considered developed. Particular importance lies with the complementarity of this area with Bosnia and Herzegovina and Raca port region. This concerns many goods imported for the purpose of production in Bosnia and Herzegovina and Raca port region (artificial fertilizers, petroleum etc.) and raw materials imported for the purpose of their processing (import of raw agricultural produce etc.). Export from Bosnia and Herzegovina mostly includes raw and processed materials (minerals, cement, lime, gypsum etc.).

- Longer route will expand the catchment area of Raca port. The catchment area of the port depends on the length of route of goods delivery or dispatch. The longer those routes, the larger the catchment area of the port. Longer route results in larger savings on transport which proves that it is cost-effective to deliver the goods even from greater distances to the port for their export to greater distances or to take over the goods from the port and deliver them by railroad or another means to greater distances. This is the basis of a long-term positive development perspective of Raca port.

- Building of Raca port would offer the cheapest transport in this region and wider area, which is a real basis for its accelerated growth, i.e. accelerated growth of transport in Raca port.

- A competitive advantage of the future Raca port is its usability throughout the year.

6. PROJECT FINANCING

GIVE ESTIMATED PROJECT VALUE IN EURO

12,569,791 €

PLANNED SOURCES OF FINANCING

Private investor would participate in this investment with money. It is estimated that the participation would amount to 80% of total investment value.

INPUTS BY LOCAL PARTNER

An obligation of the city of Bijeljina, as a partner on this project, is to provide land, issue all necessary permits and approvals within its competence or to assist in the procedure of issue of these approvals and permits for which republic institutions are competent, and to provide spatial planning documents.
INPUTS BY INVESTOR
An obligation of the selected partner is to ensure overall implementation of the project of Raca port building by employing own or approved loan funds, by applying internationally accepted standards, and by abiding by all positive legal regulations of the Republic of Srpska and BiH.

7. HAS PHYSICAL LOCATION FOR PROJECT IMPLEMENTATION BEEN IDENTIFIED
Raca port is included in the Republic of Srpska Spatial Plan.
Raca port will be located at about 20 km from the regional center Bijeljina and about 5 km upstream from the mouth of the river Drina into the Sava, on the right bank of the Sava. Distance from Raca port to the mouth of the Sava river into the Danube is 177 km, and to Belgrade international airport is 100 km.

Transport connections
- Roads within the port are connected to the regional road Kuzmin-Bijeljina, therefore the location is connected to the Belgrade-Zagreb motorway (by Kuzmin), and to the eastern and northern part of the RS (through Bijeljina)
- Railroads are connected to the Sid-Bijeljina railroad
- Connecting points will depend on the elevation of port area, and resolution of those connections will be subject of a separate project
- Catchment area of the port comprises the territory covered by the Drina river basin and partly the territory of the right bank of the Sava

8. HAVE THE ACTIVITIES ON PROJECT IMPLEMENTATION ALREADY STARTED
Prepared feasibility study and preliminary design

9. PROJECT APPLICANT AND CONTACT INFORMATION
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