



Western Balkans Investment Framework

Monitoring Report

June 2011

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1. Introduction

The purpose of the Monitoring Report is to provide an overview of the WBIF pipeline to the members of the Project Financiers' Group (PFG) prior to the PFG meetings. The report is designed to provide an Executive Overview of the status of the projects in the pipeline and to report how the pipeline is developing in line with the target objectives. The report is structured to present:

- an overview of the composition of the pipeline;
- a review of the status of project preparation and the use of the grants awarded (Joint Grant Facility);
- a review of the progress towards financing projects (Joint Lending Facility).

Key information on the pipeline is presented in a series of tables at the end of the report with a brief commentary and analysis in the text below.

1.1 Overview of the pipeline

The existing pipeline has been developed through four rounds of grants awarded to finance project preparation activities and investment grants. The first two rounds were organised under the EC financed Infrastructure Projects Facility (IPF) in June 2008 and March 2009 respectively. IPF was then incorporated into the Western Balkans Investment Framework with further rounds awarded in December 2009 and June 2010. There was no formal call for projects in September 2010 due to shortage of funding but after evaluation three urgent grant applications were nonetheless added to the pipeline in December 2010 (round 4bis). A fifth round of submissions closed in February 2011 and these applications have been screened and assessed.

The grants awarded to date under WBIF fall into three broad categories as follows:

- Grants awarded for TA under IPF which are financed and managed by the EC (IPF TA);
- Grants awarded for TA which are financed by a combination of EWBJF and IFI funds and are managed by the IFIs (IFI TA);
- Investment grants under IPF financed by the EU – Municipal Window (IPF MW).

The development of the pipeline through the four rounds has resulted in a cumulative total of 81 grants. In some cases several grants have been made towards the development of the same project. Overall the grants support a total of 73 individual projects. It is important to note that the implementation of the grants is linked to the source of the grant. Thus the EU financed grants are being implemented under the EC managed IPF TAs while those grants financed by the EWBJF and the IFIs own funds are implemented directly by the IFIs themselves.

The distribution of the grants according to these different sources of finance and implementation are summarised in the table below:

Distribution of grants by source of finance and implementation				
	IPF TA	IFI TA	IPF MW	Total
No of grants	53	16	12	81
Source of grants	EU	EWBJF/IFIs	EU	
Value of grants	€32.0m	€22.7m	€84.5m	€139.2m

The grants have been awarded to seven Beneficiaries across the Western Balkans, namely Albania, Bosnia and Herzegovina, Croatia, FYROM, Kosovo*, Montenegro and Serbia. Furthermore they are distributed across four eligible sectors which are energy, environment, social and transport.

The distribution of the current pipeline by Beneficiary, Sector and Grant type is presented in Tables 1a, b and c respectively at the end of the report. A graphical summary is illustrated in Figures 1a, b and c on the following page. These show that:

Distribution by Beneficiary – the seven Beneficiaries include two candidate status countries which have received significantly less projects than the five potential candidate status countries. This is partly because the candidate status countries are able to access EC IPA Component III funding, and as such, are not able to qualify for the transport or environment sectors of EC IPF financing. It is also due to the fact that Croatia was not an active participant until the third round launched in December 2009. Of the potential candidate status countries, Kosovo has received approximately half the average number of grants awarded to each of the other countries. This is explained by the fact that each project has to be supported by an IFI and only one of the IFIs which are part of WBIF is presently active in Kosovo.

Distribution by sector – there is a balanced distribution between the sectors overall but certain sectors dominate within the sub-components. Thus, environment projects dominate the IPF TA component (41%) and also the IPF MW component (75%), whilst transport projects make up the majority of the IFI TA component. It should be noted that one further sector was opened for submissions under the 5th round, namely SMEs, private and financial sector support.

Distribution by grant type – the types of grant allowed under the Joint Grant Facility include: technical assistance; investment grants; incentive payments to financial intermediaries; interest rate subsidies and insurance premia. The types of grant awarded to date comprise 69 grants for technical assistance and 12 investment grants. There is also one grant for interest rate subsidy combined with one of the project preparation grants.

* Under UNSCR 1244/1999

Figure 1a Distribution of grants by round

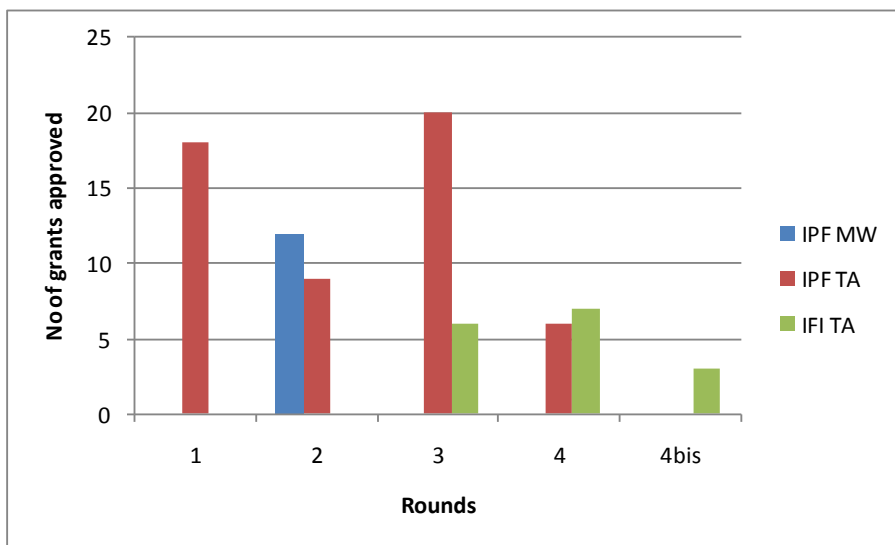


Figure 1b Distribution by type of grant and sector

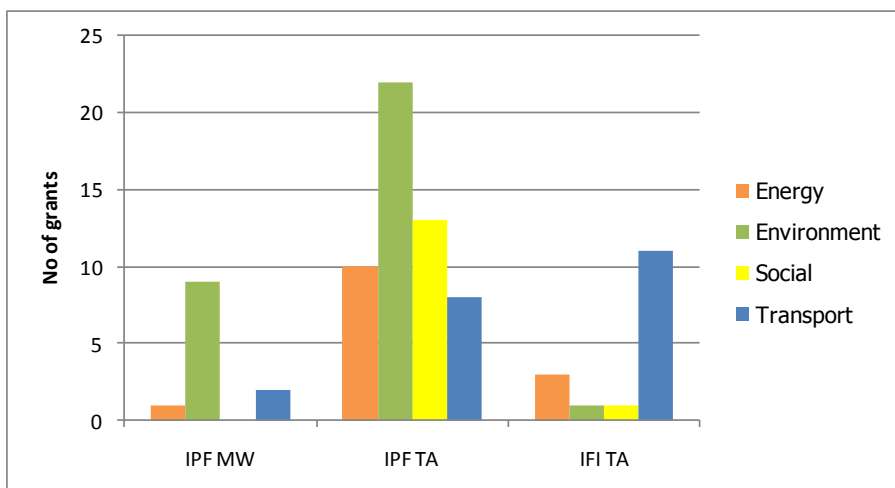
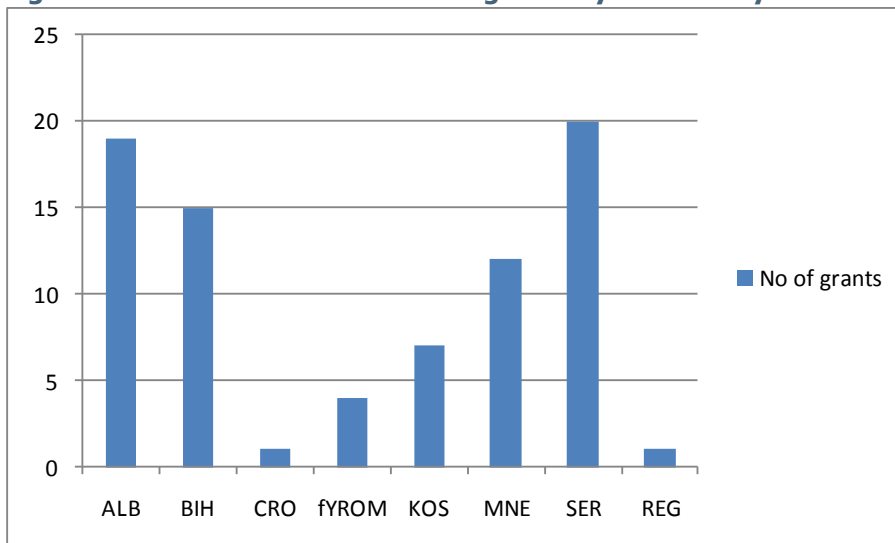


Figure 1c Distribution of number of grants by Beneficiary



1.2 Status of project preparation studies

Sixty nine of the grants awarded under the Joint Grant Facility have been for project preparation and twelve for direct investment. The present section summarises the progress with respect to the project preparation studies. The information is presented at the back of the report with a separate page for each sector in Tables 2a to 2d as follows:

Table 2a – IPF TA - Status of Energy Sector Projects

Table 2b – IPF TA - Status of Environment Sector Projects

Table 2c – IPF TA - Status of Social Sector Projects

Table 2d – IPF TA - Status of Transport Sector Projects

Table 2e – IFI TA – Status of projects (all sectors)

These tables provide information on the project preparation programme under the section headed "Project Preparation" including details of the deliverables that have been completed, the current status with regard to execution of the study (eg ongoing, completed, etc) and comments on overall progress. This progress is summarised for each of the rounds in the Table 2f below:

Table 2f Summary of status of project preparation studies

Round	No of grants	ToR completed	Services requested in PDF completed	IFI interested to finance
1	18	18	13	17
2	9	9	5	6
3	26	14	5	19
4	13	4	1	1
4bis	3	0	0	0
Total	69	45	24	43

The projects in the first and second rounds are now nearing completion in terms of the project preparation services requested and it is important to note that almost all of them have IFI support. This is a positive development since a number did not have IFI support at the start of the studies. Very significant progress is now being made with the third round (the largest). Those projects managed directly by the IFIs are in the third and fourth rounds and now add up to a total of sixteen projects. The development of these projects is linked to the requirements of the overall project implementation agreed with the Beneficiary and the procurement of the TAs is driven by the particular requirements of each IFI.

For further details on any one particular project the reader should refer to the IPF bi-monthly reports, which present a complete project history for each project, and also the IPF website www.wbif-ipf.eu which presents an overview of the IPF project pipeline.

1.3 Status of project financing

The status of the financing of each of the projects in the pipeline is summarised in the same Tables 2a to 2e under the section "Loan and Disbursement". An additional table is provided for the IPF Municipal Window investment grants. In summary the reader is referred to the following tables:

Table 2a – IPF TA - Status of Energy Sector Projects
Table 2b – IPF TA - Status of Environment Sector Projects
Table 2c – IPF TA - Status of Social Sector Projects
Table 2d – IPF TA - Status of Transport Sector Projects
Table 2e – IFI TA - Status of projects (all sectors)
Table 3 – IPF MW - Status of Investment Grants

The projects fall into a number of categories which reflect the growth in confidence towards financing as project preparation progresses. These are as follows:

- **Not supported by an IFI** - there were a number which were not supported by an IFI when originally submitted by the NIPAC and these are mostly the early projects submitted in the first and second rounds. As the studies have progressed IFIs have expressed support for a number of these. Out of 27 first and second round projects only 4 do not have interest expressed from an IFI. The picture is also developing in a very positive way for the third round as the studies are executed.
- **IFI interested to finance** - there are a number of projects which are supported by IFIs, but for which financing agreements have yet to be signed, with progress towards this objective partly linked to the outcome of the studies.
- **Financing agreements in place** - there are a number of projects for which financing agreements are already in place (e.g. where assistance is provided to PIUs).
- **Co-financing with EU** - Municipal Window projects comprise an investment grant agreed between the EC and one of the IFIs. These grants progress through a number of steps which are: signature of a financing agreement; contribution agreement; ratification by the Beneficiary; contracting of works; and disbursement. In addition further use of IPA funds to assist with project financing is being agreed on a number of projects on a project by project basis.

The columns under the "Loan and Disbursement" segment of the monitoring tables aim to enable the reader to obtain a rapid overview of the overall progress as the projects move through these different stages.

An overall perspective of the magnitude of the investments being prepared through the WBIF Joint Grant Facility is presented in Table 3, together with an overview of potential financing.

Table 4 Summary of potential investments and lending

Category	No of grants	Total Estimated investment (€m)	Loan estimation (€m) or status	Loans signed (€m)
IPF TA Energy	10	530	Medium to High	33
IPF TA Environment	22	950	High	122
IPF TA Social	13	860	High	98.3
IPF TA Transport	8	800	Medium	-
IFI TA All sectors	16	3,400	1,360	524
Total	69	6,540	>2,000	777.3

In summary, the total estimated investment from projects supported by WBIF now exceeds 6.5 billion Euros. Over 0.77 million Euros of loans are already signed and there is a high degree of confidence that this will in due course exceed 2 billion Euros. This confidence is based on the fact that the first round projects, which are the most advanced, are progressing satisfactorily towards the preparation of loans in the range of between 30% and 50% of estimated investment costs and that many of the IFI TA projects are already advanced in terms of financing discussions.

Tables 1a, b, c, - Composition of WBIF pipeline

Table 1a Distribution by type of grant and sector

Type of grant	Energy	Environment	Social	Transport	Total
IPF MW	1	9	0	2	12
IPF TA	10	22	13	8	53
IFI TA	3	1	1	11	16
Total	14	32	14	21	81

Table 1b Development of Project Pipeline by Beneficiary

Round	ALB	BIH	CRO	FYROM	KOS	MNE	SER	REG	Total
1	4	4	0	2	2	2	4		18
2	3	1	0	1	0	3	1		9
3	4	6	1	1	2	4	8		26
4	4	1	0	0	1	2	5		13
4bis				1			1	1	3
MW	4	3	0	0	2	1	2		12
Total	19	15	1	5	7	12	21	1	81

Table 1c Development of Project Pipeline by Sector

Round	Energy	Environment	Social	Transport	Total
1	4	5	4	5	18
2	1	4	2	2	9
3	2	11	6	7	26
4	3	3	2	5	13
4bis	3				3
MW	1	9	0	2	12
Total	14	32	14	21	81

Tables 2a, b, c, d, e – Status of project preparation studies and loans

Table 2a – IPF TA - Status of Energy Sector Projects

Table 2b – IPF TA - Status of Environment Sector Projects

Table 2c – IPF TA - Status of Social Sector Project

Table 2d – IPF TA - Status of Transport Sector Projects

Table 2e – IFI TA – Status of Projects

Tables 3 – Status of investment grants (IPF MW)

Table 2a – IPF TA Status of Energy Sector Projects

OPERATION/PROJECT'S DESCRIPTION					FINANCING AND INVESTMENT PROJECT RATIONALE					PROJECT PREPARATION					LOAN AND DISBURSEMENT										
Project Code	Title of the Operation	Country(ies)	Eligible Sector	Round	Type grant requested	Grant approved	Lead IFIs	Loan Estimation	Total Estimated Investment	Project Start date	Deliverables completed	Current status	End date	Comments	Rating	Updated Loan Estimation	Updated Total Estimated Investment	Probability of loan signature	Financing agreement (date)	Contribution agreement (signed)	Loan agreement signed (date)	First disbursement (date)	Total Amount Disbursed (Euros)	Comments	
TA-ALB-11	Upgrade of Transmission System	ALB	ENE	1	FS	180,000			130,000,000	Nov-08	IPFS	Completed	Jun-09	Project identification Only	As Plan			Nil							Study resulted in TA3-ALB-ENE-01 and WB4-ALB-ENE-01, and other KfW directly funded projects
TA-FYRMAC-02	Pilot Project – Windpark Development	MKD*	ENE	1	FS	250,000	KfW	36,000,000	45,000,000	Oct-08	FS	FS Complete	Dec-10	Due diligence ongoing	As Plan	34,000,000	75,000,000	High							KfW Loan Agreement now publicly announced for Bogdanci phase 1 (33M of Total 75M)
TA-MON-02	Electricity Network Development Programme	MNE	ENE	1	PFS, FS	1,850,000	EBRD			Nov-08	IPFS	FS Lastva - Pjlevlja Underway	Nov-11	FS started Jan 2011	As Plan	47,500,000	95,000,000	Medium							Regionally significant depending on (i) construction of sub cable to Italy and (ii) the construction of B Basta to Pjlevlja
TA-SER-26	Upgrading of transmission network in Western Serbia to 400kV operation	SER	ENE	1	PFS,FS	500,000	World Bank			Aug-09	PFS	PFS complete, FS Stage in progress	Jul-11	FS started Sept 2010	As Plan	30,000,000	60,000,000	Medium							Links to TA-NON-02 project. Sub cable to Italy, and the round 5 project B Basta - Visegrad - Pjlevlja
TA2-MKD*-ENE-02	Construction of OHL 400kV FYROM-Serbia	MKD*	ENE	2	EIA, O	100,000	World Bank	11,000,000	14,000,000	Apr-09	EIA	Completed	Feb-10		As Plan	11,000,000	14,000,000	High							Regional - Conclusion of this EIA allows MEPSO to engage WB funds to complete the OHL from Nis (Serbia) to Ship (Macedonia)
TA3-ALB-ENE-01	Feasibility Study for the Construction of 220/110 double circuit line - Tirana 2 (Razhbuli) in replacement of existing line	ALB	ENE	3	TMA, FS, DD, Other	577,000	KfW		11,600,000	Jul-10	FS, EIA	Completed	Feb-10	loan depends on Albanian's intention to borrow	As Plan	15,500,000	13,000,000	Medium							
TA3-KOS-ENE-03	Improvement of District Heating, Phase 2 - CHP	KOS	ENE	3	FS	300,000	KfW		11,000,000	May-10	FS, Legal and Regulatory Reports	Completed	Apr-11	Final workshop took place. Approvals expected	As Plan	14,000,000	33,000,000	High							Phase 1 is 14m and is assisted under MW-KOS-ENW-KM-02. EU offered a grant of 14 million
WB4-ALB-ENE-01	FS for construction of new Substation Tirana3 with 120MVA capacity for reinforcement of Tirana Ring	ALB	ENE	4	FS	577,605	KfW	10,446,300	12,184,605	Sep-10	ToR submitted and approved	Under Execution	Nov-11	loan depends on Albanian's intention to borrow	As Plan			Medium							
WB4-KOS-ENE-05	Energy Efficiency Measures in Public Buildings	KOS	ENE	4	FS	600,000	KfW	10,000,000	15,600,000	Apr-11		FS Mobilised		Nov-11	As Plan			Low							Depends on ability of municipalities to engage in EE loans
WB4-SER-ENE-04	Interconnection with Bulgaria Gas Transmission Pipeline	SER	ENE	4	FS, EIA, SIA	1,000,000	EBRD		62,500,000	Aug-10	ToR submitted and approved	Under Execution	Nov-11		As Plan			Medium							Project execution depends on implementation of similar project for Bulgarian part of pipeline, which is delayed

GLOSSARY
 I = identification, TMA = technical and management assistance, FS = feasibility study, FAA=Financial Affordability Analysis, PD=Preliminary Design, MD= main design, DD = detailed design, ATP = assistance to tendering process, SoW = supervision of works, O = other, EIA = environmental impact assessment, CF = Co-Financing, EFA= Economic and Financial Appraisal

Table 2b – IPF TA - Status of Environment Sector Projects

OPERATION/PROJECT'S DESCRIPTION					FINANCING AND INVESTMENT PROJECT RATIONALE					PROJECT PREPARATION						LOAN AND DISBURSEMENT									
Project Code	Title of the Operation	Country(ies)	Eligible Sector	Round	Type grant requested	Grant approved	Lead IFs	Loan Estimation	Total Estimated Investment	Project Start date	Deliverables completed	Current status	End date	Comments	Rating	Updated Loan Estimation	Updated Total Estimated Investment	Probability of loan signature	Financing agreement (date)	Contribution agreement (date)	Loan agreement signed (date)	First disbursement (date)	Total Amount Disbursed (Euros)	Comments	
TA-BIH-03	Plava Voda Regional Water Supply Project	BIH	ENV	1	FS	600,000	EBRD/CEB		28,000,000	Nov 09	PD, EIA, SIA	Under execution	Mar 11	Prelim design complete	As plan	24,400,000	28,000,000	High	None to date	None to date				EBRD 15m CEB 9.4m	
TA-KOS-01	Regional Water Company Prishtina	KOS	ENV	1	TMA, FS	300,000			35,000,000	June 09	FS	Completed	Dec 09		As plan	12,000,000	35,000,000	Confirmed	Confirmed	18,000,000	Sep-09			KfW loan 12 m, IPA 12 m, City 5 m. Invitation to tender for implementation consultant	
TA-MON-07	Podgorica waste water project	MNE	ENV	1	FS	0	EIB		55,000,000	July 09	FS	Completed	Dec 09	Project agreed for financing	As plan	35,000,000	55,000,000	High			Under preparation			W & WW prepared as one project	
TA-MON-05	Podgorica Water Infrastructure Project	MNE	ENV	1	FS	300,000	EIB		30,000,000	July 09	FS	Completed	Feb 10	Negotiations on financing structure	As plan	15,000,000	30,000,000	High		under discussion	Under preparation			EIB loan 50 m, City and Contribution 35,000 m. And see above	
TA-SER-17	Feasibility study for collection and treatment of waste water in the municipality of Vranje and Uzice	SER	ENV	1	FS	0	KfW		33,000,000	Sep 09 and Nov 09	FS	Completed	Jan 09 & Mar 09	Project being considered for financing	As plan	15,000,000	50,000,000	High			Under Review			KfW loan 15 m, City and Contribution 35 m.	
TA2-ALB-ENV-03	Upgrading of Kavaja Waste Water Treatment Plant and completion of the sewerage network for Golemi	ALB	ENV	2	DD	350,000	KfW		7,000,000	Mar 10	Final design reports	Under execution	Apr 11	Suffered two month delay due to extension	Delayed as explained		9,700,000	High		Yes				The EU grant (6.7m) will be allocated to Kavaja WWTP. The Golemi sewerage network cost will be covered by Albanian State	
TA2-ALB-ENV-02	Project of Water Supply & Sewerage of Kamza	ALB	ENV	2	FS	450,000	KfW		15,000,000	Apr 10	FS	Completed	Nov 10	Completed	As plan	6,500,000	15,000,000	High		Signed Sept 10	Under preparation			KfW loan 6.5 m, Contribution 5.6, City 2.4 m	
TA2-ALB-ENV-01	Waste water sanitation in Lezha and Shengjin	ALB	ENV	2	DD	180,000	KfW		2,700,000	Nov 10	Draft Final Design Reports	Under execution	May 11	Scope revised to Shengjin only	As plan		3,000,000							The Lezha component of the project has been undertaken by KfW. The investment quoted is only for	
TA2-MNE-ENV-04	Wastewater treatment plant Berane	MNE	ENV	2	FS	150,000	EIB		17,687,154	Feb 10	FS	Completed	Oct 09	Completed	As plan	7,000,000	15,000,000	High		Under discussion					
TA3-ALB-ENV-03	Feasibility Study and Detailed Design for Improvement of Flood Protection Infrastructure in Albania	ALB	ENV	3	FS	400,000	N/A		20,000,000	May 11		Will start in May 2011	Jan 12	Project Team submitted for approval	As plan									No IFI is currently involved	
TA3-ALB-ENV-02	Detailed Design for water supply and sewerage systems for Elbasan city	ALB	ENV	3	DD	500,000	KfW		20,000,000	Jan 11		ToR under preparation		Planned to start Jan 11	On hold										
TA3-BIH-ENV-05	Reconstruction of distribution networks in the municipalities connected to Plava Voda Regional Water Supply Project - 4 municipalities	BIH	ENV	3	TMA	300,000	EBRD		7,500,000	Dec 10		TOR completed		Waiting for completion of other investigation for Plava Voda											
TA3-BIH-ENV-03	Bijeljina Waste Water Treatment Plant Implementation	BIH	ENV	3	ATP	400,000	EBRD		20,000,000	Aug 10		Under execution	August 12	Contributed to preparation of several procurements	As plan		26,000,000	High							Implementation depending on loan ratification
TA3-BIH-ENV-02	Water and Sanitation Federation FBiH - 16 municipalities	BIH	ENV	3	FS	1,250,000	EIB		121,000,000	Nov 10		Under execution	Sep 12	3 components to be developed, 1 being implemented	As plan	50,000,000	100,000,000	Signed			Oct 09			Implementation depending on loan ratification	
TA3-BIH-ENV-01	Water and Sanitation in Republika Srpska - 24 municipalities	BIH	ENV	3	FS	1,250,000	EIB		80,000,000	Nov 10		Under execution			As plan	60,000,000	120,000,000	Signed			Oct 10				
TA3-KOS-ENV-01	Project preparation Feasibility Studies for Waste Water Treatment Plants in Kosovo	KOS	ENV	3	FS	1,750,000	KfW		300,000,000	Jan 11		TOR completed	Dec 12												
TA3-MON-ENV-04	Wastewater treatment plant and network in Rozaje	MNE	ENV	3	FS	200,000	EIB		9,300,000	Jul 11		Scoping completed		Programmed for July 11											
TA3-MON-ENV-03	Wastewater treatment plant and network in Danilovgrad	MNE	ENV	3	FS	200,000	EIB		12,700,000	Mar 11		Scoping completed		Programmed for Jul 11											Beneficiaries have agreed with DG Enlargement to change scope of work
TA3-MON-ENV-02	Wastewater treatment plant and network in Kolasin	MNE	ENV	3	FS	200,000	EIB		6,550,000	Dec 10	FS	Completed		Programmed for Dec 10		2,500,000	5,500,000	Medium							
TA3-SER-ENV-01	Municipal Water - Nis and Novi Sad Municipalities	SER	ENV	3	TMA	1,000,000	EIB		60,000,000	Jan 11 and March 11		Awaiting EIB mission		Awaiting completion of prior studies		25,000,000		Medium							
WB4-MNE-ENV-11	Construction of Regional Landfills in Pljevljia and Zabljak	MNE	ENV	4	FS, EIA, SIA	150,000	EIB	27,000,000	27,150,000	Nov 10		ToR under preparation	Feb 12	Delayed											
WB4-MNE-ENV-12	Construction of Regional Landfills in Montenegro	MNE	ENV	4	EIA, SIA	750,000	EIB	27,000,000	54,750,000	Nov 10	ToR for 2 components ready	ToR under preparation	April 12	Several components to be developed, 2 ready to start											

GLOSSARY
 I = identification, TMA = technical and management assistance, FS = feasibility study, FAA=Financial Affordability Analysis, PD=Preliminary Design, MD= main design, DD = detailed design, ATP = assistance to tendering process, SoW = suspension of works, O = other, EIA = environmental impact assessment, CF = Co-Financing, EFA= Economic and Financial Appraisal

Table 2c – IPF TA - Status of Social Sector Project

OPERATION/PROJECT'S DESCRIPTION					FINANCING AND INVESTMENT PROJECT RATIONALE					PROJECT PREPARATION					LOAN AND DISBURSEMENT										
Project Code	Title of the Operation	Country(ies)	Eligible Sector	Round	Type grant requested	Grant approved	Lead IFIs	Loan Estimation	Total Estimated Investment	Project Start date	Deliverables completed	Current status	End date	Comments	Rating	Updated Loan Estimation	Updated Total Estimated Investment	Probability of loan signature	Financing agreement (date)	Contribution agreement (date)	Loan agreement signed (date)	First disbursement (date)	Total Amount Disbursed (Euros)	Comments	
TA-ALB-10	Education, Excellence and Equity Project (EEE-P) and Rehabilitation of Tirana Schools – 2nd Phase	ALB	SOC	1	I, TMA	1,500,000	CEB, EIB	9,000,000	76,000,000	Nov-09		Under execution	Mar-12	Field survey for 4700 schools started	As plan			Medium							TA will also assist to design loan
TA-ALB-04	Tirana University Hospital Centre Reform Programme in Albania- 2nd Phase	ALB	SOC	1	TMA, FS, O, EIA	580,000	CEB	25,000,000	56,468,700	Mar-10	EIA, ESS	Completed 2 components in July 2010	Jun-11	3rd component on training started in March 2011	As plan	28,000,000	56,500,000	High							TA project input is only for Electric Supply System only
TA-BIH-01	State Prison Project in Bosnia&Hercegovina	BIH	SOC	1	TMA, FS	500,000	CEB	8,000,000	20,750,000	Oct-08	OP, FR, PD	Completed	May-10	DD ongoing under WB4-BIH-SOC-02	As plan	19,300,000	38,600,000	Signed			Jun-10				
TA-FYRMAC-01	Idrizovo Prison Reform Project in FYR Macedonia	MKD*	SOC	1	TMA, FS, DD	500,000	CEB		14,500,000	Mar-09	OP, FR, PD	Between phases	Sep-11	Assistance with PD completed Jan 10. Assistance with DD started Jan 11	As plan	27,000,000	54,000,000	High							Gap between 2nd and 3rd phase while Gov. completed procedures
TA2-MNE-SOC-08	Center for Elderly – Pijevka	MNE	SOC	2	DD, ATP, O	150,000			1,200,000	Oct-10		Under execution		Business plan submitted to DG ELARG	As plan			Nil							Decision awaited on design stage
TA2-SER-SOC-04	Municipal and Regional Infrastructure	SER	TRA	2	TMA, ATP, SOW, O	375,000	EIB	75,000,000	150,000,000	Nov-09		Completed	Feb-11	Assistance to PMU was extended into 1st quarter 2011.	As plan	75,000,000	150,000,000	Signed (first tranche)			1) 50m signed 12 Dec 08 & ratified 23 May 09 2) 25m signed 12 Jun 09 & ratified 21 Dec 09	25-Oct-10	2,400,000.00		3 allocation request approved for TIC of 64m
TA3-HR-SOC-01	Construction of a penitentiary/prison complex in Sibenik	HR	SOC	3	FS, TMA	800,000	CEB		72,000,000	Aug-10		Under execution	Dec-12	OP approved by MoJ	As plan	36,000,000	72,000,000	High							
TA3-MKD-SOC-01	Health Provider Institutions (HPIs)	MKD*	SOC	3		2,000,000	CEB		90,000,000	Nov-10		Under execution	Dec-11	Elections in FYROM delaying project selection. Interim assessment report delivered.	As plan	40,000,000	90,000,000	High							Request received to assess more health institutions
TA3-SER-SOC-04	Social Housing - Serbia	SER	SOC	3	TMA	70,000	CEB		30,000,000	Apr-10	TMA	Completed	Dec-10		As plan	15,000,000	30,000,000	High							
TA3-SER-SOC-03	Modernization of prison facilities / providing humane and safe prison system	SER	SOC	3	FS, DD, TMA	700,000	CEB		20,000,000	Feb-11		Under execution	Dec-12	Review of Padinska Skela completed	As plan			High							Aiming for submission of FR to CEB board in Sept 11
TA3-SER-SOC-02	Modernization of Judiciary Facilities	SER	SOC	3	I, TMA, FS, DD	720,000	EIB		30,000,000	Jan-11	ToR for 3 components approved	Under execution	Dec-11	Implementation of Component 1 started April 2011	As plan	45,000,000	60,000,000	High							Components 2 and 3 to start in May and June 2011
TA3-SER-SOC-01	Building the knowledge economy of Serbia, Research and Development Infrastructure Initiative/Teaching Infrastructure Investment Programme	SER	SOC	3	FS, CD	600,000	EIB		240,000,000	Jun-10		Completed	Nov-10	Divided into three components - one finished	As plan	100,000,000	225,000,000								
WB4-BIH-SOC-02	Support to the construction of a Maximum Security State Prison	BIH	SOC	4	DD, ATP, O	3,200,000	CEB	19,300,000	38,600,000	Jul-10		Under execution	Jul-11	Grant for dd is 1.2m Euros. Grant for interest subsidy is €2m Euros.	As plan	19,300,000	38,600,000	Signed			Jun-10				There are two grants for this project (see TA-BIH-01)

GLOSSARY

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Table 2d – IPF TA - Status of Transport Sector Projects

OPERATION/PROJECT'S DESCRIPTION					FINANCING AND INVESTMENT PROJECT RATIONALE					PROJECT PREPARATION					LOAN AND DISBURSEMENT									
Project Code	Title of the Operation	Country(s)	Eligible Sector	Round	Type grant requested	Grant approved	Lead IFIs	Loan Estimation	Total Estimated Investment	Project Start date	Deliverables completed	Current status	End date	Comments	Rating	Updated Loan Estimation	Updated Total Estimated Investment	Probability of loan signature	Financing agreement (date)	Loan agreement signed (date)	First disbursement (date)	Total Amount Disbursed (Euros)	Comments	
TA-ALB-06	Feasibility study for track renewal and signalling and communication systems in the whole network of Albanian Railway	ALB	TRA	1	FS	1,500,000	EBRD		200,000,000	Jul-09	FS	Completed	Jan-09	Follow on by WB4-ALB-TRA-09	As plan			Medium						Next stage is design of Tirana-Durres
TA-BIH-08	Corridor Vc – second phase	BIH	TRA	1	TMA	500,000	EBRD		180,000,000	Apr-09	Monthly reports	Under execution	May-12		As plan			High						
					FS		EIB			Apr-09	FS	Completed	May-10		As plan		High							
TA-BIH-06	Construction of Main Road Foca(Brod na Drini)-Hum	BIH	TRA	1	FS	700,000	EBRD, EIB		80,000,000	Aug-09	PFS	Under execution	Jun-11	FS progressing well after late start	As plan		30,000,000	Medium					FS will determine IFI interest	
TA-KOS-02	Rehabilitation of Railway Route 10 (Leshak – Mitrovce – Fushtë Kosovë – Ferizaj – Hani i Elezit)	KOS	TRA	1	PFS	25,000			75,900,000	Apr-10	FS and preliminary design report	Completed	Nov-10		As plan		135,000,000	Low						
TA-SER-15	reconstruction of the line Nis-Presevo-Macedonia border	SER	TRA	1	FS,EIA	500,000	EIB, EBRD		77,300,000	Sep-09	Strategy, PFS	Completed	Aug-10	FS starts under WB4-SER-TRA-05	As plan		264,000,000	Medium					Next stage is FS	
TA2-BIH-TRA-02	Railway Sarajevo-Podugovi	BIH	TRA	2	DD, TEN	600,000			30,000,000	May-11	Revised ToR approved	Project team submitted for approval	Apr-11	One year of delay due to continuous consultations on line speed	Problems overcome			Medium					FS, EIA and detailed design to be executed	
TA2-MNE-TRA-03	Reconstruction of Main Road Scepan Polje-Pluzine (Bosnia and Herzegovina border)	MNE	TRA	2	I, FS	150,000	EIB		80,000,000	Aug-09	PFS	Completed	Apr-10	FS under TA3-MON-TRA-01	As plan			Medium						
TA3-MON-TRA-01	Construction of the main road Scepan Polje-Pluzine (Bosnia and Herzegovina border)	MNE	TRA	3	PD, EIA	550,000	N/A		80,000,000	May-11		ToR completed	Jun-10	Resourcing has taken longer than planned	Minor problems			Medium						

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Table 2e IFI TA - Status of projects

OPERATION/PROJECT'S DESCRIPTION					FINANCING AND INVESTMENT PROJECT RATIONALE					PROJECT PREPARATION					LOAN AND DISBURSEMENT										
Project Code	Title of the Operation	Country(ies)	Eligible Sector	Round	Type grant requested	Grant approved	Lead IFIs	Loan Estimation	Total Estimated Investment	TA Start date	Deliverables completed	Current status	End date	Comments	Rating	Updated Total Estimated Investment	Updated Loan Estimation	Probability of loan signature	Financing agreement (date)	Contribution agreement (date)	Loan agreement signed (date)	First disbursement (date)	Total Amount Disbursed (Euros)	Comments	
WB4-ALB-ENV-05	FS & DD Regional landfill	ALB	ENV	4	FS, DD, CF	1,200,000	CEB KIW	17,300,000	30,000,000			ToR under preparation		Tender for consultancy planned for end 2011	As plan										
WB4-SER-SOC-05	TA for School modernization Programme	SER	SOC	4	Sector Strategy, investment methodology	400,000	EIB	50,000,000	100,000,000	Q3 2011 (planned)	2012 (planned)	Funding agreement signature planned May 2011	2014	TA to be implemented in parallel with project implementation	As plan			signed	n.a.	n.a.	signed 2010	Mar-11	2,500,000		
WB1-ALB-TRA-01	Regional and Local Roads	ALB	TRA	3	DD, SoW, TA,	4,000,000	EBRD	50,000,000	137,000,000			Evaluating tenders		Lenders monitor 215k tendered. Implementation support 750k once designer appointed, and institutional development 500k to start spring 2011	As plan			signed			signed	May-11			
								(EIB)				50,000,000	Funding agreement signed	2015	Design (EUR 1m) awarded, and supervision extension (1.5m) planned mid 2013	As plan			signed		signed 2010		0		
WB1-BIH-TRA-03	Mahovljani Interchange: Assistance with Institutional Strengthening of RS Motorways	BIH	TRA	3	TA	300,000	EBRD		28,700,000	Sep-10		Under execution		Related Loan Agreement signed and disbursing. Inception report approved by the client. Consultants currently working on mid-term report	As plan										
WB1-BIH-TRA-01	Corridor Vc Motorway	BIH	TRA	3	TA, SoW	2,000,000	EIB	245,000,000	495,000,000	S2 2011 (planned)	2014 (planned)	Funding agreement under preparation	2014	TA to be implemented in parallel with project implementation	(loan still not signed)			80%	n.a.	n.a.	2011 (planned)	2012 (planned)	0		
WB1-SER-TRA-03	Sava Bridge Loan Extension: Performance-Based Maintenance and Management ("PMMR") of Roads and Bridges	SER	TRA	3	TA	240,000	EIB	70,000,000	400,000,000	S2, 2011 (planned)	2012 (planned)	ToR under preparation	2012	TA to be implemented in parallel with project implementation	As plan			signed	na	na	signed December 2009	Mar-11	10,100,000		
WB1-SER-TRA-02	Belgrade Rail Modernisation Project - Procurement, Implementation Support and Contract Supervision & and Urban Transport Public Service Contracting and Route Structuring Preparation	SER	TRA	3	TA	750,000	EBRD		79,750,000					Technical and environmental due diligence completed. Final negotiations underway to structure new rail service	As plan										
WB1-SER-TRA-01	Corridor X Serbia	SER	TRA	3	PD, DD, SoW, TA	4,500,000	EIB	384,000,000	1,570,000,000	S2 2011 (planned)	2015	Funding agreement under negotiation	2015	TA to be implemented in parallel with project implementation	As plan			signed	n.a.	n.a.	signed 2009	2011 (planned)	0		
								350,000,000										signed	n.a.	n.a.	signed 2010 (EUR 195 m)	2011 (planned)	0		
WB4-ALB-TRA-09	Detailed Design for Tirana-Durres Railway Section and economic financial appraisal for whole rail network	ALB	TRA	4	DD, EFA	1,250,000	EBRD	37,500,000	40,250,000			ToR under preparation		Discussions underway with Beneficiary, IF Consultants to prepare TORs											
WB4-ALB-TRA-08	TA for Project Implementation Roads Sector	ALB	TRA	4	PIU support	750,000	EIB	105,000,000	210,750,000	S2 2011 (planned)	2015	ToR under preparation	2013	TA to be implemented in parallel with project implementation	As plan			90%	n.a.	n.a.	2011 (planned)	2011 (planned)	0		
WB4-SER-TRA-06	TA for Railways infrastructure	SER	TRA	4	PIU support, TMA, CF	800,000	EIB			S2 2011 (planned)	2013 (planned)	Funding agreement signature planned May 2011	2013	TA to be implemented prior project appraisal	As plan			50%	n.a.	n.a.	2012 (expected)	2013 (expected)	0		
WB4-SER-TRA-05	Documentation for Modernization of Railway NIS to FYROM	SER	TRA	4	FS, GP, PD, LP, EIA, SIA	1,040,000	EBRD		270,000,000					Discussions underway with Beneficiary											
WB4-SER-TRA-04	TA for Railways rehabilitation II	SER	TRA	4	PIU support	1,000,000	(EBRD)	60,000,000	161,000,000	S2 2011 (planned)	2013 (planned)	Funding agreement signature planned May 2011	2013	TA to be implemented in parallel with project implementation	As plan			signed	n.a.	n.a.	2006	2008	60,000,000		
EIB	80,000,000	signed	n.a.	n.a.	32,000,000																				
WB4bis-SER-ENE-05	Rehabilitation District Heating Systems - Phase IV	SER	ENE	4bis	TA, TMA, FAA	2,047,000	KIW	45,000,000	58,297,000			Implementation Agreement under negotiation	2015	Implementation Agreement being discussed by EBRD and EIB	delayed			90%	90%						
WB4bis-REG-ENE-01	Albania - FRY Macedonia 400 kV Interconnection	REG	ENE	4bis	FS, EIA	650,000	EBRD/KW	30,000,000	36,150,000					ToRs have been prepared and agreed by both sides and the supporting FIs at a coordination meeting held on 19 April 2011	As plan										
WB4bis-MKD-ENE-03	Electricity production Zetovica	MKD	ENE	4bis	FS, EIA	1,000,000	EIB	57,000,000	131,000,000	S2 2011 (planned)	2013 (planned)	Funding agreement under negotiation. TA contract under procurement	2013	TA to be implemented prior project appraisal	As plan			50%	n.a.	n.a.	2012 (expected)	2013 (expected)	0		

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Table 3 Status of Investment Grants (IPF MW)

OPERATIONS/		PROJECTS			DESCRIPTIONS				FINANCING & INVESTMENT			PROJECT		RATIONALE		LOAN AND DISBURSEMENT									
Project Code	Title of the Operation	Country(s)	Eligible Sector	Round	Type grant requested	Grant approved	Lead I/Fs	Loan Estimation	Total Estimated Investment	Contribution agreement (Date)	Grant agreement (date)	Loan agreement (date)	Ratification (date)	PIU support	PIU location	Services % complete	Works contract signature (date)	Works % complete	Total Amount Disbursed (Euros)	Comments					
MW-KOS-ENV-KW-02	Improvement of District heating Pristina	KOS	ENE	MW2008	Co-financing works	14,000,000	KW	5,000,000	38,900,000	Dec-09	Dec-09	Dec-09	pending	excellent preparation, KfW-provided	Utility					2,000,000	Considerable capacity created at utility's level, commercial principles introduced by management, Tarification and metering				
MW-ALB-ENV-CEB/KW-03	Wastewater Pogradec	ALB	ENV	MW2008	CF	3,500,000	CEB/KW	10,000,000	18,100,000	Aug-09	Dec-10	Dec-10	pending								All agreements have been concluded, so all funds are committed with the PEAs. However, doubts remain whether we will have a quick ratification of the agreements in parliament, given the present political turmoil. KfW expects definitely run into delays with our disbursement schedule.				
MW-ALB-ENV-CEB/KW-02	Water Supply & Sewage, Gjirokastra, Fier	ALB	ENV	MW2008	CF	4,500,000	CEB/KW	12,000,000	21,700,000	Aug-09	Dec-10	Dec-10	pending												
MW-ALB-ENV-CEB/KW-06	Kamza Water and Sanitation	ALB	ENV	MW2008	CF	5,500,000	CEB/KW	15,000,000	20,500,000	Aug-09	Dec-10	Dec-10	pending												
MW-BIH-ENV-EIB-01	Water and Sanitation (Velika Kladusa, Orasje, Bosanski Petrovac, Posusje, Siroki Brijeg)	BiH	ENV	MW2008	CF	17,000,000	EIB	60,000,000	121,300,000	Nov-09	Sep-10	Signed			Sarajevo					2,000,000	inception report received in March indicates for grant disbursement there are multiple agreements to be signed by multiple levels of government (State, Entities, Municipalities) and successively ratified. First €5m grant signed Sept 2010. The lack of an appointed Government increases risks on this process. Meanwhile, a number of municipalities have become ineligible for participation to the framework loan (insolvent). Local authorities demand to waive the grant ratification requirement and to have closer follow-up of the project by IFL. SIDA offers support to set up a local EIB office and 1 staff which will facilitate liaising between local authorities and EIB				
MW-BIH-ENV-EBRD-02	Bijeljina Waste Water System Project - Phase II	BiH	ENV	MW2008	CF	3,000,000	EBRD	4,000,000	12,000,000	Nov-09	Dec-10			Yes (IPF)	Bijeljina since 2007						Grant covers a second part of the project, now due to start imminently				
MW-BIH-ENV-CEB/KW-04	Water Supply and Sewerage Collection in Banja Luka	BiH	ENV	MW2008	CF	3,000,000	CEB/KW	10,000,000	17,600,000	Aug-09	Oct-09	Oct-09	May-10	yes	Banja Luka					3,200,000	Consultant contracted to supervise works tendering and implementation processes				
MW-KOS-ENE-KW-01	Rehabilitation of Pristina Water supply and sewage network	KOS	ENV	MW2008	CF	11,000,000	KW	4,000,000	15,000,000	Aug-09	Sep-10	Sep-10	pending							10,000,000	Considerable capacity created at utility's level, sanitation and water quality control introduced by management, Tarification and metering progressing. Consultant contracted to supervise works tendering and implementation processes, while waiting for ratification of loan and grant agreement by parliament				
MW-MNE-ENV-EIB-02	Rehabilitation and construction of water and waste water infrastructure in North	MNE	ENV	MW2008	CF	5,000,000	EIB	11,800,000	23,600,000	Nov-09	Apr-11	signed									Grant agreement under negotiation				
MW-SER-ENV-CEB/KW-01	Medium-sized towns Water Supply and Sewerage Systems -Kraljevo...	SER	ENV	MW2008	CF	3,000,000	CEB/KW	25,000,000	49,500,000	Aug-09	Dec-09	Dec-09	May-10	Yes						600,000	Consultant contracted to supervise works tendering and implementation processes				
MW-ALB-TRA-CEB/KW-07	Feeder Roads	ALB	TRA	MW2008	CF	9,000,000	CEB/KW	20,000,000	29,000,000	Aug-09	Dec-10	Dec-10	pending								All agreements have been concluded, so all funds are committed with the PEAs. However, doubts remain whether we will have a quick ratification of the agreements in parliament, given the present political turmoil. KfW expects definitely run into delays with our disbursement schedule.				
MW-SER-TRA-EIB-03	Reconstruction of the urban transport system (tramway and road) of the City of Belgrade	SER	TRA	MW2008	CF	6,000,000	EIB	15,000,000	32,000,000	Nov-09	Jun-10	2004	Oct-10	Yes (COWI)			Feb-10	100%	3,000,000	Project articulated on 3 sub-segments, with 90% grant frontloaded on first. First sub-segment has works carried out between March and September 2010. Report on work progress expected in November 2010.					