



Western Balkans Investment Framework **WBIF**

London, December 2011



Western Balkan Investment Framework and the social sector



Content of Presentation

- Background to the WBIF
- Aims, stakeholders, resources
- Eligibility Criteria
- How it works
- Results to date
- Relevant for the social sector?
- Get more information

Matching strategies/projects and funds for investments is not easy !

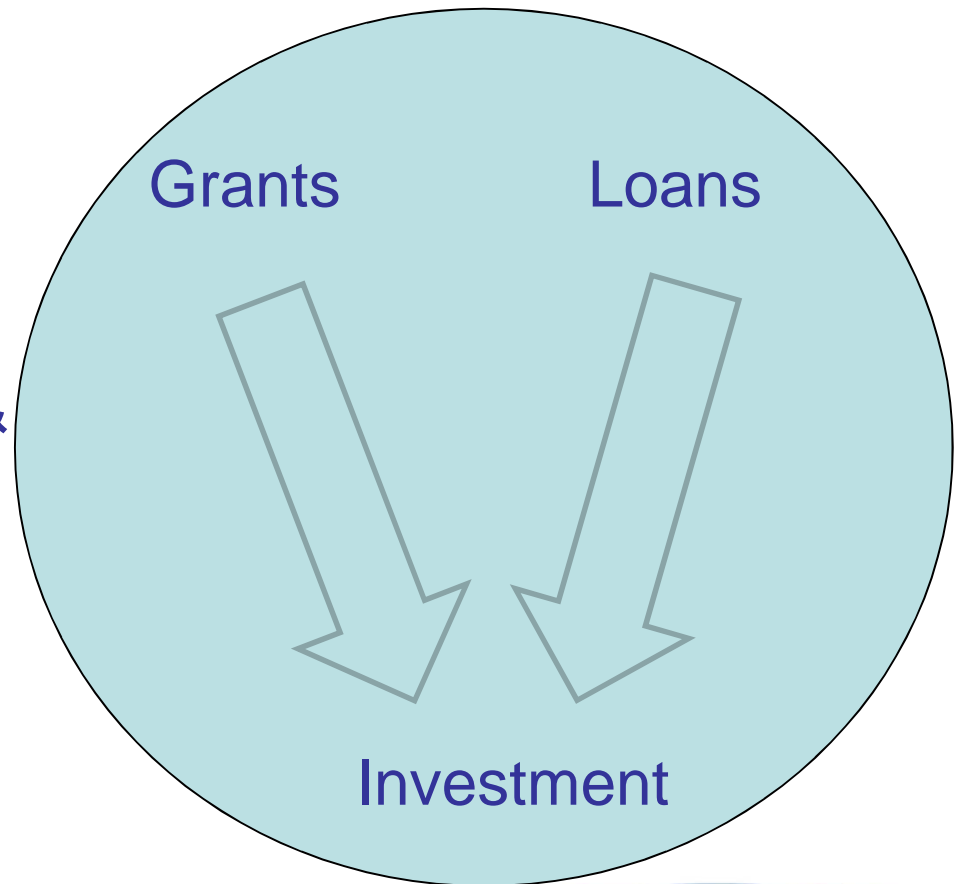


WBIF is a response to this situation



Aims:

- Coordinate support from external financiers EC, IFIs & donors
- Expedite priority investments that are in line with regional & national strategies
- Leverage loans with grants (blending mechanism)
- Priority given to regional impact



Western Balkan Investment Framework

Geographical Coverage and Stakeholders



Key Players

1. Beneficiaries (Albania, Bosnia Herzegovina, Croatia, Kosovo under UNSCR 1244/99, the former Yugoslav Republic of Macedonia, Montenegro & Serbia)
2. European Commission
3. International Financial Institutions (Council of Europe Development Bank, EBRD, EIB) World Bank an associate IFI since June 2011
4. Bilateral financial institutions e.g. KFW, and bilateral donors, including many EU Member States

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2 Key Components: grants and loans



1. Joint Grant Facility (JGF): joining competence and resources of the EC and the partner IFIs

1. EC Resources IPA > EUR 180 million
2. IFI Contribution: EIB, EBRD and CEB 3 X EUR10 million
3. European Western Balkan Joint Fund > EUR 25 million

2. Joint Lending Facility (JLF): loans available for blending with the grants provided by the JGF on the projects assessed by the JGF

1. IFIs > EUR 5,5 billion

Western Balkans Investment Framework Joint Grant Facility: Project Eligibility



Geographical coverage: Western Balkans

Sectors: Energy, environment, transport, social infrastructure and private sector development

Eligible beneficiary: Public, private or mixed-capital

Eligible Costs: All eligible under respective rules

Type of Grant: TA, co-financing, incentives, 'r' subsidies, insurance premia

Beneficiary Ownership: By endorsement or submission

Consistency: Policies, rules and procedures of the Contributors

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Use of Grants – Some examples



Project Preparation

- Feasibility studies
- Environmental Impact Assessments
- Technical Design etc

Project Implementation

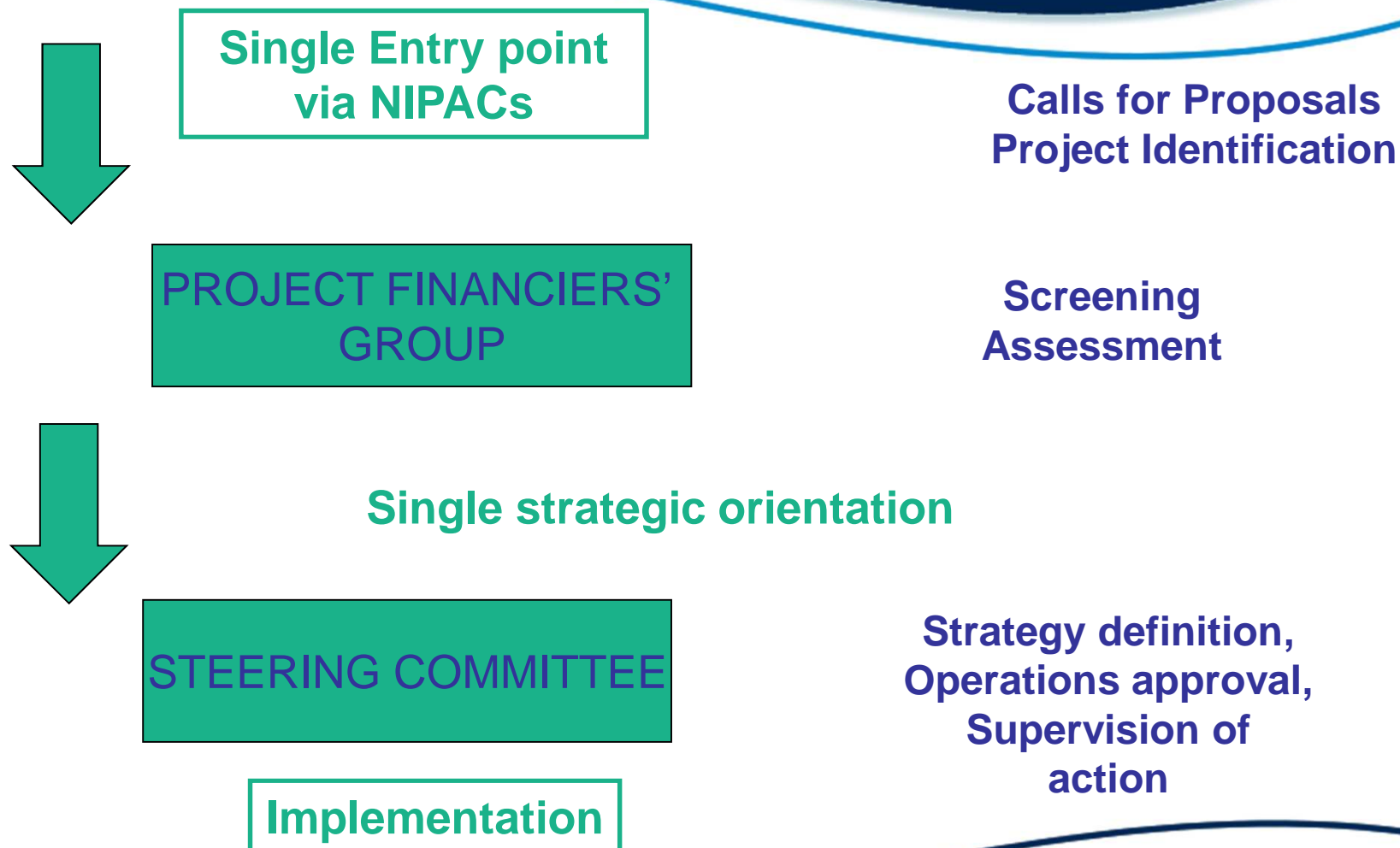
- Project implementation units
- Co-financing

Sectorial facilities

- Financing instruments (SME Plateforme)
- Support to sectoral studies

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How it works: Project selection process



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How it works: Submitting Project Applications



Project Submission:

- In response to call for proposals (published on average twice per year)
- Submitted by NIPACs with official interest of an IFI
- Submitted to the WBIF Secretariat in Dg Enlargement

Priority given to projects with:

- Regional impact
- Demonstrable complementarities with
 - Sectoral strategies (e.g. Energy Community Treaty, Danube Strategy, SEETO Comprehensive Network)
 - IPA National Programmes,
 - other donors' initiatives

Western Balkans Investment Framework Assessing & Approving Project Applications



Screening and assessing grant requests:

- **Responsibility:** Project Financiers' Group (EC, IFIs & donors)
- **Screening:** EC verifies eligibility and consistency with the EU Pre-Accession policies .
- **Assessment:** Lead IFI verifies long-term sustainability, technical and financial quality.

Outcomes:

- Short list of eligible priority projects
- Submission for approval to the WBIF Steering Committee.

Western Balkans Investment Framework Steering Committee: Role & Composition



Strategic – Provide strategic guidance on the strategy and policies of the WBIF

Operational – Approve applications for grants and ensure efficient allocation of grant resources

Supervision tasks – Overall supervision and review of project implementation

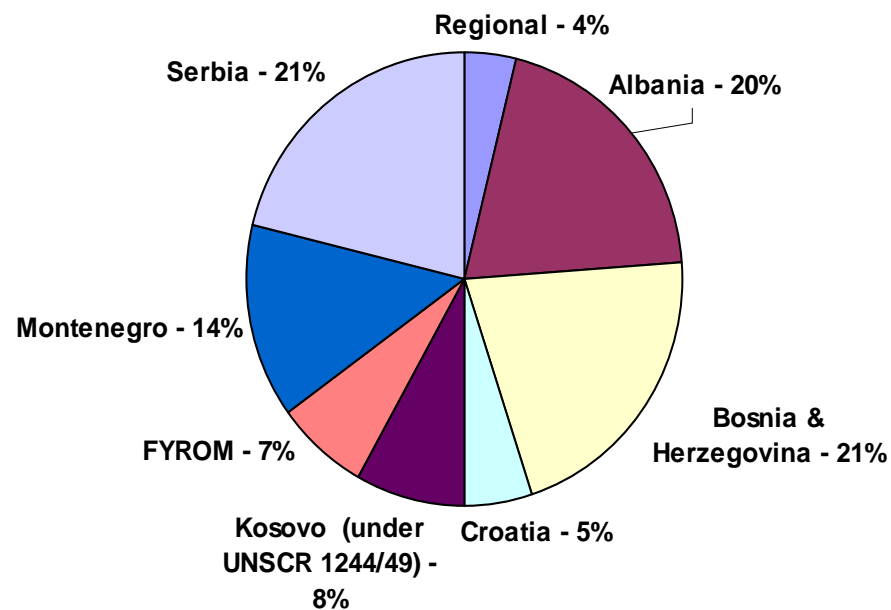
Composition - EC, IFIs, bilateral donors, beneficiary governments (observers include RCC, interested EU MS)

Meetings – June and December

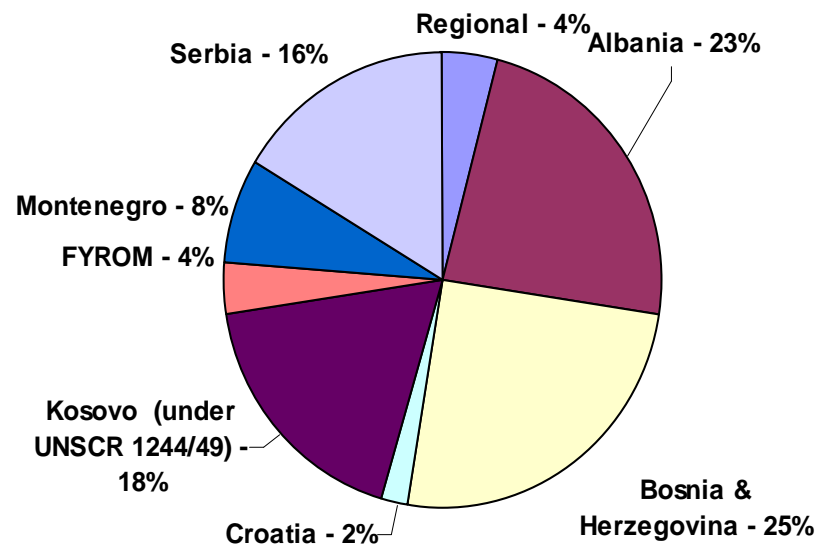
Western Balkans Investment Framework projects approved by beneficiary (Sept. 2011)



Number of projects already approved
Total: 100



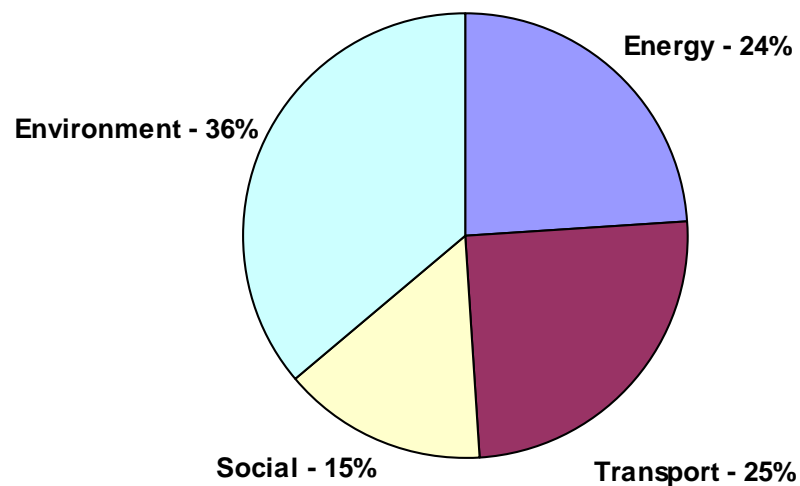
Grants already approved
Total: 160 million euros



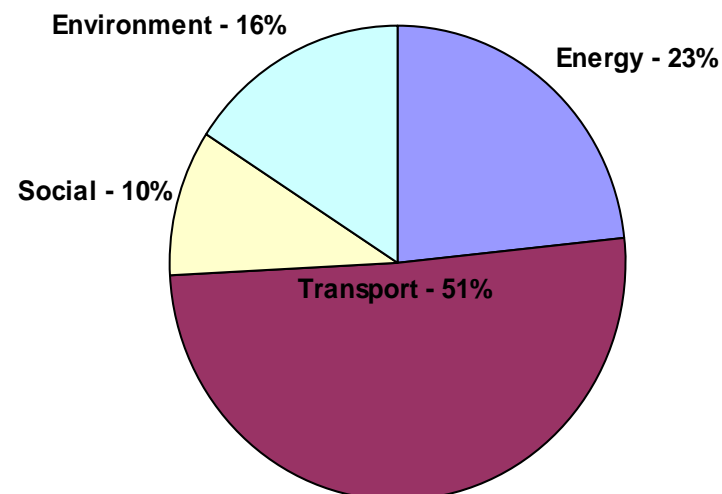
Western Balkans Investment Framework projects approved by sector (Sept. 2011)



Number of projects already approved
Total: 100



Estimated Investment
Total: 8,87 billion euros



Western Balkans Investment Framework and the social sector (December 2011)



22 projects in social sector, 1 for support to private sector development

€ 25 m grants for social sector and € 34 m for private sector development

Types of Investments – investment preparation and co-financing for infrastructures (schools, prisons, hospitals,...)

Better Prioritize Social Projects



WBIF:

what are the priorities?

For which projects?

- Urgent infrastructure needs
- Employment & skills
- Education
- Basic social infrastructure
- Social security
- Housing
- Health
- ...

WBIF relies on

- Leverage of grants
- Support structural reforms, legislative and regulatory measures
- Cross-border issues
- Support economical growth
- Free fiscal space

**Defining real priorities could contribute
to align financing to policy implementation.**

Western Balkans Investment Framework

Some Practical Information



- Overall information on WBIF:

www.wbif.eu

- Information on project identification & projects under development:

www.wbif-ipf.eu

- Contact details for NIPACs:

www.wbif.eu/National+IPA+Coordinators

- Template for project applications:

www.wbif.eu



Highlights: when considering projects for the WBIF

Crucial: Endorsement by the NIPAC offices and support of the IFIs

Efficient: Coordinating with the regional actors and national authorities to determine the project pipeline

Effective: Attracting new funds for priority investments in the Western Balkans



Western Balkans
Investment Framework **WBIF** ■

Thank You

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