



Serbia



March 2023

# Economic and Investment Plan for the Western Balkans

The **Economic and Investment Plan for the Western Balkans** (EIP) is the long-term recovery plan of the region. It accelerates the twin green and digital transition, and fosters regional cooperation and convergence with the EU. The EIP identifies 10 investment flagships to support sustainable transport, clean energy, environment and climate, digital future, human capital and private sector.

In the next six years the European Commission will mobilise close to **€30 billion**, one-third of the current GDP of the Western Balkans. **€9 billion** will come in the form of EU grants from the Instrument for Pre-accession Assistance (IPA) and this is expected to leverage more than **€20 billion** additional investments through the Western Balkans Guarantee Facility.

The EIP is the main vehicle to implement the **Global Gateway** in the Western Balkans.

The **Western Balkans Investment Framework** (WBIF) is the main financial tool to implement the EIP's investment flagships. The EIP is also implemented via IPA bilateral funding to support national high priority projects.

The WBIF was established in 2009 as a joint financial platform of the European Commission, international financial institutions, EU Member States and Norway, and hence fully in line with the **Team Europe** approach. WBIF aims at enhancing cooperation in public and private sector investment for the socio-economic development of the region, accelerating the European perspective for the Western Balkans.

#TeamEurope

## Achieved results 2009 – 2022

93 km of motorways built

93 km of railway lines rehabilitated

60 km of electricity transmission lines upgraded

Improved water and sanitation services for 585,000 people

## Expected results 2023 – 2030

77 km of motorways built

586 km of railway lines rehabilitated

353 MW renewable energy generation capacity installed

Improved water and sanitation services for 2.1 million people

## Public sector

€711m WBIF grant

€8.5bn estimated investment

€529m regional guarantee coverage to support infrastructure projects

€3.2bn IPA bilateral funding  
*All figures since inception*

## Private sector

€2bn estimated financing for SMEs  
*(incl. EDIF, EFSE, GGF, REEP)*

€408m regional guarantee coverage to support access to finance for SMEs  
*All figures since inception*



"WBIF projects benefit the life of people and businesses in Serbia as part of the accession process to the EU. The objective is not only about building a road or a school, it is about creating the most effective infrastructure network in line with EU standards."

**Ambassador Emanuele Giaufret**  
Head of EU Delegation to Serbia

## Implementation of the Economic and Investment Plan for the Western Balkans

**Flagship 1 Connecting East to West**  
The Peace Highway will be substantially advanced. The Rail Corridor X will be fully modernised.

**Flagship 2 Connecting North to South**  
The railway route connecting Belgrade with Pristina will be prepared for rehabilitation.

**Flagship 4 Renewable energy**  
Wind and hydro power plant investments will be substantially advanced.

**Flagship 5 Transition from coal**  
Trans-Balkan Electricity Corridor will be completed. The Serbia – North Macedonia Gas Interconnection will be prepared.

**Flagship 7 Waste and waste water management**  
Waste water treatment investments will be undertaken, and integrated waste management will be established.

**Flagship 8 Digital infrastructure**  
The roll-out of national broadband infrastructure will continue – with the completion of first projects by 2024.

**Flagship 9 Competitiveness of the private sector**  
Increase of grant amount and guarantee capacity for the private sector, and assistance for rural development.

## WBIF project examples



Flagship 4 **Renewable energy**

**Kostolac Wind Farm**

€31m WBIF EU grant

€145.1m estimated investment

Expected completion: 2024



Flagship 7 **Waste and waste water management**

**Sewerage System for Palilula, Belgrade**

€36.8m WBIF EU grant

€83.9m estimated investment

Expected completion: 2027



Flagship 8 **Digital infrastructure**

**Rural Broadband Rollout Phase 2**

€34.2m WBIF EU grant

€107.6m estimated investment

Expected completion: 2025

## €1 billion Energy Support Package

The package addresses immediate, short- and medium-term needs in the Western Balkans to accelerate decarbonisation, and improve the energy security of the region.

The European Commission will provide up to **€500m** in immediate budget support to mitigate the impact of high energy prices for small and medium-sized enterprises, keep energy prices affordable for vulnerable households and support policy measures to accelerate the energy transition.

**An additional €500m** is channelled through the WBIF for the priority infrastructure projects, the Regional Energy Efficiency Programme and guarantees to crowd-in private investments in clean energy.

€165m in budget support to Serbia

