



# WBIF “Main vehicle for the implementation of the Economic and Investment Plan for the Western Balkans 2021-2027”

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# 1. WBIF in a nutshell

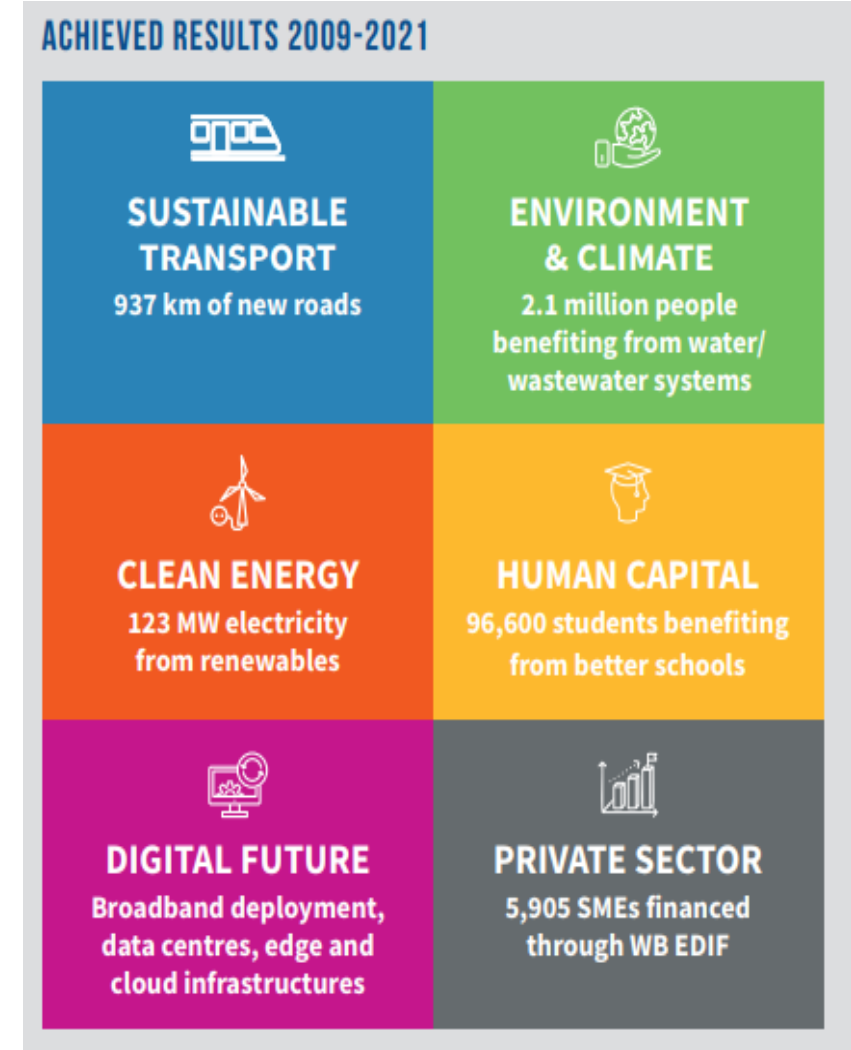
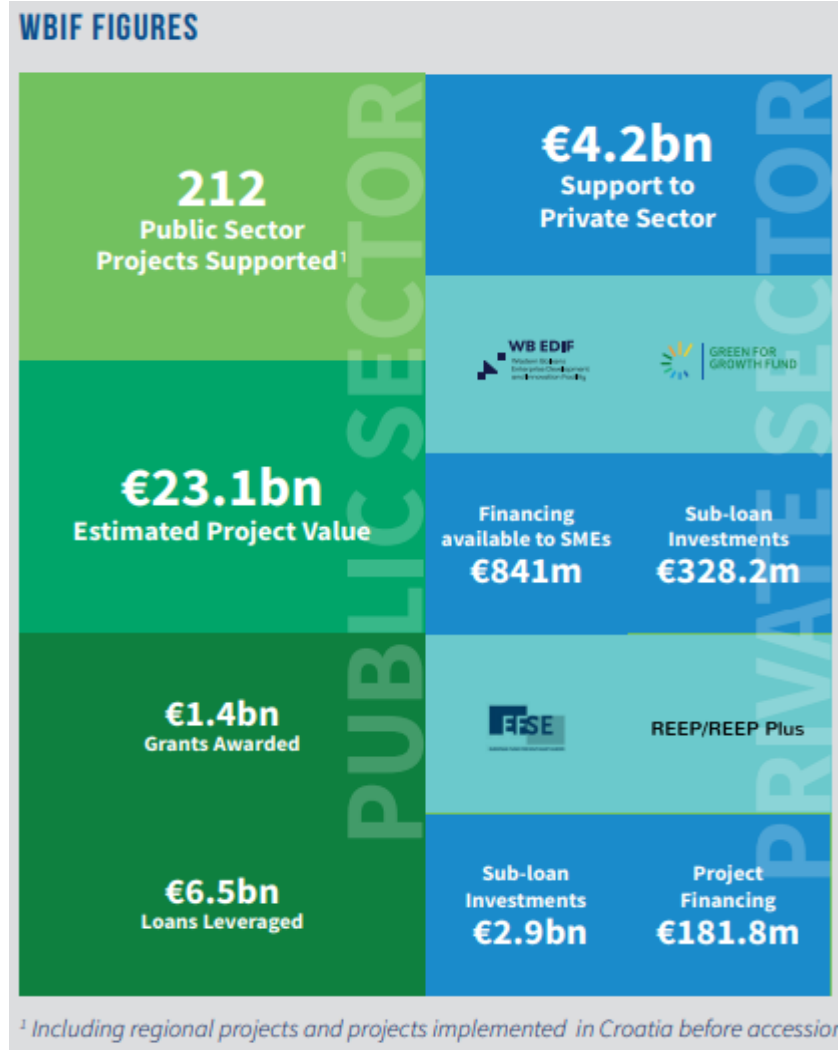
The Western Balkans Investment Framework (WBIF) is a joint initiative of the EU, financial organisations, bilateral donors, and beneficiary economies.

WBIF PARTNERS	
	<b>€1.4bn</b> Committed funds
Loans signed	
	<b>€1.8bn</b>
	<b>€3.1bn</b>
	<b>€725m</b>
	<b>€475m</b>
	<b>€359m</b>
	<b>€42m</b> Est. loans
<b>WBIF Bilateral Donors</b>	
	<b>€107.3m</b> Bilateral Donor Contributions 2009-2020
<b>Western Balkans Beneficiaries - Estimated value of projects</b>	
	<b>€2.5bn</b> <b>€3.9bn</b> <b>€1.8bn</b> <b>€1.8bn</b> <b>€2.1bn</b> <b>€6.5bn</b>



## 2. The WBIF in figures 2009-2021 regional

- Since 2009, WBIF has been investing in public sector infrastructures;
- Since 2012, it has supported the private sector development.
  - Blending
- Since 2020, it has been the main financial vehicle for the implementation of the Economic and Investment Plan, the recovery plan for the region.
  - Blending
  - New WBIF guarantee facility





# 3.WBIF Intervention Areas 2021-2027

## WBIF Intervention Areas



Sustainable transport



Clean energy



Environment & climate



Digital future



Private sector



Human capital

### WB Guarantee Facility (EFSD+) Investment Windows

#### Open architecture investment windows

1. MSME finance
2. Connectivity: Energy, Transport and Digital
3. Sustainable Agriculture, Biodiversity, Forests and Water
4. Sustainable Cities
5. Sustainable Finance and Impact Investing
6. Human Development

#### EIB-dedicated investment window(s)

1. Sovereign, and non-commercial sub-sovereign

### WBIF Blending (public & private) Investment priorities

1. Sustainable transport;
2. Clean energy;
3. Environment & climate;
4. Digital future;
5. Competitiveness of the private sector;
6. Human capital development.



## 3.1.EIP and WBIF 2021-2027

### Sustainable transport

Fast and efficient transport links, future-proof and sustainable, supporting the extension of the TEN-T, use of digital and clean green technologies

### Clean Energy

Energy connectivity, decarbonisation, clean energy, digitalization of the system and smart grids, and energy security

### Environment and climate

Decarbonisation, climate resilience, depollution of air/water/soil, green infrastructure, circular economy, sustainable farming/food production, protecting biodiversity

### Digital future

Digital connectivity and access to digital infrastructures for citizens, businesses and education institutions with a focus on remote areas and to lower-income population

### Competitiveness of the private sector

MSMEs support across green and digital transition and innovation, sustainable agriculture, trade and financial inclusion as well as financial/financing diversification and business climate

### Human capital development

Unleash economic growth potential. Focus on digitalization, renewable energy and energy efficiency in infrastructures



# 4. Implementing the EIP: WBIF 1<sup>st</sup> package approved



- 21 projects
- €1.1 billion IPA III in EU grant funding
- €3.2 billion total investment value with bilateral contributions from EU Member States & Norway, and concessional loans from financial institutions.

## EIP PRIORITY SECTORS

### Digital

- Development of rural broadband infrastructure to ensure universal access across the Western Balkans

### Clean Energy

- Development of renewable energy sources w/ construction of solar power plants, and
- the Trans-Balkan Electricity Transmission Corridor.

### Environment and Climate

- Construction of wastewater treatment plants

### Social

- Construction of a new building of a university children's hospital to increase its capacity & include new diagnostic & treatment technologies

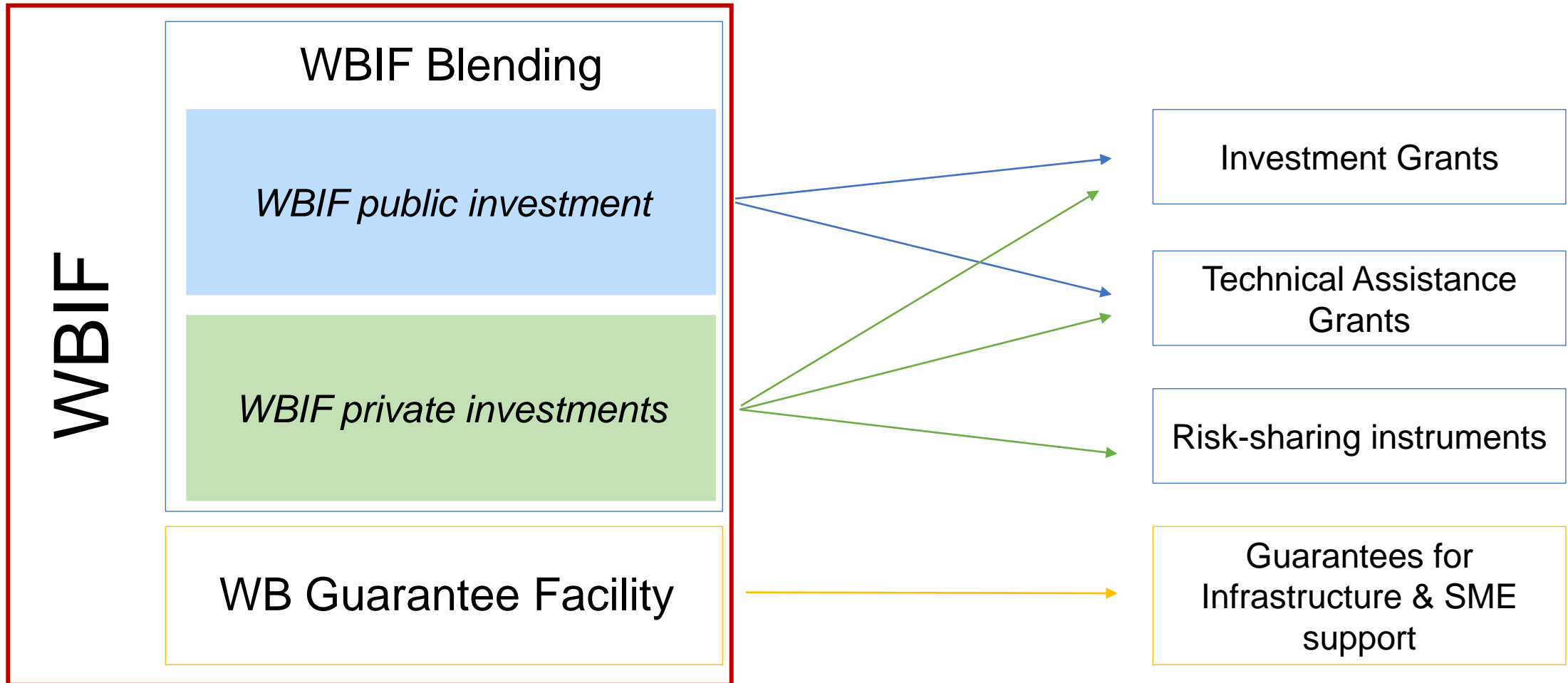
### Transport

Construction of major road & railway connections in the region, including:

- the Mediterranean, East-West, and Rhine-Danube corridors, and
- the rail corridor between Skopje in North Macedonia and the Bulgarian border



# 5. Implementation in practice







## 6. EIP investment flagship 8 Digital infrastructure

- The objective is to accelerate the region's digital transformation through investments in digital infrastructures and services for businesses and governments
- Expected results:
  - increase the access to affordable broadband connectivity
  - increase quality, security and sustainability of digital and data infrastructures
  - improve international and interregional connectivity
  - stimulate and enable the creation and the development of digital start-ups and the digital transformation of businesses, towards increased competitiveness, sustainable economic recovery and growth
  - Foster the capacity of digital technologies to support low-carbon, climate-resilient and environmentally sustainable growth
  - promote and support the EU Digital Innovation Hubs approach
  - Increased digital entrepreneurship (including women & youth entrepreneurship)



## 7. EIP investment flagship 9 Competitiveness of the private sector

- The objective is to develop a robust private sector in the regions and its economies supporting micro, small and medium enterprises and start-ups
- Access to finance and business climate development:
  - Green transition
  - Sustainable agriculture
  - Digital transition and innovation
  - Trade and value chain innovation
  - Financial inclusion through microcredits
  - Financial and financing diversification
  - Business climate development
- Policy first approach => portfolio of instruments
  - WBIF Instruments: blending and guarantees (WB guarantee facility)
  - Synergies with existing instruments in partner economies and with bilateral investments IPA III windows 3 (green) and windows 4 (competitiveness)



# 7.1 Competitiveness of the private sector

- Underserved priorities
  - Green transition, (greening MSMEs; attracting private capital in RE market)
  - Digital transition and innovation
  - Trade and value chain innovation
- +
- Business climate development
  - Reforms priorities to crowd-in capital (FDI and national private investors)
  - PPPs
- Underserved instruments
  - Financial and financing diversification
    - Financial: seed capital; general equity
    - Financing: pension funds, insurance fund, others
- Underserved typology of final beneficiaries
  - Youth; start-ups; spin-offs; rural MSMEs; etc.
  - Meso-level institutions (incubators, investment funds, cooperatives, FinTech, etc.)



## 7.2 Competitiveness of the private sector

### Examples of possible projects and programmes:

- Blending
  - Building on the SMEs competitiveness programme structure (loans+TA) focus on sustainable agriculture and trade
  - Sub-focus on gender equality and agri-business value chain
- WB guarantee facility/ EFSD+
  - Exploring how to deploy InvestEU type guarantees (capped and uncapped) in social, innovation, green transformation, and trade



Thank you

