

ELEVENTH MEETING OF THE WBIF STEERING COMMITTEE

9TH OF DECEMBER, 2014

EUROPEAN INVESTMENT BANK, LUXEMBOURG

MINUTES OF MEETING

Explanatory Note: These minutes of meeting (MoM) are structured along the agenda (attached in Annex 1), and divert from this agenda if and when the Chairs of this SC meeting allowed for discussion and/or additional points to be raised, discussed, etc. All presentations are submitted as separate file.

Welcoming Remarks

The **EIB** (Vice President Mr D Scannapieco) welcomed the participants to the 11th WBIF SC meeting, reviewed the WBIF's impressive achievements and tangible results so far and mentioned the uniqueness of WBIF as a transparent cooperation platform for donors and beneficiary countries; in addition, EIB informed that the EIB Management Board approved the mechanisms for the new financing structures under the new methodology and thanked Mr G Schumann-Hitzler for his excellent work as chairman of the WBIF SC.

The **German Co-Chair** (Mr N Kinnarney and Mr O Klabunde, standing in for Mrs M Haider, who was absent) also welcomed the participants and reiterated the importance of WBIF for Germany. The **WBIF Chairman** (Mr Schumann-Hitzler) mentioned the special occasion of this 11th WBIF SC meeting, constituting its 5th anniversary; in these 5 years, WBIF has evolved as the most advanced cooperation platform of its kind. The new Commission has set new priorities and with the merger of DG ELARG with the neighbourhood services of DG DEVCO into DG NEAR synergies will be realised for the benefit to all. The new Commissioner Mr J Hahn has set "connectivity" as one of the main goals to be achieved by this Commission; the Enlargement "autumn package" presented in October defines, under the guiding umbrella principle "fundamentals first", three priorities (a) functioning democratic institutions, fundamental rights and rule of law, (b) economic governance and (c) public administration reform as main areas of intervention. The "EU Investment Package" recently presented by

the Commission targets the EU Member States, but the intentions to stimulate growth by rejuvenating the economies and by attracting investments are valid also for the Western Balkans.

Economic Outlook in the Region

The **World Bank** (Mrs E Goldstein) presented the economic climate at the WB beneficiary countries. Overall, the World Bank economic analysis showed that the “mild recovery” following the financial crisis has now turned into an uneven recovery, with some countries growing while Serbia and Bosnia Herzegovina are in recession after the floods, leading to overall regional stagnation in 2014. Going forward, structural reforms are needed to rekindle growth in an environment of challenging demographics, vulnerable financial sectors, lack of investment and competitiveness and stretched fiscal positions. Weak EU recovery and the crisis in the Ukraine are the main risks to recovery. While a gradual recovery is expected for 2015, if the WB countries aim to converge with EU average income levels, an annual growth of 6% is required until 2036. Thus, growth should be stimulated in these economies by targeted financing of priority projects in the energy, transport and ICT markets accompanied by financial sector stability and radical structural reforms; and to this end, connectivity will be key to success.

Principle of Connectivity

DG ELARG (Mr J E Paquet) introduced the principles of “Connectivity”. Connectivity is not a new term, it is already manifested in the national economic reform programs with the beneficiary countries; moreover, it is a key element of the various regional organisations established by or under the influence of the EU (e.g. the Energy Community Secretariat “ECS”). The available instruments are, however, not robust enough to fully stimulate the beneficiary countries’ national economic reform programs. The Berlin process from August 2014 set out Connectivity as collective priority and as a concrete goal and a list of tangible deliverables should be submitted to the follow up summit in Vienna in August 2015. Main areas for intervention are (i) energy, (ii) transport and (iii) telecom sectors. Concretely and relevant for WBIF, the ECS has established a list of priority projects (PECI) and SEETO a map with a comprehensive and core network; the TEN-T and TEN-E methodology and planned extensions are other examples of potential areas for intervention and application of the principle of connectivity.

Progress of the regional initiatives funded by the WBIF in the Transport and Energy Sector

The **Energy Community Secretariat** (Mrs V Kogalniceanu) presented the latest developments and trends in the energy sector and mentioned that the Energy Treaty has been extended until 2026, but will require an update to adjust the treaty to today’s environment. The ECS developed the so-called list of *Projects of Energy Community Interest* (PECI). Following the submission of about 100 projects, the ECS applied a sophisticated methodology and identified

about 35 projects in the electricity, gas and oil sector, all with a regional component and some of those have benefitted from WBIF assistance. These projects are mature and could be considered for WBIF co-financing. In addition, the ECS reported about the achievements of the REEP, a program funded by WBIF and implemented by EBRD. The REEP consists of a (i) regulatory and technical support window for ESCO projects, (ii) dedicated credit lines financing small projects through local banks, and (iii) direct financing window for renewable and energy efficiency measures. The REEP is a successful model of regional cooperation; details can be seen on the new REEP website: www.wb-reep.org.

Finally, the ECS presented a “Gas to Power” sector study part funded by WBIF and implemented by the World Bank and the ECS. The Gas to Power study demonstrated the potential financial viability of selected projects and proposes the implementation of these projects under a coordinated “consortium approach”, with a sub-regional focus initially on the south-western Balkans; a PPP consortium, financially backed by the IFC (private) and the EU (public), accompanied by capacity building efforts is recommended.

The **World Bank** (Mr B El-Hifnawi) presented the results of a World Bank implemented Regional Balkans Infrastructure Study (“REBIS”) update. The update of the initial REBIS study (2003) concerns a limited strategy update and the development of a “Priority Action Plan” enabling the future prioritised transport investments. The result of this study, applying a “do nothing” and the “full SEETO+” scenario show that existing infrastructure is by and large sufficient and that most gains can be achieved by maximising the utilisation of this infrastructure. The lack of human resources and the removal of non-physical barriers will be the main challenges for the organisations concerned and SEETO. In line with the Berlin process, the EC and WBIF should enhance connectivity and build on the REBIS update, the SEETO Flagship axis initiative and develop a pipeline of projects / interventions ready for implementation.

WBIF and Private Sector Participation

IFICO (Mr H Warsmann) and **EPEC** (Mr C Fourchy) reported on the outcome of a recently completed EPEC study on the PPP potential at the WBs and additional analysis provided by IFICO. The joint findings show that PPPs can realistically target between 5–10% of the public investment needs in the WBs. There is some experience at the WBs in the design and implementation of PPPs, the legal and institutional frameworks are largely in place, however the WBs suffer a shortage in the actual implementation capacities. Overall, 39 PPPs (including PSP) projects were completed or implemented in the Western Balkans (this includes Croatia and hydro power plants), with an overall investment volume of € 2.6 billion; the average project amounts for € 66 million investment volume, but this number includes 9 large projects in excess of € 100 million and more (each). Analysis also shows that the social sector is ahead in total numbers of PPP projects, while Energy and Transport dominate by investment volume. The geographic distribution is shown below.

	HR	FYROM	MNE	ALB	KOS	SER
Number	19	9	5	3	2	1
Value €	1.5bn	129mn	92mn	729mn	104mn	47mn

(source: EPEC dataset completed by IFICO research)

Whilst there would appear to be sufficient future potential for PPPs in the transport, energy (generation) and social sectors, the casualty rate for PPPs is relatively high (almost 50%) which is due to insufficient PPPs project preparation, insufficient capacities and/or unrealistic expectations. EPEC developed a Project Preparation Assessment Tool which should help project preparation. Based on the existing pipeline, one could expect up to 20 projects reaching closure in the next 5 years. The main needs in the Western Balkans are capacity building, roll out and application of the Project Readiness Assessment Tool and structured development of PPP project pipelines together with the alignment of PPP tender procedures and documentation.

The **IFC** (Mr T Lubeck) presented the IFC as part of the World Bank Group and emphasised the specific support the IFC can provide to the private sector (as a lender). IFC also provides advisory services to the public sector in the preparation and implementation of PPP projects and highlighted the IFC's experience in capacity building. Specific examples were shown, where the IFC is or has been providing PPP services to WB beneficiary countries.

Discussion:

The **WBIF Chairman** (Mr G Schumann-Hitzler) enquired to which extent the beneficiaries see PPP as a viable tool for project procurement and implementation. **Serbia** replied that their Single Project Pipeline will be assessed against the PPP delivery requirements and they will share their findings. **CEB** mentioned that social projects are not very attractive for PPP.

The **WBIF Chairman** concluded this session by taking note of the various contributions; the Project Preparation Tool should be used for developing further the WBIF PPP pipeline and a standardised documentation should be prepared.

New Methodology to support Infrastructure Projects in the Western Balkans

DG ELARG (Mr W Schlaeger) reported on the findings and outcome of the Restricted Task Force (RTF), which has convened twice and conducted a number of bilateral meetings and written exchanges. The main result of the RTF was the disseminated **Joint Position Paper** and the **Questions and Answers document**. The tasks charged to the RTF were reiterated, with the implications of the new financial regulations to the EWBJF on the one side and the operational issues on the other (coherent methodology for co-financing, the delineations regional/national and mature/not mature projects and the NIC framework).

The following position was submitted to the WBIF SC:

*“The RTF comes to the conclusion that there is **no need to change the founding documents of the WBIF** - the ToR of the Joint Grant Facility (JGF) and the GC of the Joint Fund (EWBJF). This entails also that there is **no need to change the decision making process within the WBIF**. It emphasises the common understanding that any possible amendments to founding documents in the future could only be decided upon by the WBIF Steering Committee.*

*The structural changes regarding the **IPA fund management requirements under the new Financial Regulation** – with implications for transferring of IPA funds to the EWBJF – is an **internal EC issue**. Hence, the RTF recommends the **WBIF SC to take note of the changes proposed by the Commission** (applicable from 01/01/2015).*

*The new implementation structure for the WBIF entails (in principle) for EC financial contributions a **two stage approach (global and complementary financing decision)***

*“**Coherent Methodology for Co-financing**”: recommendation to adopt the principles of WBIF projects being classified as “**not mature – Group 1 (TA)**” and “**mature – Group 2 (investment co-financing)**” projects (with certain flexibility)*

- i. support both TA for national and regional Group 1 projects, intended to make these projects mature, up to 100%, and*
- ii. support implementation of regional Group 2 projects (this could include TA necessary for implementation), subject to a maximum co-financing thresholds per sector (with certain flexibility)*

*Concerning the delineation of “**regional and national**” projects, the RTF recommends adopting a more generic and higher level definition of the term “regional” per sector, as provided by the European Commission for better prioritisation (with certain flexibility).*

Connectivity: *It is a fundamental requirement that the proposed regional investment priorities form a coherent network along the extended EU Corridors in the region in line with TEN-T and TEN-E guidelines.*

NIC framework: *The NIC Framework, including the methodology for infrastructure project prioritization, will **need to be gradually introduced in beneficiary countries** and should serve as a basis for programming of all available financing sources (incl. national and other donors). Meanwhile, it should be ensured that the **beneficiaries would have access to WBIF financing**. Concrete steps must be taken during 2015 and the **WBIF SC shall take stock** of the progress at its next meetings. After a transition phase, the NIC framework and the Single List of prioritised Projects will thus become **eventually a national requirement before projects are submitted to WBIF**; further support will be made available to the beneficiary countries*

Revision clause: *WBIF SC to decide on possible changes, based on an assessment of the RTF in Paris in December 2015*

Extended mandate for the RTF to monitor and review the implementation of the new methodology/structure.”

Discussion:

The **WBIF Chairman** reiterated the fact that WBIF is a "living" framework and consequently there will always be a need to adapt and go along with developments; this indeed has been one of the WBIF core strength over the years. With the latest developments, more funds and projects will be channelled through WBIF. **BiH** mentioned that the transitional phase is appreciated and time and support are needed to implement the NIC framework. **FYROM** seconded this position and welcomed the testing phase and relaxation of time. **Germany** welcomed the flexibility and that bilateral donors will remain in charge of their contributions (to the EWBIF). In relation to the 2nd meeting of the Berlin process and its deliverables, **Greece** stressed the need for appropriate involvement of EU member states for their preparation within the competent sector EU working groups and Committees. **Italy** and **Spain** welcomed the flexibility in the new approach. **EBRD** endorsed the new principles and mentioned that quick and flexible mechanisms are needed, that connectivity needs to be bridged into the WBIF regional aspects and recommended that the co-financing rates should be seen as guidelines and that co-financing rates should be assessed cautiously. **KfW** welcomed the new methodology and principles and the increase in the EC contributions to WBIF; in addition, the IFI Project Management principles should be reflected in the new methodology including the particular role of implementation TA and seconded EBRD's remarks about the cautious use of subsidies. **EIB** seconded the issues mentioned by the other IFIs and raised concerns about the suitability of social projects under the regional component. **CEB** seconded the issues raised by the other IFIs and mentioned that a regional dimension should be developed for social and environmental projects. The **World Bank** expressed their support for the co-financing mechanism and will continue to work on sector development.

New Implementation Structure of IPA Funds to WBIF

DG ELARG (Mrs B Banki) presented the Commission's proposal for future EC contributions to WBIF (in accordance with the new EU Financial Regulations). She explained the reasons for the foreseen "two step approach" with a Global and a Complementary Financing decision (applicable for co-financing) by the Commission and the necessity of the EC to enter into a direct contractual relationship with those entities responsible for the implementation of the budget (IFIs), enabling clear lines of responsibility, liability and reporting.

For the Group 1 (not mature) projects, only one decision will be required, since this decision will contain all relevant financial details and delegation agreements can be signed following this decision. The EIB will be entrusted as EU funds disbursement entity. EIB in turn will have the options to either sub-delegate to other IFIs (IFI managed TA projects), implement projects

by using structures like the current IPF or to implement these projects by themselves. Further details on implementation and allocations will have to be soon defined in the contractual agreements between the Commission and EIB.

For Group 2 (mature) projects, next to the global financing decision setting out the overall amount of IPA funds available for project implementation a complementary financing decision will be required after the WBIF SC has approved the list of concrete projects; this complementary financing decision will allow the EC entering into the project-specific delegation agreements with the IFIs; a sub-delegation is not foreseen for these projects. Grants from IFIs to the beneficiary countries are possible for both Groups. Challenges for the IPA funds (from 2015 on) are the relative maturity of projects (to be financed) and the n+1 rule.

The Commission recommends the WBIF SC takes note of this internal EC decision-making procedure, being the Global Financing Decision followed by the Complementary Financing Decision (for co-financing) on the allocation of IPA Funds, and the requirement of signature of delegation agreements by the EC directly with Lead IFIs for IPA funds. The Commission is currently exploring a way forward to adopt a Financing Decision for Group 2 projects without the need for further complementary Financing Decisions. At the same time, the Commission is exploring a new concept (co-delegation) to cover the contractual relationship with the entrusted IFIs. Any development on the above issues will be reported to the RTF within three months of this WBIF SC meeting.

Discussion:

CEB raised concerns about the PAGODA template which could put an additional administrative burden on the IFIs. **EBRD** mentioned that a practical and flexible TA delivery is important and that the EWBJF should continue as TA delivery mechanism and requested more time to reflect on the implications of the new TA delivery for Group 1 projects.

The **WBIF chairman** reiterated that the Steering Committee will continue in its existing role as will the EWBJF for channelling contributions from other donors. He announced that the WBIF will apply a “learning by doing” approach and address and overcome any obstacles in the future by consensus.

In **conclusion**, and following **no objections** of the WBIF members, the WBIF SC took note of the new implementation structure of IPA funds and approved the respective new methodology as of 1 January 2015. The progress and the results will be reviewed by the RTF and presented to the WBIF SC by the end of 2015. The WBIF SC took also note of the **NIC Framework** presentation (circulated for the meeting, but cancelled at the meeting due to time constraints) and the respective Action Plans that are being developed together with the beneficiary countries.

New WBIF MIS

IFICO (Mr E Voci) presented the new MIS to the participants, emphasising the advantages of the new MIS over the existing MIS. The new MIS is a user based and integrated system (both the WBIF website and the MIS) and can accommodate both investment projects and traditional TA, allows for the production of reports and is a task driven platform. The road map for switching to the new MIS was presented, with the migration of data to be conducted in 1Q 2015, as well as the entry of new – verified – data and with individual workshops planned with the IFIs and other main MIS users. In the 2Q 2015, selected changes and amendments as a result from the individual visits will be applied with a view of presenting a finalised MIS by the next PFG meeting.

At the next WBIF SC meeting in June 2015, the new MIS will be presented for adoption.

WBIF Monitoring Report, November 2014

The **WBIF Secretariat** (Mr O Reinertsen) presented the results of the WBIF monitoring report. To date, WBIF has held 11 calls for proposal, allocated 169 grants over € 296 million, with currently € 2.6 billion in signed loans; the estimated overall loan potential is € 7 billion and € 13 billion in overall investment volumes. The projects with limited progress are listed below:

Project Code	Project Title	Round	Amount [€]	Lead IFI
WB7-REG-ENE-11	Strengthening of main Croatian transmission North-South axis	7	1,500,000	EBRD
WB9-HR-ENE-01	JANAF oil pipeline upgrading	9	1,600,000	EBRD
WB9-SER-ENE-01	400kV OHL from sub-stations Bajina Basta to Kraljevo	9	800,000	KfW
WB9-HR-SOC-01	Health institutions reconstruction & construction of depts & centres	9	1,500,000	CEB
WB4-SER-TRA-06	TA for Railways infrastructure	4	800,000	EIB
WB9-MKD-TRA-01	Motorway A4 Skopje - Blace, section Stenkovec interchange Blace	9	1,000,000	EBRD

Discussion:

EBRD reported that WB9-HR-ENE-01 will not be pursued further and can be considered for cancellation. The funds will be reallocated to the EWBJF. The other projects will be monitored by the WBIF SC as to concrete progress and re-considered (if the case) for cancellation at the 18th PFG in May 2015.

EIB reported on the remaining balance from the IPF4 contract (original budget was € 15 million, the tendered amount was € 11.4 million, minus the 4% management fee). The WBIF SC took note of this and will be kept informed by EIB about the further usage of the remaining funds. EIB further informed that about € 20 million will be needed for IPF5 and competitive

tenders are expected to be in the region of € 16 million. **Germany** enquired if the IPF4 management fee applies to the original budget or the tendered amount.

The **WBIF SC** chairman suggested extending the existing IPF4 contract by the same volume (€ 11.4 million) and time. This suggestion was unanimously accepted. For IPF 5, additional clarifications are required and a proposal will be circulated to the SC in written procedure.

WBIF Project Approval Session (Round 12) and Extraordinary Measures on Floods

The following projects were proposed for approval:

Project Code	Project Title	Amount (€)	Source
WB12-MKD-SOC-01	Project for reconstruction of penitentiary institutions in Republic of Macedonia	350,000	
WB12-SER-SOC-01	Extended technical assistance for the modernisation of prison facilities in Serbia	1,430,000	
WB12-BIH-ENV-02	Water and Sanitation Project in Republika Srpska	1,500,000	
WB12-ALB-ENE-01	Detail design for 400 kV OHTL interconnection Elbasan-Bitola (Albanian part) including substation Elbasan 2 extension	600,000	
WB12-KOS-TRA-01	Supervision of the construction works in rehabilitation of Railway Route 10 – Fushee Kosove – former Yugoslav Republic of Macedonia border (Phase 1)	1,400,000	
WB12-MNE-TRA-01	Detailed Design and tender Documents for the reconstruction of the Road Scepan Polje-Pluzine	3,500,000	
TBD “BiH comprehensive Flood Project”	Preparation of Flood Hazard Maps, Flood Risk Maps and Support to the PMU of the Flood Risk Management Project	4,880,000	
Total		13,660,000	

All lead and support IFIs and the beneficiary’s representatives confirmed the applications. The WBIF SC approved these projects unanimously. Overall, 6 projects were approved equalling € 8.78 million and one extraordinary measure (BiH comprehensive Flood Project) over € 4.88 million, resulting in an overall project value of € 13.66 million for the 12th call for applications.

The Commission presented an additional ad-hoc measure to be implemented by IPF4; this concerns a follow up project to the already implemented inventory to the “Present Situation of the Flood Management in the Western Balkans”. This GAP analysis will draw up a list of needs and measures for sound flood risk management, over 5 months and for a budget of € 330k.

The WBIF SC unanimously approved this measure to be implemented under IPF4.

Project Financier's Group Report 2014; preparations for the 13th Call for Proposals under WBIF, proposed Work Programme 2015 and WBIF Resources (pledging)

EIB (Mr. M Cingolani) and the **WBIF Secretariat** (Mr. O Reinertsen) presented the WBIF's main developments and achievements in 2014. The WBIF SC and PFG meetings were mentioned, as were the NIPAC workshop and the publication of the detailed review. The new methodology was announced in May 2014 and following the 10th WBIF SC meeting in Berlin, the RTF was established, charged with the open issues of the new methodology. Another 2014 milestone was the EC announcement of providing substantial funds for co-financing together with the changes required for the EC contributions. In total, 15 projects were approved for a total value of € 22.75 million (including the BiH comprehensive Flood Project).

The **WBIF Secretariat** also officially launched the 13th Call for TA project proposals, with the same eligibility criteria (regional and strengthening/unblocking of an existing project). The dates for this 13th call are:

- Application deadline: 20th February 2015;
- Screening: 25th February to 20th March 2015;
- Assessment: 30th March to 24th April 20145;
- 18th PFG in Brussels: tentatively 19th or 20th May 2015;
- 12th WBIF SC in Rome: tentatively 10 – 11th June 2015;
- 19th PFG in Western Balkans: November 2015;
- 13th WBIF SC in Paris: December 2015.

Pledging:

Germany pledged € 1 million and Italy pledged € 2.3 million to the EWBIF.

Co-Chairmanship of the WBIF SC 2014 and incoming for 2015

The **German WBIF Co-chair** (Mr O Klabunde) reviewed the WBIF achievements over the past year and provided an outlook of the challenges ahead for 2015 and mentioned that the new co-financing contributions by the EC to the WBIF will inevitably also lead to an increase in competitiveness in the Western Balkans. Germany then proposed Italy as their successor in the co-chairmanship.

Italy thanked Germany for their nomination and hard work in 2014 and accepted the co-chairmanship for 2015.

STARBEI Research Programme

EIB (Mr M Cingolani) presented the outcome of a comprehensive economic research conducted by the University of Nice. In conclusion of this economic research, the macro-economic conditions for growth are present in the Western Balkans and if sufficiently funds are directed towards the right economic measures, an economic "miracle" is possible.

Conclusions and Recommendations

The WBIF Chairman concluded the 11th WBIF SC meeting by summarising the day's discussions and decisions as follows:

- The WBIF SC heard presentations by the World Bank, the Commission and the Energy Community Secretariat, respectively, on the economic evolution in the region and different aspects of connectivity.
- It took note of the preparatory work carried out in particular in the areas of energy and transport that allows identifying projects for action and investments and noted the potential for – and limitations of – private sector participation. The IPA beneficiaries welcomed the Project Preparation Tool developed by EPEC and the offer by IFC to support the preparation and implementation of PPPs; they will propose a regional support program to WBIF and share their experience in applying the tool in one of the next WBIF SC meetings.
- The WBIF SC continued the discussions on the new methodology for infrastructure project support and the new implementation structure for IPA funds. It took note of the new implementation structure and approved the new methodology to be applied as of 2015. The WBIF SC will review the new approach in one's year time based on a report to be submitted by the Restricted Task Force, whose mandates is extended to issues still under deliberation.
- The WBIF SC welcomed the new WBIF MIS design and expects the new MIS and website to be operational by June 2015.
- The WBIF SC took note of the new WBIF Monitoring Report, cancelled 1 project with a return of €1.6 million to the Joint Fund and approved the plans of EIB to extend the contract for IPF4 by the same amount as the current contract (€11.4 million). It agreed to adopt a decision on IPF5 using the written procedure.
- The WBIF SC approved 6 projects under Round 12 for a total of €3.4 million, the BiH comprehensive Flood Project for an amount of €4.88 million as well as the funding of a comprehensive gap analysis for regional flood management under IPF4.
- The SC took note of the PFG's Report 2014 and approved the Work Programme for 2015. It defined the criteria for Round 13 and set the deadline for applications on 20 February 2015.
- The SC welcomed Italy as co-chair in 2015 and looks forward to its next meeting in June 2015 in Rome.
- The WBIF SC welcomed the pledges of Germany and Italy to the EWBIF.

The WBIF SC extends its thanks to the EIB for the organisation and hosting of the 11th WBIF SC meeting.

The German Co-chair, on behalf of all WBIF SC members and WBIF SC participants, thanked the WBIF Chairman Mr G Schumann-Hitzler for his excellent and steady handed leadership over the past 5 years.

Annexes

Annex 1: Agenda



Eleventh Meeting of the WBIF Steering Committee

Hosted by the European Investment Bank

Boulevard Konrad Adenauer 98-100, Luxembourg

09 December 2014

Agenda

- Co-Chairs:** Maria Heider, Federal Ministry of Finance, Germany
Gerhard Schumann-Hitzler, Director, DG ELARG, European Commission
- 8:30 – 9:00** **Registration at venue**
- 9:00 – 9:30** **Welcoming Remarks**
Dario Scannapieco, Vice President, European Investment Bank
Maria Heider, Federal Ministry of Finance, Germany
Gerhard Schumann-Hitzler, Director, DG ELARG, European Commission
- 9:30 – 10:00** **Economic Outlook in the Region**
Ms Ellen Goldstein, Country Director, World Bank Group
- 10:00 – 10:15** **Principle of Connectivity**
Jean Eric Paquet, Director, DG ELARG, European Commission
- 10.15 – 10.45** **Progress of the regional initiatives funded by the WBIF in the Transport and Energy Sector**

- i. Recommendations for the promotion and support of energy infrastructure projects in the Western Balkans.

Violeta Kogalniceanu, Head of Infrastructure and Energy Efficiency Unit, Energy Community Secretariat

- ii. Results of World Bank Sector Development Study: “Updating the Regional Transport Study (REBIS)”

Mr. Baher El-Hifnawi, Lead Transport Economist, World Bank Group

10:45 - 11:15

WBIF and Private Sector Participation

Presentation of the WBIF Strategy Paper on PPP

Hubert Warsmann, Policy and Strategy Coordinator, IFICO

Clément Fourchy, Principal Adviser, EPEC

Presentation by IFC

Tom Lubeck, Manager Western Balkans, IFC

11:15 – 11:30

Coffee Break

11:30 - 12:15

New Methodology to support Infrastructure Projects in the Western Balkans

Gerhard Schumann-Hitzler, Director, DG ELARG, European Commission

Wolfgang Schlaeger, Head of Sector, DG ELARG, European Commission

Discussion and recommendations from the WBIF Restricted Task Force for adoption

Progress Update on the NIC Framework

Aleksander Olsen, IFICO Expert

12:15 – 12:45

New Implementation Structure of IPA Funds to WBIF

Barbara Banki, Deputy Head of Unit, DG ELARG, European Commission Discussion and recommendation for adoption

12:45 – 13:00

New WBIF MIS

Elio Voci, WBIF MIS and Information Manager, IFICO

Discussion and recommendation for adoption

13:00

Group Photo

13:15 – 14:15

LUNCH

- 14:15 – 14:30** **WBIF Monitoring Report, October 2014**
Olav Reinertsen, Head WBIF Secretariat, DG ELARG, European Commission
Availability of grants for Round 12
Discussion
- 14:30 – 15:30** **WBIF Project Approval Session (Round 12) and Extraordinary Measures on Floods**
To be chaired by: *Wolfgang Schlaeger, DG ELARG, and Mr. Massimo Cingolani, EIB, Co-chairs of the Project Financiers' Group*
Presentation of proposals by representatives of the Beneficiaries and the IFIs.
Discussion and recommendation for adoption
- 15:30 – 15:45** **COFFEE BREAK**
- 15.45 – 16:15** **Project Financiers' Group Report 2014; preparations for the 13th Call for Proposals under WBIF, proposed Work Programme 2015 and WBIF Resources (pledging)**
DG ELARG, Massimo Cingolani, EIB, Co-chair of the Project Financiers' Group WBIF Secretariat
- 16.15 – 16.45** **Co-Chairmanship of the WBIF SC 2014 and incoming for 2015**
Oliver Klabunde, Federal Ministry of Finance, Germany
- STAREBEI Research Programme**
Massimo Cingolani, Managerial Adviser and Deputy Head of Division, Adriatic Sea Department, European Investment Bank
- 16.45 – 17.00** **Conclusions and Recommendations**
Maria Heider, Federal Ministry of Finance, Germany
Gerhard Schumann-Hitzler, Director, DG ELARG, European Commission

CLOSE OF MEETING

Evening events following immediately the WBIF SC and will be announced at the meeting.

Annex 2 : List of Participants

No.	Country / Organisation	Title	First name	Last name	Position
1.	European Commission	Mr	Gerhard	Schumann-Hitzler	Director, DG ELARG
2.	Federal Ministry of Finance, Germany	Mr	Nigel	Kinnarney*	Deputy Head of Unit
3.	Federal Ministry of Finance, Germany	Mr	Oliver	Klabunde*	Desk Officer
* both representing Mrs Maria Haider.					
4.	Albania	Ms	Roza	Dedja	Expert, NIPAC Office, Ministry of European Integration
5.	Albania	Ms	Erisa	Xhixho	Deputy Minister, Ministry of European Integration
6.	Austria	Mr	Leander	Treppel	Senior Advisor, Ministry of Finance
7.	Bosnia and Herzegovina	Ms	Nermina	Saracevic	Advisor, Directorate for European Integration
8.	Bosnia and Herzegovina	Ms	Nevena	Marilovic	Senior Associate, Directorate for European Integration
9.	Council of Europe Development Bank	Mr	Stephan	Sellen	Deputy Director General for Loans
10.	Council of Europe Development Bank	Mr	Luca	Schio	Director of Department
11.	Croatia	Mr	Zrinka	Malešević	Head of Unit, Ministry of Entrepreneurship and Crafts
12.	Croatia	Ms	Dijana	Bezjak	Assistant Minister, Ministry of Entrepreneurship and Crafts
13.	Croatia	Mr	Nikola	Dulcic	Director of Internationalisation Sector, HAMAG-BICRO

No.	Country / Organisation	Title	First name	Last name	Position
14.	Energy Community Secretariat	Ms	Violeta	Kogalniceanu	Head of Infrastructure and Energy Efficiency Unit
15.	European Bank for Reconstruction and Development	Ms	Camilla	Otto	Director, Donor Co-Financing
16.	European Bank for Reconstruction and Development	Mr	Miguel	Marques	Senior Adviser
17.	European Bank for Reconstruction and Development	Ms	Caroline	Clarkson	Principal Manager
18.	European Bank for Reconstruction and Development	Mr	Jea-Marc	Peterschmitt	Managing Director
19.	European Bank for Reconstruction and Development	Mr	Holger	Muent	Director, Western Balkans
20.	European Commission	Ms	Barbara	Banki Gardinal	Deputy Head of Finance and Contract Unit, DG ELARG
21.	European Commission	Mr	Jean-Eric	Paquet	Director Albania, BiH, Serbia, Kosovo
22.	European Commission	Mr	Morten	Jung	Head of Unit, DG ELARG
23.	European Commission	Mr	Olav	Reinertsen	Head of WBIF Secretariat, DG ELARG
24.	European Commission	Mr	Panayotis	Papanastassiou	WBIF Secretariat, Coordination of IFI projects, DG ELARG
25.	European Commission	Mr	Wolfgang	Schlaeger	Head of Sector, DG ELARG
26.	European Commission	Ms	Inga	Stefanowicz	Programme Manager, EU Policies, DG ELARG
27.	European Commission	Ms	Maria	Dimitriadou	Policy Officer, DG ECFIN

No.	Country / Organisation	Title	First name	Last name	Position
28.	European Commission	Mr	Gianfranco	Bochicchio	COWEB Coordination, EEAS
29.	European Investment Bank	Mr	Dario	Scannapieco	Vice-President
30.	European Investment Bank	Mr	Massimo	Cingolani	Managerial Adviser
31.	European Investment Bank	Ms	Eefje	Schmid	Head of Trust Funds Unit
32.	European Investment Bank	Mr	Guido	Bichisao	Director Institutional Strategy Dept.
33.	European Investment Bank	Mr	Martin	Vatter	Managerial Adviser
34.	European Investment Bank	Mr	Jean-Marc	Arnoux	Lending Operations - Adriatic Sea
35.	European Investment Bank	Mr	Minos	Mastrogeorgopoulos	Technical Assistant Officer
36.	European Investment Bank	Mr	Stefan	Kerpen	Head of TA Unit
37.	European Investment Bank	Ms	Anna	Bullock	Policy Officer
38.	European Investment Bank	Mr	Wolfgang	Spieles	Senior Loan Officer
39.	European Investment Bank	Mr	Dominique	Courbin	Head of Division
40.	European Investment Bank	Ms	Marguerite	Pennisi	Loan Officer
41.	European Investment Bank	Mr	Jean-Marc	Martin	Deputy Head of Division
42.	European Investment Bank	Mr	Matteo	Rivellini	Deputy Head of Division
43.	European Investment Bank	Mr	Tomislav	Veceric	Advisor
44.	European Investment Bank	Mr	Gerd-Uwe	Weller	Senior Loan Officer
45.	European Investment Bank / EPEC	Mr	Clément	Fourchy	Principal Expert
46.	European Investment Bank / EPEC	Mr	Chris	Blades	Head of EPEC

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47.	the former Yugoslav Republic of Macedonia	Ms	Orhideja	Kaljoshevska	Head of NIPAC Office, Secretariat for European Affairs
48.	the former Yugoslav Republic of Macedonia	Mr	Andrija	Aleksoski	Assistant Head of Department, Ministry of Finance
49.	France	Mr	Sébastien	Begoc	Deputy Head of Turkey and the Balkans Countries, Ministère de l'Économie et des Finances
50.	Greece	Ms	Marianna	Papadopoulou	Expert, Minister-Counsellor, Ministry of Foreign Affairs
51.	Hungary	Ms	Dóra	Marosvölgyi	Counsellor, Ministry for National Economy
52.	IFICO	Mr	Falko	Sellner	Team Leader
53.	IFICO	Mr	Elio	Voci	WBIF MIS and Information Manager
54.	IFICO	Mr	Hubert	Warsmann	Strategy and Policy Coordinator
55.	IFICO	Mr	Steven	van der Touw	WBIF Project Manager
56.	IFICO	Ms	Emilia	Postolache	Communication Expert
57.	IFICO	Mr	Iulian	Ciuca	Technical Expert
58.	IFICO	Mr	Alexandru	Trelea	MIS/IT Expert
59.	IFICO	Ms	Elena	Postolache	Environmental Expert
60.	IFICO	Mr	Aleksander	Olsen	Policy Expert
61.	International Finance Corporation	Ms	Andrea	Engel	Sr Country Officer
62.	International Finance Corporation	Mr	Thomas	Lubeck	Regional Manager
63.	IPF3	Mr	Gordon	Lamond	Team Leader

No.	Country / Organisation	Title	First name	Last name	Position
64.	IPF3	Mr	Andrei	Penescu	Senior Project Manager
65.	IPF3	Mr	Arthur	Schankler	Deputy Team Leader
66.	IPF4	Mr	Vassilis	Evmolpidis	Team Leader
67.	IPF4	Mr	Merih	Kerestecioglu	Deputy Team Leader
68.	Italy	Ms	Claudia	Mordini	Advisor, Ministry of Economy
69.	Italy	Mr	Riccardo	Honorati Bianchi	Permanent Representative CDP Brussels Office, Cassa Depositi e Prestiti (CDP)
70.	Italy	Mr	Michele	Mascolo	Director, International Affairs, Cassa Depositi e Prestiti Spa
71.	Italy	Ms	Antonella	Passarani	Responsible Adriatic Ionian Macroregion, Marche Region Brussels
72.	JASPERS	Mr	Pasquale	Staffini	Head of Division
73.	KfW	Mr	Christoph	Tiskens	Director
74.	KfW	Ms	Karin	Spranger	Country Manager
75.	KfW	Ms	Simone	Wunsch	Regional Manager
76.	Kosovo*	Mr	Demush	Shasha	General Secretary/NIPAC, Ministry of European Integration
77.	Kosovo*	Ms	Arta	Uka	Head of Div. Economic and Social Development, Ministry of European Integration
78.	Kosovo*	Ms	Eljana	Naka	Secretary General, Ministry of Trade and Industry
79.	Kosovo*	Mr	Valdrin	Lluka	General Director,

* "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"

No.	Country / Organisation	Title	First name	Last name	Position
					Kosovo Investment and Enterprise Support Agency
80.	Montenegro	Mr	Bojan	Vujović	Attaché, Ministry of Foreign Affairs and EU integration
81.	Montenegro	Mr	Aleksandar Andrija	Pejović	Secretary of the State for European Integration / Chief Negotiator & NIPAC, Ministry of Foreign Affairs and European Integration
82.	Mott MacDonald	Mr	Wim	Verheugt	Project Director
83.	Regional Cooperation Council	Mr	Sanjin	Arifagic	Head of SEE 2020 Coordination Unit
84.	SEETO	Mr	Mate	Gjorgjievski	Acting General Manager
85.	Serbia	Ms	Ana	Ilic	Deputy Director, European Integration Office
86.	Serbia	Mr	Petar	Spasic	Head of the Group, European Integration Office
87.	Spain	Mr	Miguel	Tiana Alvarez	Advisor, Ministry of Economy and Competitiveness
88.	World Bank	Ms	Ellen	Goldstein	Country Director, Southeast Europe
89.	World Bank	Mr	Alexander	Rowland	Senior Operations Officer
90.	World Bank	Mr	Raymond	Bourdeaux	Program Leader