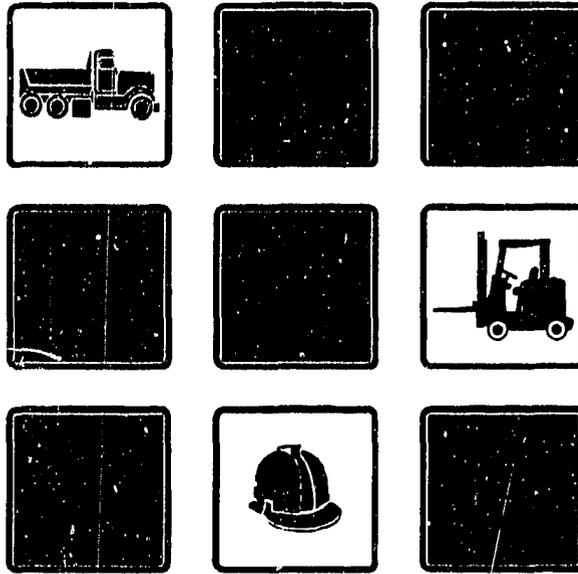


PD-ABK-922



# Production of Construction Materials

*Bosnia and Hercegovina*

September 1994



Center for Financial Engineering in Development

PD-ABK-922  
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**Final Report**

# **PRODUCTION OF CONSTRUCTION MATERIALS**

*Bosnia and Hercegovina*

**Prepared for:**

**U.S. Agency for International Development  
Washington, D.C.**

**Prepared by:**

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**September 1994**

**Advisory and Assistance Services Related to  
Order No. EUR-0249-0-00-4048-00  
is sponsored by the U.S. Agency for International Development  
Washington, DC 20523**

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# **PRODUCTION OF CONSTRUCTION MATERIALS**

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## **Problem**

The Government of Bosnia and Hercegovina (BiH) has requested assistance in establishing a facility for the production of construction materials in support of Sarajevo reconstruction. Hidrogradnja, a large Yugoslavian civil engineering and general contracting company, had earlier made the initial request through the Director, Mr. Mehmet Drino. The company, however, is currently inactive and Mr. Drino is the director of the Directorate of Development and Reconstruction for Sarajevo, located in the office of the United Nations Special Coordinator for Sarajevo Rehabilitation (SCS). The Civil Engineering Action Group Manager, Mr. Dino Bicciato, has developed a detailed plan for the production of construction materials that remains unfunded. These are designated as Projects 92, 93, 94 and 100 for the operation of a quarry and crushing plant, an asphalt plant, and a concrete plant. Funds needed total \$6,428,900.

## **Discussion**

Aggregate production is a critical material for the manufacture of concrete—concrete blocks for buildings and housing and asphalt concrete for roads, airfields, and railway ballasts. Existing quarry sites are available; however, funds are needed for both rehabilitation and new equipment.

The plan calls for the following activities:

Project 92	Repair of rock crushing plant	\$584,900
Project 94	New concrete plant	\$128,200
Project 93	New asphalt plant	\$975,800
Project 100	New equipment	\$5,006,000
Total		\$6,428,900

Much of the costs are for new equipment, such as trucks for transport, loaders, graders, excavators and for laying and handling asphalt. Of the many SCS projects, the construction materials have not drawn any donor interest to date. This is probably due to a primary interest in meeting humanitarian needs while deferring infrastructure repair and rehabilitation needs until further war damage is no longer a problem.

### **Conclusions and Recommendations**

The priority of proceeding with this program depends on the level of war activity—a still-active conflict means major repairs from new damage could be needed and much of the key manpower will remain engaged on the front lines. Once hostilities cease, however, job creation will be paramount as will the need for working infrastructure. The lead time to acquire the above-noted equipment and conduct the rehabilitation and repair work will take up to one year. Matching the timing of the two events will be impossible and thus the SCS must continue to seek funding at the earliest possible date. U.S. Agency for International Development (USAID) participation, if any, in this process would best be served by providing surplus military equipment, if available. Such equipment should be limited to loaders, dump trucks, excavators, bulldozers, asphalt batching and handling equipment and rockcrushers. Any such equipment will be useful if in good working condition.