

Western Balkans  
Investment Framework

**WBIF** 

**2013 ANNUAL REPORT**

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in cooperation with



# The WBIF and EU Enlargement

The European Union's enlargement policy, as enshrined in the Treaty on European Union,<sup>1</sup> is the response to the legitimate aspiration of the people of our continent to join the endeavour of a unified Europe. The integration of the countries of Central and Eastern Europe over the past decade has shown that enlargement benefits the EU as a whole and allows it to be better positioned to face global challenges.

Following ratification of the Accession Treaty by all Member States, the European Union welcomed Croatia as the 28<sup>th</sup> Member State on 1<sup>st</sup> July 2013. Croatia is the first country to complete the Stabilisation and Association process. Croatia's accession is an example of the transformative power and stabilising effect of the enlargement process and the EU's soft power. The historic agreement reached between Serbia and Kosovo\* in April is further proof of the EU's perspective and its role in healing history's deep scars. These positive developments act as an incentive and encouragement to all the countries of the region to step up their own preparations for eventual EU membership.

The Western Balkans Investment Framework (WBIF) was introduced in 2009 as a regional tool for EU enlargement. It supports socio-economic development and EU accession across the Western Balkans through the provision of financing and technical assistance for strategic investments. It pools resources from the European Commission's Instrument for Pre-Accession (IPA) with those of International Financial Institutions, bilateral donors and the governments of the Western Balkans. The WBIF increases the region's capacity to finance crucial infrastructure and priority investments in line with accession priorities and enhances overall coordination of assistance. The WBIF seeks to maximise the impact of grant financing by using it to leverage lending by IFIs on priority strategic investments identified by the Western Balkan beneficiaries. Governed by a Steering Committee and a Project Financiers' Group, the WBIF is available to all beneficiary governments in the Western Balkans.

\* 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.

<sup>1</sup> Article 49



# Foreword

Štefan Füle  
Member of the European  
Commission responsible for  
Enlargement and European  
Neighbourhood Policy  
(2010–2014)



The Western Balkans Investment Framework (WBIF) continues to be a crucial element of the European Union's enlargement strategy. The global economic crisis of the last years has underlined the need for all countries to strengthen their economic governance and improve competitiveness. When presenting the Commission's Enlargement Package 2013-2014 in October, we set out a number of proposals to support this aim, including the introduction of national economic reform strategies and action plans for public financial management. This is part of our approach of "fundamentals first" which, amongst others, includes assistance to meet the economic component of the Copenhagen criteria.

Attaining competitiveness also requires considerable investments in infrastructure (energy, transport, water and environment) as well as greater private sector and trade development. The WBIF has proved to be a unique platform where the Western Balkan countries alongside the EU, the International Financial Institution (IFIs) and bilateral donors can identify, prepare and implement priority socio-economic investments through the pooling of expertise and financial resources. Together we have agreed on an impressive pipeline of investments that we are now jointly preparing and implementing. 144 investment projects had received grant assistance from the WBIF by the end of 2013. Nearly 40 projects are at implementation stage.

I am pleased that based on the current success, the senior management of the participating IFIs agreed to reinforce their cooperation with the European Commission in the Western Balkans and in particular to improve coordination of support for national and regional investments under the WBIF. This enhanced cooperation should be based on a single pipeline of prioritised investment projects in the different sectors that will be developed jointly with the Western Balkan countries and reviewed on a regular basis.

To make the best of this strengthened cooperation and, given the impact of the economic crisis on the region, as well as other imminent changes to the EU's assistance under IPA II, it is important that the WBIF evolves to meet the challenges of its dynamic operating environment. The WBIF stakeholders are already engaged in substantive discussions on these and on the opportunities that lie ahead. I look forward to the WBIF Steering Committee's decisions in June 2014 on how best to adapt the WBIF to ensure that it can continue to expedite much needed strategic investments and contribute to socio-economic development and the accession process.

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# 1 What is the WBIF?

The WBIF was jointly launched in December 2009 by the European Commission, together with the Council of Europe Development Bank (CEB), the European Bank for Reconstruction and Development (EBRD) and the European Investment Bank (EIB) (collectively referred to as the 'partner IFIs') and the bilateral donors, and was subsequently endorsed by the European Council. It is an innovative financing initiative which pools grant resources in order to leverage loans for the financing of priority infrastructure and socio-economic development in the Western Balkans.

## Geographical Scope

Projects receiving a grant contribution from WBIF must be on the territory of one or more of the following beneficiaries in the Western Balkans: Albania, Bosnia and Herzegovina, Croatia, Kosovo, the former Yugoslav Republic of Macedonia, Montenegro and Serbia. Regional projects which are supported by two or more beneficiaries are particularly welcomed.

## Sector Priorities

Investment projects should support any sector that contributes to the economic, social and environmental development of the Western Balkans. Eligible sectors include infrastructure development within the environment, energy, transport and social sectors and also private sector development. Priority projects are defined and proposed by the beneficiaries.

## Financing

The WBIF provides grant resources to projects likely to be supported by loans from the partner IFIs and other financing partners. Grants have the objective of preparing investment projects, accelerating existing loan disbursement or enabling investment realisation by bridging a funding gap. The WBIF offers beneficiaries an integrated financial package for investment projects in priority infrastructure and for private sector development. These grant resources originate from: the EC Instrument for Pre-Accession (IPA); grant contributions from the CEB, EBRD and EIB; and bilateral grant contributions from bilateral donors through the European Western Balkans Joint Fund (EWBJF).

## Participating Financial Institutions and Donors

- Multilateral International Financial Institutions: the CEB, EBRD, EIB and World Bank Group;
- Bilateral development finance institutions: Austrian Development Bank, Czech Development Bank, Hungarian Development Bank, KfW Entwicklungsbank (KfW) and Slovenia SIB Bank;
- Donors: Austria, Canada, the Czech Republic, Denmark, Finland, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, The Netherlands, Norway, Poland, Slovakia, Slovenia, Spain, Sweden and the United Kingdom.

# 2 WBIF at a glance

As of 31 December 2013



WBIF beneficiaries

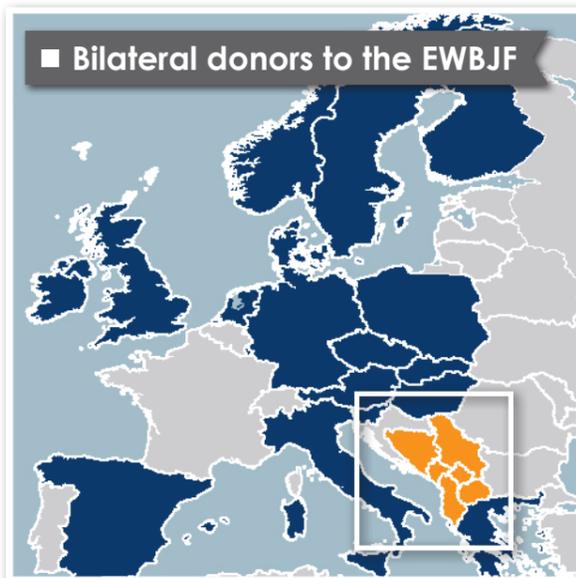
Bilateral donors:

Austria / Canada (not pictured) / Czech Republic / Denmark / EU / Finland / Germany / Greece / Hungary / Ireland / Italy / Luxembourg / The Netherlands / Norway / Poland / Slovakia / Slovenia / Spain / Sweden / United Kingdom

### WBIF Financiers



in cooperation with



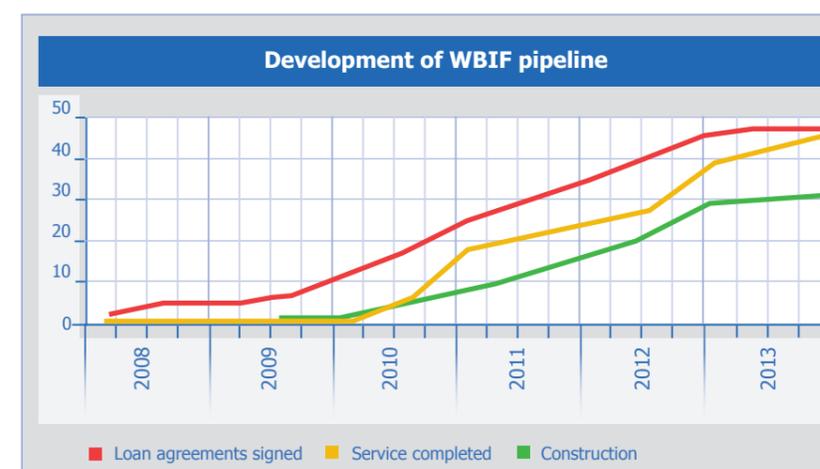
**144**  
projects supported by WBIF

### WBIF approved grants



**€0.3 billion**  
WBIF grants allocated to approved projects

more than **€2.7 billion**  
loans signed to date

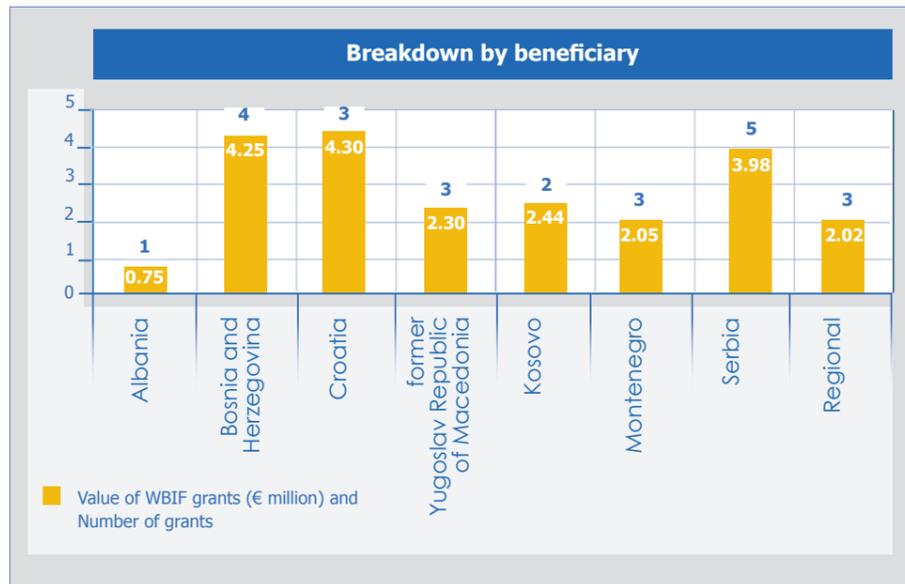


more than **€13 billion**  
total investment value

# 3 WBIF 2013 highlights

## WBIF grants approved during 2013

total value



### WBIF Secretariat – Regional Cooperation and Programmes - DG Enlargement

Left to right: **Olav Reinertsen** (Head of Secretariat); **Pia Heno** (Intern); **Hubert Blom** (Programme Manager/Transport); **María Cristina Alvarez Fernandez** (Secretary); **Panayotis Papanastassiou** (Programme Manager); **Elodie Loppé** (Programme Manager/Environment and Climate Change); **Nicola Bertolini** (Acting Head of Section); **Davor Kunc** (Programme Manager/Energy)

# 4 WBIF coordination and strategy

24 grants approved in Rounds 9 & 10

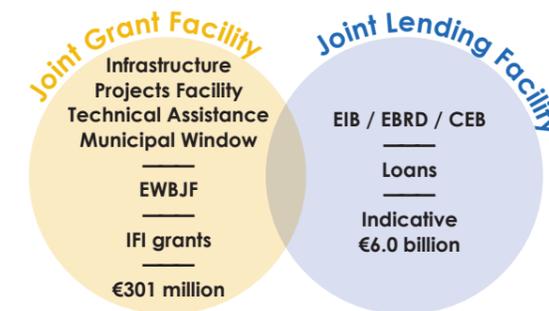
Signed loans reached €2.7 billion

37 projects have reached tendering/construction stage

Croatia became a Member State

## Joint Grant Facility

The WBIF encourages a harmonised approach by the EC, IFIs and bilateral donors in the provision of financing to beneficiaries for strategic investments. Beneficiary ownership, strategic coherence and long-term sustainability are the guiding principles behind this initiative. The WBIF stakeholders have worked together to improve coordination and division of labour, and to harmonise procedures. Grant contributions from different sources are pooled within the Joint Grant Facility to support operations jointly financed by the institutions that collaborate within the Joint Lending Facility.



## Joint Lending Facility

For each project approved for WBIF assistance, a partner IFI acts as the lead IFI, coordinating its implementation with the beneficiary on behalf of the other financiers. This innovative approach reduces transaction costs for the beneficiary and increases the effectiveness of joint cooperation. This is fully in line with the objectives of the Paris Declaration, the Accra Agenda for Action and the European Consensus on Development.

The IFIs work together in close collaboration with the EC to implement optimum financing arrangements for the beneficiaries. The IFIs co-finance wherever possible in order to maximise the funding that can be made available. Efforts are made to align with support under national IPA programmes, and the specialisations within the IFIs are used to support specific sectors as appropriate, e.g. the CEB focuses on financing projects in the social sector.

### WBIF SOURCES OF FINANCING

- The resources of the Joint Grant Facility originate from:
- Grant resources allocated from the IPA
  - Grant contributions from the CEB, EBRD and EIB
  - Bilateral grant contributions from bilateral donors through the European Western Balkans Joint Fund (EWBJF)

Over the period 2008-2013, the European Commission committed €257 million to the WBIF. The three partner IFIs each committed €10 million and 19 donor countries pledged €48.57 million. These latter contributions are managed in a dedicated trust fund called the European Western Balkans Joint Fund and are jointly managed by the EBRD and EIB.

## Supporting EU Policy Initiatives

The WBIF supports the implementation of national, regional and multilateral processes in the Western Balkans.

### National priorities targeting progress towards EU accession are supported in close collaboration with the EU Delegations

- The National Instrument for Pre-Accession Coordinators (NIPACs) within each beneficiary determine national priorities after consultation with the relevant ministries. The EU Delegations are consulted to ensure that planned projects are consistent with national strategies and the EU Directorates General verify that they are aligned with EU policy.
- Resources are pooled to leverage maximum value from the grant contributions. Where appropriate, WBIF contributions are combined with ongoing IPA funding to maximise the viability of the projects, streamlining project preparation and future lending possibilities. If necessary, grant co-financing may be used to bridge any financing gaps but, in general, EC grants are used for project preparation and to leverage additional capital.

### Targeting investments of regional significance in the Western Balkans in cooperation with the key regional organisations

Advancing the region's integration with the EU is a major objective of the WBIF and investment projects of regional importance are given special attention throughout the WBIF project cycle. WBIF structures cooperate with regional organisations and with the relevant DGs in the European Commission to facilitate the identification and implementation of priority regional investments.

Investments in the **Comprehensive Transport Network** are particularly encouraged. This network, agreed in 2004 by the EC and the beneficiary countries under the South East Europe Transport Observatory (SEETO), is in line with the Trans European Network in Transport. It identifies the major transport routes in the region across all transport modes and several WBIF grants have been awarded to either prepare investments or to facilitate actual construction on the so-called SEETO network. In 2013, the WBIF financed a study to assess progress on the implementation of the network commenced. This World Bank-led project will help all WBIF stakeholders identify future priorities to complete this vital infrastructure.

In the field of energy, WBIF stakeholders cooperate on a regular basis with the Energy Community Secretariat, which supports the beneficiary countries with the implementation of their commitments under the **Energy Community Treaty**. Grants to prepare investments in transmission lines and other infrastructure of regional significance have been approved. Assisting the countries in reaching their energy efficiency targets under the Treaty is also an area of interest for WBIF. Following its approval in 2012, the WBIF-financed Regional Energy Efficiency Programme (REEP), led by the EBRD, commenced operations in 2013.

The WBIF tackles the issue of Private Sector Development through the **Enterprise Development and Innovation Facility (EDIF)**, financed by the WBIF and focused on the key issue of access to finance for SMEs. A number of WBIF financiers including the EC, EIF, EIB, EBRD and the World Bank have cooperated to develop this platform, which provides equity financing, loan financing and guarantees to SMEs throughout the region along with targeted technical assistance to governments to enact reforms necessary to improve SME financing facilities. The WBIF-financed capacity building programme on **Public Private Partnerships (PPPs)** led by the EIB's EPEC unit has commenced a series of regulatory reviews in the Western Balkan countries and is expected to contribute to strategic discussions in the WBIF regarding opportunities for promoting greater use of PPPs.

The Regional Cooperation Council's leading role in the development of the **SEE 2020 Strategy**, the Western Balkan's response to EU 2020, means that it is a key partner for the WBIF. Looking forward, achieving the ambitious targets set by the countries for improved integrated, smart, sustainable and inclusive growth will require substantial investments in the different sectors.

### Policy and Strategy Discussions

Strategy and policy discussions take place in all WBIF forums, including the PFG and the Steering Committee, and are facilitated by the work of the EC-financed IFI Coordination Office (IFI CO). This work includes the preparation of "food for thought" papers on various issues, regular macroeconomic updates and the organisation of in-country strategy and policy workshops.

The challenging economic environment and the significant changes that will come about to the programming of the EC's overall assistance to enlargement countries from 2014 to 2020 under IPA II were key issues considered by the WBIF in 2013. Further to initial discussions at the WBIF Steering Committee meeting in June based on an IFI CO food for thought paper, a Task Force was established to look at the possible implications for the WBIF and to recommend options for the future evolution of the Framework. The Task Force, led by the WBIF Secretariat in DG Enlargement will submit a final report to the SC in June 2014.

Other issues that have been examined or progressed as part of the WBIF's Policy and Strategy Discussions in 2013 include:

- The introduction of a "climate change window" into the WBIF
- Financing of National Energy Efficiency Action Plans
- Availability of EC and IFI funding for financing investments in Energy Efficiency
- An initial review of financing mechanisms that can be funded under EC programmes

The results of the various strategy and policy discussions including analytical reports and meeting presentations are available on the WBIF website at [www.wbif.eu](http://www.wbif.eu).

## THE WBIF SEEN BY GREECE

### Steering Committee Co-Chair 2013

"Greece has strong historical, cultural and economic ties to the Western Balkans and is a region of great significance for our country and also for the wider EU. As such, Greece has been a stalwart supporter of the enlargement process. The global financial crisis and the on-going difficulties in the eurozone have demonstrated more than ever the interdependence of national economies both within and beyond the EU. We believe that this interdependence should strengthen the determination of both the EU and the Western Balkan countries to pursue the accession process ever more vigorously.



**Mr D. Kourkoulas**  
Deputy Minister  
of Foreign Affairs

The EU has established a fair and rigorous conditionality for accession which has been deliberately designed to have a strong transformative effect on the countries as they move towards ever greater integration with the EU. These effects are not confined to institutional and structural reforms, but also stimulate sustainable economic growth.

Achieving sustainable economic growth requires the implementation of a comprehensive reform agenda accompanied by a substantial investment programme. While much progress has been made in the region over the past two decades, a combination of a slow down in reforms and the impact of the financial crisis has hampered the region's efforts to implement investments in transport, energy, the environment, and social sector and private sector development – all key drivers of competitiveness and growth.

Greece has supported the Western Balkan Investment Framework from the outset as we believe that this type of blending mechanism can bring a significant improvement in financing socio-economic infrastructure in the region. The results since December 2009 – a pipeline of 144 investment projects with a potential total value in excess of €13 billion across key sectors with 27 projects already under construction – speak for themselves.

This unique, coordinated approach to identifying, preparing and financing priority investments is even more relevant in view of the difficult economic and financial environment and, in that sense, we consider the WBIF to be a success story with further great potential.

A key component of the Athens Steering Committee deliverables was to review the WBIF based on the experience acquired in the first four years of implementation and on the evolution of the economic environment in the Western Balkan countries.

A Task Force has been established to examine options for the future evolution of the WBIF to take into account not only the economic constraints, but also the changing nature of EC support to the region under IPA, with its focus on sector-based programming and greater linkages between assistance and the reform agenda. We also hope that the Task Force can examine ways in which scarce grant resources can be used to leverage more investment capital.

Greece believes that participation in the WBIF to date has been beneficial to all its stakeholders – beneficiary countries, EC, IFIs and bilateral donors – and that through their joint efforts, the WBIF will evolve to allow the region to attain both its socio-economic and accession objectives to the benefit of all citizens.

In this context, Greece as the upcoming Presidency of the EU Council and as a member state will continue to work to achieve our common goals in the region."

# 5 WBIF operations in 2013

## 5.1 Overview

After five years of operation, the WBIF pipeline has matured to the point where a substantial number of projects are now under construction. In 2013, the Steering Committee met twice and approved 24 grants distributed across all 7 beneficiaries in the Western Balkans. A total of 178 grants for an overall value of €302 million are now approved within the project pipeline, representing a total potential investment of over €13 billion. It is significant that a number of the new grants were allocated to support further preparation of existing WBIF projects.



Particular attention was devoted to verifying that grants awarded were progressing satisfactorily and ten that had been held up for more than a year were cancelled. In the second half of the year, a detailed review of the pipeline was undertaken which confirmed that the large majority of the grants awarded over the five-year period have progressed successfully towards achieving their objectives. The problems causing delays in a small number of grants were analysed and discussed. The review is ongoing with the objective of producing a final report in March 2014 which will include recommendations for improving the efficiency of the WBIF.

Croatia became a member state on 1 July 2013 and thereby ceased to be a direct WBIF beneficiary. The Steering Committee meeting in Athens in June, welcomed the proposal put forward by Croatia announcing that it wished to continue to play an active role in the WBIF and to be able to continue to support regional projects proposed by other countries through use of their own resources.

The Project Financiers' Group met twice in order to prepare recommendations for the Steering Committee. It followed the process below for approving and implementing grant operations:

- Phase I:** Upstream work and project identification
- Phase II:** Receipt of grant requests submitted by NIPACs
- Phase III:** Screening and assessment of submitted grant requests to verify eligibility and quality
- Phase IV:** Submission of grant requests by the Project Financiers' Group to the Steering Committee for approval
- Phase V:** Implementation of grant requests under the coordination of the Project Financiers' Group

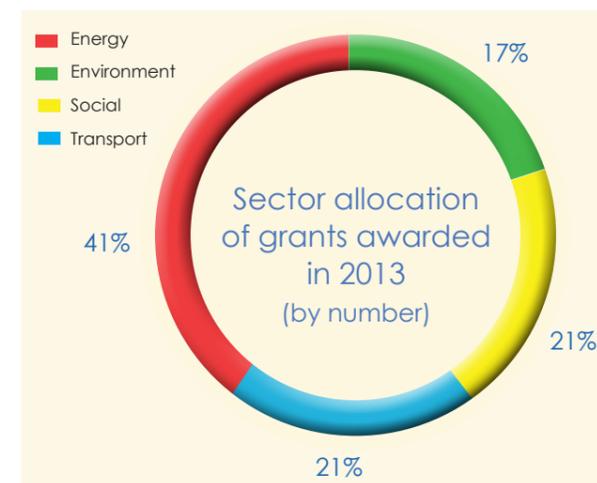
The implementation of this process for the approval of the grant requests submitted for the ninth and tenth rounds is illustrated in the diagram below.

### 2013 approvals

ninth and tenth round approval process



In terms of **sector allocation**, the new grants were distributed across the environment, energy, social and transport sectors, as indicated in the figure below, with a reasonable overall balance continuing to be maintained. No new grants were allocated for private sector development, but the Western Balkans Enterprise Development and Innovation Facility (WB EDIF), designed specifically to provide assistance to SMEs, became operational.



The **type of support** provided to beneficiaries consisted of 23 technical assistance grants and 1 investment grant. There were no approvals in the year for interest rate subsidies or for incentive payments to financial intermediaries which are the other types of grant that have been awarded in previous years.

There continues to be a strong demand from the beneficiaries in terms of the number of grant applications with 26 received in February 2013 and 22 received in September 2013. Identifying resources to maintain the momentum for the framework and meet stakeholder expectations continued to be important.



### Croatia's continued role in WBIF post accession

"The Republic of Croatia has participated as a direct beneficiary in the Western Balkans Investment Framework since its official launch in 2009. We highly appreciate the cooperation experienced to date in which grants worth approximately €20 million have been approved for 18 national and regional projects proposed by Croatia. In addition, Croatia is benefiting from several other important projects of a regional nature such as the private sector development platform EDIF. Besides being an important

**Matija Derk**  
Assistant Minister,  
National IPA  
Coordinator,  
Ministry of Regional  
Development and  
EU Funds, Croatia

instrument, we believe that the WBIF has proved to be an excellent tool for regional cooperation and for the coordination of regional investments.

Becoming a member state of the EU on 1 July 2013 implies that Croatia will no longer be a direct beneficiary of the WBIF. However, it is our strong intention and wish to continue to be closely involved with the WBIF in the future. Naturally it will take some time for approved projects to be finalised and prepared but, in addition, Croatia would like to continue to benefit from the WBIF as a forum for discussion and possible development of regional projects and initiatives.

In summary, although not being eligible the WBIF in terms of future financing, Croatia would like to retain a presence in this important regional initiative since it provides an excellent opportunity for cooperation in the region. We are also keen to share our experience and knowledge as a new EU member state with WBIF beneficiary countries if this can be useful."

## 5.2 Grants approved

The status of all grants approved between 2008 and 2012 is summarised in Annexe 7.2, and the 24 grants approved in 2013 are listed in Annexe 7.3. In addition to continuing to prioritise regional projects which benefit more than one country, particular emphasis was placed on facilitating the implementation of existing loans. It is interesting to note that 7 out of the 22 grants awarded in 2013 support existing WBIF projects. Two of the regional projects approved are highlighted below, namely the "Klokot water source (Bihac) protection zone" project and the "Higher and Professional Education Financing in South East Europe" pilot project.



### REGIONAL

#### Development of the Study for Establishment of the Protection Zones of a "Klokot" Source (Bihać) Intersected by Inter-state Boundaries

WBIF support: **Bosnia and Herzegovina**



Lead financial institution: **World Bank**

The groundwater body supplying the Klokot and Privilica springs is located in north-western Bosnia and Herzegovina, in an area of Dinaric karst located within the Una River basin. Only a small portion of the groundwater body (14%) lies within Bosnia and Herzegovina, with the remainder being within Croatia. The Klokot water source is the most significant of a number of groundwater sources supplying the town of Bihac, but water quality tests are now showing a deterioration in the water quality of this source.

The protection of this groundwater body is a regional priority and has been reviewed by the Bilateral Commission for the Adriatic Sea and Black Sea River Basin which was set up by the Republics of Bosnia and Herzegovina and Croatia. The Commission established a working group to assist with determining protection zones for the water sources which has recommended the need for detailed investigations and studies. The WBIF grant will assess the measures necessary to protect the groundwater body and karst aquifer of the Klokot source and recommend adequate priority protection measures.



### REGIONAL

#### Feasibility study and preparation of Pilot Project for Higher and Professional Education Finance in South East Europe

WBIF support: **Albania, Bosnia and Herzegovina, Croatia, Kosovo, the former Yugoslav Republic of Macedonia, Montenegro, and Serbia**



Lead financial institution: **KfW**

The objective is to create a **student loan facility for South East Europe**, which facilitates student loans for higher/ tertiary education (e.g. bachelor or master programmes) and/or higher professional or continuing education programmes. The promotion of higher and professional education finance can bring large benefits to the region as it will contribute to:

- Better access to higher and professional education and reduced dropout rates;
- Overall economic development and increased competitiveness;
- EU approximation.

Public resources to finance higher and professional education are, however, proving to be increasingly insufficient in South East Europe and worldwide. As private returns from higher education can be substantial (better employment

opportunities, increased income and hence an improved quality of life), cost-sharing between the public sector and students is necessary and justified.

In 2011, KfW commissioned a Pre-Feasibility Study on Higher Education Finance in South East Europe. The aim of the Pre-Feasibility Study was (i) to gain an overall understanding of existing education financing schemes worldwide, (ii) to undertake an initial, country-specific analysis of selected countries in South East Europe (Kosovo and Serbia) and (iii) to develop potential concepts to support Higher Education Finance in the region. Based on the findings of the Pre-Feasibility Study, the intention is to set up a regional programme with the objective of enabling better access to higher and professional education for academically qualified but needy students in disciplines relevant for the regional labour market in South East Europe. It was thus recommended to proceed with a Feasibility Study and the preparation of a pilot project. The scope of this project shall be as follows:

- (1) More in-depth country-specific analysis and expansion of analysis to other WBIF beneficiary countries;
- (2) In-depth demand survey for student financing;
- (3) Development of a programme concept and preparation of a pilot project together with interested commercial banks.

The project is being undertaken in two phases with the first phase covering Bosnia and Herzegovina, Croatia, and Kosovo, with support from an initial WBIF grant WB7-REG-SOC-04. The second phase will cover the remaining WBIF countries under a second WBIF grant WB9-REG-SOC-SDP-01.



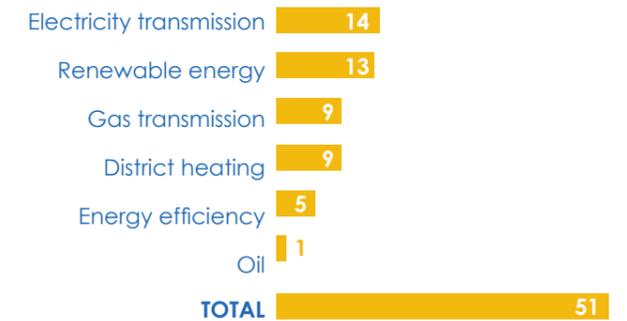
### Tracking climate change impacts of WBIF pipeline

Climate change action is an increasingly important area for the Western Balkans given the vulnerability of the region to climate change, the countries obligations under the accession process and the increasing importance attached to climate change issues by the European Union (EU) and the International Financial Institutions (IFIs). In June 2013 a Climate Change Window (CCW) was introduced to the WBIF, in line with EU policies for blending facilities worldwide. At present, the CCW is focused on tracking financing allocated to investments in mitigation and adaptation measures and climate resilience. It also aims to raise awareness so that climate change considerations are incorporated in project design for strategic infrastructure areas such as transport, energy and environment. The 10th Round of Applications served as a pilot phase for a CCW in the WBIF, and 52% of the grants approved by the WBIF Steering Committee were for projects that target both CC adaptation and mitigation. This represents a total amount of approximately €3.1 million of EU contributions to climate financing efforts from this Round of Applications. Since 2009, approximately 20% of EU grants have been dedicated to climate change, which represents €58 million of EU contributions to climate finance.

## 5.3 Projects under preparation

### ENERGY

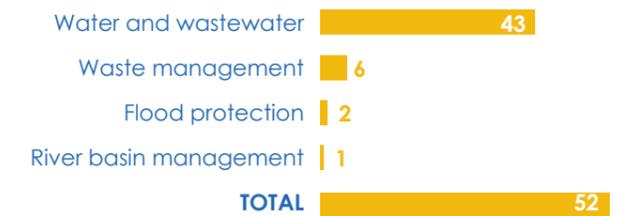
A total of 51 grants have been approved in the energy sector. These are distributed per sub-sector as follows:



Eleven of the project preparation studies have been completed, five of which are for transmission system development projects in different countries. Nine of the projects are regional with a particular emphasis on the interconnection of electricity and gas transmission networks. The Regional Energy Efficiency Programme became operational during 2013.

### ENVIRONMENT

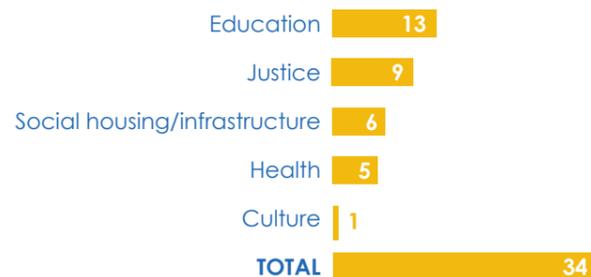
A total of 52 grants have been approved in the environment sector. These are distributed per sub-sector as follows:



Fourteen of the project preparation studies have been completed, all of which except one are water and wastewater projects. Almost all of the projects are for environmental improvements at municipality level (water and wastewater treatment and solid waste management) with two projects involving several beneficiaries.

## SOCIAL

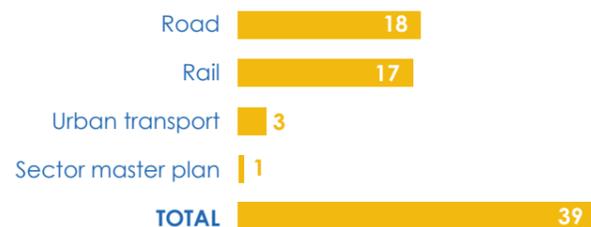
A total of 34 grants have been approved in the social sector. These are distributed per sub-sector as follows:



Ten of the project preparation studies have been completed. The grants have almost all been for assistance in preparing investments for buildings with a social purpose, for example hospitals, prisons, law courts, schools, universities and social housing.

## TRANSPORT

A total of 38 grants have been awarded in the transport sector. These are distributed per sub-sector as follows:



Eleven of the project preparation studies have been completed. The vast majority of these grants are linked to developing the SEETO Comprehensive Network, and are therefore regional, while a small number of grants have been awarded to local/feeder road networks and to urban bypasses. The grants awarded for railways are all for the rehabilitation and modernisation of existing lines.



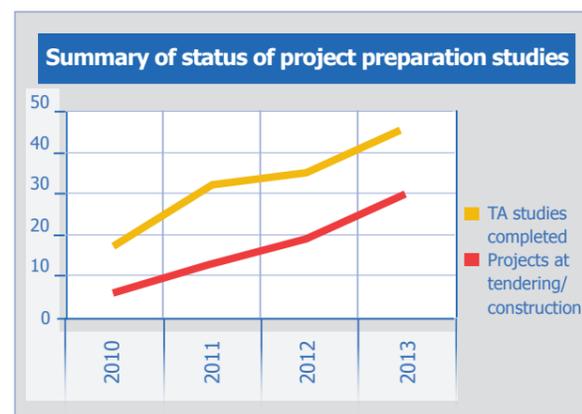
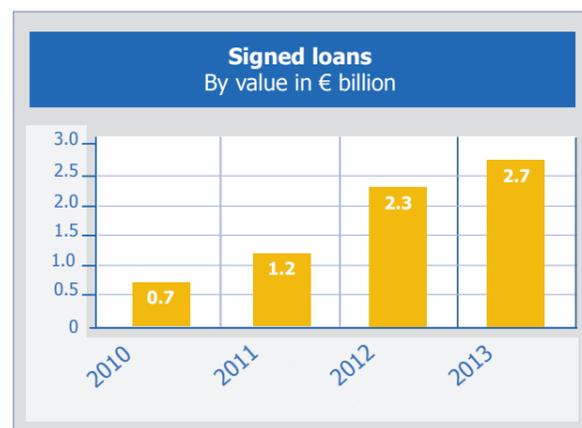
## PRIVATE SECTOR DEVELOPMENT

The Enterprise Development and Innovation Facility (EDIF) was officially launched in December 2012. This project provides for a comprehensive set of measures to improve access to finance for SMEs in the Western Balkans, and aims to leverage investment by SMEs of more than €300 million. One further grant was awarded to a regional project to undertake PPP institutional strengthening in the Western Balkans.

## 5.4 Projects under construction

### Overall progress

Since its launch in 2009, the WBIF has given its approval to 178 grants which support a total of 144 projects. The WBIF pipeline is now maturing and a significant number of projects have concluded financing arrangements and progressed to construction, examples of which are illustrated in the following pages. The progress in the development of the pipeline through project preparation to construction is summarised below:

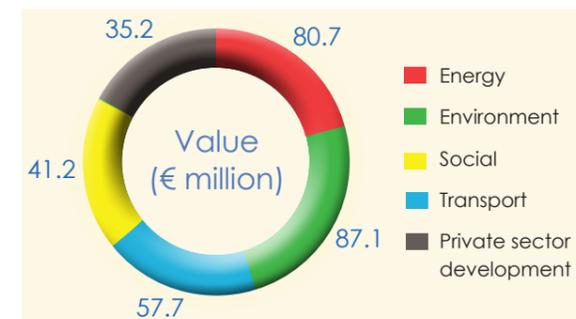


### Characteristics of the pipeline

The **geographical spread** across the seven beneficiary countries continues to be satisfactory as illustrated.



The **sectoral breakdown** shown below indicates a reasonable distribution across the different sectors by value.



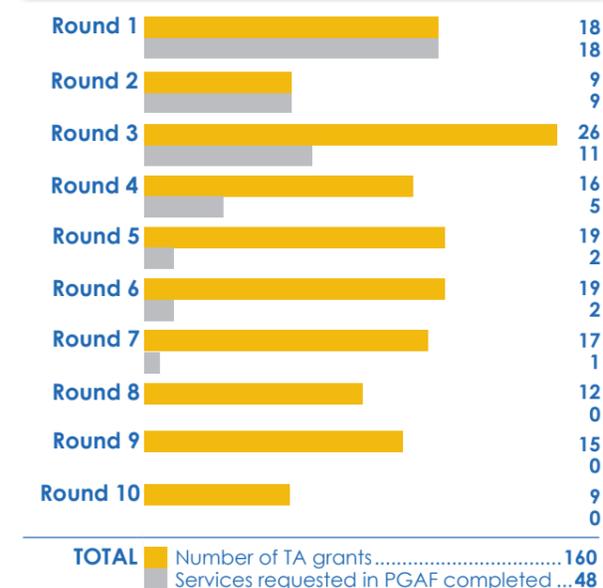
The type of support is made up of 160 TA grants, 20 investment grants (three of which include a TA component), 5 grants for interest rate subsidies (which are linked to TA grants) and two grants supporting financing facilities.

### Status of Joint Grant Facility

The WBIF is supporting 160 TA grants for project preparation and 47 of these are now complete. The progress in implementation for each round of grants is summarised in the figure below. It can be seen that implementation of the grants approved in the first three rounds is now substantially complete. Most grants in the fourth, fifth, sixth, seventh and eighth rounds are now under implementation, whilst those in the ninth and tenth rounds are progressing through scoping and preparation of terms of reference. Progress with respect to the 20 investment grants is reported under the status columns in Annexe 7.2.

In addition, there are two substantial regional facilities supported by the WBIF. The Western Balkans Enterprise Development and Innovation Facility (WB EDIF) is designed to provide an SME platform across the region. This was developed during 2012, after approval in December 2011, and was formally launched in December 2012. The Western Balkans Regional Energy Efficiency Programme was approved in June 2012 and became fully operational during 2013.

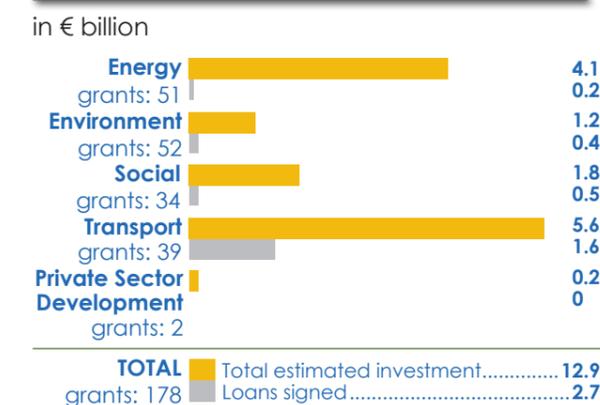
### Progress in implementation of TA grants



## Status of Joint Lending Facility

An overview of the loans being prepared under the WBIF Joint Lending Facility is presented in the figure below in comparison to the planned investment. Loan agreements are now signed on 46 projects for a total value of €2.7 billion and, of these, 25 projects are under construction. Nearly half of these loans are in the transport sector at the present time, which is due to several, very large, regional transport projects such as Corridor Vc and Corridor X. Nevertheless, the loan portfolio in all sectors is growing steadily.

### Joint Lending Facility overview



### Bilateral donors visit to view projects

A visit for bilateral donors to see the projects and meet with stakeholders was organised in November 2013. Representatives from Austria, Germany Norway and Slovenia visited Pristina and made tours of two projects: the new infrastructure to make the city's water supply adequate, safe and sustainable, and the district heating project which exploits the combined heat and power operation of Pristina's thermal power station. The party was joined by IFI representatives working in Kosovo, the NIPAC and the EU Liaison Office to Kosovo. Oliver Klabunde from the German Ministry of Finance commented: "The various constellations of the WBIF are normally used to discussing issues of a more abstract, often highly technical nature regarding the prioritization, financing and implementation of projects in the various sectors financed within the framework. It was thus particularly refreshing - and indeed highly encouraging - to be able to visit these projects and see firsthand the real differences they can make in the day-to-day lives of the people of the region. Further visits of this nature would, in our view, help enhance understanding of the real added value of the projects and should be considered."



■ Projects under construction



**Mr. Gentil DAJA**  
Administrator,  
Kavaja Water  
Utility



Extension of Kavaja Wastewater Treatment Capacity - Albania

"The water supply and sewage infrastructure, serving Kavaja town, its surrounding suburbs and the Golemi beach area, is managed and operated by Kavaja Water Utility. The current waste water treatment plant has limited capacity to serve the continuously increasing residential and tourist population of Kavaja city and Golemi; therefore, an upgrade of the existing WWTP is necessary.

With the strategic objective to improve the health and environmental conditions of the residential and tourist population of coastal areas, the European Union provided technical and financial assistance to Albania to increase the capacity of the existing Kavaja Wastewater Treatment Plant from 25,000 persons equivalent to 100,000 persons equivalent.

Detailed designs and tender documentation for the Kavaja WWTP extension were prepared in May 2011 with funding under the WBIF. Construction works started in October 2012 with funding made available by the European Union under the IPA mechanism at an amount of €4,572,000. The works are scheduled to complete in July 2014. The investment under implementation covers:

- extension of the 25,000 p.e. wastewater treatment plant (WWTP) to 100,000 p.e including pretreatment station, 2 anaerobic ponds, 2 trickling filters and 2 sedimentation tanks;
- construction of sludge management units including 1 sludge storage tank, 4 roof covered sludge drying beds;
- construction of one disinfection building and storage for the treated water.

The successful implementation of this investment will allow the conditions for the residential population and other users of Kavaja and Golemi's beaches to have access to clean bathing water, to provide proper sewage disposal and contribute to alleviating environmental hazards. This in turn will boost economic growth and tourism development and to spreading social wellbeing in Kavaja and Golemi."

■ Projects under construction



**Zoran Bašić**  
Director, Ministry  
of Justice, Project  
Implementation  
Unit (PIU), Bosnia  
and Herzegovina



The State Prison – Bosnia and Herzegovina

"Construction of the State Prison, as part of the support provided to the relevant institutions in their overall efforts to adopt and implement European standards, represents one of the most important projects in Bosnia and Herzegovina. The main objective of building the State Prison is to improve infrastructure in the social sector and to increase existing prison capacities, which are currently insufficient for the numbers coming from the Court of Bosnia and Herzegovina. The first State Prison in BiH will ease the burden of the existing entity-level penal institutions and ensure a suitable physical and psychological environment for the staff and inmates according to European standards.

The State Prison will be a high-security institution, intended for the adult male population under detention or already convicted before the Court of BiH. The prison capacity is designed for 50 detainees and 298 inmates and it will be located in the municipality of East Ilidža, 11 km outside of Sarajevo and the Court of Bosnia and Herzegovina.

The State Prison Construction Project is financed by public funds, loans and grants.

WBIF - IPF was engaged to provide technical assistance for the preparation of technical documents, which included the development of the Operational Plan, the Feasibility Study, the Preliminary Design, the Main Design and the preparation of tender documents. International experts and a European architectural company produced the Preliminary Design, while the Main Design was drafted in cooperation with a local architectural company.

The Ministry of Justice of Bosnia and Herzegovina has already invested funds in the construction site arrangement and the construction of the perimeter wall. The tendering procedure for the main works and supervision of works has been completed, and the contractor selection process is currently underway. Construction of the prison should begin in early 2014."



**Gjesh Vataj**  
Chief Executive  
Regional Water  
Company  
Pristina



Pristina Water Supply Project, Kosovo

"The Water Supply Project for the Pristina Region is one of the priority infrastructure projects not only for the municipality of Pristina, but also for the whole of Kosovo. Pristina, as the administrative and cultural centre of Kosovo, has a population equal to one third of that of the whole country. The service area of the Regional Water Company of Pristina (RWCP) includes 8 surrounding municipalities which suffer from chronic water shortages, low water pressure, rationing of supplies lasting between 8 to 12 hours per day, and poor levels of consumer satisfaction. The situation is exacerbated by the rapid growth of the urban areas with the RWCP unable to serve some recent developments.

The objectives of the project are to provide a reliable long-term water supply system and achieve significant socio-economic benefits and improved public health through increased, and more reliable, water supplies to the city of Pristina and the surrounding municipalities. The WBIF has provided support through two grants, namely a "Municipal Windows" investment grant and a project preparation TA, both of which were managed by KfW. The investment grant is focussed on the rehabilitation of the water supply and sewerage system while the technical assistance prepared a feasibility study that identified the least-cost option for meeting the future needs of the rapidly growing populations of Pristina and the surrounding municipalities. The project is in the final stage of tendering procedures; construction of the new water supply plant is expected to start at the beginning of the 2014."

■ Projects under construction



**Nevenka Jakimova Filipovska**  
Project Coordinator  
ELEM

### Bogdanci Windfarm Project in the former Yugoslav Republic of Macedonia

"The electricity generation company, ELEM, wished to develop a pilot wind farm to demonstrate the technology, prove the viability of wind energy, and to encourage future investments in renewable energy projects. This project contributes towards the goal of improving energy supply security while at the same time helping to reduce the negative environmental impacts of energy use and to mitigate climate change. A feasibility study of the wind farm was carried out as part of the IPF programme. The study investigated the feasibility of locating the facility at Bogdanci in the South East of the former Yugoslav Republic of Macedonia, and included a wind measurement programme to determine the energy resources. A facility was recommended, comprising:

- 22 wind turbines with a total installed capacity of up to 50 MW
- A first phase composed of 16 wind turbines, and total installed capacity of 36,8 MW, with an investment cost of approximately €55.5 m.

The loan agreement was signed with Germany's KfW and contracts for the works were signed in 2011-2012. Construction was substantially complete by the end of 2013, with handover planned for March 2014."

■ Projects under construction



**Ms Sanja Mugosa**  
Executive Director  
PROCON

### Improvement of the wastewater, water supply and waste management system in Montenegro

"The Government of Montenegro has prioritised the improvement of the wastewater, water supply and waste management systems in the country, and PROCON is responsible, as the implementation agency within the Ministry of Sustainable Development and Tourism, for leading these major environmental improvements. Technical support for preparation of quality technical documentation, together with financial support in the form of investment grants are urgently needed as part of this development.

Recognising the commitment of Montenegro to these planned environmental improvements, various international financial institutions have come together to provide assistance to this programme. The WBIF has approved grants

worth €8.7 million to support the environment sector in Montenegro, and these benefit the municipalities of: Pljevlja, Bijelo Polje, Plav, Cetinje, Ulcinj, Berane, Kolasin, Rozaje, Niksic and Andrijevica.

The grants approved are primarily for the preparation of conceptual designs, feasibility studies, preliminary and main designs, recycling studies, and support in the preparation of tender documents as well as some investment grants. Significant projects that are now reaching construction stage thanks to WBIF support include: Podgorica water improvements; leachate treatment in the Livade landfill in Podgorica; rehabilitation of the non-sanitary landfills at Cafe in Bar and at Vrtijeljka in Cetinje; and rehabilitation of the water supply pipeline in Andrijevica."



**Dmtar Djurović**  
Director,  
Koridori Srbije  
d.o.o.

### Consultancy Services for Technical Assistance to Koridori Srbije-Construction of Highway, Project Corridor X

"The Republic of Serbia (the Beneficiary) requested financial assistance in order for Koridori Srbije Belgrade (the Final Beneficiary) to procure the consultancy services of consulting firms to provide technical assistance related to the execution of the following Project:

- the construction of a 83.4 km motorway on the section of corridor between Niš and the border with Bulgaria at Dimitrovgrad (Corridor Xc)
- the construction of a 74.1 km motorway on the corridor between Leskovac and the FYROM border (Corridor Xd) and
- the completion of Section A and B of the Belgrade Bypass.

The WBIF approved the allocation of funds for this technical assistance for a total grant amount of €3 million, to be exclusively for financing the consultancy services. The specific objective of the services is to assist Koridori Srbije Belgrade with design preparation and review, contracts preparation, procurement and implementation, programming, monitoring and reporting in order to achieve the quality and timely delivery of the project in line with the technical description.

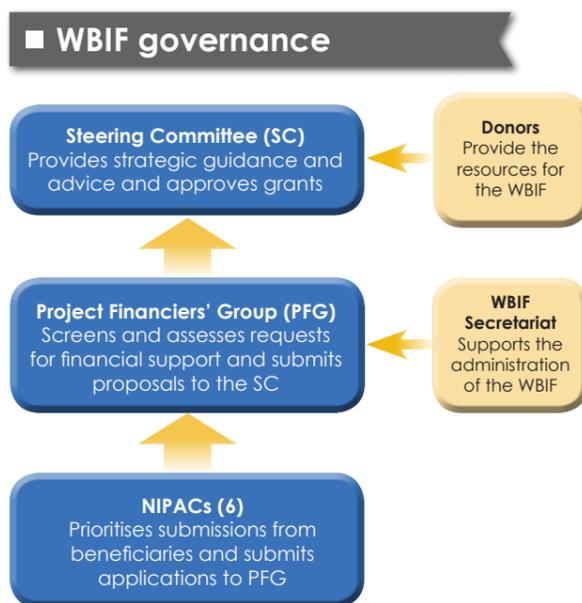
To implement the above objective, Koridori Srbije Belgrade (the Final Beneficiary) signed, on 1 August 2012, a contract for consultancy services (Technical Assistance to Koridori Srbije) with consulting company Egis International France. The cooperation with the Consultant is extremely fruitful and beneficial to Koridori Srbije who now have the assistance of a team of experienced experts in various fields. The Consultant has proved to be a professional and competent advisor to the Beneficiary."

# 6 WBIF organisation

The WBIF's governance is based around the principle of ownership by the beneficiaries. It is the beneficiaries who have to submit or endorse applications for grants to the WBIF via the NIPACs. The Project Financiers' Group provides a 'single entry point' for requests and is responsible for the process of screening (by the Commission) and financial appraisal (by the IFIs) of grant requests. The Project Financiers' Group recommends positively assessed requests to the Steering Committee for grant approval and monitors their subsequent implementation.

## Work Programme in 2013

Steering Committee meetings were held in June and December 2013, each of which was prepared by a single meeting of the Project Financiers' Group. Key activities undertaken during 2013 included: identification, screening and assessment of 81 investment projects; submission of 31 grant requests to the Steering Committee; creation of a Task Force to review the future evolution of the WBIF; sectoral workshops in the environment, energy efficiency and social sectors; organisation of a NIPAC regional workshop in Tirana; facilitation of WBIF visibility and/or strategy events in Belgrade, Pristina, Sarajevo and Skopje; preparation of a detailed review of the WBIF pipeline and preparation of a monitoring report; updating of a database of loans signed since 2007; upgrade and expansion of the WBIF website; and preparation of this Annual Report.

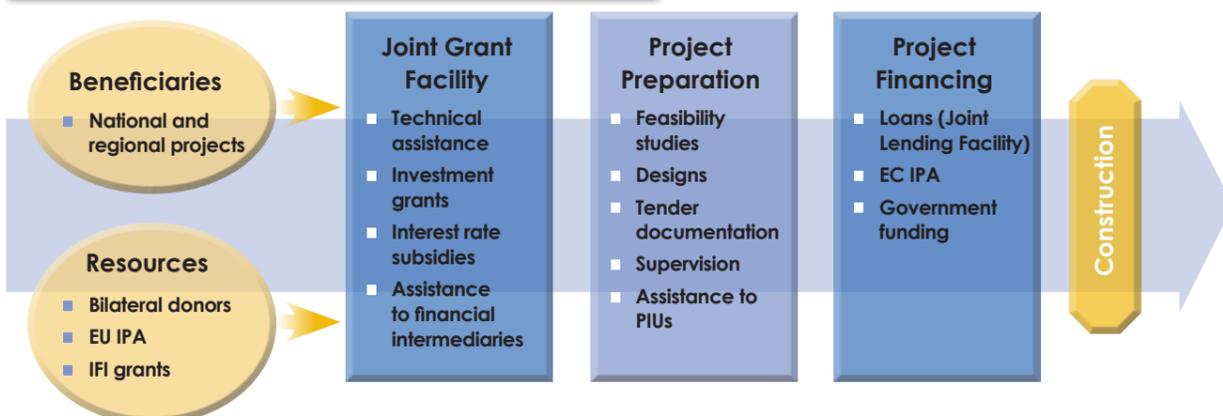


## Future outlook

Further work on the detailed review of the pipeline will be carried out by the WBIF Task Force in early 2014. This will assist with finalisation of the guidelines for the 11th call for proposals which is expected to be launched in spring 2014. The Task Force will present its proposals and recommendations for improvements to the WBIF at the June 2014 Steering Committee meeting.



## WBIF investment generation process



# 7 WBIF annexes

- 7.1 Glossary
- 7.2 Summary of implementation status for grants approved in 2008-2012
- 7.3 List of grants approved in 2013
- 7.4 Donor contributions

## 7.1 Glossary

CEB	Council of Europe Development Bank
EBRD	European Bank for Reconstruction and Development
EC	European Commission
EIB	European Investment Bank
EU	European Union
EWBJF	European Western Balkans Joint Fund
IBRD	World Bank International Bank for Reconstruction and Development
IFI	International Financial Institution
IPA	EU Instrument for Pre-Accession Assistance
IPF	Infrastructure Projects Facility
KfW	KfW Entwicklungsbank (KfW Development Bank)
MoU	Memorandum of Understanding
N/A	not applicable
NIPAC	National IPA Coordinator
RCC	Regional Cooperation Council
SEECCL	South East European Centre for Entrepreneurial Learning
SEETO	South East Europe Transport Observatory
SME	small and medium-sized enterprises
TA	Technical Assistance
ToR	Terms of Reference
WB EDIF	Western Balkans Enterprise Development and Innovation Facility
WBF	EBRD Western Balkans Fund
WBIF	Western Balkans Investment Framework

## 7.2 and 7.3 Glossary

### Grant types

ATP	Assistance to Tendering Process
CD	Concept Design
CF	Co-financing
DD	Detailed Design
EFA	Economic and Financial Appraisal
EIA	Environmental Impact Assessment
FAA	Financial Affordability Analysis
FR	Feasibility Report
FS	Feasibility Study
I	Identification
IRS	Interest Rate Subsidy
MD	Main Design
O	Other
OP	Operational Plan
PD	Preliminary Design
PFS	Pre-Feasibility Study
PIU	Support to Project Implementation Unit
RBMP	River Basin Management Plan
SD	Sector development
SIA	Social Impact Assessment
SofW	Supervision of Works
TMA	Technical and Management Assistance

### Project sectors

- Energy
- Environment
- Social
- Transport
- Private Sector Development

## ACCESSING THE WBIF MONITORING REPORT

Information on the implementation progress of the grants awarded under the WBIF, and on the financing of the associated projects, is held in the WBIF Management Information System. This is updated on a six-monthly basis and is reported in the WBIF Monitoring Report. Views of the latest monitoring tables sorted by Beneficiary, IFI and Sector are available by logging on using the following link:

URL: <http://www.wbif-mis.eu/monitoring> User Name: WBIF\wbif.monitoring Password: monitor1234!

## 7.2 Summary of implementation status for grants approved in 2008-2012

Project Code	Operation Title	Beneficiary	Grant type	Lead IFI(s)	Grant allocated (€)	Total Estimated Investment (€)	Status December 2013		
							Grant	Financing	Construction
<b>Round 1 – June 2008</b>									
TA-ALB-11	Upgrade of Transmission System	Albania	I, PFS	N/A	180,000	75,000,000	Completed 2009. Identified 5 FS of which 4 have been WBIF grants.	N/A	N/A
TA-FYRMAC-02	Pilot Project – Windpark Development	former Yugoslav Republic of Macedonia	FS	KfW	400,000	75,000,000	Completed 2010. Led to construction award in 2013	€33 million KfW loan signed.	Construction planned for completion end 2013.
TA-MON-02	Electricity Network Development Programme	Montenegro	PFS, FS	EBRD	1,850,000	100,000,000	PFS and FS completed. Tenders launched for Lastva-Pljevlja line.	€60 million EBRD loan signed.	Construction of underground sea cable from Italy, to which it will connect, ongoing.
TA-SER-26	Western Serbia – 400kV Transmission System Upgrade – PFS and FS	Serbia	PFS, FS	EBRD	500,000	50,000,000	PFS and FS completed. EMS preparing design stage.	FS positive	
TA-BIH-03	Plava Voda Regional Water Supply Project	Bosnia and Herzegovina	DD	EBRD/CEB	600,000	27,000,000	Design complete but institutional arrangements causing delay.	Financing agreements under consideration	
TA-KOS-01	Regional Water Company Pristina	Kosovo	TMA, FS	KfW	300,000	12,000,000	FS completed and further project preparation.	€20 million KfW loan signed.	At tendering stage
TA-MON-05	Podgorica Water Infrastructure Project	Montenegro	FS	EIB/EBRD	150,000	30,000,000	FS completed.	€15 million EIB loan signed.	Under construction
TA-MON-07	Podgorica Wastewater Project	Montenegro	FS	EIB	150,000	45,000,000	FS completed.	EIB loan agreed.	
TA-SER-17	FS for collection, transport & treatment of wastewater in the municipalities of Vranje and Uzice	Serbia	FS	KfW	500,000	35,000,000	FS completed.	KfW loan agreement signed.	At tendering
TA-ALB-04	Tirana University Hospital Centre Reform Programme in Albania – 2nd Phase	Albania	TMA, FS, O, EIA	CEB	580,000	58,000,000	EIA and energy supply study completed.	Updated loan request under consideration.	
TA-ALB-10	Education, Excellence and Equity Project (EEE-P) and Rehabilitation of Tirana Schools – 2nd Phase	Albania	I, TMA	CEB/EIB	1,500,000	76,000,000	Completed Mar 2012.	N/A	N/A
TA-BIH-01	State Prison Project in Bosnia and Herzegovina	Bosnia and Herzegovina	TMA, FS, PD	CEB	500,000 (1)	39,600,000	Completed	€19.6 million CEB loan signed	Tendering. Construction planned for 2014.
TA-FYRMAC-01	Idrizovo Prison Reform Project in former Yugoslav Republic of Macedonia	former Yugoslav Republic of Macedonia	TMA, FS, DD	CEB	500,000	52,000,000	OP, FS & assistance with PD completed. Assistance with DD to complete Apr 2014	€46 million CEB loan signed.	Works on Kumanovo prison completed. Contracts signed for Tetovo and Idrizovo.
TA-ALB-06	FS for track renewal and signalling and communication systems for entire Albanian Railway network	Albania	FS	EBRD	1,500,000	200,000,000	Completed. Resulted in WB4-ALB-TRA-09		
TA-BIH-06	Construction of Main Road Foca (Brod na Drini) – Hum	Bosnia and Herzegovina	PFS, FS	EBRD/EIB	700,000	60,000,000	PFS & FS completed		
TA-BIH-08	Corridor Vc – 2nd phase	Bosnia and Herzegovina	TMA, FS	EIB	500,000	495,000,000	Completed.	€421 million EIB/EBRD loans signed	Under construction
TA-KOS-02	Rehabilitation of Railway Route 10 (Leshak – Mitrovicë – Fushë Kosovë – Ferizaj – Hani i Elezit)	Kosovo	PFS	N/A	500,000	135,000,000	FS completed		
TA-SER-15	Railway Reconstruction: Nis to the former Yugoslav Republic of Macedonia border (Corridor X)	Serbia	PFS	EIB/EBRD	500,000	260,000,000	FS completed. Led to WB4-SER-TRA-05 but this was cancelled.		
<b>Round 2 – March 2009</b>									
TA2-MKD-ENE-02	Construction of 400kV overhead line (OHL) from former Yugoslav Republic of Macedonia to Serbia	former Yugoslav Republic of Macedonia	EIA, O	WB	100,000	14,000,000	Completed	€11 million WB loan signed	Under construction. Issues with land expropriation.
TA2-ALB-ENV-01	Wastewater and sanitation in Lezha and Shengjin	Albania	ATP, DD, PD	EC/KfW	180,000	3,600,000	Completed (Shengjin)	€3.6 million EU grant	Construction started May 2012
TA2-ALB-ENV-02	Project for Water Supply and Sewerage in Kamza	Albania	FS	CEB/KfW	450,000	15,000,000	Completed	€6.5 million KfW loan	Tendering
TA2-ALB-ENV-03	Upgrade of Kavaja WWTP and completion of sewerage network for Golemi	Albania	DD	EC	350,000	9,700,000	Completed	€4.8 million EU grant	Construction started Oct 2012
TA2-MNE-ENV-04	Wastewater treatment plant Berane	Montenegro	FS	EIB	150,000	11,200,000	Completed	Framework loan signed	Project preparation has progressed to tendering.
TA2-SER-SOC-04	Municipal and Regional Infrastructure	Serbia	TMA, ATP, SofW, O	EIB	375,000	150,000,000	Completed	Financing planned under CEB Regional Housing Programme	
TA2-MNE-SOC-08	Centre for the Elderly – Pljevlja	Montenegro	DD, ATP, O		150,000	1,200,000	Completed	EIB loan signed	Under construction

(1) Includes a €2 million interest rate subsidy from the CEB Selective Trust

## Summary of implementation status for grants approved in 2008-2012, cont.

Project Code	Operation Title	Beneficiary	Grant type	Lead IFI(s)	Grant allocated (€)	Total Estimated Investment (€)	Status December 2013		
							Grant	Financing	Construction
TA2-BIH-TRA-02	Railway Sarajevo – Podlugovi	Bosnia and Herzegovina	ATP, DD		600,000	20,000,000	FS and DD completed	EIB framework loan signed	
TA2-MNE-TRA-03	Reconstruction of Main Road Scepan Polje – Pluzine (Bosnia and Herzegovina border)	Montenegro	I, FS	EIB	150,000	35,000,000	Completed. Led to TA3-MON-TRA-03		
<b>Round MW2008 – March 2009</b>									
MW-KOS-ENE-KfW-02	Improvement of District Heating in Pristina	Kosovo	CF	KfW	14,000,000	27,000,000	Grant agreements signed and ratified	Loan agreements signed and ratified	Construction contract at tendering stage
MW-ALB-ENV-CEB/KfW-02	Water Supply and Sewage, Gjirokastra, Fier	Albania	CF	CEB/KfW	4,500,000 (2)	31,000,000	Grant agreements signed and ratified	Loan agreements signed and ratified	At tender preparation
MW-ALB-ENV-CEB/KfW-03	Wastewater Pogradec	Albania	CF	CEB/KfW	3,500,000	13,500,000	Grant agreements signed and ratified	Loan agreements signed and ratified	Under construction
MW-ALB-CEB/KfW-06	Kamza Water and Sanitation	Albania	CF	CEB/KfW	5,500,000	34,500,000	Grant agreements signed and ratified	Loan agreements signed and ratified	At design stage
MW-BIH-ENV-EIB-01	Water and Sanitation (Velika Kladusa, Orasje, Bosanski Petrovac, Posusje, Siroki Brijeg)	Bosnia and Herzegovina	CF	EIB	17,000,000 (2)	121,300,000	Grant agreements signed and ratified	Loan agreements signed and ratified	Under construction
MW-BIH-ENV-EBRD-02	Bijeljina Wastewater System Project – Phase II	Bosnia and Herzegovina	CF	EBRD	3,000,000	23,600,000	Grant agreements signed and ratified	Loan agreements signed and ratified	Under construction
MW-BIH-ENV-CEB/KfW-04	Water Supply and Sewage Collection in Banja Luka	Bosnia and Herzegovina	CF	CEB/KfW	3,000,000 (2)	19,000,000	Grant agreements signed and ratified	Loan agreements signed and ratified	Under construction
MW-KOS-ENV-KfW-01	Rehabilitation of Pristina water supply and sewage network	Kosovo	CF	KfW	11,000,000	27,000,000	Grant agreements signed and ratified	Loan agreements signed and ratified	At tendering stage
MW-MNE-ENV-EIB-02	Rehabilitation and construction of water and wastewater infrastructure in north	Montenegro	CF	EIB	5,000,000	23,600,000	Grant agreements signed and ratified	Loan agreements signed and ratified	At tendering stage
MW-SER-ENV-CEB/KfW-01	Improvement of Water Supply and Sewerage Systems in Medium-Sized Towns in Serbia	Serbia	CF	CEB/KfW	3,000,000	43,500,000	Grant agreements signed and ratified	Loan agreements signed and ratified	Under construction
MW-ALB-TRA-CEB/KfW-07	Feeder Roads	Albania	CF	CEB/KfW	9,000,000	24,400,000	Grant agreements signed and ratified	Loan agreements signed and ratified	At tendering stage
MW-SER-TRA-EIB-03	City of Belgrade Urban Renewal – Reconstruction of the urban transport system	Serbia	CF	EIB	6,000,000	32,000,000	Grant agreements signed and ratified	Loan agreements signed and ratified	Under construction
<b>Round 3 – December 2009</b>									
TA3-ALB-ENE-01	FS for construction of 220/110 double circuit line – Tirana 2 (Razhbull) in replacement of existing line	Albania	TMA, FS, DD, O	KfW	577,000	40,500,000	Completed		
TA3-KOS-ENE-03	Improvement of District Heating, Phase 2 – combined heat and power	Kosovo	FS	KfW	300,000	27,000,000	Completed	€5 million KfW loan	Tendering
TA3-ALB-ENV-02	DD for water supply and sewerage systems for Elbasan city	Albania	DD	KfW	500,000	20,000,000	Cancelled		
TA3-ALB-ENV-03	FS and DD for Improvement of Flood Protection Infrastructure in Albania	Albania	FS	N/A	400,000	20,000,000	Completed		
TA3-BIH-ENV-01	Water and Sanitation in Republika Srpska – 15 municipalities	Bosnia and Herzegovina	FS	EIB	1,250,000	114,000,000	Will complete end 2013	EIB framework loan signed	Construction on first packages started and disbursing
TA3-BIH-ENV-02	Water and Sanitation in Federation of Bosnia and Herzegovina – 16 municipalities	Bosnia and Herzegovina	FS	EIB	1,250,000	121,000,000	Complete	EIB framework loan signed	Construction started and disbursing
TA3-BIH-ENV-03	Bijeljina Wastewater Treatment Plant Implementation	Bosnia and Herzegovina	ATP	EBRD	400,000	26,000,000	Completed	€5m EBRD loan signed	Under construction
TA3-BIH-ENV-05	Reconstruction of distribution networks in the municipalities connected to the Plava Voda Regional Water Supply Project – 4 municipalities	Bosnia and Herzegovina	TMA	EBRD	300,000	6,000,000	Completed	IPA financing planned	
TA3-KOS-ENV-01	Project preparation Feasibility Studies for Wastewater Treatment Plants in Kosovo	Kosovo	FS	KfW/EC	1,750,000	120,000,000	2 out of 4 FS completed		
TA3-MON-ENV-02	Wastewater treatment plant and network in Kolasin	Montenegro	FS	EIB	200,000	3,500,000	Completed	EIB framework loan signed	
TA3-MON-ENV-03	Wastewater treatment plant and network in Danilovgrad	Montenegro	FS	EIB	200,000	12,700,000	Cancelled		
TA3-MON-ENV-04	Wastewater treatment plant and network in Rozaje	Montenegro	FS	EIB	200,000	8,200,000	Completed	EIB framework loan signed	Tendering
TA3-SER-ENV-01	Municipal Water – Nis and Novi Sad Municipalities	Serbia	TMA	EIB	1,000,000	60,000,000	Under written procedure for change in scope		

(2) These figures are to be reviewed as part of the ongoing Detailed Review

Summary of implementation status for grants approved in 2008-2012, cont.

Project Code	Operation Title	Beneficiary		Grant type	Lead IFI(s)	Grant allocated (€)	Total Estimated Investment (€)	Status December 2013		
								Grant	Financing	Construction
TA3-HR-SOC-01	Construction of a penitentiary/prison complex in Sibenik	Croatia		FS, TMA	CEB	800,000	100,000,000	OP & FR completed and CEB loan agreement offered. Remainder of grant cancelled due to changed Government priorities		
TA3-MKD-SOC-01	Health Provider Institutions (HPIs)	Former Yugoslav Republic of Macedonia		TMA, FS, PD, DD	CEB	2,000,000	95,000,000	Planned for completion April 2013	Loan discussions ongoing	
TA3-SER-SOC-01	Building the knowledge economy of Serbia, Research and Development Infrastructure Initiative/Teaching Infrastructure Investment Programme	Serbia		FS, TMA	EIB	600,000	420,000,000	Completed	EIB loan signed	Component A constructed and component B under construction
TA3-SER-SOC-02	Modernisation of Judiciary Facilities	Serbia		I, TMA, FS, DD	EIB	720,000	45,000,000		Completed but government plans changed. Further work under WB6-SER-SOC-08	
TA3-SER-SOC-03	Modernisation of prison facilities / providing a humane and safe prison system	Serbia		FS, DD, TMA	CEB	700,000	70,000,000	Under execution	€18 million CEB loan planned	
TA3-SER-SOC-04	Social Housing – Serbia	Serbia		TMA	CEB	70,000	58,100,000	Completed	CEB loan signed	
TA3-MON-TRA-01	Construction of the main road Scepun Polje – Pluzine (Bosnia and Herzegovina border)	Montenegro		PD, EIA	EIB	550,000	60,000,000	Completed		
WB1-ALB-TRA-01	Regional and Local Roads	Albania		DD, SofW, TMA	EBRD/EIB	4,000,000	137,000,000	Under execution	€100 million EBRD/EIB loan signed	Under construction
WB1-BIH-TRA-01	Corridor Vc Motorway	Bosnia and Herzegovina		TMA, SofW	EIB	2,000,000	497,000,000	TA under tendering	EBRD/EIB loans signed	Under construction
WB1-BIH-TRA-03	Mahovljani Interchange: Assistance with Institutional Strengthening of Republika Srpska Motorways	Bosnia and Herzegovina		TMA	EBRD	300,000	30,500,000	Completed	€21 million EBRD loan signed	Under construction
WB1-SER-TRA-01	Corridor X Serbia	Serbia		PD, DD, SofW, TMA	EIB	4,500,000	1,360,000,000	Under execution	€579 million EIB loans signed	Under construction
WB1-SER-TRA-02	Belgrade Rail Modernisation Project – Procurement, Implementation Support and Contract Supervision and Urban Transport Public Service Contracting and Route Structuring Preparation	Serbia		TMA	EBRD	750,000	79,750,000	Cancelled		
WB1-SER-TRA-03	Sava Bridge Loan Extension: Performance-Based Maintenance and Management of Roads (PMMR) and Bridges	Serbia		TMA	EIB	240,000	404,090,000	Cancelled		
<b>Round 4 – June 2010</b>										
WB4-ALB-ENE-01	FS for construction of new Substation Tirana 3 with 120 megavolt ampere (MVA) capacity for reinforcement of Tirana Ring	Albania		FS	KfW	577,605	20,820,000	Completed		
WB4-KOS-ENE-05	Energy Efficiency Measures in Public Buildings	Kosovo		FS	KfW	600,000	7,000,000	Completed. Led to WB7-KOS-ENE-09	Financing planned with KfW	
WB4-SER-ENE-04	Interconnection with Bulgaria Gas Transmission Pipeline	Serbia		FS, EIA, SIA	EBRD	1,000,000	58,400,000	Completed. Agreement between Serbia and Bulgaria signed.		
WB4-ALB-ENV-05	FS and DD regional landfill	Albania		FS, DD, CF	CEB/KfW	1,100,000	30,000,000	Cancelled		
WB4-MNE-ENV-11	Construction of Regional Landfills in Plijevlja and Zabljak	Montenegro		FS, EIA, SIA	EIB	150,000	54,000,000	Under execution	FS indicates low economic returns	
WB4-MNE-ENV-12	Construction of Regional Landfills in Montenegro	Montenegro		EIA, SIA	EIB	750,000	54,750,000	Under execution	Framework loan signed	
WB4-BIH-SOC-02	Support for the construction of a Maximum Security State Prison	Bosnia and Herzegovina		ATP, DD, IRS, O	CEB	3,200,000	39,600,000	Completed. Follow on from TA-BIH-01	CEB loan signed	Tendering. Construction planned for 2014.
WB4-SER-SOC-05	TA for School Modernisation Programme	Serbia		TMA	EIB	800,000	169,000,000	Under execution	€50 million EIB loan signed	Under construction
WB4-SER-TRA-04	TA for Railways rehabilitation II	Serbia		TMA	EIB	1,000,000	168,700,000	Under execution	€35 million EIB loan signed	Under construction
WB4-SER-TRA-05	Documentation for Modernisation of Railway Nis to former Yugoslav Republic of Macedonia	Serbia		FS, PD, EIA, SIA	EBRD	1,040,000	270,000,000	Cancelled		
WB4-SER-TRA-06	TA for Railways infrastructure	Serbia		TMA, CF	EIB	800,000	N/A	Under execution		
WB4-ALB-TRA-08	TA for Project Implementation Roads Sector	Albania		TMA	EIB	800,000	60,000,000	Under execution	First EIB loan signed	Under construction
WB4-ALB-TRA-09	DD for Tirana – Durres Railway Section and economic financial appraisal for whole rail network	Albania		DD, EFA	EBRD	1,250,000	42,500,000	Tendering for consultant		

## Summary of implementation status for grants approved in 2008-2012, cont.

Project Code	Operation Title	Beneficiary	Grant type	Lead IFI(s)	Grant allocated (€)	Total Estimated Investment (€)	Status December 2013		
							Grant	Financing	Construction
<b>Round 4bis – December 2010</b>									
WB4bis-MKD-ENE-03	FS and EIA/SIA for electricity production & irrigation components of 'Zletovica' project	former Yugoslav Republic of Macedonia	FS, EIA, SIA	EIB	1,000,000	131,000,000	Under execution		
WB4bis-SER-ENE-05	Rehabilitation of district heating systems in Serbia – Phase IV	Serbia	FS	KfW	500,000	58,000,000	Completed. Led to WB9-MKD-ENE-01		
WB4bis-REG-ENE-01	FS for 400kV interconnection Albania – former Yugoslav Republic of Macedonia	Albania, former Yugoslav Republic of Macedonia	FS, EIA, SIA	EBRD	650,000	46,250,000	Under execution	€45 million KfW loan signed	Under construction
<b>Round 5 – June 2011</b>									
WB5-BiH-ENE-05	Wind Farm, Poklecani	Bosnia and Herzegovina	FS, EIA	EIB	380,000	110,380,000	Under execution		
WB5-HR-ENE-01	LNG Regasification Vessel	Croatia	FS, EIA, PD	EBRD	1,000,000	101,000,000	Under execution		
WB5-HR-ENE-02	LNG Evacuation Gas Pipelines Omišalj – Zlobin – Rupa (Slovenia)	Croatia	EFA	EBRD	180,000	95,680,000	Under execution		
WB5-HR-ENE-03	Wind and solar projects in Splitsko-dalmatinska County	Croatia	FS, FAA, PD, EIA, EFA	KfW	500,000	124,500,000	Cancelled		
WB5-HR-ENE-04	Small hydroelectric power plant, Ozalj	Croatia	FS, FAA, PD, EIA, EFA	KfW	500,000	7,700,000	Cancelled		
WB5-MKD-ENE-04	National gasification system	former Yugoslav Republic of Macedonia	FS, EIA/ESIA	EBRD	170,000	307,940,000	Under execution		
WB5-MNE-ENE-04	Pljevlja renewable energy heating	Montenegro	TMA, ATP, CF	EBRD	2,500,000	6,665,000	Cancelled		
WB5-SER-ENE-06	Rehabilitation of the District Heating Systems in Serbia – Phase IV – Programme implementation – Second stage	Serbia	TMA, FMA	KfW	1,512,000	58,262,000	Under execution. Follow on from WB4bis-SER-ENE-05	€45 million KfW loan signed	Under construction
WB5-REG-ENE-02	400-kilovolt (kV) Interconnection Serbia – Montenegro – Bosnia and Herzegovina; Regional Project	regional	FS, EIA	EBRD	850,000	92,850,000	Under execution		
WB5-REG-ENE-03	Regional Project Ionian Adriatic Pipeline	regional	FS, EIA	EBRD	3,500,000	583,500,000	Under execution		
WB5-ALB-ENV-06	Durresi Water and Sanitation	Albania	FS, EIA, DD, ATP, PIU	EIB	950,000	73,600,000	Under execution		
WB5-BiH-ENV-15	Water Leakage Reduction Plan for the Municipality of Tuzla	Bosnia and Herzegovina	I, TMA	KfW	400,000	28,400,000	Under execution		
WB5-BiH-ENV-16	Construction of sewage collectors and wastewater treatment and disposal plant in Cazin	Bosnia and Herzegovina	FS, PD, DD, ATP	EBRD	700,000	15,600,000	Completed	€5 million EBRD loan signed	
WB5-BiH-ENV-17	Flood Risk Management for Republika Srpska	Bosnia and Herzegovina	FS, MD, SofW, TMA	EIB	2,500,000	70,000,000	Under execution	€74 million EIB loan signed	Tendering
WB5-BiH-SOC-03	Designing the Medical Faculty, Medical Research Centre and secondary Medical School	Bosnia and Herzegovina	FS, PD, MD	EIB	800,000	15,000,000	Under execution		
WB5-REG-SOC-01	Construction and Development of the Centre for Entrepreneurial Learning and Strengthening Competitiveness Economy (Entrepreneurial Learning)	regional	I, FS, PD, DD, ATP, TMA	EIB	1,584,000	30,000,000	Under execution		
WB5-BiH-TRA-14	Corridor Vc Railways, Track overhaul Bosanski Šamac/Šamac – Sarajevo, Sections: Doboj – Maglaj, Jelina – Zenica	Bosnia and Herzegovina	FS, DD, ATP	EIB	1,000,000	31,000,000	Under execution	EIB framework loan signed	
WB5-KOS-TRA-06	Feasibility Study for the key railway links (East – West)	Kosovo	FS, PD	EC	600,000	182,000,000	Completed		
WB5-MKD-TRA-01	Construction of Kumanovo – Deve Bair railway line, border with Bulgaria, Eastern part of Corridor VIII, section Kumanovo – Beljakovce	Former Yugoslav Republic of Macedonia	DD, ATP	EBRD	1,500,000	34,000,000	Under execution	€46.4 million EBRD loan signed	

Summary of implementation status for grants approved in 2008-2012, cont.

Project Code	Operation Title	Beneficiary		Grant type	Lead IFI(s)	Grant allocated (€)	Total Estimated Investment (€)	Status December 2013		
								Grant	Financing	Construction
<b>Round 6 – December 2011</b>										
WB6-ALB-ENE-03	Feasibility study for 220kV double-circuit line Elbasan – Fieri (including Kucova substation)	Albania		FS, EIA	KfW	850,000	23,850,000	Under execution		
WB6-BiH-ENE-07	Hydroelectric power plants – Krusevo and Zeleni Vir	Bosnia and Herzegovina		FS, EIA,	EIB	1,000,000	41,000,000	Held up		
WB6-BiH-ENE-08	Hydroelectric power plant – Caplje	Bosnia and Herzegovina		FS, EIA,	EIB	800,000	34,000,000	Cancelled		
WB6-MNE-ENE-05	Biomass district heating system Kolasin	Montenegro		FS	KfW	300,000	2,400,000	Under execution		
WB6-MNE-ENE-06	Electricity network expansion for the development of renewable energy sources (RES)	Montenegro		FS, PD	EBRD	600,000	17,575,000	TA under tendering		
WB6-REG-ENE-07	Gas Interconnection Brod (Bosnia and Herzegovina) – Slavonski (Croatia) (Licka Jesenica – Rakovica – Trzac – Bosanska Krupa and branches to Bihac and Velika Kladusa)	regional		FS, EIA, SIA, FAA	EBRD	1,000,000	130,750,000	Cancelled		
WB6-REG-ENE-08	South Gas Interconnection of Bosnia and Herzegovina and Croatia (Option 1: Zagvozd – Posusje – Travnik; Option 2 Ploce – Mostar)	regional		EIA,FS	EBRD	400,000	101,000,000	Under execution		
WB6-ALB-ENV-10	Feasibility study for construction of sanitary regional landfill – Vlora Region	Albania		FS	KfW	1,000,000	12,500,000	ToR completed		
WB6-BiH-ENV-19	Water and sewerage – Mostar	Bosnia and Herzegovina		FS (update), ATP, IRS, SofW	EIB	2,500,000 (1)	24,980,000	Under execution		
WB6-MNE-ENV-17	Reconstruction of water supply system in the old royal capital of Cetinje	Montenegro		ATP, MD	EIB	600,000		Under execution		
WB6-SER-ENV-03	Construction of collectors II and VII and water well in Subotica and preparation of technical documents for sludge management	Serbia		ATP, SofW, TMA, CF	EBRD	2,040,000	24,600,000	Under execution	€11 million EBRD loan signed	
WB6-ALB-SOC-14	Master plan and feasibility study for communal infrastructure works in Albanian Alps area	Albania		FS, O, IRS	CEB	3,000,000 (1)	15,000,000	ToR completed		
WB6-HR-SOC-03	New campus and University Learning Resource Centre	Croatia		FS, EIA, CD	EIB	800,000	90,500,000	Under execution		
WB6-MKD-SOC-02	Physical education facilities in secondary schools, acquisition of equipment and refurbishment of those below basic standards – Phase I	former Yugoslav Republic of Macedonia		EIA, ATP, SofW, CF	CEB	1,000,000	14,300,000	N/A	€12.5 million CEB loan signed	Investment grant disbursed
WB6-MKD-SOC-03	Physical education facilities in secondary schools, acquisition of equipment and refurbishment of those below basic standards – Phase II	former Yugoslav Republic of Macedonia		EIA, ATP, SofW, CF	CEB	2,000,000	45,000,000	N/A	€30 million CEB loan signed	Investment grant disbursed
WB6-MKD-SOC-04	Complementary funding for competition of works related to HPis – Rehabilitation Phase I	former Yugoslav Republic of Macedonia		CF	CEB	3,000,000	46,000,000	N/A	€23 million CEB loan signed	Investment grant disbursed
WB6-SER-SOC-08	Extended TA for Judiciary facilities	Serbia		PD, MD, TMA	EIB	1,000,000	18,000,000	Under execution		
WB6-SER-SOC-09	Development of a concept for monitoring and evaluation of inclusive practice in Serbian education system	Serbia		TMA, SD	WB	350,000		ToR completed		
WB6-BiH-TRA-15	TA during construction of Brcko bypass	Bosnia and Herzegovina		TMA, ATP	EBRD	500,000	45,000,000	Under execution		
WB6-BiH-TRA-18	Study on toll collection and system design for Republika Srpska motorways	Bosnia and Herzegovina		TMA	EBRD	300,000	10,300,000	Completed		
WB6-MNE-TRA-14	Preparation of a SEETO road Route 4 investment plan for Montenegro	Montenegro		FAA, EIA	EIB	500,000	500,000,000	Completed		
WB6-SER-TRA-10	Belgrade road and tram network upgrade – Phase 2	Serbia		DD, TMA, ATP, SofW, O	EBRD	2,350,000	283,000,000	Under execution	€87 million EBRD loan signed	
WB5-REG-PSD-01	Establishment of Western Balkan Venture Capital Fund (WBVCF) and Guarantee Facility (WBGF)	regional		Guarantee, Capital	EIB	34,200,000	185,000,000	EDIF launched Dec 2012 and became operational in 2013		

## Summary of implementation status for grants approved in 2008-2012, cont.

Project Code	Operation Title	Beneficiary	Grant type	Lead IFI(s)	Grant allocated (€)	Loan Estimation	Total Estimated Investment	Status December 2013		
								Grant	Financing	Construction
<b>Round 7 – June 2012</b>										
WB7-BiH-ENE-09	50 MW Wind Farm VLASIC-TRAVNIK	Bosnia and Herzegovina	FS, EIA, FAA, PD, O	EIB	875,000	43,000,000	63,000,000	Under execution		
WB7-KOS-ENE-08	Energy Efficiency measures in Central Public Buildings	Kosovo	FS, FAA, TMA	WB	700,000	10,000,000	10,700,000	ToR completed		
WB7-KOS-ENE-09	Implementation of Energy Efficiency Measures in Public Buildings in Municipality Level	Kosovo	TMA, PIU, CF	KfW	2,500,000	2,500,000	7,500,000	Under execution		
WB7-REG-ENE-09	Establishment of a Regional Energy Efficiency Programme for the Western Balkans	Regional	TMA, EFA, CF	EBRD	23,350,000	160,000,000	186,500,000	Launched and became operational during 2013		
WB7-REG-ENE-11	Strengthening of main Croatian transmission North-South axis	Regional	FS, EFA, EIA	EBRD	1,500,000	26,000,000	150,000,000	ToR under preparation		
WB7-REG-ENE-SD-14	Gas-to-Power Initiative and the Energy Community (EnC) Gas Ring in South East Europe	Regional	SD	WB	1,000,000			Under execution		
WB7-KOS-ENV-05	Strengthening Waste Management	Kosovo	I, FS, EIA, FAA	WB	400,000	700,000	1,200,000	ToR completed		
WB7-KOS-ENV-06	Feasibility Study for Protection of Iber Canal	Kosovo	FS	WB	500,000	7,000,000	10,000,000	ToR completed		
WB7-MNE-ENV-24	TA for wastewater and water supply in Montenegro	Montenegro	ATP	EIB	700,000	14,466,667	23,183,788	Under execution		
WB7-BiH-SOC-04	Support for vulnerable persons living in collective accommodation	Bosnia and Herzegovina	SofW, IRS	CEB	3,200,000 (1)	55,000,000	79,400,000	ToR under preparation		
WB7-BiH-SOC-05	Support for construction of Integra sport and cultural facility	Bosnia and Herzegovina	ATP, PIU, O, IRS	CEB	2,550,000 (1)	12,730,000	26,950,000	Under execution		
WB7-HR-SOC-04	Student Accommodation Infrastructure at universities of Rijeka and Osijek	Croatia	FS, EFA	EIB	2,800,000	17,000,000	70,930,000	Under execution		
WB7-REG-SOC-03	Pilot Project for Higher and Professional Education Finance in South East Europe	Regional	FS, TMA, O	KfW	600,000	100,000,000	101,000,000	Under execution		
WB7-ALB-TRA-12	Tirana Bypass	Albania	FS, EIA, EFA, PD	EBRD	1,000,000	32,500,000	40,000,000	Under execution		
WB7-MKD-TRA-02	Railway line Eastern part of Corridor VIII, Beljakovce–Deve Bair section	former Yugoslav Republic of Macedonia	DD, ATP	EBRD	2,700,000	374,000,000	538,700,000	TA under tendering		
WB7-MKD-TRA-03	Railway line Eastern part of Corridor VIII, Kumanovo–Beljakovce section	former Yugoslav Republic of Macedonia	SofW	EBRD	2,500,000	46,000,000	50,000,000	TA under tendering		
WB7-REG-TRA-SD-02	Updating the Regional Transport Study (REBIS)	former Yugoslav Republic of Macedonia	SD	WB	600,000			Under execution		
WB7-REG-PSD-SD-02	PPP Institutional Strengthening in the Western Balkans	Regional	SD	EIB	1,000,000			Under execution		
<b>Round 8 – December 2012</b>										
WB8-BiH-ENE-11	Smart metering/AMR system design & implementation support	Bosnia and Herzegovina	EFA	EIB	460,000	14,540,000	30,000,000	Under execution		
WB8-HR-ENE-11	FS, ESIA & CBA – regulation & development of the Sava river in Zagreb	Croatia	FS, ESIA	EBRD	1,500,000	300,000,000	1,210,000,000	Under execution		
WB8-KOS-ENE-11	FS – Fuel switching & system expansion for district heating in Gjakove	Kosovo	FS	KfW	300,000	6,000,000	6,300,000	Under execution		
WB8-SER-ENE-11	EE Programme in public buildings – Serbia EEP	Serbia	FS, DD, ATP, SofW	KfW	1,300,000	10,000,000	12,600,000	ToR completed		
WB8-BiH-ENV-27	Water and sanitation project in Republika Srpska	Bosnia and Herzegovina	FS, ATP, PIU	EIB	1,250,000	50,000,000	100,000,000	Under execution		
WB8-BiH-ENV-29	Optimization of sewerage collectors & WWTPs in Modrac Lake basin	Bosnia and Herzegovina	FS, EFA, EIA, PD, DD	EBRD	1,000,000	10,000,000	26,000,000	ToR under preparation		
WB8-MNE-ENV-31	Montenegro solid waste – TA in preparation of project implementation	Montenegro	TD	EIB	70,000			ToR under preparation		
WB8-MNE-ENV-32	Reconstruction of main water supply pipeline in Andrijevisa	Montenegro	CF	EIB	400,000	326,000	806,500	N/A		
WB8-REG-ENV-03	Support to water resources management in Drina River Basin	Regional	RBMP	WB	1,200,000			ToR completed		
WB8-KOS-SOC-06	Kosovo education improvement project	Kosovo	TMA	WB	550,000			ToR under preparation		
WB8-SER-SOC-13	Extended TA for improvement of prison facilities	Serbia	PD, MD, ATP	CEB	700,000	17,000,000	29,000,000	Under execution		
WB8-ALB-TRA-13	FS & preliminary design of two tram lines in Tirana	Albania	FS, EFA, EIA, PD,	EBRD	750,000	70,000,000	100,000,000	Under written procedure for change in scope		
WB8-SER-TRA-14	Reconstruction & modernisation of existing railway track & construction of second track on the Belgrade – Nis; Stalac – Djunis section	Serbia	FS, PD, EIA	EBRD	1,500,000	105,550,000	107,660,000	ToR completed		

(1) Includes a €2 million interest rate subsidy from the CEB Selective Trust

## 7.3 List of grants approved in 2013

Project Code	Operation Title	Beneficiary	Grant type	Lead IFI(s)	Grant allocated (€)	Loan Estimation	Total Estimated Investment
<b>Round 9 – June 2013</b>							
WB9-BIH-ENE-01	HHP Babino selo	Bosnia and Herzegovina	CD, EIA, FS, SIA	EBRD	750,000	22,000,000	28,850,000
WB9-BIH-ENE-02	HPP Vinac	Bosnia and Herzegovina	CD, EIA, FS, SIA	EBRD	750,000	20,000,000	25,850,000
WB9-BIH-ENE-03	Pale district heating	Bosnia and Herzegovina	CF	EBRD	1,500,000	4,500,000	7,600,000
WB9-HR-ENE-01	JANAF oil pipeline upgrading	Croatia	ATP, EFA, EIA, PD, SIA, TMA	EBRD	1,600,000	20,000,000	53,600,000
WB9-MKD-ENE-01	400kV interconnection from part of Bitola (fyrom) - Elbasan (Albania) line & substation	former Yugoslav Republic of Macedonia	DD	EBRD	900,000	37,300,000	43,500,000
WB9-SER-ENE-01	400kV OHL from sub-stations Bajina Basta to Kraljevo	Serbia	EIA, FS, PD, SIA	KfW	800,000	35,000,000	40,800,000
WB9-REG-ENE-SDP-01	Biomass heating in Western Balkans sector study	Regional	SD	WB	875,000		875,000
WB9-BIH-ENV-03	Water supply & sanitation in FBiH	Bosnia and Herzegovina	PIU	EIB	1,250,000	60,000,000	121,300,000
WB9-REG-ENV-SDP-01	Klokot water source (Bihac) protection zone study	Regional	SD	WB	750,000		750,000
WB9-HR-SOC-01	Health institutions reconstruction & construction of depts & centres	Croatia	ATP, DD, EIA, FS, PD, SIA	CEB	1,500,000	29,295,000	60,090,000
WB9-HR-SOC-02	Zadar University: new campus & Learning Resource Centre	Croatia	ATP, TMA	EIB	1,200,000	15,000,000	90,000,000
WB9-SER-SOC-01	Palace of Justice	Serbia	PIU, SofW	EIB	800,000	45,000,000	91,800,000
WB9-REG-SOC-SDP-01	Higher and Professional Education Finance in South East Europe - pilot project	Regional	FS, TMA	KfW	400,000		
WB-KOS-TRA-01	Railway Route 10 rehabilitation	Kosovo	ATP, DD	EBRD	1,840,000		70,000,000
WB9-MKD-TRA-01	Motorway A4 Skopje - Blace, section Stenkovec interchange Blace	former Yugoslav Republic of Macedonia	DD, EIA, FS, PD, SIA	EBRD	1,000,000	100,000,000	101,000,000
<b>Round 10 – December 2013</b>							
WB10-KOS-ENE-01	Rehabilitation for DH in Gjakova	Kosovo	FS, ESIA, TD	KfW	600,000		600,000
WB10-MNE-ENE-01	Gas development masterplan	Montenegro	I	EBRD	550,000		550,000
WB10-SER-ENE-01	Biomass fired cogeneration plant Subotica	Serbia	PD, ATP, SofW	KfW	600,000	20,000,000	24,800,000
WB10-ALB-ENV-01	Water supply in rural areas	Albania	FS, DD, ATP, SofW	KfW	750,000	24,000,000	42,800,000
WB10-MKD-ENV-01	Water and Sewerage Programme	former Yugoslav Republic of Macedonia	DD, ATP, SofW	KfW	400,000	8,635,000	13,099,143
WB10-SER-SOC-01	Post-earthquake housing reconstruction in Kraljevo	Serbia	PIU, TMA	CEB	880,000	8,000,000	14,200,000
WB10-MNE-TRA-01	Bar-Vrbnica Railway Line Upgrade	Montenegro	FS, ESIA, DD, TMA	EIB	1,000,000	40,000,000	47,300,000
WB10-MNE-TRA-02	Priority bypass on Montenegrin coast	Montenegro	FS, DD	KfW	500,000	50,000,000	51,500,000
WB10-SER-TRA-02	Construction of Highway E-80 (Merdare to Doljevac)	Serbia	PFS, I	EIB	900,000	320,000,000	321,000,000

## 7.4 Donor contributions

### ■ Status of the European Western Balkans Joint Fund

contributions received and transferred since the launch of WBIF as of 31 December 2013

#### contributions transferred from EBRD Western Balkans Fund (WBF)\*

in €'s

 Sweden	942,569
 United Kingdom	843,107
 Austria	808,507
 Canada	421,384
 Czech Republic	404,253
 Norway	404,253
 Spain	303,190
 Ireland	151,595
 Luxembourg	141,489
 Slovakia	141,489
 Denmark	101,063
 Finland	101,063
 Hungary	101,063
 The Netherlands	101,063
 Poland	101,063
 Slovenia	101,063

**TOTAL: €5,168,214**

#### contribution agreements signed to date for EWBIF

in €'s

 European Union IPA	38,340,000
 Norway	8,580,188
 Austria	7,950,000
 Germany	6,863,000
 Sweden	6,555,690
 United Kingdom	5,271,173
 EIB	4,655,000
 Czech Republic	2,000,000
 Italy	1,000,000
 Finland	500,000
 Greece	500,000
 Slovenia	500,000
 Hungary	250,000

**TOTAL: €82,965,050**

**Total contributions received: €88,133,264**

\* The €5,168,215.13 transferred from the EBRD WBF to the EWBIF on 18 June 2010 represents the EBRD WBF unallocated fund balance, or fund available for projects minus funds committed to projects. This amount was allocated to the donors of the WBF proportionately to the total amount of all contributions made by each donor to the WBF.

# WBIF

## For more information

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in cooperation with

