



Western Balkans Investment Framework

Guidelines for Applicants: Blending Operations - Public and Private Sectors



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1. Purpose of the Guidelines

The **Guidelines for Applicants** apply to the preparation of project proposals for WBIF blending for the public and private sectors. They are intended to help applicants identify the WBIF intervention area under which they could submit project proposals and prepare the content of grant applications for technical assistance and investment grants.

The current guidelines are part of the call for proposals launched on 23 February 2022 and include the following documents that should be carefully read before submitting grant applications:

- Grant application form for investment grants for public sector blending
- Grant application form for technical assistance for public sector
- Application form for blending operations in the field of private sector development
- Application form for technical assistance in the field of private sector development
- Indicators for public sector blending and technical assistance
- Indicators for private sector development – blending and technical assistance
- Screening and assessment grid for investment grants for public sector blending
- Screening and assessment grid for technical assistance for public sector

Guidelines and templates for applicants referring to WBIF EFSD+ guarantee operations in support of the public and private sectors can be found in another set of documents.¹

2. Eligibility provisions

The following eligibility provisions apply to projects and programmes for financing under the WBIF. These criteria pertain to investments grants and technical assistance for WBIF blending in the public and private sectors.

2.1 Geographical coverage

Projects may be eligible for financing under the WBIF if they will be implemented on the territory of one or more of the following Beneficiaries: Republic of Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, Republic of North Macedonia, and Republic of Serbia.

For trans-national or regional projects involving one or more of the Beneficiaries but also non-eligible countries, the support provided through the WBIF will cover only the investment part pertaining to the Beneficiary.

The legal entity benefiting from a public sector investment grant shall be registered within a Beneficiary. For trans-national or regional projects involving also non-eligible countries, the institution or body in charge of the investment may be based in a non-eligible country, but the support provided through the WBIF will only cover the part of the investment implemented on the territory of the participating Beneficiaries.

2.2 Eligible entities for WBIF support

Public sector projects and programmes for financing under the WBIF may benefit (depending on the type of project and/or the intervention area addressed):

- (a) public entities;
- (b) private entities such as for example, without limitation, entities established within the context of public private partnerships (PPPs), joint ventures or mutual joint ventures;
- (c) other entities with mixed public-private capital,

in each case responsible for the management, construction and provision of public utilities and services.

Private sector projects and programmes for financing under the WBIF may benefit (depending on the type of project and/or the intervention area addressed):

¹ On 20 February 2022, at the time of finalising this document, the guidelines for EFSD+ guarantee instruments were not yet published. A reference will be added on the www.wbif.eu website in due course.

*This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

- (a) private entities active in any sector of the relevant economies, including without limitation, entities established without profit purposes, such as charities, associations and NGOs;
- (b) private entities such as for example, without limitation, entities established within the context of public private partnerships (PPPs), joint ventures or mutual joint ventures;
- (c) individual entrepreneurs active in any sector of the relevant economy irrespective of the existence of a specific legal framework, including for example farmers;
- (d) individuals belonging to a specifically targeted category, which projects may identify as in need of specific support under an intervention area;
- (e) public entities, as well as public and private entities providing public and/or private services, including financial services;
- (f) regional organisations with relevant mandate and specific expertise in the WBIF areas of intervention.

2.3 WBIF intervention areas

The WBIF intervention areas stemming from the [Economic and Investment Plan for the Western Balkans²](#) ensure the ‘policy first’ approach. Eligible projects for support through blending and technical assistance may support any sector that contributes to the economic, social and environmental development of the Western Balkans and to the investment flagships as identified the [Economic and Investment Plan for the Western Balkans communication](#) in the following intervention areas:

- (a) Sustainable transport
- (b) Clean energy
- (c) Environment & climate
- (d) Digital future
- (e) Competitiveness of the private sector
- (f) Human capital development

Figure 1: WBIF intervention areas and investment flagships



2.4 WBIF public and private sector blending investment priorities

The WBIF blending (public and private) investment priorities advance with the implementation of the [Economic and Investment Plan for the Western Balkans](#) and, in particular, on its flagship priority investments. The following eligibility criteria per investment priority are of application to projects and proposals submitted to the call for proposals launched on 23 February 2022.

The WBIF Strategic Orientations for blending operations as endorsed by the WBIF Strategic Board of 16 December 2021 and formalised through written procedure on 23 February 2022³ can be used as reference document together with the Economic and Investment Plan for the Western Balkans.

2.4.1 Sustainable transport

Rationale

² [Western Balkans: An Economic and Investment Plan to support the economic recovery and convergence](#)

³ Reference to be added following the publication of the document on the www.wbif.eu website.

The [Economic and Investment Plan for the Western Balkans](#) sets out that significant investment should be directed towards sustainable transport infrastructure in the Western Balkans.

Investments in transport should be future-proof and sustainable (through climate-proofing and mainstreaming) in line with the [Guidelines for the Implementation of the Green Agenda for the Western Balkans](#) embedded in the Economic and Investment Plan: e.g. rehabilitation of the rail network, deployment of Intelligent Transport Systems, multimodal transport solutions and modal shift. These investments should also be aligned with the Smart and Sustainable Transport Strategy (SSTS) priorities, the ‘do no significant harm’ principles and the Paris Agreement.

Fast and efficient transport links, both within the region and with the neighbouring EU Member States, and sustainable transport with further investments, namely in the rail and inland waterways sectors, are crucial.

Progress should be made on both the implementation of technical standards and connectivity reform measures (e.g. aligning/simplifying border crossing procedures, railway reform including unbundling and third-party access, information systems, maintenance schemes, road safety), thus speeding up the completion of the indicative extension of the Trans-European Transport Network (TEN-T) to the Western Balkans and accelerating full alignment with the EU acquis, namely digital and clean energy technologies.

The regional action plans on transport facilitation, rail, road, road safety and waterborne transport and mobility shall act as frameworks for investments.

Key areas of intervention

- Rehabilitation and construction of new resilient and smart transport infrastructure, especially rail;
- Deployment of digital transport technologies, such as intelligent transportation systems (ITS) or electronic queuing management systems (eQMS);
- Implementation of sustainable urban mobility, green multimodal transport solutions and investments intended to facilitate cross-border mobility.

2.4.2 Clean energy

Rationale

The [Economic and Investment Plan for the Western Balkans](#) together with the [Guidelines for the Implementation of the Green Agenda for the Western Balkans](#) set out that support towards energy transition – from highly polluting coal to more sustainable and green energy sources – will be reinforced.

The main focus will be the support to energy efficiency, low carbon transition (e.g. future-proof gas pipelines supportive of the low carbon transition, and transit of decarbonised gas and hydrogen), as well as performing electricity transmission lines and smart grids for increased use of renewable energy sources in line with the region’s potential. The contribution of these investments to decarbonise energy production and/or consumption shall be key to deliver on the Green Agenda for the Western Balkans.

Progress should be made on energy connectivity reform measures to set up a regional energy market and further integration with the EU energy market working closely with the Energy Community Treaty Secretariat. The mobilisation of the private sector would contribute to the nascent industrial clean energy ecosystems and can be a regional economic game changer.

Key areas of intervention

- Decarbonisation and clean energy;
- New digital technologies, increased digitalisation of the system and smart grids;
- Energy efficiency;
- Energy security;
- Enhanced energy connectivity.

2.4.3 Environment and climate

Rationale

The [Economic and Investment Plan for the Western Balkans](#) together with the [Guidelines for the Implementation of the Green Agenda for the Western Balkans](#) set out that significant investment should be directed towards greening the Western Balkans, by investing in the environment and climate, and mainstreaming it in other sectors.

Main focus will be on decarbonisation, climate change resilience, depollution of air, water and soil, green infrastructure, circular economy, sustainable farming and food production, protecting biodiversity, and nature-based solutions.

The region should embrace innovative green technologies.

Key areas of intervention

- Upgrading basic infrastructure, greening the built environment, investments in climate-smart technologies and techniques in the field of solid waste management, water, sanitation, disaster preparedness, establishment of air and water monitoring systems and pollution prevention measures, and strengthening resilience to extreme climate events.
- Upgrading basic infrastructure, greening the built environment, investments in climate-smart technologies and techniques in the field of sustainable transformation of agri-food systems and rural development, and strengthening resilience to extreme climate events.
- Nature-based solutions will be encouraged and supported.

2.4.4 Digital future

Rationale

The [Economic and Investment Plan for the Western Balkans](#) indicates that digitalisation is an opportunity and that digital solutions have to contribute to a sustainable, climate neutral, climate resilient, and resource efficient economy.

Accelerating the region's digital transformation through investments in digital infrastructures and services for business and governments represents a priority. The Digital Agenda for the Western Balkans is a reference in designing interventions.

Main interventions will focus on the connectivity of digital infrastructures in order to address difficulties created by Covid-19 emergency restrictions and socio-economic crises.

Key areas of intervention

- Digital connectivity and access to digital infrastructures, with particular focus on deploying ultra-fast and secure broadband with a view to ensure universal access (remote areas and lower income population);
- Investments in digital infrastructures should take into account the need to ensure infrastructure resilience and energy efficiency, and the security of digital infrastructures should be improved;
- Access to digital infrastructures for citizens, businesses and education institutions.

Projects in digital sector have to ensure alignment with EU's rules related to data protection and EU practices to mitigate cybersecurity risks (compliance with the [EU toolbox*](#));

2.4.5 Competitiveness of the private sector

Rationale

Crowding-in private capital to leverage additional funds is pursued across all WBIF investment windows to enable enhanced cooperation of all potential donors in the region through scaling-up of investments in all the [Economic and Investment Plan for the Western Balkans](#) propriety areas.

Specifically, the Economic and Investment Plan for the Western Balkans focuses on the importance of supporting start-ups, micro, small and medium-sized enterprises (MSMEs) as means to develop a robust private sector. This is essential for socio-economic development of the individual economies and to underpin the regional integration and, ultimately, to improve the region's competitiveness, job creation and convergence towards the EU. The Plan sets out that significant investment should be directed towards innovation and green growth and contribute to address the policy objectives of the Green Agenda for the Western Balkans and the Western Balkans Agenda on Innovation, Research, Education, Culture, Youth and Sport (the Innovation Agenda).

Investing in the competitiveness of the private sector entails ensuring the availability and reliability of affordable and diversified access to finance for start-ups and MSMEs, which shall support them to grow and expand. It also entails addressing barriers hindering an adequate business climate development at economies and regional level. Last but not least, investments have to be aligned with reforms priorities, as identified by the Economic Reform Programmes, and have to contribute to the implementation of the Common Regional Market.

Key areas of intervention

- Green transition: shall support investment in the private sector focusing on the Green Agenda for the Western Balkans priorities, including energy, decarbonisation, circular economy, and protection of biodiversity.
- Sustainable agriculture: shall support investments in the private sector focusing on the sustainable farming, food production and climate change resilience dimension of the Green Agenda for the Western Balkans.
- Digital transition: shall support investments strengthening the digitalisation of the business sector in the region (including start-ups and scale-ups MSMEs), as well as the integration of research and development results, innovation, technology transfer, and enabling digital eco-systems.
- Trade: shall aim at raising the quality standards of companies, the availability of export-oriented investments, and facilitate the integration of innovative industrial value chains between the Western Balkans and the EU in order for the region's private sector to benefit from market integration and trade within the region and with the EU.
- Financial inclusion: shall support the labour, social and financial inclusion of those furthest away from the labour market, including the Roma population. Focus should be put on unlocking adequate diversified finance instruments, build the capacity to develop entrepreneurial undertakings and social enterprises, crowding-in private capital to tackle social challenges and support socially responsible public procurement.
- Financial and financing diversification: shall aim at supporting the development of innovative financial instruments (including bonds and equity) and at unlocking alternative sources of funding (including pension funds, insurance funds) across all priorities identified above.
- Business climate development: shall support the development or advances of an adequate business climate in the region.

2.4.6 Human capital development

Rationale

The [Economic and Investment Plan for the Western Balkans](#) shifts focus from social infrastructures to investments in human capital, recognising the importance of education and skills, health and social protection to unleash economic growth potential. Investing in human capital entails investing in reforms, services and infrastructures.

It is important that new interventions are sufficiently grounded with the necessary feasibility and sectoral studies and/or that interventions are part of human development broader strategies at regional and/or partner economy level.

Investments have to contribute to the reforms priorities as identified by the Economic Reform Programmes and to the implementation of the Common Regional Market, digital and green agenda objectives.

We propose to focus main interventions in human capital in the fields of education and skills, health. Bearing in mind that the final objective is to equip the private sector to be more competitive (mostly formed by micro, small and medium enterprises in the Western Balkans), to mitigate brain drain and support innovation. Investments should contribute to the digital and green transition of the region.

Key areas of intervention

- Infrastructure investments in the field of education and skills (from early childhood education to high-level education), and health have to comply with clean energy, energy efficiency, environmental protection, disaster resilience, including to climate change impacts, sustainable infrastructures and digitalisation. Recognised international standards in the fields need to be recognised. Investments in infrastructure have to be instrumental to the achievement of the objectives of existing education and skills, health strategies and plans;
- Investments have to incorporate and/or address the priorities of the digital and green agenda for the Western Balkans. In case of infrastructure, investments should prioritise the deployment of digital infrastructures, fulfil with renewable energy and energy efficiency requirements, needed sector reforms and standards adaptation;

- Investments have to be part of a partner economy or regional education and skills, health strategies and target explicitly inclusion of disadvantaged groups, including minorities and marginalised communities, explicitly but not exclusively support Roma labour market integration. Gender considerations also need to be taken into account.

2.5 WBIF eligible sub-sectors for public sector investments and delineation with IPA national programmes

While the table below presents a division of interventions related to infrastructure, Sector Operational Programmes and bilateral programmes in general also support soft measures such as technical assistance and other assistance for project preparation, institutional support, capacity building, acquis alignment, etc., which can apply to all the sub-sectors listed in the table.

Table 1: WBIF eligible sub-sectors for public sector investments and delineation with IPA national programmes

Sub-sector	Sector Operational Programmes / National IPA	WBIF
Sustainable transport		
Road infrastructure	<ul style="list-style-type: none"> • Roads not included in TEN-T core network 	<ul style="list-style-type: none"> • TEN-T Core road network (plus TEN-T Comprehensive roads explicitly mentioned in the Flagship Annex to the EIP)
Railway infrastructure	<ul style="list-style-type: none"> • Railway stations (rehabilitation/modernisation) and railways not included in the TEN-T core network 	<ul style="list-style-type: none"> • TEN-T Core railway network
Maritime transport/inland waterways	<ul style="list-style-type: none"> • Coastal protection • Inland waterways not included in the TEN-T core network 	<ul style="list-style-type: none"> • TEN-T Core maritime ports • TEN-T Core inland waterways network (incl. ports)
Intermodality	-	<ul style="list-style-type: none"> • Terminals / multi-modal hubs
Urban mobility	<ul style="list-style-type: none"> • Sustainable urban transport systems other than rapid transit systems 	<ul style="list-style-type: none"> • Rapid transit systems
Clean energy		
Electricity	<ul style="list-style-type: none"> • Transmission of internal electricity transmission lines, if not on the PECE/PMI lists, that significantly contributes to market integration and/or to the integration of RES • Distribution 	<ul style="list-style-type: none"> • Transmission lines • Digitalisation of the network • Energy storage
Renewable energy production	-	<ul style="list-style-type: none"> • Solar, wind farm, etc.
Energy efficiency	<ul style="list-style-type: none"> • Public buildings • District heating 	<ul style="list-style-type: none"> • Public buildings (only hospitals and education facilities) + REEP • Facilities for SMEs and private dwellings (GGF, REEP)
Hydrocarbons	-	<ul style="list-style-type: none"> • Gas pipelines (including pipe interconnectors) • Underground gas storage
Environment and climate change		
Water management	<ul style="list-style-type: none"> • Drinking water and waste water (\leq €15 million (€30 million for Serbia))* • River basin management/flood prevention 	<ul style="list-style-type: none"> • Drinking water and waste water ($>$ €15 million (€30 million for Serbia))*
Waste management	<ul style="list-style-type: none"> • Waste management centres (\leq €20 million (€30 million for Serbia))* • Closure of non-compliance landfill • Equipment* 	<ul style="list-style-type: none"> • Waste management centres ($>$ €20 million (€30 million for Serbia))* • Closure of non-compliance landfill (only if in association with waste management centres)
Air quality/noise	<ul style="list-style-type: none"> • Services/ works/ equipment* 	-
Nature protection	<ul style="list-style-type: none"> • Management of natural resources, resource protection (deployment of reservoirs, irrigation; ecological green and blue infrastructures; ecosystem restoration and resilience; restoration of carbon-rich habitats; water retention)* 	-
Industrial pollution/chemicals	<ul style="list-style-type: none"> • Services (studies) • Cleaning of chemical dumpsites on local level 	<ul style="list-style-type: none"> • Industrial decarbonisation and depollution (including through WBIF private sector)
Digital future		

Sub-sector	Sector Operational Programmes / National IPA	WBIF
Infrastructure	<ul style="list-style-type: none"> e-governance, e-procurement, e-education, e-health, electronic public services Projects supporting alignment with EU's rules related to data protection EU practices to mitigate cybersecurity risks 	<ul style="list-style-type: none"> Ultra-fast and secure broadband with a view to ensure universal access Secure, energy-efficient and trustworthy data centres, edge and cloud infrastructures, as well as linking to EU initiatives on high-performance computers and/or GEANT programme Exploring synergies with other connectivity areas such as transport and energy in the context of infrastructure sharing (e.g. Balkans Digital Highway)
Human capital development		
Health	<p><i>Not a priority under SOPs, to be addressed through bilateral programmes:</i></p> <ul style="list-style-type: none"> Any activity in line with IPA III programming framework, EIP, ERP 	<ul style="list-style-type: none"> Only interventions related to digitalisation and energy efficiency
Education & skills	<ul style="list-style-type: none"> Investments contributing to the Economic and Investment Plan Flagship 10 Youth Guarantee* Any other activity in line with IPA III programming framework, EIP, ERP* 	<ul style="list-style-type: none"> Only interventions related to digitalisation and energy efficiency
Social inclusion	<ul style="list-style-type: none"> Any activity in line with IPA III programming framework, EIP, ERP* 	-
Employment	<ul style="list-style-type: none"> Any activity in line with IPA III programming framework, EIP, ERP* 	-

*Priority area(s) for Sector Operational Programmes.

Note: The above table refers to EU funds only. The thresholds for the water and water management subsectors relate to the EU grant amount. In addition, Bilateral Donors can support small scale TA and investment projects in all sectors described above regardless of the division of sectors into "SOPs/bilateral programmes" and "WBIF/investment in public infrastructure" and without any financial threshold.

2.6 Project and programme proposals

Project and programme proposals may be identified by different stakeholders, including national and local authorities of the Beneficiaries, Partner Financial Organisations, EU Member States, Bilateral Donors, other participating multilateral or bilateral financing institutions, and regional and local institutions and bodies. For the private sector, NGOs, international organisations, financial institutions, other entities active in the private sector development and underpinning the needed reforms and standards to attract private investments in the region and individual economies.

Project and programme proposals covering **infrastructure investments**:

- Should as a general principle be prioritised and identified in the Single (National) Project Pipeline compiled within the remit of a National Investment Committee (NIC), or equivalent national structure, and submitted to the WBIF Secretariat by the Beneficiaries via their National IPA Coordinators (NIPACs).
- Should be consistent with the EU Pre-Accession Strategy and relevant national sector strategies. In the case of sectors for which regional coordination mechanisms exist or may be established in the future, projects should also be consistent with the priorities identified by such mechanisms.
- Must be consistent with the specific policies, rules and procedures of each source of funding, including environmental and social standards, such as gender equality, non-discrimination and equal opportunity. They should address gender equality and the integration of vulnerable communities into the labour market.

Project and programme proposals covering **private sector development investments**:

- Should aim at developing a robust, innovative and competitive private sector, increase investments in micro, small and medium enterprises, including their capacity to innovate, scale-up and grow. 50% of EU private sector funding should be dedicated to innovation and green growth, enhance employment creation, particularly catering young people, vulnerable and women.

- Should contribute to build the local business ecosystems and where existing refer to the smart specialisation strategies priorities.
- Must be consistent with the specific policies, rules, promotion of gender equality, non-discrimination and equal opportunity, of each source of funding. They should address gender equality and integration of vulnerable communities in the labour market.

Project proposals shall explicitly mention any complementarities or coherence with projects supported or planned for support under the IPA National Programmes (for implementation by the EU Delegations or by the Beneficiaries' authorities) and/or other donor activities, by providing at least a preliminary indication of the type and amount of donor support that the investment project may receive from various sources.

Beneficiary ownership, long-term sustainability and a clear financing perspective for the implementation of projects are mandatory.

3. Timeline for the call for proposals

The European Commission and the Bilateral Donors launch a WBIF call for proposals for public sector technical assistance and investment grants (TA Round 27 and INV Round 7) and for private sector blending operations (PS Round 1) on 23 February 2022.

The call for proposals has different closing deadlines and assessment timetables, as follows:

Event	TA Round 27 Public	INV Round 7 Public	PS Round 1 Private
Launch of the Call for Proposals	23 February		
Pre-notification deadline	23 February	29 March	n/a
Submission deadline	4 March	26 August	14 March
Endorsement deadline	18 March	9 September	n/a
Bilateral discussions with IFIs on PS	n/a		April
Screening (until)	8 April	7 October	n/a
1 st Paris Group	12 April	12 October	n/a
Assessment (until)	11 May	4 November	n/a
2 nd Paris Group	17 May	9 November	n/a
33 rd / 34 th PFG	18-19 May	17-18 November	18-19 May
2 nd / 3 rd Operational Board	21-22 June	15 December	21-22 June

4. Grant requests for public sector

The requests for grant support shall be submitted to the Project Financiers' Group (PFG) by the Beneficiaries by way of a WBIF specific grant application form together with an accompanying letter signed by the NIPAC which confirms the Beneficiary's commitment to the projects submitted, that the Lead Financial Institution has been consulted and, in the case of an investment grant, acknowledges that there is adequate fiscal space for its implementation. Grant requests shall be submitted according to the deadlines confirmed by the Operational Board at the launch of the call for proposals. For the application process, the WBIF MIS platform shall be used.

The Beneficiaries shall submit a duly completed grant application form, in the form endorsed by the PFG and published in the call for proposals. Different formats are used for technical assistance and investment grants respectively. The applications shall be pre-notified and submitted by the NIPACs via the WBIF MIS.

Project proposals must be supported by a Lead Financial Institution (Lead IFI). The Lead IFIs for WBIF projects are the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), the Council of Europe Development Bank (CEB), the KfW (Kreditanstalt für Wiederaufbau), the World Bank (WB), and the Agence Française de Développement (AFD).

The Beneficiaries shall prepare the project proposals under the supervision of the NIPACs and in close cooperation with the Lead IFI. The Beneficiaries must consult with the Lead IFI well in advance of pre-notification (minimum one month prior to the pre-notification deadline). The Beneficiaries must consult IFIs at an early stage, providing sufficient details for the WBIF grant activities, including: (1) Project name, objectives of the grant, description of grant financed activities, confirmation of prior consultation with the

Lead IFI, and overview of project costs; (2) Completed grant application form two weeks after pre-notification, at the latest. Furthermore, coordination with the EU Delegations must be ensured.

Proposals should be accompanied by a clear perspective of financing from the IFIs and an indication of possible additional grant funding from IPA National Programmes and/or other donors and from the Beneficiary's own (national) budget.

Projects will be individually assessed on their level of maturity, and, as a general rule, more mature projects will be given priority over less mature ones. Projects with a strong regional and/or cross-border impact will have a higher priority than those restricted to local impacts.

All necessary approvals or pre-approvals, as applicable, by beneficiary stakeholders must be obtained by the time of application submission (i.e. EIA approval, land acquisition).

The Beneficiary institutions must have a reasonable capacity to define their investment plans, to procure and implement the project, possibly supported with specific technical assistance. The relevant beneficiary entity must demonstrate commitment and project ownership for the whole project duration and ensure that a project implementation unit is in place with appropriate skills and relevant experience acceptable to the IFIs.

4.1 Investment grants

The grant application form for investment grants (INV GAF) is part of Annex 1 to these Guidelines. Instructions on filling in the application form are embedded in the template. The Beneficiaries must follow the instructions in the preparation of project proposals.

The applications shall be submitted accompanied by a letter to the European Commission and IFIs by the relevant Ministry of Finance conforming that: (1) the project is a high priority for the Beneficiary, (2) its costs are planned and foreseen in the future budget, and (3) relay a firm commitment to take up the loan and to implement the project as per the grant application (scope and timeline).

The projects must be mature. The detailed design, or the preliminary design for design-build projects, and the tender documentation (if part of project preparation TA) must be completed and approved by the beneficiary by the time of GAF approval. The ESIA must be completed and approved by the IFIs at the time of application submission.

The financing plan for the project must be in place. The financing for the project must be confirmed in principle by co-financiers and the Ministry of Finance of the Beneficiary. The IFI project appraisal/loan preparation must be ongoing at the time of application submission. Project proposals should have a clear perspective of financing from the Lead IFI and co-financiers, possible additional grant funding and from the beneficiary's own (national budget). For investments where the affordability necessitates substantial donor grant support in addition to loans, the project proposal shall explicitly mention whether the project has received earlier support from an EU Programme and/or other donor activities, or if there is planned or potential further support from IPA outside the WBIF (National Programmes implemented locally), and/or from other donors for the project implementation. The Beneficiary shall indicate the type and amount of donor support that the investment project may receive from various sources.

The maximum co-financing rates for WBIF public sector blending investments are as follows:

Investment windows	Max. co-financing rate (%)
Sustainable transport	
Roads construction and re-construction	40
Railways (new construction, rehabilitation, track renewal, signalling, telecommunication, etc.)	50
Rapid transit systems (part of urban mobility)	40
Inland waterways and ports	50
Maritime ports	50
Clean energy / energy efficiency	
Energy supply - renewable energy sources	30
Energy interconnections, electric power transmission, distribution, electrification of urban and rural areas	20
Energy efficiency in buildings (including REEP Plus)	30
Gas infrastructure, future-proof gas pipelines	20

Environment and climate change	
Drinking water treatment and supply, waste water collection and treatment, sewerage systems	70
Waste management (collection, source-separation, recycling, treatment and disposal technologies)	70
Flood prevention and protection infrastructure	70
Digital infrastructure	
Ultra-fast and secure broadband roll-out (particular focus on connecting 'white zones' / rural area, education and healthcare institutions)	30
Energy-efficient and secure data centres, high-performance computers	30
Exploring synergies with other connectivity areas such as transport and energy in the context of infrastructure sharing (e.g. Balkans Digital Highway)	30
Social infrastructure	
Digitalisation and energy efficiency in public universities, schools	30
Digitalisation and energy efficiency in hospitals and health centres	30

4.2 Technical assistance

The grant application form for technical assistance (TA GAF) is part of Annex 2 to the Guidelines. Instructions on filling in the application form are embedded in the template. The Beneficiaries must follow the instructions in the preparation of project proposals.

The following technical assistance activities are eligible for WBIF grant financing:

- Support for project preparation (e.g. masterplans, (pre)feasibility studies, cost-benefit analysis, environmental and social impact assessments, comprehensive risks assessments, including disasters and climate change risks and vulnerability, designs, etc.). It does not include activities related to the technical review, check and verification of any project design(s) as per national legislation, other activities specific to the urban planning and/or land ownership (e.g. the preparation of urban plans, documentation for land expropriation, etc.) that fall under the Beneficiary's responsibility as part of its due diligence and control for the project management.
- Support for project implementation: project management (including tender documents preparation, procurement assistance), communication and visibility, etc.
- Support for overcoming specific obstacles delaying the preparation or implementation of projects. For faltering projects, a thorough analysis of the causes thereof and a clear and logical use of the grant to drive their progress must be provided in the grant application. As a general principle, the WBIF will not add more subsidies to an existing investment but will consider support for improving the policy/regulatory environment of that investment through capacity building.
- Construction supervision is eligible only for funding channelled through the European Western Balkans Joint Fund. Construction supervision is not eligible under the IPF instrument.

For projects with preparatory studies under development (e.g. the feasibility study is being prepared), grant financing for the next stage will not be provided until these studies are completed and the results are approved and endorsed. Similarly, additional grant financing will not be considered when a grant has already been awarded but not disbursed.

The underlying investment projects of TA grants should be endorsed by the Ministry of Finance.

5. Grant requests for private sector

- Project proposals for investment grants blending and technical assistance grant must be submitted by a Lead Financial Institution (Lead IFI). Lead IFIs **include** the IFIs member of WBIF, namely the EIB, EIF, EBRD, CEB, KfW/DEG, World Bank, and IFC. Other IFIs pillar assessed can lead and submit project proposals for investment grant blending and technical assistance.
- The requests for support must be submitted by way of WBIF specific application form (either for blending operations or for technical assistance), together with all relevant documents.
- Project proposals have to be consulted with the European Commission, including EU Delegations and/or Office, on the relevance of their relevance and synergy with the ongoing and planned European assistance at local level and similar schemes at national level.

- All requests must be submitted according to the deadlines confirmed by the WBIF Operational Board at the launch of the call for proposals. For the purposes of the application process, the WBIF Management Information System platform developed by the WBIF Secretariat must be used.
- Applicants must submit a duly completed application form. Template for grant investment and technical assistance differ.
- In case more than one IFIs is involved in a project, a Lead IFI must be determined.
- In case of participation in the proposal of regional organisations, international organisations or other entities, they have to be defined and specific arrangements have to be ensured by the Lead IFI.
- Project proposals for both blending and technical assistance operations can be funded through the European Western Balkans Joint Fund, following the dispositions of its General Conditions.

5.1 Investment grants

The blending application form for private sector (BAF) is part of Annex 3 to these Guidelines. Instructions on how to fill in the application form are embedded in the template. The applicants must follow the instructions in the preparation of project proposals.

5.2 Technical assistance

The technical assistance application form (TAF) is part of Annex 4 to the Guidelines. Instructions on how to fill in the application form are embedded in the template. The applicants must follow the instructions in the preparation of project proposals.

Technical assistance proposals must have a clear regional dimension and need to be instrumental to prepare for blending and or guarantees operations in support to the private sector development or identify needed reform priorities.

Annexes

The following Annexes form an integral part of these Guidelines.

- Annex 1: Grant application form for investment grants for public sector blending
- Annex 2: Grant application form for technical assistance for public sector
- Annex 3: Blending application form for private sector
- Annex 4: Technical assistance application form for private sector
- Annex 5: Indicators for public sector blending and technical assistance
- Annex 6: Indicators for private sector blending and technical assistance
- Annex 7: Screening and assessment grid for investment grants for public sector blending
- Annex 8: Screening and assessment grid for technical assistance for public sector
- Annex 9: Glossary