



Infrastructure Projects Facility

and the

Western Balkans Infrastructure Initiative

Brussels, 25 November 2008

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IPF

Objectives / Targets

- To support the development and upgrade of infrastructures in: transport, environment, energy and social field
- To contribute to create the conditions for sustainable development in the region and beneficiary countries
- To support project preparation that may be financed by grants and/or loans provided by beneficiary countries, the IFIs, IPA resources, and/or sponsors/donors
- To support national and local authorities



Expected results

- Quality investment proposals for infrastructural remediation and improvement projects
- Pre-feasibility studies, Feasibility studies, Financial affordability, Budgetary planning, Design, Tendering process, supervision of implementation works for a selected number of projects in environment, transport, energy and social sectors
- Transfer of know how and capacity building at local and national level
- Enhanced collaboration with IFIs



Selection Criteria

Eligibility Criteria

- Ownership, Sector, Complimentarity with IPA National Programmes
- Readiness (land permits, geotechnical studies, etc..)
- Horizontal (social, environment, human rights, economic)

Prioritisation Criteria

- The Financing perspective (loans, grants)
- Beneficiary country (focus on potential candidate countries)
- Social impact, Environmental impact, Regional / cross border impact
- Economic and financial assessment
- A balanced use of resources among the four sectors (10% to 40%)
- Geographical spread of resources (focus on potential candidates)
- Regional networks (SEETO, ECS, ReREP)



Sectors

- **Environment:** water supply, waste water treatment, sewage systems, solid waste management, emission control, etc..
- **Energy:** renewable energy, interconnection systems, transmission, energy efficiency and savings, co-generation, hydro, gas pipelines, etc..
- **Transport:** roads, railways, inland waterways, airports
- **Social:** schools, hospitals and health centres, housing, reclusion centres, etc..



Sector Strategies

Environment

- Projects in national sector strategies
- In line with environment acquis
- Inclusion in regional pipelines (PEIP)

Energy

- In line with guidelines for trans-European networks (decision 1364/2006/EC)
- Included in the list of priority projects of the SEE Energy Community
- Preference to electricity interconnection; electricity generation with regional significance; gas transmission networks and LNG terminals



Sector Strategies

Transport

- Focus on the SEE Core Regional Transport Network and SEETO MAP 2008-2012
- Priority to Railways and Inland Waterways on regional corridors

Social

- Projects in national sector strategies
- Full complementarity with IPA national programmes



TA Component

- **Contracting Authority:** European Commission, DG Enlargement, manages the TA contract;
- **Secretariat:** (EC, EIB, EBRD, CEB) prepares Steering Committee meetings, priority list of projects, monitor the work of the contractor;
- **Steering Committee:** (EC, Beneficiaries) overall supervision of IPF, recommends decision on priority projects;
- **Beneficiaries:** National IPA coordinators coordinate identification and submission of projects, members of Steering Committee, focal points;

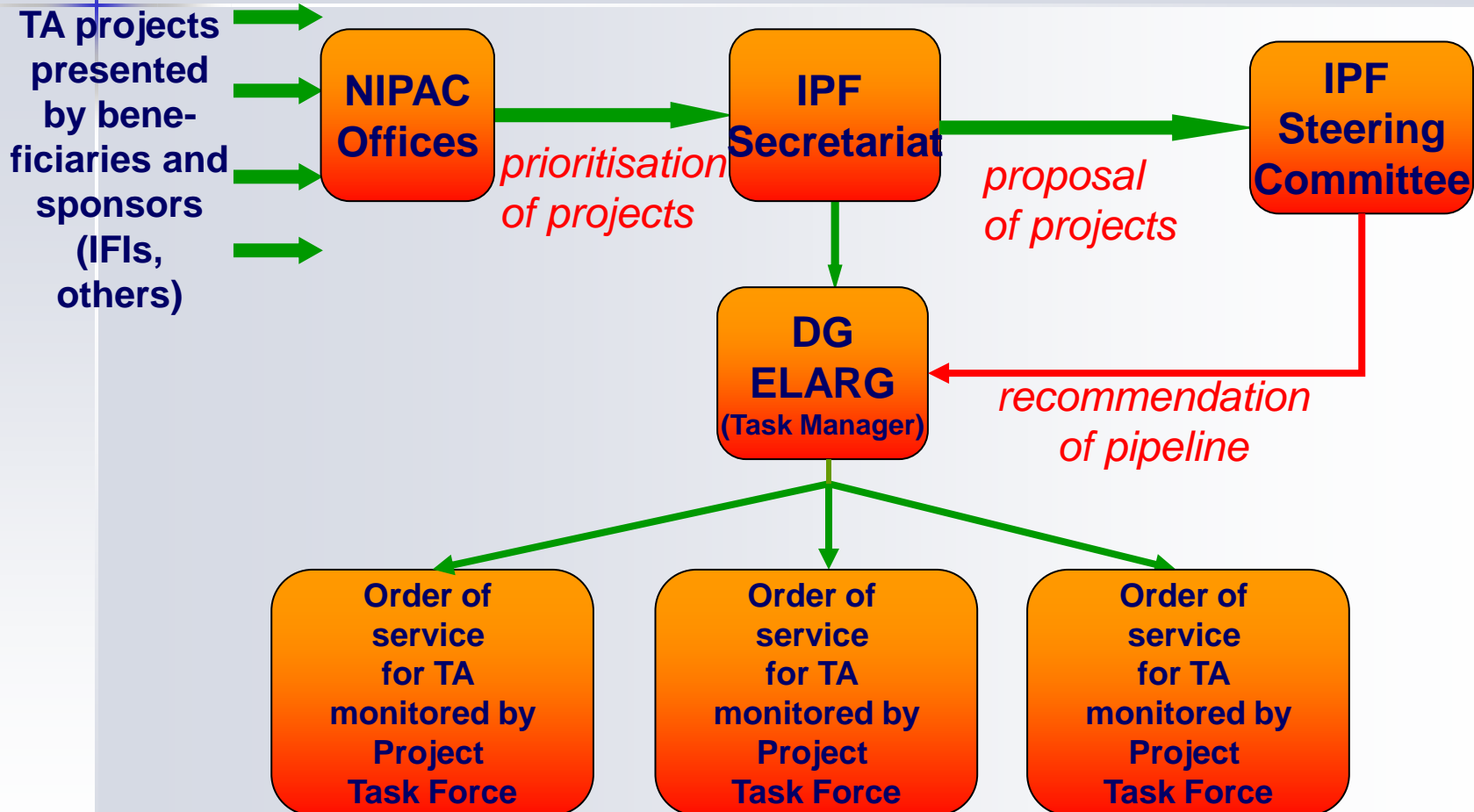


TA component

- **Contractor:** WYG International – June 2008
/contract signed/



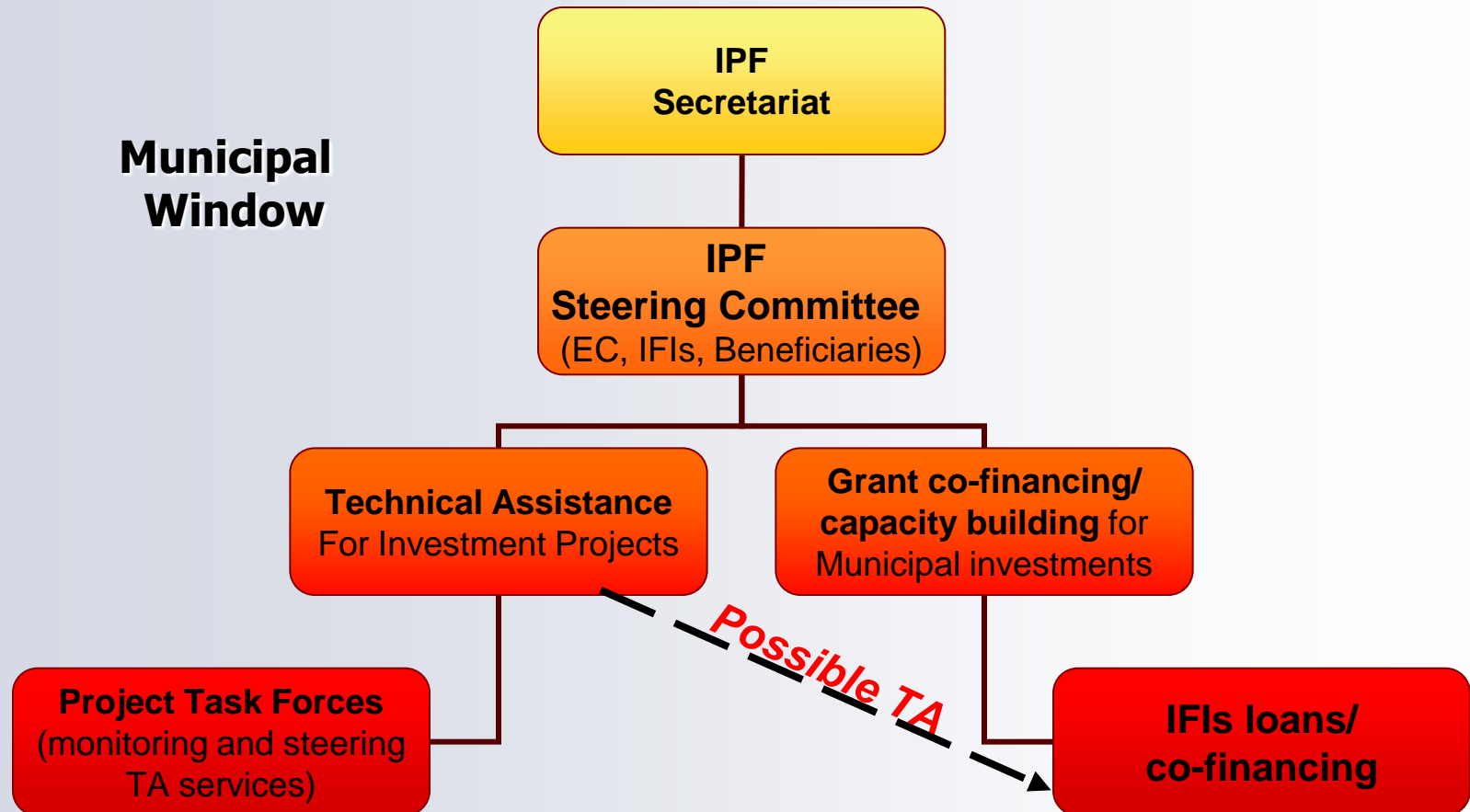
TA component





Investment Component (Municipal)

**Municipal
Window**





Western Balkan Investment Framework

Key components of the WBII

- **Infrastructure Project Facility** = Infrastructure projects identification and prioritisation through NIPAC offices + provision of TA for projects preparation
- **Additional Grants (Trust Funds, etc)** = provision of complementary TA throughout investment project cycle + grant co-financing for investment implementation
 - ➔ IPF + Municipal Window + other grants to form Joint Grant Facility (JGF)
- **Joint Lending Facility** = provision of “joint” (EIB-EBRD-CEB) loan financing for projects supported by IPF and JGF



Priority Projects – Energy 1

Project	Country	Indicative IPF TA	Investors
Construction of OHL400 KV Serbia - Hungary	Serbia	500,000	
Upgrade of Transmission System	Albania	200,000	



Priority Projects – Energy 2

Project	Country	Indicative IPF TA	Investors
Pilot Project – Windpark Development	former Yugoslav Republic of Macedonia	250,000	EIB, WB, KfW
Electricity Network Development Programme	Montenegro	N/A	EIB, EBRD, WB, IPA, Dexia CCB