



# ENVIRONMENT SECTOR



## SECTOR SUMMARY

The Western Balkans face a common set of environmental challenges. Pollution - especially air pollution in urban and industrial areas - and discharge of wastewater are taking a toll on human health and the environment. Land use is changing as people move to cities and coasts, causing increasing urban sprawl and resulting in the loss of coastal habitats. Municipal authorities in towns and cities are struggling to dispose of the increasing amounts of waste generated. At the same time, the region has unique habitats, home to remarkable biodiversity, which need to be protected and conserved.

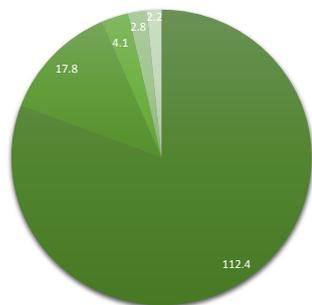
The prospect of a closer relationship with the EU provides an incentive for the countries to bring their environmental laws and practices into line with the EU acquis. Progress has been made in transposing EU environmental directives but achieving effective implementation on the ground remains a challenge. Adopting a stronger approach to climate change mitigation and adaptation is another challenge, especially in terms of capacities and resources. Implementation of the Paris Agreement by adopting a national strategy and legislation and developing national energy and climate plans is an increasingly urgent priority.

## WBIF PRIORITIES AND ACTIONS

Projects in the WBIF's environment sector account for 13% of portfolio. WBIF's priorities are water and wastewater, solid waste, as well as flood protection and river basin management in densely populated, industrialised, and environmentally sensitive areas.

## WBIF GRANTS BY SECTOR

Environment subsectors (€m)



- Water and wastewater
- Flood protection
- Waste management
- Water resources conservation
- River basin management

Data as of May 2020.  
[www.wbif.eu](http://www.wbif.eu)



Western Balkans Investment Framework **WBIF**  
BUILDING THE EUROPEAN FUTURE TOGETHER

PROJECTS SUPPORTED	ESTIMATED PROJECT VALUE	PROJECTS WITH LOANS SIGNED	WBIF GRANTS AWARDED	WBIF GRANTS IN 2019
53	€2.6 bn	33/€927 m	€139.3 m	€18.6 m

## ACHIEVED RESULTS

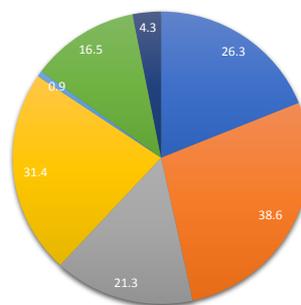
Improved water/wastewater systems for 2 m people in the region	More than 640,000 people protected from floods	Efficient solid waste services for more than 186,000 people	Flood forecasting and warning system for 5.4 million people living in the Sava River Basin
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## EXPECTED RESULTS

Improved water/wastewater systems for 6 million people in the region	More than 4.4 million people protected from floods	Efficient solid waste services for 1.2 million people
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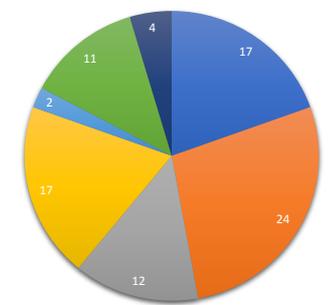
## WBIF GRANTS BY BENEFICIARY

Value of grants (€m)



- Albania
- Bosnia and Herzegovina
- Kosovo\*
- Montenegro
- North Macedonia
- Serbia

Number of grants



- Montenegro
- North Macedonia
- Serbia
- Regional projects

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

# PROJECT EXAMPLES



## Wastewater Treatment Plant and Sewerage Network for Gjilan in Kosovo



In Gjilan, only 60% of the population is connected to the sewerage network and 75% benefits from water supply services. Both systems suffer from significant underinvestment, with part of the sewerage network leaking or simply open. Raw sewage and industrial waste are discharged untreated into Morava and Mirusha tributaries, which flow into the Danube.

The WBIF co-finances the construction of a wastewater treatment plant, with primary and secondary treatment and anaerobic sludge digestion, and the rehabilitation and extension of the wastewater network to 66% of the population living in Gjilan and neighbouring communities. The Project will result in a significant reduction in pollution of the local water resources, and 110,000 people will benefit from improved access to wastewater services.



Wastewater Treatment Plant (c) Shutterstock

<b>ESTIMATED TOTAL PROJECT COST:</b>	<b>€21.9 m</b>
<b>WBIF GRANTS:</b>	<b>€2.5 m (INV)</b>
	<b>€1 m (TA)</b>
<b>SIGNED LOAN:</b>	<b>€10 m (EBRD)</b>
<b>ESTIMATED LOAN:</b>	<b>€11 m (EIB)</b>
<b>EXPECTED COMPLETION:</b>	<b>End of 2023</b>



## Water Resources Management in the Drina River Basin

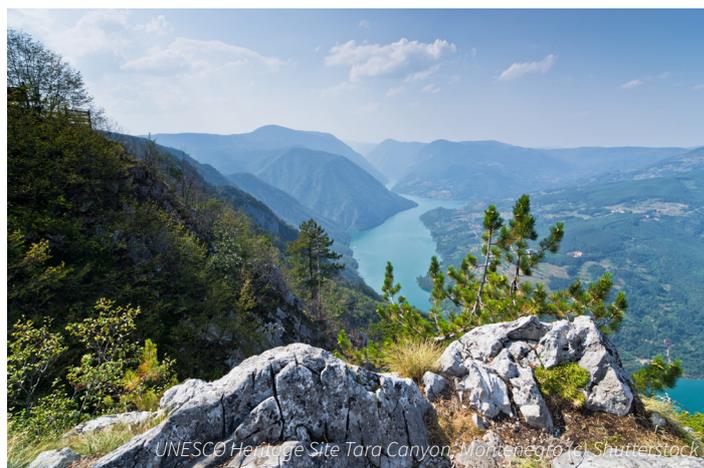
Regional Project



The Drina River Basin has a total surface area of over 19,500 sq km and is shared between Montenegro, Bosnia and Herzegovina, Serbia, and Albania. With its high flow rate and good water quality, the river basin scores high on the list of areas with high endowments of natural resources and development opportunity in the region. It has a significant hydropower generation potential (of which 60 % is still unused), boosts tourist attractions (such as the UNESCO Heritage Site of the Tara Canyon), and it is an abundant source of biodiversity.

This WBIF funded project supports more effective water resources management in the river basin, incorporating climate change adaptation, with a focus on flood and drought mitigation, hydropower and environmental management, based on good practices and integrated water resource management. It gives special consideration to plans and strategies in the energy sector in the wider region, in order to determine the most important operational and investment interventions in the basin.

The project beneficiaries are 1 million people living along the Drina and its major tributaries.



UNESCO Heritage Site Tara Canyon, Montenegro (c) Shutterstock

<b>ESTIMATED TOTAL PROJECT COST:</b>	<b>€21.2 m</b>
<b>WBIF GRANT:</b>	<b>€1.2 m (TA)</b>
<b>SIGNED LOAN:</b>	<b>€20 m (WBG)</b>
<b>EXPECTED COMPLETION:</b>	<b>End of 2020</b>