



# A CREDIBLE ENLARGEMENT PERSPECTIVE FOR AND ENHANCED EU ENGAGEMENT WITH THE WESTERN BALKANS



The European Union has long supported its partners in the Western Balkans on their respective integration paths, and the European Council reaffirmed its unequivocal support for the European perspective of the Western Balkans on 9 March 2017.

## THE ECONOMIC POTENTIAL OF THE EU'S RELATIONS WITH THE WESTERN BALKANS

EU companies are the **biggest investors** in the Western Balkans: over €10 billion of Foreign Direct Investments in the past five years.

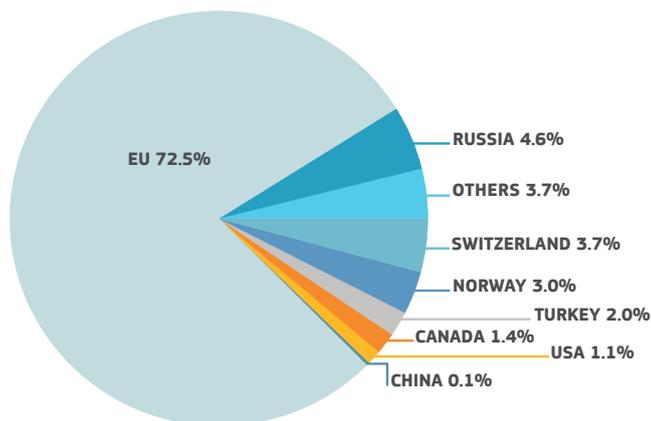
The Western Balkans is a market of some **18 million consumers**.

**Future potential:** fast growing economies with high domestic demand.

The EU is the Western Balkans' **largest trading partner:** €43 billion of total trade between the EU and the Western Balkans in 2016.

**€43 BILLION**  
in EU-Western Balkans  
trade in 2016

### Foreign Direct Investment inflows in Western Balkans 2007-2015



## INVESTING IN INFRASTRUCTURE

By 2014, EU grants had leveraged investments worth over **€3 billion** for infrastructure projects.

In 2015, we set aside up to **€1 billion** in additional grants to support the **'Connectivity Agenda'**, which will leverage another **€4 billion** in investments and create more than **45,000 jobs** in the region.

To date:

- **€1.4 billion** in investment has already been delivered
- More than **20,000 jobs** have been created.
- Work has started on connectivity **projects in 7 locations**.

## CREATING OPPORTUNITIES FOR YOUTH AND INNOVATION

Direct participation in EU programmes such as **Erasmus+**, **Horizon 2020**, **Creative Europe**, and **COSME** helps the Western Balkan partners boost their development by creating opportunities for young people and researchers.

In 2015-2016, over 18,000 students, academics and youth participated in the Erasmus+ programme.

The Horizon 2020 programme provides more than €125 million in EU funding between 2014 and 2020 to boost research and innovation.

## PROVIDING THE FINANCIAL MEANS FOR A SUCCESSFUL EU ACCESSION

The Instrument for Pre-Accession Assistance supports the Western Balkans in their preparation for EU accession and facilitates regional and cross-border cooperation.



The Instrument for Pre-Accession Assistance funding will be even more tailored to the needs of the countries in the future.

ALBANIA 

**EU FUNDING** 

- **€1.24 billion** in EU pre-accession funds 2007-2020
- **€135 million** for sector budget support programmes
- **€130 million** in European Investment Bank loans since 2009
- **€92.5 million** in Western Balkans Investment Framework<sup>1</sup> grants since 2009, leveraging investments estimated of **€1.2 billion**
- **€14.9 million** in disaster relief after the 2015 floods

 €51 million to construct roads in rural areas which will improve travel across Albania

BOSNIA AND HERZEGOVINA 

**EU FUNDING** 

- **€690 million** in EU pre-accession funds 2007-2017
- **€1.7 billion** in European Investment Bank loans since 2009
- **€122 million** in Western Balkans Investment Framework grants since 2009, leveraging investments estimated at **€2.8 billion**
- **€41 million** in disaster relief after the 2014 floods
- **€10 million** in support to refugees under the Regional Housing Programme

 €25 million to build the Svilaj bridge connecting Bosnia and Herzegovina to Croatia, decreasing travel time by one hour

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA 

**EU FUNDING** 

- **€1.28 billion** in EU pre-accession funds 2007-2020
- **€660 million** in European Investment Bank loans since 2009
- **€93.4 million** in Western Balkans Investment Framework grants since 2009, leveraging investments estimated of **€905 million**

 €70 million to rehabilitate 34 km of railway connections to Greece, improving safety and speed for passengers and goods

KOSOVO<sup>2</sup> 

**EU FUNDING** 

- **€1.48 billion** in EU assistance funds 2007-2020
- **€160 million** in European Investment Bank loans since 2009
- **€95.7 million** in Western Balkans Investment Framework grants since 2009, leveraging investments estimated at **€764 million**

 €48.5 million for energy efficiency and environmental measures which will improve quality of life

MONTENEGRO 

**EU FUNDING** 

- **€506.2 million** in EU pre-accession funds 2007-2020
- **€451 million** in European Investment Bank loans since 2009
- **€81 million** in Western Balkans Investment Framework grants, leveraging investments of **€732 million**

 €26 million to build high-voltage cross-border electricity networks to Serbia and Italy, increasing energy security

SERBIA 

**EU FUNDING** 

- **€2.2 billion** in EU pre-accession funds 2007-2020
- **€4 billion** in European Investment Bank loans since 2009
- **€116.4 million** in Western Balkans Investment Framework grants, leveraging investments of **€ 2.25 billion**

 €28 million to build two modern border crossings and a terminal on the Danube, to facilitate movement of goods and people

<sup>1</sup> The Western Balkans Investment Framework (WBIF) provides finance and technical assistance, particularly in infrastructure, energy efficiency, and private sector development. It is a joint initiative of the EU, International Financial institutions, bilateral donors, and the governments of the Western Balkans.

<sup>2</sup> 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.