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January 2026

LEVERAGING INVESTMENT
Private Sector Blending Support
in the Western Balkans
Investment Framework

FINANCE FOR PRIVATE SECTOR
Financial Instruments
Investment Grants
Technical Assistance

UNLOCKING PRIVATE INVESTMENTS in the Western Balkans

In cooperation with



UNLOCKING PRIVATE INVESTMENTS in the Western Balkans

The development of a robust private sector is essential for regional socio-economic development and integration, and to improve the region's competitiveness and job creation.

The Global Gateway and the Western Balkans Growth Plan focus on the importance of supporting businesses as a means to this end and directs significant investments towards innovation, digital, energy and green growth.

To unlock the potential of the private sector, EU financing is made available through the WBIF Private Sector Blending Operations and the Western Balkans Guarantee Facility.



MAIN TYPES OF SUPPORT provided through financial institutions

Financial Instruments

Reimbursable forms of support, such as equity and concessional loans to facilitate investments.

Investment Grants

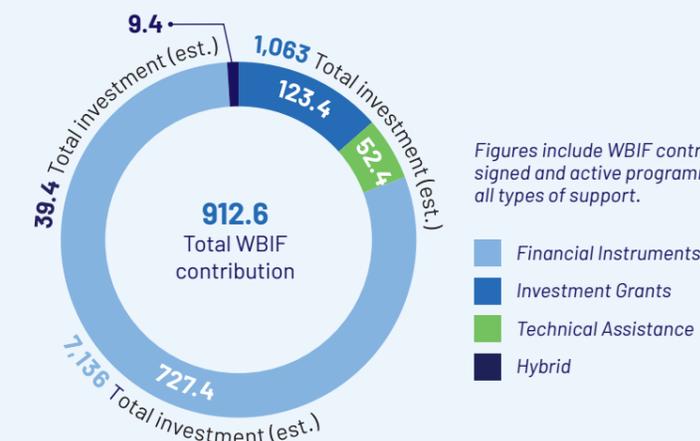
Non-reimbursable forms of support that enhance the impact of blended finance structures in achieving development goals and contribute to sustainable market development and regional economic integration.

Technical Assistance

Non-financial support including advisory services, pre- and post-investment support, business planning, capacity building and access-to-finance to build the capacity, investment-readiness and competitiveness of the private sector.

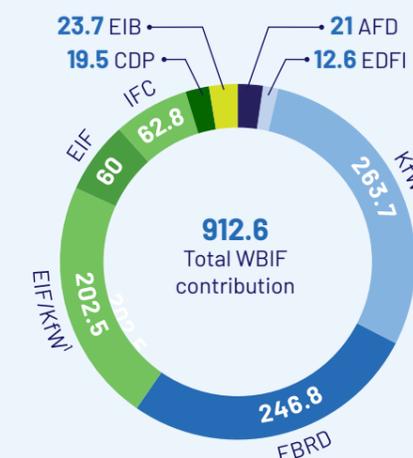
ALL ACTIVE PROGRAMMES

WBIF contribution by type and estimated investment (€m)



Figures include WBIF contributions to signed and active programmes across all types of support.

WBIF contribution per IFI partner (€m)



¹ The category EIF/KfW refers to combined WBIF contributions to the European Fund for Southeast Europe (EFSE) and the Green for Growth Fund (GGF), for which EIF and KfW act as trustees.

KEY RESULTS since 2006²

WBIF Private Sector Blending Operations³

€632.1m
EU funds for MSMEs in the Western Balkans

€7.6 bn
total estimated investment

615,001
MSMEs supported

1,203,122
jobs supported and/or sustained

1,866,985 MWh p.a.
energy savings

923,067 t/p.a.
CO₂ emissions reduced

Western Balkans Guarantee Facility⁴

up to €804.8 m
guarantee coverage

up to €38 m
technical assistance

² First investments to EFSE were made in 2006.

³ Refers to funds from the WBIF Private Sector Calls for Blending Operations and earlier EU contributions consolidated under the WBIF Private Sector Blending in 2020. WB Guarantee Facility is presented separately.

⁴ Includes also approved but not yet active guarantee programmes. Guarantee coverage and accompanying TA presented separately.

The EU has helped MSMEs to meet the EU standards related to environmental protection, occupational health and safety, and product quality and safety, thereby enabling them to compete effectively in the single EU market.

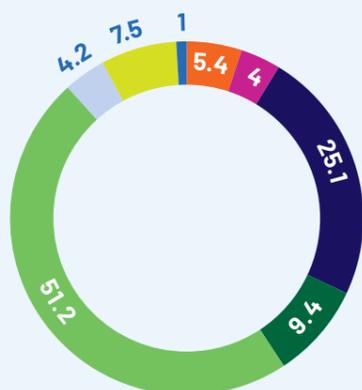


POLICY PRIORITIES

The key EU policy priorities for the private sector development in the Western Balkans include:



WBIF contribution by policy priority⁵
(% of all active programmes)



⁵ Some projects may be classified under multiple policy priorities, so the overall sum may exceed 100% per programme.

WBIF-supported programmes facilitating MSMEs' access to finance	Type of contribution	Policy priority
1 Growth for All	Financial Instrument	Financial inclusion
2 HI-BAR	Financial Instrument	Green transition
3 Green Transformation	Financial Instrument	Green transition
4 EU-KfW Western Balkans Guarantee - Supporting Entrepreneurs' and MSMEs' Resilience	Financial Instrument	Financial inclusion
5 Carbon Sinks	Financial Instrument	Crowding-in private capital Green transition
6 Better Futures Programme (BFP)	Financial Instrument	Crowding-in private capital Green transition
7 EU Market Creation Facility (EUMCF)	Financial Instrument	Financing and financial diversification
8 FAST-Cities	Financial Instrument	Crowding-in private capital
9 WB EDIF Guarantee for SME Resilience	Financial Instrument	Financial inclusion Financing and financial diversification
10 Green Finance for Inclusion	Financial Instrument	Financial inclusion Sustainable agriculture
11 Enterprise Expansion Fund (ENEF) II	Financial Instrument	Financing and financial diversification
12 European Fund for Southeast Europe (EFSE)	Financial Instrument	Financial inclusion Sustainable agriculture
13 Green for Growth Fund (GGF)	Financial Instrument	Green transition Financial inclusion
14 Sustainable Access to Finance for Entrepreneurship (SAFE)	Hybrid Financial Instrument Investment Grant	Financial inclusion
15 SME Go Green Programme in the Western Balkans	Investment Grant	Sustainable agriculture Green transition
16 Western Balkans Climate Programme	Investment Grant	Financing and financial diversification Green transition
17 Go Digital in the Western Balkans	Investment Grant	Digital transition and innovation Green transition
18 Innovation and Green Transformation Facility	Investment Grant	Digital transition and innovation Green transition
19 Western Balkans Regional SME Competitiveness Support Programme	Investment Grant	Trade and value chain integration Green transition
20 Eco-Industrial Parks in the Western Balkans - Proof of Concept	Technical Assistance	Trade and value chain integration Green transition
21 Pilot Programme on Inclusive and Socially Responsible Procurement	Technical Assistance	Financial inclusion
22 Structural Reform Facility - Competitiveness Policy Priorities for Western Balkans	Technical Assistance	Digital transition and innovation
23 Single Market Ready	Technical Assistance	Multi-thematic
24 ENEF II Technical Assistance & Star Venture Programme	Technical Assistance	Multi-thematic
25 Advice for Small Businesses	Technical Assistance	Multi-thematic

1. Growth for All

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo⁶, Montenegro, North Macedonia, Serbia



Start date:
August 2024
Status:
Under implementation

Expected mobilised investment:
€320 million
of which EU guarantee coverage:
up to €40 million
accompanied by Technical Assistance:
up to €4 million

Financial inclusion

The Growth4All addresses some of the key challenges for MSMEs in the Western Balkans through a supply of dedicated financing and technical assistance that promotes sustainable economic growth in underserved segments and achieves lasting change. Financing will be made available through Partner Financial Intermediaries (PFIs) and will target specifically agri-businesses, women-led MSMEs and youth-led MSMEs.

The Guarantee is designed to motivate PFIs to finance the targeted segments perceived to be too risky, by providing both credit lines and guarantee coverage for a share of the losses sustained.

Technical assistance will be essential for the successful deployment and implementation of the products and achievement of the objectives of the Programme. Its scope will include capacity building to PFIs, direct support to agribusinesses, marketing and eligibility criteria verification.

2. HI-BAR

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
March 2024
Status:
Under implementation

Expected mobilised investment:
€186 million
of which EU guarantee coverage:
up to €50 million
accompanied by Technical Assistance:
up to €2.5 million

Green transition

The HI-BAR EFSD+ Guarantee accelerates investments in the next generation of climate mitigation measures and business models in the energy and energy-intensive industrial sectors.

The Guarantee supports the rollout of mature technologies which have not reached critical levels of uptake due to market development barriers or the absence of established energy markets.

The Guarantee may also provide short-term and high-level coverage in support of exploration of critical raw materials, which serve as crucial primary inputs for various future climate technologies. Final recipients of financing will be public utilities, private corporates and municipalities.

These include faster green energy transition, enhanced energy security, diversification of energy sources and transition away from external fossil fuel dependency.

Furthermore, the HI-BAR will enable investments in the "next generation" of climate technologies that face high technology risks and demand a significant "green premium",

3. Green Transformation

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
June 2024
Status:
Under implementation

Expected mobilised investment:
€400 million
of which EU guarantee coverage:
up to €200 million
accompanied by Technical Assistance:
up to €10 million

Green transition

This EFSD+ Guarantee supports market-oriented green transformation in the Western Balkans by:

1. improving access to finance for public utilities and private corporates to enable additional investments
2. enhancing market-readiness of public utilities through institutional strengthening and commercialisation, and
3. promoting the integration of the regional electricity market within the WB region and with the EU.

The Guarantee enables investments in additional renewable energy (RE) capacities for solar and wind power, the rehabilitation of hydropower plants, smart grids and storage, energy efficiency (EE) measures and other investments needed to strengthen a comprehensive green transformation.

Final recipients of the financing will be public utilities for investments in RE and grid infrastructure. These utilities will benefit from direct lending at concessional terms, which brings more sovereignty and independence in corporate decision-making, moving utilities closer to markets. In addition, private corporates will receive EFSD+ guaranteed financing for green transformative investments through private financial institutions.

4. EU-KfW Western Balkans Guarantee - Supporting Entrepreneurs' and MSMEs' Resilience

Beneficiaries: Albania, Kosovo, Serbia



Start date:
September 2024
Status:
Under implementation

Expected mobilised investment:
€100 million
of which EU guarantee coverage:
up to €48 million
accompanied by Technical Assistance:
up to €0.43 million

Financial inclusion

This Guarantee aids Albania, Kosovo, and Serbia in post-pandemic recovery, enhancing the region's competitiveness and job creation. Through risk-sharing guarantees and technical assistance, it unlocks financing for micro, small and medium-sized enterprises (MSMEs), prioritising start-ups, rural MSMEs, and those operating in the manufacturing sector.

The Guarantee is implemented through local Credit Guarantee Funds (CGFs), which will enable Partner Financial Intermediaries (PFIs) to finance target MSMEs by mitigating lending risks through partial reimbursement of losses in the event of MSME defaults.

Thanks to EU backing, eligible MSMEs can access loans with favourable conditions like:

1. lower interest rates,
2. reduced collateral requirements,
3. longer maturities,
4. a combination of all of the above.

5. Carbon Sinks

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
October 2024
Status:
Under implementation

Expected mobilised investment:
€18.4 million
of which EU guarantee coverage:
up to €12 million
accompanied by Technical Assistance:
up to €0.6 million

Green transition

Crowding-in private capital

The EDFI Carbon Sinks aims to enhance carbon storage and expand the sustainable management of land and/or wetlands while delivering high-quality emission reductions, restoring biodiversity, and improving the livelihoods for forest dependent communities and smallholders. Carbon sinks are nature-based solutions that absorb carbon dioxide (CO₂) from the atmosphere.

This EFSD+ Guarantee supports projects in five sub-sectors: Natural Forests, Smallholder Forestry, Plantation Forestry, Agricultural & Carbon Sink Investments, and Forest Product Processing. Investments benefiting from the Guarantee will be made directly in private sector forestry and agribusiness companies or indirectly via equity and carbon credit funds.

Alongside investments, the Guarantee will provide technical assistance for project preparation to ensure that the environmental and social risks are appropriately managed.

6. Better Futures Programme (BFP)

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
April 2025
Status:
Under implementation

Expected mobilised investment:
€199 million
of which EU guarantee coverage:
up to €40 million
accompanied by Technical Assistance:
up to €2 million

Green transition

Crowding-in private capital

The Better Futures Programme aims to unlock and crowd-in private capital in various forms of equity, quasi-equity, debt (loans and bonds) and guarantees, in order to catalyse innovative approaches and scale up investments in climate, crisis response and inclusive growth.

In the Western Balkans, the Programme's primary focus will be on climate innovation by:

1. Accelerating decarbonisation in different sectors through the adoption of both the existing and novel technologies that i) address the energy intensity of industrial and agricultural processes, ii) enhance resource and material efficiency, iii) optimise logistics and supply-chain setups, and iv) promote the circular economy.
2. Swiftly advancing the deployment of emerging climate technologies to support a just energy transition

and ensure sustainable energy security. Technologies like battery storage and green hydrogen will be particularly emphasised due to their versatile applications in challenging-to-decarbonise sectors such as industrial production, heavy transportation, and power generation.

3. Pioneering innovative capital market solutions and sustainability linked-financing to attract institutional investors.

⁶ 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.

7. EU Market Creation Facility (EUMCF)

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia

KFW

Start date:
November 2024

Status:
Under implementation

Expected mobilised investment:
to be determined

of which EU guarantee coverage:
up to €5 million
accompanied by Technical Assistance:
up to €0.25 million

The EU Market Creation Facility aims to boost local lending and economic growth by reducing local currency risk through the Currency Exchange Fund (TCX) and financial intermediaries.

TCX, established by leading European development financial institutions, manages currency risk in development finance, promoting financial stability and enabling access to local currency markets that would otherwise be unavailable.

The Programme consists of the following components that are mutually reinforcing and interdependent:

1. The Capacity and D-Shares Components will boost TCX's risk capacity by increasing its capital base, with the EFSD+ guarantee backing junior capital investments to help lenders and borrowers manage currency risk and support market development.

2. The Pricing Component and the Technical Assistance (TA) facility will further elevate the sustainability of development finance by making currency risk management instruments more accessible and affordable to all market participants.

Financing and financial diversification

8. FAST-Cities

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia

AFD
Agence Française de Développement

Start date:
October 2024

Status:
Under implementation

Expected mobilised investment:
€43.2 million

of which EU guarantee coverage:
up to €20 million
accompanied by Technical Assistance:
up to €1 million

The FAST-Cities EFSD+ Guarantee enhances access to finance for urban authorities, in particular intermediate cities, to invest in sustainable urban infrastructure that contributes to climate change mitigation and adaptation.

Some of the investments may include roads rehabilitation, drainage, economic and social infrastructure, schools, health centres, public space, transport, technical landfills, urban renewal, housing, water networks, etc.).

The final recipients of financing are cities or their municipal operators. The financing will be made available through:

- Direct loans extended by AFD
- Credit lines extended by AFD to eligible local Partner Financial Intermediaries (PFIs) for on-lending to local authorities

Therefore, the FAST-Cities will stimulate sub-sovereign lending as a way to limit the states' indebtedness, reinforce the urban authorities' autonomy and enhance decentralisation. Moreover, it is planned that investments will be accompanied by technical support aimed at enhancing the technical, managerial, and financial capabilities of urban authorities.

Crowding-in private capital



9. WB EDIF Guarantee for SME Resilience

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia

European Investment Fund

Start date:
June 2022

Status:
Under implementation

Expected mobilised investment:
€886.6 million

of which EU guarantee coverage:
up to €60 million

The Guarantee4SME Resilience empowers micro, small and medium-sized enterprises (MSMEs) with improved access to affordable finance. By sharing the risks with commercial banks, the guarantee is dedicated to supporting smaller SMEs, with a minimum 25% allocation to micro-businesses.

Thanks to EU backing, eligible MSMEs can access loans with favourable conditions like:

1. lower interest rates,
2. reduced collateral requirements,
3. longer maturities,
4. a combination of all of the above.

Launched in June 2022 in the wake of the COVID-19 pandemic and the ongoing energy crisis, this initiative aids MSMEs in bolstering their resilience while progressing towards a more sustainable, low-carbon economy.

Financing and financial diversification

Financial inclusion

10. Green Finance for Inclusion

Beneficiaries:
Albania and Serbia

cdp

Start date:
January 2023

Status:
Under implementation

Total estimated investment:
€130 million

Total WBIF contribution:
€10 million

Unleash the potential of underserved micro, small, and medium-sized enterprises (MSMEs) across the Western Balkans with the Green Finance for Inclusion programme. By investing in innovative energy efficiency and climate-resilient measures, this programme drives transformative change. The support is particularly focused on empowering women- and youth-led MSMEs in the sectors of social entrepreneurship, sustainable agriculture, circular economy and eco-tourism.

Cassa Depositi e Prestiti (CDP), the leading financial institution, extends credit lines to local financial institutions, including Microfinance Institutions (MFIs), to facilitate on-lending to MSMEs under favourable terms.

Thanks to EU backing, eligible MSMEs can access loans with favourable conditions like:

1. lower interest rates,
2. reduced collateral requirements,
3. longer maturities,
4. a combination of all of the above.

Sustainable agriculture

Financial inclusion

11. Enterprise Expansion Fund (ENEF) II

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia

European Bank for Reconstruction and Development

Start date:
December 2021

Status:
Under implementation

Total estimated investment:
€71 million

Total WBIF contribution:
€19 million

The Enterprise Expansion Fund (ENEF) is an equity fund that catalyses the expansion of local small and medium-sized enterprises (SMEs) and high-potential mid-caps in the Western Balkans. Focusing on providing equity, quasi-equity and debt financing, ENEF II provides the financial boost needed for small businesses to grow and expand.

ENEF: a proven legacy
The journey began in 2014 with the launch of the Enterprise Expansion Fund (ENEF) under the Western Balkans Enterprise Development and Innovation Facility (WB EDIF), backed by an initial capital of €48.5 million. Guided by the European Bank for Reconstruction and Development (EBRD), ENEF I successfully invested in 16 companies by July 2020.

For more information about the Programme, please visit:
<https://www.ebrd.com/home/what-we-do/products-and-services/support-for-start-ups-and-msmes/access-finance/enterprise-expansion-fund-ii.html>

ENEF II goes beyond financing, by providing extensive pre- and post-investment support. Success is more than numbers, so support is given to identifying and addressing Environmental, Social and Governance (ESG) risks and opportunities for businesses.

Financing and financial diversification

12. European Fund for Southeast Europe (EFSE)

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
June 2006
Status:
Under implementation

Total estimated investment:
circa €3.9 billion
Total WBIF contribution:
€109.9 million

Discover opportunities with the European Fund for Southeast Europe (EFSE), a driving force for micro and small enterprises (MSEs), farmers and private households. EFSE empowers through finance, offering microfinancing via local commercial banks, microfinance institutions, and non-bank entities.

It's not only about funding. A dedicated Development Facility strengthens local financial intermediaries, fortifies financial sectors, and bolsters resilience. The Entrepreneurship Academy partners with local incubators and accelerators, to provide training, resources, mentoring, networking opportunities, and more.

About EFSE:
EFSE was initiated in 2005 by KfW Development Bank, supported by the German Federal Ministry for Economic Cooperation and Development (BMZ) and the European Commission (EC). The EFSE mission is to ignite economic development and enhance lives in Southeast Europe and the Eastern Neighbourhood Region. As a pioneering public-private partnership, EFSE pools resources for enduring impact.

For more information about the European Fund for Southeast Europe, please visit: www.efse.lu

Financial inclusion
Sustainable agriculture

13. Green for Growth Fund (GGF)

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
December 2009
Status:
Under implementation

Total estimated investment:
circa €901.4 million
Total WBIF contribution:
€88.6 million
Technical assistance:
€4 million

Experience the force of change with the Green for Growth Fund (GGF), a pioneer in financing energy efficiency and renewable energy ventures undertaken by micro, small, and medium-sized enterprises (MSMEs) and households. GGF empowers by providing funds through local financial institutions or direct investments into qualifying projects and companies.

In 2023, the EU further supported the GGF, with a €20 million capital increase in the form of C-share equity, accompanied by €4 million in technical assistance.

This replenishment sustainably builds up and expands the supply of effective financing for renewable and efficient energy measures in the region, and contribute to the reduction of energy consumption and greenhouse gas emissions among end-borrowers.

About GGF:
The Fund was launched in 2009 by the European Investment Bank (EIB) and the German Development Bank (KfW) with the backing of the German Federal Ministry for Economic Cooperation and Development (BMZ) and the European Commission (EC). GGF currently operates in 19 markets, including the Western Balkans, and is dedicated to combatting climate change, promoting economic growth, and fostering a sustainable future.

For more information about the Green for Growth Fund, please visit: www.ggf.lu



Green transition
Financial inclusion

14. Sustainable Access to Finance for Entrepreneurship (SAFE)

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
December 2025
Status:
Under implementation

Total estimated investment:
€39.4 million
Total WBIF contribution:
€9.4 million

SAFE supports the growth of local micro-enterprises (LMEs) - with a specific focus on social enterprises - by promoting their access to finance through local micro-financial institutions (LMFIs).

Thanks to EU support, the Programme lowers lending risks and interest rates, through first loss guarantee and interest rate subsidy, thus making loans more accessible and affordable for micro enterprises.

As such, the Programme contributes to reducing inequality, increasing job creation, and generating income by fostering financial inclusion and social entrepreneurship.

To meet these objectives, CDP partners with Banca Etica Group (BEG), which works with LMFIs to expand lending to entrepreneurs who often face barriers to traditional bank financing.

Part of WBIF contribution also funds technical assistance to strengthen LMFIs, promote responsible and sustainable lending practices, and support entrepreneurs in areas such as green jobs and digital skills.

Financial inclusion

15. SME Go Green Programme in the Western Balkans

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
December 2022
Status:
Under implementation

Total estimated investment:
€145 million
Total WBIF contribution:
€25 million

Embrace green prosperity with the SME Go Green Programme, a trailblazing initiative led by the European Bank for Reconstruction and Development (EBRD). It focuses on enhancing the green and circular economy, agribusiness and competitiveness investments for small and medium-sized enterprises (SMEs) in the Western Balkans.

The Programme is strategically designed to focus on:

1. Scaling up green economy investments by allocating at least 70% of total investments to green technologies
2. Supporting agriculture and agribusiness value chains by dedicating 33% of total investments to this sector
3. Ensuring more equitable access to climate finance for women-led SMEs by directing at least 25% of the investments to initiatives led by women

EBRD extends debt financing to SMEs through local commercial banks for qualifying investments. These credit lines are boosted by an EU-funded advisory service and cash-back incentives await SMEs upon successful completion and verification of investments.

For more information about the Programme, please visit: <https://www.ebrd.com/home/what-we-do/products-and-services/support-for-start-ups-and-msmes/our-programmes/sme-go-green-in-the-western-balkans.html>



Sustainable agriculture
Green transition

16. Western Balkans Climate Programme

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
December 2024
Status:
Under implementation

Total estimated investment:
€207.2 million
Total WBIF contribution:
€17.2 million

Green transition
Financing and financial diversification

Western Balkans economies are characterised by elevated levels of energy intensity, high pollution levels and an energy mix dominated by fossil fuels.

Micro, small, and medium-sized enterprises (MSMEs) interested in adopting energy-efficient and environmentally-friendly processes often encounter significant barriers to do so, including limited access to capital, insufficient skills, and a lack of awareness about green technologies and available financial solutions.

In addition to the climate financing gap, capital markets in Western Balkans remain underdeveloped, with medium- to long-term local currency funding almost non-existent. To address some of these challenges, the Western Balkans Climate Programme finances climate change-related sub-loans that support the transition from high to low-carbon economies. The Programme will increase access to climate finance, including energy efficiency and clean energy production for sub-borrowers in the region.

This will enable businesses to improve their environmental impact by implementing climate-smart investments. In addition, the Programme will support the development of capital markets by issuing green bonds. The Programme will be accompanied by technical assistance to strengthen the climate-related capacity of Partner Financial Intermediaries (PFIs) by increasing outreach to MSMEs and building the PFIs' potential to issue green bonds.



17. Go Digital in the Western Balkans

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
December 2023
Status:
Under implementation

Total estimated investment:
€177.6 million
Total WBIF contribution:
€27.6 million

Green transition
Digital transition and innovation

The Go Digital programme supports digitalisation, automation and competitiveness of small and medium-sized businesses (SMEs) across the Western Balkans. Emphasising sustainability, a minimum of 50% of the investments will be green, and at least 30% targeted to regions beyond capital cities thus contributing to regional and rural development.

EBRD extends debt financing to SMEs through local commercial banks for qualifying investments. These credit lines are boosted by an EU-funded advisory service and cash-back incentives await SMEs upon successful completion and verification of investments. The incentives prioritise high-performing technologies that are less present on the market, mitigating upfront costs.

Some of the eligible digital technologies include automated manufacturing solutions, augmented reality, e-commerce, big data and analytics, and more. Automation investments will cover manufacturing and process equipment, printing, agricultural equipment, etc.

For more information about the Programme, please visit:
<https://www.ebrd.com/home/what-we-do/focus-areas/digitalisation/go-digital-in-western-balkans.html>

18. Innovation and Green Transformation Facility

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
December 2024
Status:
Under implementation

Total estimated investment:
€363.7 million
Total WBIF contribution:
€23.7 million

Green transition
Digital transition and innovation

The Innovation and Green Transformation Facility supports innovative small and medium-sized enterprises (SMEs) and Mid-Caps and some of their green investments in the Western Balkans.

At least 70% of the Facility will be dedicated to investments in innovative products and processes, research, development and innovation (RDI), and companies driven by innovation.

The remaining 30% will be allocated to investments in climate change mitigation, primarily in agriculture, adaptation, and other green projects. At least 80% of the final beneficiaries will be SMEs, with the remaining 20% being Mid-Caps.

EIB extends debt financing to SMEs and Mid-Caps through local commercial banks for qualifying investments. These credit lines are boosted by an EU-funded cash-back incentives await final beneficiaries upon successful completion and verification of investments.

SMEs and Mid-Caps will also receive TA to identify appropriate technologies and solutions for their businesses and develop bankable investment projects.

For more information about the Programme, please visit:
<https://www.eib.org/en/projects/pipelines/all/20240919>

19. Western Balkans Regional SME Competitiveness Support Programme

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
December 2017
Status:
Under implementation

Total estimated investment:
€170 million
Total WBIF contribution:
€30 million

Green transition
Trade and value chain integration

Sharpen small and medium-sized enterprises' (SMEs) competitive edge with the SME Competitiveness Support Programme. This initiative empowers SMEs in the Western Balkans to excel in the EU market by meeting environmental protection, occupational health and safety, and product quality and safety standards.

The European Bank for Reconstruction and Development (EBRD) offers debt financing through local commercial banks for qualifying investments. These credit lines are boosted by an EU-funded advisory service ensuring businesses are well-equipped to meet stringent standards. Cash-back incentives of up to 15%, await SMEs upon successful completion and verification of investments.

For more information about the Programme, please visit:
web-sme-csp.com

20. Eco-Industrial Parks in the Western Balkans - Proof of Concept

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
July 2023
Status:
Under implementation

Total WBIF contribution:
€3.6 million

Green transition
Trade and value chain integration

This is the first programme in the Western Balkans to implement the eco-industrial parks (EcoIP) concept. It aims to demonstrate the feasibility of EcoIPs by initiating four pilots in industrial parks in the region.

The programme has two components:

1. The first component - IFC will assess industrial parks in the Western Balkans. Based on predefined criteria, the four industrial parks showing the highest potential for successful transformation to EcoIP will be identified. Those four parks will be used as pilot case studies and begin the retrofitting process.
2. The second component - A series of pilot case studies designed to facilitate the implementation of the EcoIP framework, including:
 - Lectures, workshops and training on EcoIP framework implementation;
 - Presenting international best practices for the transition from traditional industrial parks to eco-industrial parks;
 - Presenting good examples of EcoIP framework implementation from the pilot case studies.

21. Pilot Programme on Inclusive and Socially Responsible Procurement

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
December 2022
Status:
Under implementation

Total WBIF contribution:
€2.8 million

Financial inclusion

This programme will help the private sector across the Western Balkans implement Inclusive and Socially Responsible Procurement (ISRP). The concept will be piloted at a regional solid waste investment in North Macedonia. In 2024, the programme received a top-up to extend policy mapping to all WB6 economies, including Kosovo, Montenegro, and Serbia, which were not covered in the initial phase.

The programme has two components:

1. Policy mapping for all WB6 economies will be carried out. This also includes the development of template contracts to integrate ISRP into procurement processes.

2. Training, design and implementation of ISRP for the chosen investment project will follow. As a result, the Programme is expected to develop the skills and employment opportunities for currently underrepresented groups in the North Macedonian solid waste sector. A comprehensive monitoring, evaluation and learning strategy will enable partners to draw lessons from the pilot and inform plans to replicate the approach on future investments under the WBIF.



22. Structural Reform Facility - Competitiveness Policy Priorities for Western Balkans

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
December 2023
Status:
Under implementation

Total WBIF contribution:
€3 million

Digital transition and innovation

EBRD delivers a comprehensive policy programme to enhance the competitiveness of the private sector, including MSMEs, within the framework of the Structural Reform Facility - Competitiveness Policy Priorities for Western Balkans.

The Programme is structured in two phases:

1. The development of Competitiveness Policy Priorities (CPP) reports which assess key growth opportunities and barriers in the private sector and provides recommendations for policy measures,

2. The implementation of a set of remedial policy actions to address identified gaps and improve regulatory frameworks, institutional strength and the overall business environment at country and regional level, following the CPP's recommendations.

23. Single Market Ready

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
January 2025
Status:
Under implementation

Total WBIF contribution:
€17 million

Multi-thematic

This programme supports MSMEs growth and competitiveness, from early-stage startups to mature businesses, aiming to strengthen the regional market and align with the EU.

The programme has two components:

1. Through the first component, EBRD will enable funding support to early-stage startups, complementing the EBRD's existing Star Venture programme. In partnership with a leading international accelerator, the aim is to help startups become investable and attract commercial funding. It also strengthens the regional entrepreneurial ecosystem by bringing international expertise, fostering local partnerships, and connecting startups with global networks, including the EU.
2. The second component will provide advanced advisory support to startups and MSMEs in the Western Balkans.

It will benefit companies across the entire MSME spectrum, from early-stage startups to more mature, high-potential enterprises, by accelerating regional integration and access to the EU single market. Support will also extend to aggregators, helping integrate local suppliers into EU value chains. Additionally, this component will strengthen the MSME ecosystem and raise awareness through collaboration with a strong network of MSMEs, support organisations, relevant stakeholders, and digital outreach channels.

24. ENEF II Technical Assistance & Star Venture Programme

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
December 2021
Status:
Under implementation

Total WBIF contribution:
€11 million

Multi-thematic

The €7 million technical assistance package for ENEF II encompasses pre-investment support for pipeline preparation, project origination and implementation as well as post-investment support for monitoring, assistance and value creation for ENEF II investee companies.

Its three objectives are:

1. Create a thriving start-up ecosystem through collaboration with stakeholders, including local governments.
2. Enhance the capabilities of start-up support organisations to better serve start-ups, including providing know-how and finance access.
3. Enable high-potential start-ups to scale rapidly with comprehensive long-term support like mentoring, advisory, diagnostics, and matchmaking.

For more information about the Programme, please visit:
<https://www.ebrd.com/home/what-we-do/products-and-services/support-for-start-ups-and-msmes/our-programmes/star-venture.html>

The €4 million Star Venture Programme supports high-potential early-stage enterprises, builds capacity for start-up support organisations, and improves the overall business environment with better access to finance.

25. Advice for Small Businesses

Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia



Start date:
December 2019
Status:
Under implementation

Total WBIF contribution:
€15 million

Multi-thematic

Empower small and medium-sized enterprises (SMEs) with the transformative Advice for Small Businesses initiative. It offers comprehensive advisory services spanning strategy and operations to quality management, financial reporting, energy efficiency and beyond.

The programme operates through a network of local consultants and international experts, accessing cutting-edge best practices. The mission is clear - equip small businesses in the Western Balkans with the tools to enhance their business performance and sharpen their competitive edge.

For more information about the Programme, please visit:
<https://www.ebrd.com/home/what-we-do/products-and-services/support-for-start-ups-and-msmes/access-business-advice.html>