



**1st Meeting of the WBIF Strategic Board
16th December 2021, 09:00h - 13:00h**

Virtual Meeting

Summary of Meeting

Introduction

The WBIF Co-chairs EC-DG NEAR Katarína Mathernová, Deputy Director-General, and Italy, Francesca Utili, Director-General, International Financial Relations Directorate, Department of the Treasury, Ministry of Economy and Finance of Italy, welcomed participants to the first WBIF Strategic Board meeting.

Following adoption of the agenda, new members and observers were welcomed to WBIF and the following institutions reaffirmed their commitment to WBIF and intervened:

- The EU Presidency, representative from Slovenia;
- The European Parliament's Committee on Foreign Affairs;
- The Western Balkan partners: Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, North Macedonia and Serbia;
- The Kreditanstalt für Wiederaufbau (KfW), in representation of the IFIs; and
- The European Investment Bank (EIB).

Italy as WBIF Co-chair and in representation of the Bilateral Donors, underlined the commitment and prominent role of Bilateral Donors in the Framework, welcomed the reaffirmed inclusiveness of WBIF and announced (via the respective country representatives) the following contributions/pledges:

Country	Pledge in €M
Austria	2
Germany	2
Italy	4
Norway	~3 (NOK 30M)

The Co-chairs welcomed the new Director of the Energy Community Secretariat, Artur Lorkowski.

Update on latest developments in the Western Balkans

EC-DG NEAR (acting) Director General Maciej Popowski updated participants on the latest

* 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.

developments concerning the Western Balkans and reaffirmed the European Union's firm commitment to the region, evidenced by the EC President Ursula von der Leyen's visit to the Western Balkans in the autumn 2021 and the Leaders declaration at the Summit in Brdo (6 October 2021), outlining their commitment to implement the Green Agenda Action Plan and, besides others, launching the Innovation Agenda. The coming year must be a year of progress and project launching, the Economic and Investment Plan for the Western Balkans (EIP) ² is based on the investment needs from the region and mirrors similar recovery plans in EU Member States. Finally, the common regional market in the Western Balkans is not an alternative to the European single market, but helps the entire region advancing on the path towards the EU.

Presentation of WBIF Strategic Orientations for the Western Balkans (EFSD+)

EC-DG NEAR presented the draft WBIF Strategic Orientations for the Western Balkans (EFSD+).

The IPA III Regulation sets out that the WBIF Strategic Board shall advise the European Commission on the strategic orientation for investments in the Western Balkans. The WBIF's Strategic Orientations 2021-2027 were prepared by the European Commission and outline the policy context, legal basis and instruments, guiding principles and description of the WBIF intervention areas to be supported through two main tools Public and Private Blending and the WBIF Western Balkans Guarantee Facility (EFSD+)

The WBIF Strategic Orientations are based on dedicated discussions with representatives of the beneficiary economies, IFIs and other relevant internal and external stakeholders during 2021 and further address the results of an external market failure analysis.

EC-DG NEAR announced that WBIF Strategic Board members are invited to submit further comments in writing (NEAR-WBIF@ec.europa.eu) to the WBIF Strategic Orientations for the Western Balkans until 10 January 2022. A consolidated, updated version of the Strategic Orientations will then be formalised through a written procedure, following adoption of the WBIF Rules of Procedure.

Discussion

KfW, the Council of Europe Development Bank (CEB) and the International Finance Corporation (IFC) intervened during the discussion, whereby stressing the importance of engagement with the private sector and the new energy policy (phasing out of carbon), as well as welcoming the Bilateral Donors to co-finance smaller scale projects, including in the social and environment sectors.

Presentation of the Rules of Procedure

EC-DG NEAR presented the draft WBIF Rules of Procedure (RoP). The new RoP have been drawn up in order to comply with relevant provisions of the IPA III and NDICI-Global Europe Regulations. The RoP envisage an enhanced membership, with all EU Member States and Norway represented, as well as all Partner Financial Institutions, and the EU Parliament (and others) as observers. The Boards will have advisory roles. The partnership at Board Level will be as inclusive and cooperative as in the past, and the Project Financier's Group will continue to review blending applications before they are presented to the

² COM(2020) 641 final, Brussels, 6.10.2020

Operational Board.

EC-DG NEAR announced that WBIF Strategic and Operational Board members are invited to submit further comments in writing (NEAR-WBIF@ec.europa.eu) to the new Rules of Procedure until 10 January 2022. A consolidated, updated version of the Rules of Procedure will then be adopted by written procedure.

Annexes (separate documents)

1. List of Participants

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