



Environment and climate



February 2023

Investing in the environment and climate



The Western Balkans faces a common set of environmental challenges. People move to cities and coastal regions resulting in habitat loss and urban sprawl. Air and water pollution, and poor management of waste water and solid waste are taking a toll on human health and the environment. At the same time, the region has unique biodiversity which needs to be conserved. The Economic and Investment Plan and the EU Green Agenda set out significant investments under environment and climate, to upgrade infrastructure, introduce climate-smart technologies, modernise water and waste management and strengthen resilience to extreme conditions.

2009 - 2023

€341.6m

WBIF grant

up to

€90m

guarantee coverage

€3.8bn

estimated investment

up to

€4.5m

EU technical assistance grant for guarantees

Economic and Investment Plan for the Western Balkans 2021-2027

Flagship 7

Waste and waste water management



Green Agenda for the Western Balkans

The Agenda focuses on climate action, including decarbonisation of energy and transport, circular economy, addressing waste, recycling, sustainable production and efficient use of resources, fighting pollution, sustainable agriculture, and protection of nature and biodiversity.

Achieved results (2009 - 2022)



Improved water and sanitation services for 2.4 million people



Efficient solid waste services for 337,000 people



Over 660,000 people protected from floods

Expected results (2023 - 2031)



Improved water and sanitation services for 6.1 million people

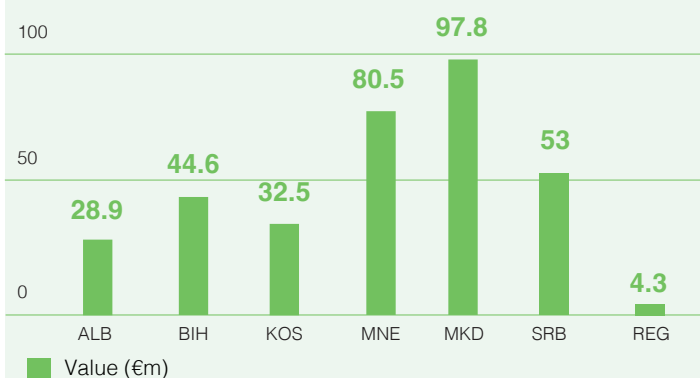


Efficient solid waste services for 2.4 million people

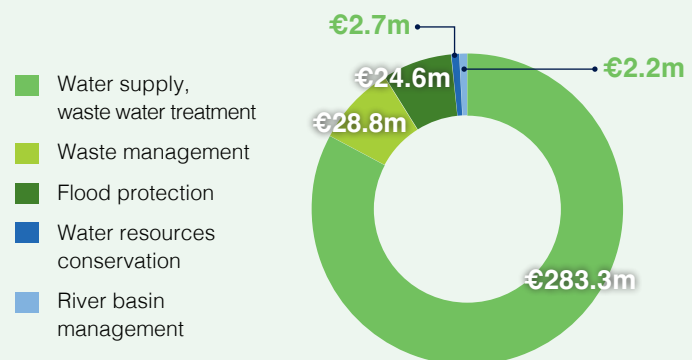


5.7 million people protected from floods

WBIF grants approved by beneficiary



WBIF grants approved by subsector





Flagship investments examples

February 2023



Flagship 7 Waste and waste water management

Montenegro Podgorica Waste Water Treatment Plant

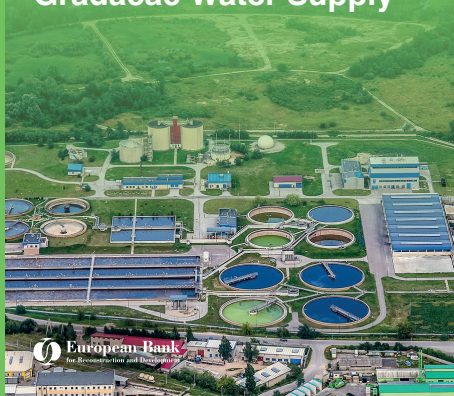


KFW

Podgorica is served by a waste water plant built in the 1970s, performing well below the capacity needed for present demand. Around half of the effluent is discharged untreated into the Morača River running into the Skadar Lake - an internationally recognised wetland area. **This investment project will build a new waste water treatment plant for the city, a sludge incineration plant, and extend the sewerage network.** These investments will enable the collection and treatment of the waste water generated by the city in line with EU standards.

WBIF EU grant	€23.7m
WBIF Bilateral Donors grant	€10.1m
KFW loan and grant	€35.3m
Beneficiary contribution	€7.5m
Estimated investment	€76.6m
Expected completion	2025

Bosnia and Herzegovina Gradačac Water Supply



Over 20,000 people in Gradačac will benefit from an upgrade of the water and waste water systems. **This investment project aims to supply water to 80% of the population and reduce water losses.** Through the extension of the sewerage network, the project has already increased the number of households connected to the waste water system. The city also introduced an improved water tariff collection based on accurate metering, to make the service more sustainable. This will enable the municipality to meet EU standards in the area of urban waste water.

WBIF Bilateral Donors grant	€2.7m
EBRD loan	€6m
SIDA grant	€2.3m
Czech Republic grant	€1m
Beneficiary contribution	€5m
Estimated investment	€17m
Expected completion	2023

North Macedonia Skopje Waste Water Treatment Plant



This investment project will design and build a central waste water treatment plant for Skopje. **The plant will service nine of the ten municipalities of the city.** Currently, the waste water generated by the city is discharged without treatment into the Vardar River, a major watercourse that flows into Greece. This investment will deliver significant environmental benefits, improve living standards, and contribute to the country's compliance with the EU acquis.

WBIF EU grant	€72.7m
EIB loan and grant	€35.3m
EBRD loan	€29.7m
French Treasury grant	€0.9m
Beneficiary contribution	€0.5m
Estimated investment	€139.1m
Expected completion	2025