



# 25th MFC Annual Conference Thriving Together

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# **Spotlight:**

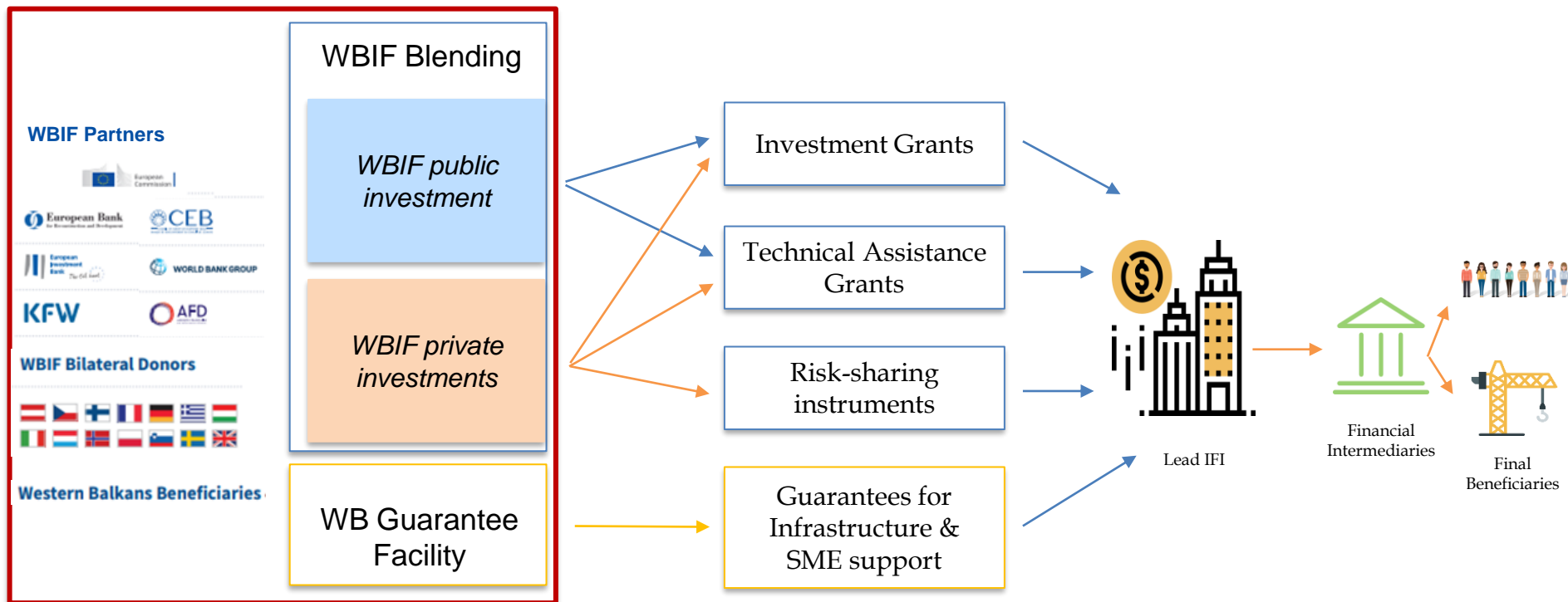
# **Support to microfinance through the Western Balkans Investment Framework (WBIF) - DG NEAR Initiatives**

Speakers:

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## Support through the Western Balkans Investment Framework (WBIF)





## WBIF Intervention Areas



Sustainable transport



Clean energy



Environment & climate



Digital future



Private sector



Human capital

### WB Guarantee Facility (EFSD+) Investment Windows

#### *Open architecture investment windows*

1. MSME finance
2. Connectivity: Energy, Transport and Digital
3. Sustainable Agriculture, Biodiversity, Forests and Water
4. Sustainable Cities
5. Sustainable Finance and Impact Investing
6. Human Development

#### *EIB-dedicated investment window(s)*

1. Sovereign, and non-commercial sub-sovereign

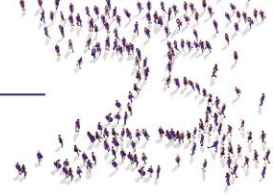
### WBIF Blending (public & private) Investment priorities

1. Sustainable transport;
2. Clean energy;
3. Environment & climate;
4. Digital future;
5. Competitiveness of the private sector;
6. Human capital development.



## **WBIF BLENDING SUPPORT**

- Focusing in implementing flagship 9 ‘Competitiveness of the private sector’.
- Objective: develop a robust private sector in the WB region by supporting MSMEs and start-ups.
- Access to finance and business climate development:
  - Green transition
  - Sustainable agriculture
  - Digital transition and innovation
  - Trade and value chain creation
  - Financial inclusion (microfinance, social entrepreneurship)
  - Financial and financing diversification
  - Business climate development



## Existing instruments

### **BLENDING:**

- Participation in structured funds: European Fund for Southeast Europe (EFSE) & Green for Growth Fund (GGF);
- First call for proposals concluded; Second call: proposals under assessment.

### **GUARANTEES:**

- Phasing out EaSI Guarantees (DG EMPL) focusing on access to finance for microfinance and social entrepreneurship (*used to cover Albania, Montenegro, North Macedonia and Serbia – circa 250m financing for SMEs*)
- KfW “Supporting Entrepreneurs and MSMEs to Safeguard Employment” (EUR 50m)
- EIF “WB EDIF Guarantee Economic Recovery” (EUR 60m)
- IFC “Western Balkans Agricultural Risk Sharing Facility” (EUR 40m) - *EFSD+ carry-forward*
- EBRD “Growth4All” (EUR 40m)- *EFSD+ carry-forward*

### **EFSD+ Guarantee**





**NB.: Private Sector Blending is Regional – without country envelopes pre-allocated**

Outcome of the 1<sup>st</sup> Call (2022):

#	Title	Sector	Lead IFI	Grant (€)
1	SME Go Green Program	Access to finance – green sustainable agri-business	EBRD	EUR 25 M
2	WB Climate Program	Access to finance – green climate, green bonds, local currency	IFC	EUR 17 M
3	Green Finance for Inclusion	Access to finance – green sustainable agriculture	CDP	EUR 10 M

Second call timeline:

- Launch: 5 December 2022
- Submission deadline (by IFIs): 24 February 2023
- Opinion of WBIF Operational Board: June 2023

# Western Balkans Guarantee Facility (EFSD+ Guarantees)

**NB.: Guarantees are regional – without country envelopes pre-allocated**

*Carry-forward Guarantees endorsed at Operational Board 4/04/2022 – under contract negotiation*

	Title of the PIP	Lead IFI	Guarantee coverage for WB (up to)	TA allocation for WB (up to)	Comments
	Western Balkans Agricultural Risk Sharing Facility	IFC	40m €	3m €	Carry-Forward
	Growth4All	EBRD	40m €	3m €	Carry-Forward

*WB EDIF Guarantee (non-budgetary EFSD+) programmed in 2020 and started implementation Q4 2022*

	Title of the PIP	Lead IFI	Guarantee coverage for WB (up to)	TA allocation for WB (up to)	Comments
	WB EDIF Guarantee 4SME Resilience	EIF	60m €	N.A.	Non-EFSD+



# Western Balkans Guarantee Facility (EFSD+ Guarantees)



## *1<sup>st</sup> EFSD+ Call for Proposals (PIPs)*

Title of the PIP	Lead IFI	Guarantee coverage for WB (up to)	Comments
EIBG Multi-thematic (uncapped guarantee) support for SMEs in the Western Balkans	EIF	120m €	WB exclusive
Inclusive Finance for the Western Balkans	EIF	30m €	WB exclusive
EIF-UNDP Inclusive Growth initiative for the Western Balkans	EIF	20m €	WB exclusive
Risk sharing for ESG projects	EBRD	12.75m €	NEAR - led
MSME Access to green, growth and inclusive finance	EIB	20m €	NEAR - led
The MSME Guarantee Platform (MGP)	KfW	50m €	NEAR - led



# Thank you

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