

Western Balkans Investment Framework



EU Enlargement

Seminar on Transport & Infrastructure in
EU External Aid Instruments, 11 June 2013

Overview of WBIF Activities and Achievements to Date



EU Enlargement

What is the WBIF ?

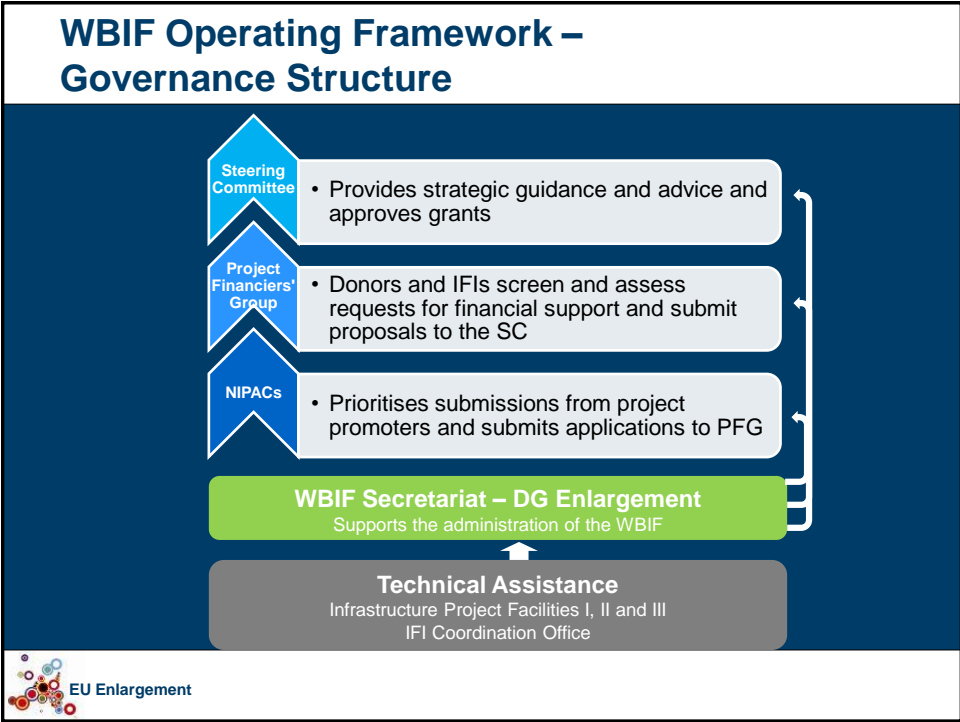
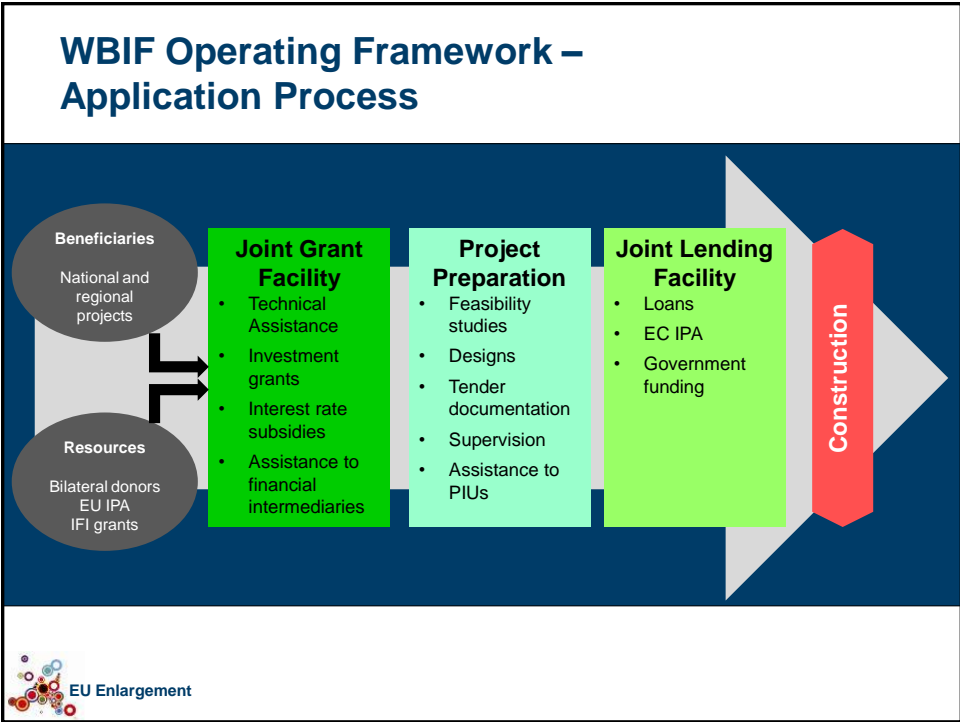
The WBIF supports socio-economic development and EU accession across the Western Balkans through the provision of finance and technical assistance for strategic investments, particularly in infrastructure, energy efficiency and private sector development. It is a joint initiative of the EU, International Financial Institutions, bilateral donors and the governments of the Western Balkans.



WBIF Operating Framework - Stakeholders

Eligible Beneficiaries	External Financiers
<ul style="list-style-type: none">• Albania• Bosnia and Herzegovina• Croatia• former Yugoslav Republic of Macedonia• Kosovo*• Montenegro• Serbia	<ul style="list-style-type: none">• European Commission• International Financial Institutions (Council of Europe Development Bank – CEB, European Bank for Reconstruction and Development – EBRD, European Investment Bank – EIB, The World Bank Group – WB , Kreditanstalt für Wiederaufbau KfW)• Bilateral Donors and Financial Institutions





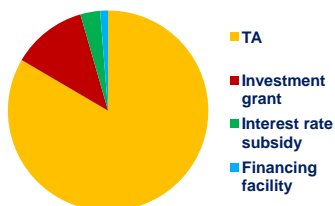
Select achievements – WBIF grants to date

- 137 investment projects supported by WBIF
- €280m grants allocated to approved projects
- 33 grants worth €51.4 million allocated to transport sector
- More than €2.2 billion € loans signed to date
- WBIF pipeline contains more than 13 billion € total estimated investments

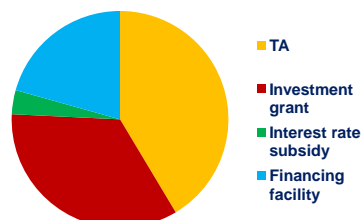


Distribution of grants by TYPE

By number

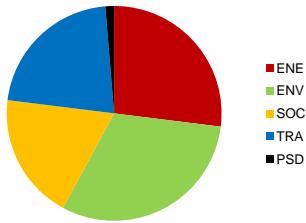


By value

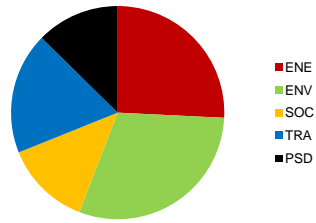


Distribution of grants by SECTOR

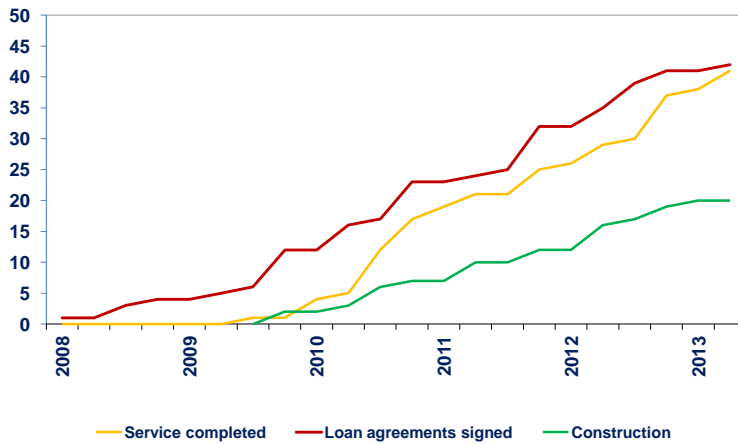
No of grants by sector



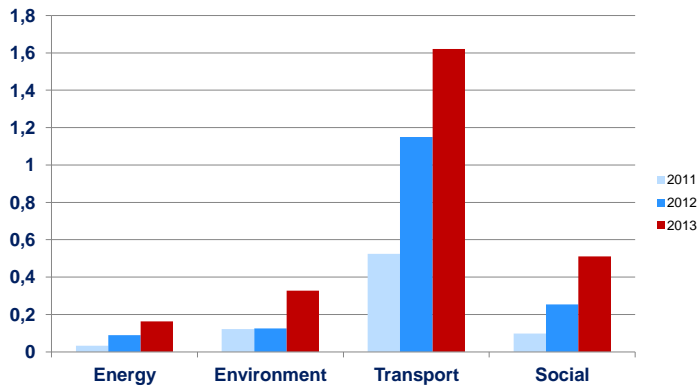
Value of grants by sector



Tracking development of the WBIF pipeline



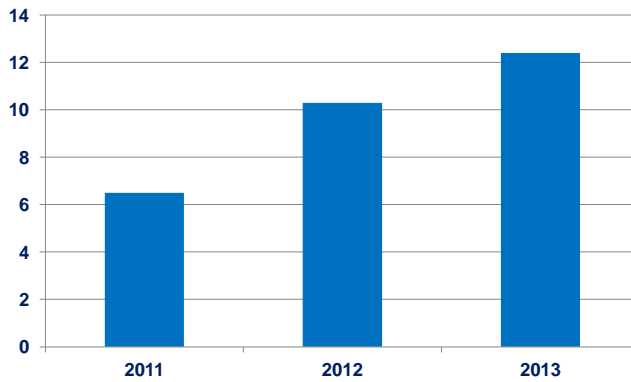
Growth in signed loans by sector (€ billion)



Data for April 2011, 12, 13



Growth in total estimated investment of WBIF pipeline (€ billion)



Data for April 2011, 12, 13



WBIF - Key Issues Arising

- Immense scale of financing required to realise investments
- Limited fiscal space available for public financing
- Need to leverage private capital
- Need to improve overall investment climate
- Ensure priority investments are supported and are in line with EU accession process
- Ensure that publicly financed grants target market failures and don't crowd out private finance



IPA II 2014-2020

- More coherent and strategic approach - assistance to be provided on the basis of countries' sectoral development strategies
- Type and intensity of interventions to be tailored to individual needs and capacities
- More results orientated with a focus on expediting the structural reform processes
- Expected **total budget** for all IPA countries €11.5 billion over 7 years
- Realising socio-economic investments will be a priority



Sources of Information on WBIF

- Website – www.wbif.eu (link to <http://www.wbif-ipf.eu/>)
- WBIF annual report (usually published in March)
- Bi-annual Monitoring Report
- Forthcoming compendium of WBIF projects
- Various policy & strategy papers
- All reports available for downloading from website



Overview of the WBIF Pipeline in Transport



WBIF Pipeline in transport

- 31 grants awarded
- 50% road and 50% rail
- Total estimated investment €5.4 billion
- Loans signed to date €1.6 billion

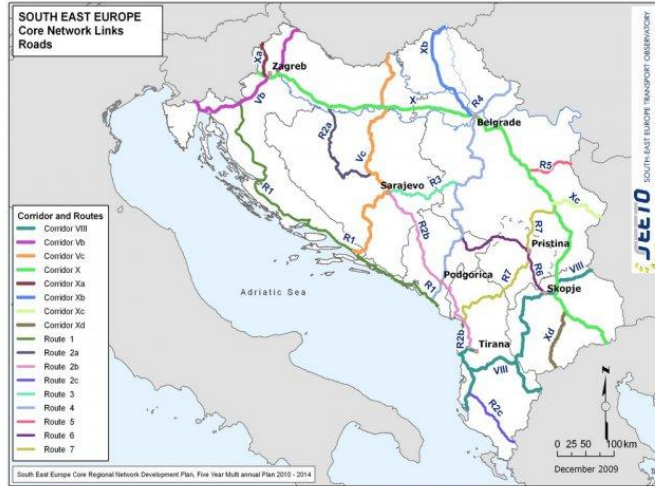


SEETO Comprehensive Network

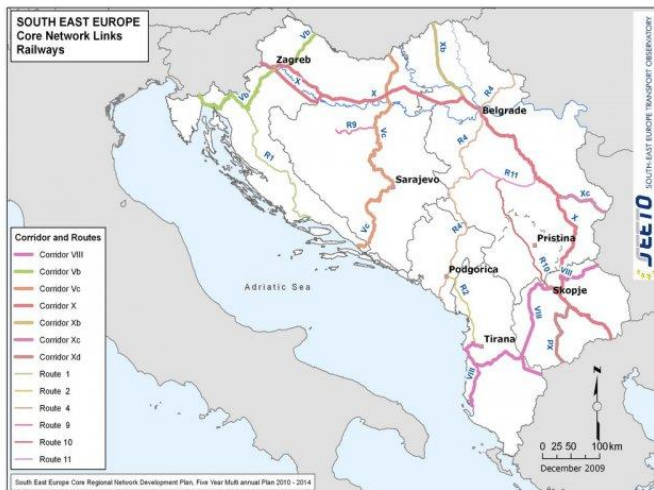
- One layer multimodal network, which provides high level regional interconnections and connections of the Regional Participants with EU (TEN-T)
- Currently, the SEETO Comprehensive Network consists of:
 - 6,554 km of roads
 - 4,807 km of railway lines
 - 4 rivers
 - 10 sea ports
 - 17 airports
 - 8 inland waterway ports



SEETO Comprehensive Road Network



SEETO Comprehensive Rail Network



SEETO Network Investments

	Total Completed Investments (until 2011)	Total finance secured / ongoing investments (until 2011)
Road network	4.9 billion €	2.6 billion €
Rail network	321.8 million €	179.6 million €
Airports	318.8 million €	125 million €
Inland waterways and river ports	23.7 million €	-
Seaports	192.4 million €	356.8 million €

Source: SEETO Comprehensive Network Development Plan
Five Year Multi Annual Plan 2013



Corridor Vc -Motorway

IFI's: EBRD and EIB

- Corridor Vc is Bosnia's main north – south transport link. EBRD and EIB are providing loans for constructing sections of motorway.
- Component 1: Up-dating of Feasibility study for EIB-two sections. Team mobilised April, 2009. Report completed May, 2010.
- Component 2: Management support in project implementation to PIU. Started in June, 2009. Monthly reporting on-going by June, 2014.
- Total investment €3,5 billion
- Secured investments for lots under construction of €500 million

STRENGTHENING REGIONAL TRANSPORT LINKAGES



Reconstruction of railway sections: Sarajevo – Podlugovi and Dobož-Maglaj

- Part of pan European Corridor Vc. Last track overhaul was in 1966 and traffic is growing.
- The purpose of the two studies is to investigate the feasibility of the proposed rail overhaul option with economic justification and to prepare the main design - two phases:
 - Phase 1: Feasibility Study
 - Phase 2: Main design
- Sarajevo-Podlugovi: ongoing
- Dobož-Zenica: ToR development



Albanian Railways network: Infrastructure and Signaling Improvement Project

- The Albanian railway network can only be useful for the country's economy, if tracks and safety systems are restored and upgraded.
- Utilization of the network must considerably increase.
- Proposed infrastructure improvement includes:
 - Earth works (cuttings, embankments, drainage, vegetation)
 - Civil and structural improvements (track, bridges, tunnels, other structures, stations)
- Track improvements
- Proposed signaling: a flexible and expandable system architecture to be implemented in smaller steps, which will later be integrated in EU systems.



Modernisation of the railway line Trupale-Presevo-Border of the FYROM, Serbia

- Part of the Pan-European Corridor X
- 166.6 km long, mostly single track
- Poor condition due to lack of maintenance (last overhaul being 30 to 50 years ago)
- Decreased traffic during recent years due to the poor condition of the line



Five strategies considered for the modernisation of the line:

- Intervention and rebuilding of the worst points on the line
- Overhaul of the whole line
- Overhaul of the whole line with upgrading of some sections (selected scenario)
- Overhaul of the whole line, with increase of maximum speed to 160 km/h
- Construction of new double track high speed line



How WBIF might contribute

- Success in PPP requires careful project preparation
- WBIF could provide grants to undertake planning and project documentation
- Beneficiaries submit the applications so they need to be informed and persuaded



WWW.WBIF.EU

Thank
You!!

