



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

