

# Western Balkans Investment Framework **WBIF**

*Connecting projects with investment funds*

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In cooperation with



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**II. Results to date**

**III. WBIF and the challenges faced in the Western Balkans**

# I. Background to the WBIF

# Why WBIF?

## Challenges faced in Western Balkans

- Macroeconomic situation
- Transition and accession processes
- Need for technical assistance and capacity building
- Access to finance
- Lack of coordination and limited regional cooperation

## WBIF facilitates

- Accession Pathway
- Regional and sectoral strategies
- Technical and financial capacity for investment
- Beneficiary Ownership and Donor coordination

# Innovative financing initiative (2009)

- Motivated by the need to align strategies and match projects with funds for investment,

**The WBIF pools grant resources in order to leverage loans for the financing of priority infrastructure and socio-economic development**

- Making sure that beneficiaries have the appropriate tool for smart, sustainable and inclusive growth, in line with Europe 2020, in key socio-economic sectors:

**→ Energy, Environment, Social Sector, Transport and Private Sector**

**Development**

# Who is eligible?

- Albania
- Bosnia and Herzegovina
- Croatia
- Kosovo\*
- former Yugoslav Republic of Macedonia
- Montenegro
- Serbia



Priority is given to Regional Projects



\*This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence.

# Resources, Process and Stakeholders

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## Grants

→ used for preparing strategies and projects, accelerating existing loans or enabling projects by bridging a funding gap

- Grant contributors:
  - European Union – IPA
  - CEB, EBRD, EIB
  - Bilateral donors

## Loans

→ the IFI supporting the project disburses the loan so that investment needs are met, they are:

- EBRD
- CEB
- EIB
- World Bank
- KfW

## Investment

# Examples of use of grants

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## Investment Preparation

- Support for sectoral studies
- Feasibility studies
- Environmental Impact Assessments
- Technical Design

## Project Implementation

- Project implementation units
- Co-financing

## Financing facilities

- Financing instruments (EDIF and Energy efficiency)



# From application to investment

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Single entry point via NIPACs



Project Financiers Group



Steering Committee

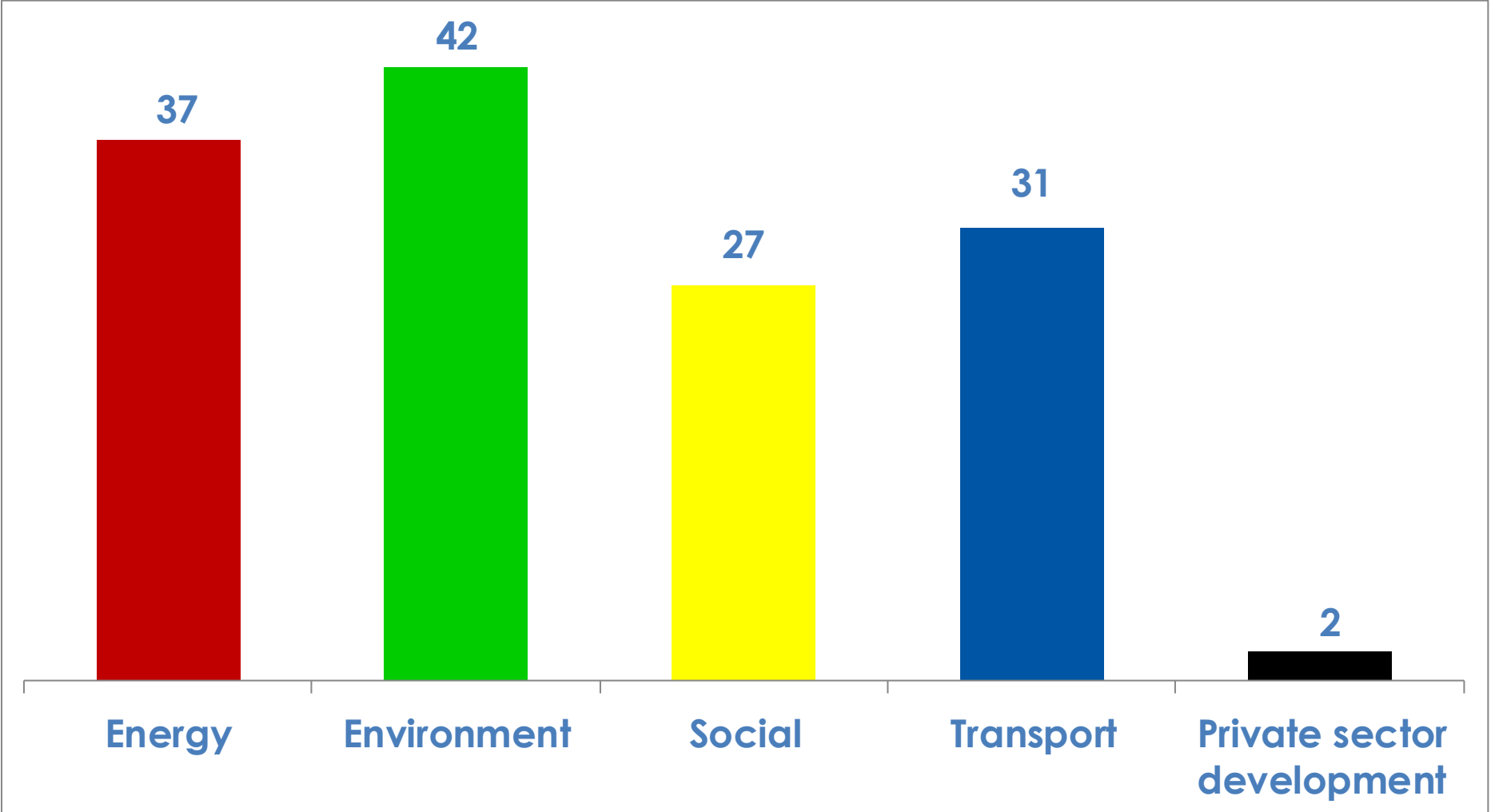


Implementation

- Calls for Proposals
- Project Identification
- **Screening:** EC verifies eligibility and consistency with the EU Pre-Accession policies .
- **Assessment:** Lead IFI verifies long-term sustainability, technical and financial quality.
- Strategy definition
- Operations approval
- Supervision of action

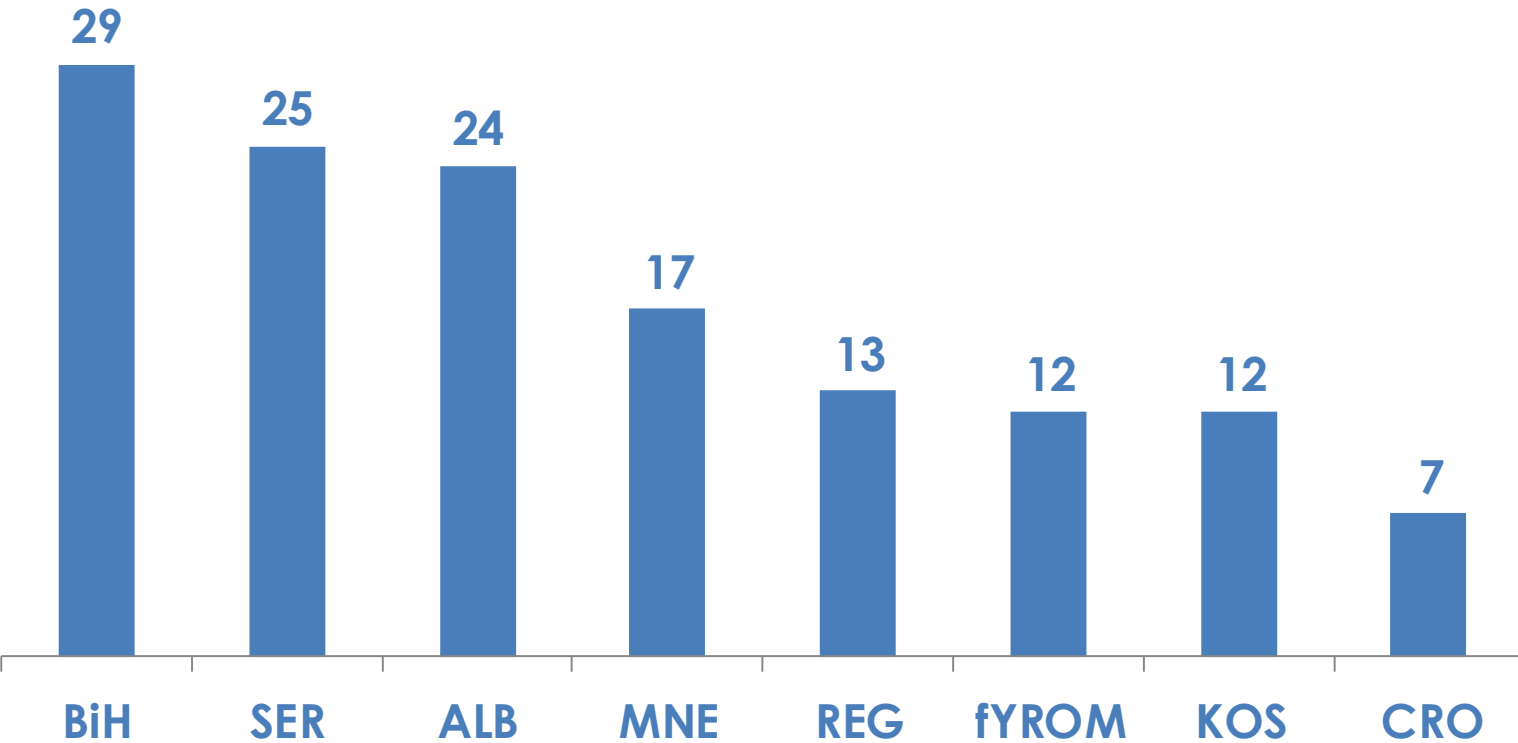
# II. Results to Date

# Number of grants by sector

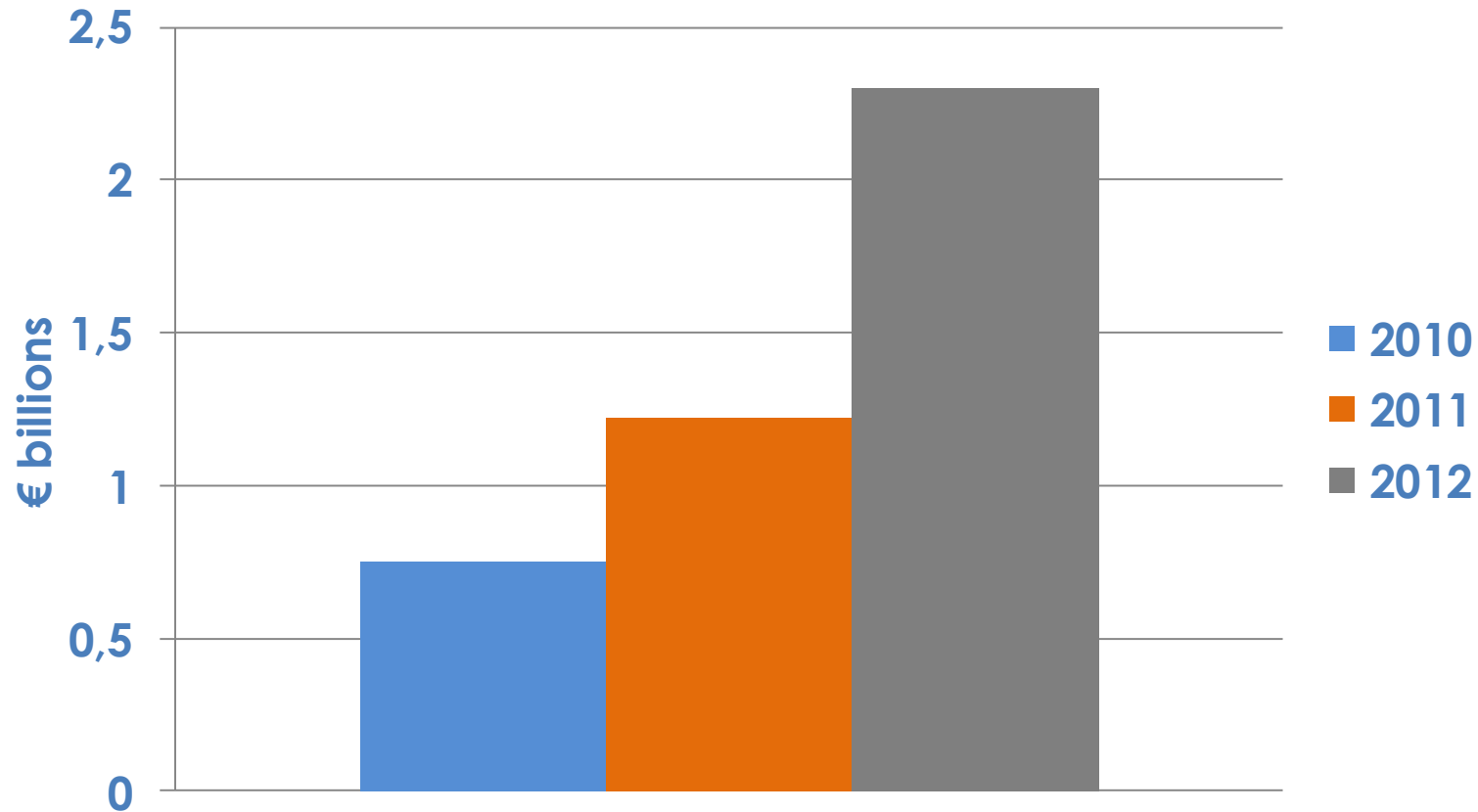


# Number of grants by beneficiary

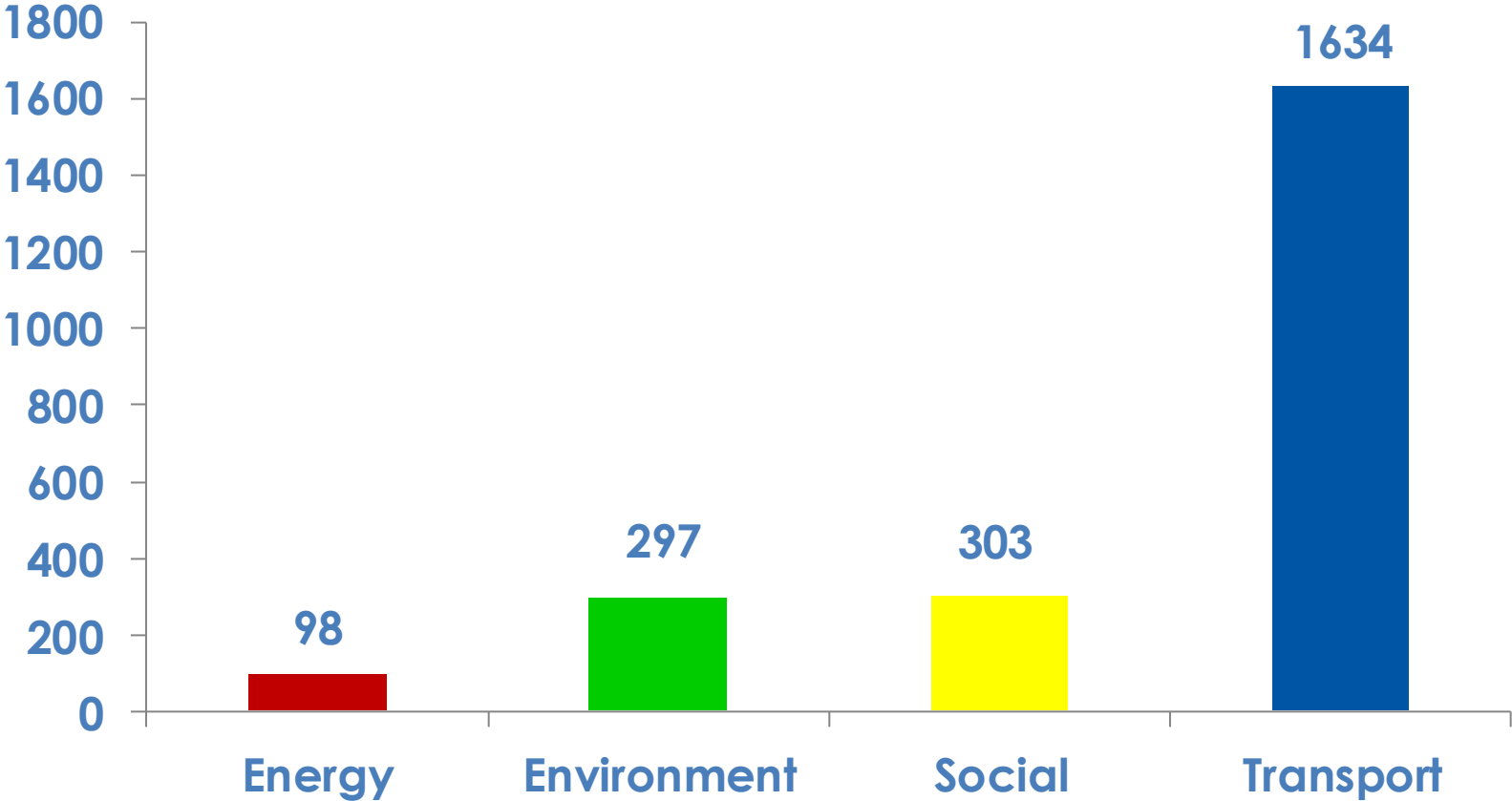
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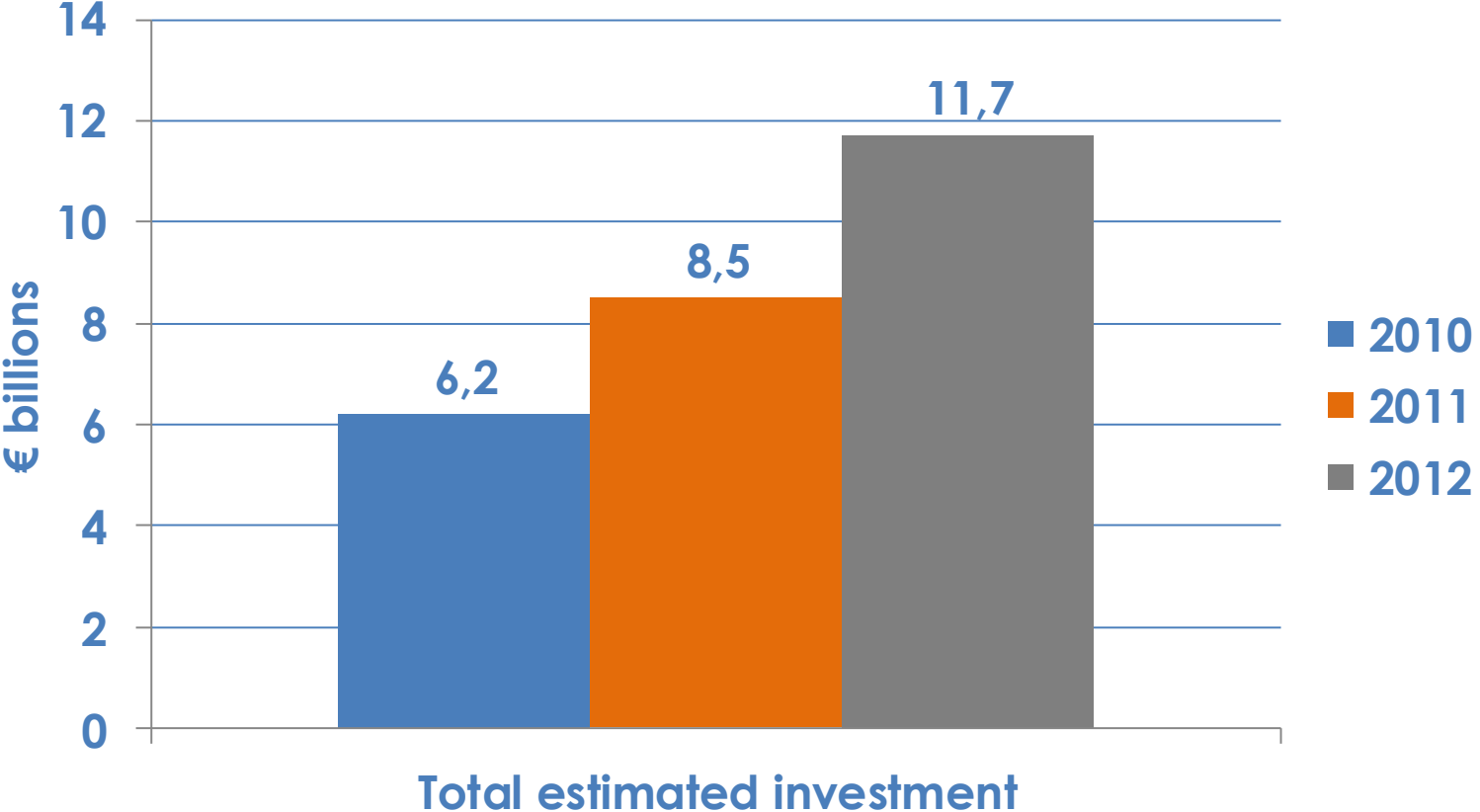
# Joint Lending Facility – signed loans



# Signed loans by sector in million €



# Growth of WBIF pipeline



# Progress towards construction...

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Number of Projects – over 130



€267.7 million

Signed loans - 46



€2.3 million

Completed preparatory  
studies - 35

Tender/construction - 28



# III. WBIF and the challenges in the Western Balkans

# How is WBIF supporting the Western Balkans?

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## Providing a coordinated framework for the implementation of priority socio-economic investments in the Western Balkans, specifically:

- Assists countries in aligning their national or regional policy strategies with the EU Pre-Accession strategy, working towards accession.
- Enables countries to overcome some of the challenges aggravated by the current crisis, especially fiscal space and prioritisation of investment.
- Acts as a bridge between investment needs and financial institutions to expedite priority projects that promote growth and development.

# How is WBIF supporting the Western Balkans (cont.)?

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- Provides a valuable framework for cooperation and coordination between beneficiary countries, the EC, IFIs and bilateral donors.
- Encourages regional cooperation as well as cooperation with the wider Europe.

**Therefore, not only WBIF provides financial assistance, through the blending mechanism, but it also provides the know-how and expertise in order to maximise the benefits from these investments at the national, the regional and European level.**

# Challenges for the WBIF

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- Difficult global economic climate
- Mixed progress in the enlargement process
- Shifting attention from bilateral donors

Therefore, the WBIF needs to evolve and adapt:

- Increase its emphasis on expediting investments in the current pipeline.
- Greater focus on priority investments of regional importance.
- Explore innovative financing mechanisms to complement traditional loans.

**Based on success to date, WBIF will continually evolve so as to ensure that the benefits of these priority socio-economic investments are delivered to all in the Western Balkans.**

# Some Practical Information

- Overall information on WBIF  
→ [www.wbif.eu](http://www.wbif.eu)
- Information on project identification & projects under development  
→ [www.wbif-ipf.eu](http://www.wbif-ipf.eu)
- Contact details for NIPACs:  
→ [www.wbif.eu/National+IPA+Coordinators](http://www.wbif.eu/National+IPA+Coordinators)
- Template for project applications  
→ [www.wbif.eu](http://www.wbif.eu)

# Thank you

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