



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 8 November 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
- Screening and assessment grid for blending for private sector
- Screening and assessment grid for technical assistance for private sector

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):

*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.

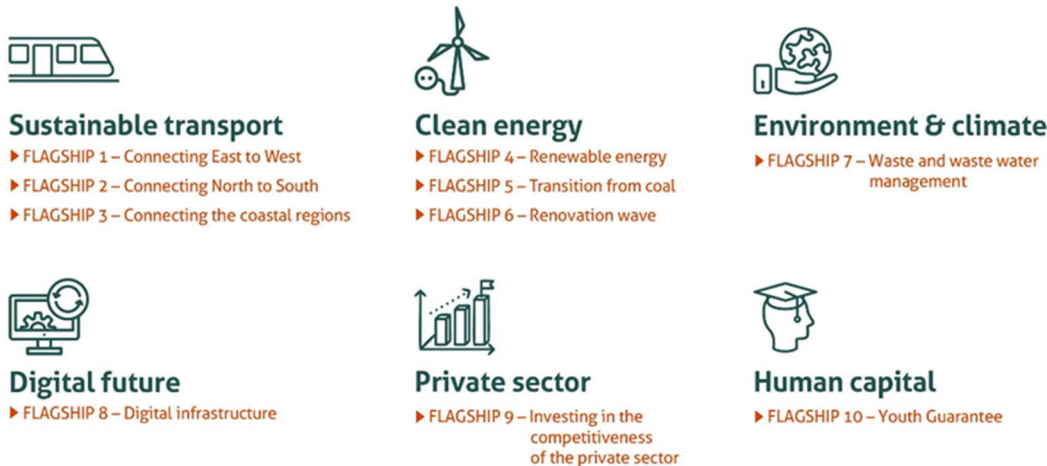
- (a) private entities active in any sector of the relevant economies, including without limitation, entities established without profit purposes, such as charities, associations and NGOs;
- (b) private entities such as for example, without limitation, entities established within the context of public 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 Balkans](#)¹ 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 8 November 2022.

The [WBIF Strategic Orientations](#) for blending operations as endorsed by the WBIF Strategic Board on 16 December 2021 and formalised through written procedure on 23 February 2022 can be used as a reference document together with the Economic and Investment Plan for the Western Balkans.

2.4.1 Sustainable transport

Rationale

¹ [Western Balkans: An Economic and Investment Plan to support the economic recovery and convergence](#)

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 infrastructure should be future-proof and sustainable (e.g. through proper climate risk assessments and adequate mitigation and adaptation measures) 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 Sustainable and Smart Transport Strategy (SSTS) priorities, the 'do no significant harm' principle and the Paris Agreements.

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

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 as regards digital and clean energy technologies.

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

Key areas of intervention

- Rehabilitation of existing and construction of new resilient and smart transport infrastructure (Core TEN-T Network), especially rail and inland waterways;
- Deployment of digital transport technologies, such as intelligent transportation systems (ITS) or electronic queuing management systems (eQMS);
- Implementation of rapid urban transit systems for sustainable urban mobility solutions, 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.

In reply to Russia's war of aggression and its devastating impact on the energy sector, the European Commission's President announced the [EU External Energy Strategy](#) on 18 May 2022, which aims to drastically reduce the EU's dependency on (Russian) fossil fuels for energy production. Accelerated roll-out of the Green Agenda and implementation of clean energy projects, with a sharper focus and emphasis on energy transition is thus more important than ever.

The main focus will be the support to renewable energy generation (e.g. solar, wind, biomass and rehabilitation of existing hydropower plants), energy efficiency (public and private buildings and businesses), 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 performant electricity transmission lines 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, including being able to avoid potentially negative consequences of the Carbon Border Adjustment Mechanism (CBAM).

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

- Renewable sources of energy generation and decarbonisation;
- New digital technologies, increased digitalisation of the system;
- Energy efficiency, including energy poverty measures;

- 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 and mainstreaming environmental and climate requirements in other sectors.

Main focus will be on decarbonisation, climate resilience, depollution of air, water and soil, green infrastructure, circular economy, sustainable farming and food production and protecting and restoring biodiversity. The region should embrace innovative green technologies.

Key areas of intervention

- Upgrading basic infrastructure in line with relevant EU standards, greening the built environment, investments in climate-smart technologies and techniques in the field of solid waste management², water, sanitation, disaster risk reduction, 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 where relevant.

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.

We propose to focus main interventions on the connectivity to digital infrastructures (ultra-fast and secure broadband connections for households, businesses and education and health institutions), with particular focus on remote areas and to lower-income population.

Key areas of intervention

- Digital connectivity and access to digital infrastructures (including collaborative digital environments for business and education institutions with regional impact or pilot character), with particular focus on remote areas and to 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.

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.

² Conditional on reliable strategies and solid waste management plans being in place, ensuring sustainability of investments.

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, 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 beneficiary 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 infrastructures in the fields of education and health, bearing in mind that the final objective is to equip the private sector to be more competitive (mostly formed by SMEs in the Western Balkans). Proposals for WBIF funding shall be coordinated with bilateral IPA programming.

Key areas of intervention

- Investments in new and/or upgraded facilities in the fields of education (from early childhood education to high-level education) and health, complying with clean energy, environmental protection, disaster resilience, including to climate change impacts, sustainable infrastructures and digitalisation. Recognised international standards in the fields need to be recognised;

- Investments have to incorporate and/or address the priorities of the digital and green agenda for the Western Balkans, including contribute to underpin the deployment of digital infrastructures, fulfil renewable energy and energy efficiency requirements, needed sector reforms and standards adaptation;
- Investments have to be part of a beneficiary economy or regional education and health strategies and target explicitly inclusion of disadvantaged groups, including minorities and marginalised communities, explicitly but not exclusively support Roma 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 subsectors for public sector investments and delineation with IPA national programmes

Sub-sector	Sector Operational Programmes (SOPs) / National IPA	WBIF
Sustainable transport		
Roads infrastructure	<ul style="list-style-type: none"> • Roads TEN-T Comprehensive Network and others 	<ul style="list-style-type: none"> • Road TEN-T Core Network
Railways infrastructure	<ul style="list-style-type: none"> • Railway TEN-T Comprehensive Network, railway stations 	<ul style="list-style-type: none"> • Railway TEN-T Core Network
Maritime/Inland waterways infrastructure	<ul style="list-style-type: none"> • Inland waterways TEN-T Comprehensive Network • Coastal protection 	<ul style="list-style-type: none"> • Inland waterways TEN-T Core Network • Port infrastructure
Intermodality		<ul style="list-style-type: none"> • Terminals/multi-modal hubs
Urban mobility	<ul style="list-style-type: none"> • Sustainable urban transport* 	<ul style="list-style-type: none"> • Rapid urban transit systems
Clean energy		
Electricity	<ul style="list-style-type: none"> • Transmission of internal electricity transmission lines, if not on the PEI/PMI lists, that significantly contributes to market integration and/or to the integration of renewable energy sources • 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, hydropower, biomass, electricity and heat generation
Energy efficiency	<ul style="list-style-type: none"> • Public buildings • District heating 	<ul style="list-style-type: none"> • Public and private buildings and businesses through REEP and GGF • Hospitals and education facilities through WBIF
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-compliant landfills • Equipment** 	<ul style="list-style-type: none"> • Waste management centres ($>$ €20 million (€30 million for Serbia)) • Closure of non-compliant landfills, including rehabilitation according to EU standards (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; 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/remediation of local dumpsites 	<ul style="list-style-type: none"> • Integrated industrial decarbonisation and depollution solutions (including through WBIF private sector)

Sub-sector	Sector Operational Programmes (SOPs) / National IPA	WBIF
Digital future		
Infrastructure	<ul style="list-style-type: none"> e-governance, e-procurement, 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 infrastructure 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 infrastructure 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** 	n/a
Employment	<ul style="list-style-type: none"> Any activity in line with IPA III programming framework, EIP, ERP** 	n/a

* Priority area(s) for Sector Operational Programmes, without the actions eligible under WBIF.

**Priority area(s) for Sector Operational Programmes.

Note: The above table refers to EU funds only. The thresholds for the water and waste management sub-sectors apply to the EU grant amount. In addition, Bilateral Donors can support small scale technical assistance and investment projects in all sectors described above regardless of the division of sectors into "SOPs/bilateral programmes" and "WBIF" 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

In recognition of the current energy crisis and the need to accelerate implementation, the European Commission and the Bilateral Donors launched a WBIF call for proposals for public sector technical assistance and investment grants, TA Round 29 and INV Round 8, on 8 November 2022.

The timeline for the call for proposals is as follows:

Event	TA Round 29 & INV Round 8
Launch of the Call for Proposals	8 November 2022
Pre-notification deadline	31 January 2023
Submission deadline	24 February 2023
Endorsement deadline	10 March 2023
Screening (until)	14 April 2023
1 st Paris Group	20 April 2023
Assessment (until)	19 May 2023
2 nd Paris Group	24 May 2023
35 th PFG (tbc)	25-26 May 2023
5 th Operational Board (tbc)	28-29 June 2023

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 are as follows:

Investment windows	max. co-financing rate (%)
Sustainable transport	
Roads (including digital transport technologies)	40
Railways (including signalling and telecommunications)	50
Rapid urban transit systems	40
Inland waterways and ports	50
Maritime ports	50
Clean energy / energy efficiency	
Energy supply - renewable energy sources	up to 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

* WBIF will apply maximum grant support to projects that either fall under a piloting exercise or are providing an innovative approach to renewable energy generation. Otherwise, a grant rate of 20% will apply.

Please note, blending support for established renewable energy technologies will, in general, be phased out when the guarantee instruments will become available.

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 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 grants 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, IFC, and AFD. 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. The templates for investment grants 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 the 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: Screening and assessment grid for blending for private sector
- Annex 10: Screening and assessment grid for technical assistance for private sector
- Annex 11: Glossary