

**High-Level meeting
between the European Commission and Financial Institutions
on the Western Balkans,
5 November 2013**

Joint Conclusions

We, the representatives of the European Commission and international as well as bilateral financial institutions (FIs) involved in operations in the Western Balkans, met in Brussels to discuss our respective engagement in the region and how we could best coordinate our efforts during the period 2014-2020, each within the remit of its mandate, in order to boost growth in the region. To achieve this, considerable investments in infrastructure (in areas such as energy, transport, water and the environment) as well as enhanced private sector and trade development will be necessary. Companies, especially Small and Medium-Sized Enterprises, need better access to finance as a means to promote economic development, entrepreneurship and innovation in the partner countries.

In light of this it is clear why cooperation between the Commission and FIs should be reinforced. It is with this in mind and acknowledging the mandates that the following conclusions were agreed at the meeting of 5 November:

- The FIs present, and the Commission, will coordinate their strategic frameworks more closely in order to maximise the impact of the pre-accession assistance that will be provided by the EU over the next seven years (2014-2020) to support growth, create employment and reduce poverty. We will pursue joint operations where appropriate, and increase our cooperation on the ground locally, including through regular discussion of planned initiatives.
- We will put more emphasis on helping enlargement countries improve their economic governance and strengthen their public financial management. This will improve the economic outlook of these countries, increase the effectiveness of our respective investments in these countries, pave the way for the countries to benefit from sector budget support and help them meet the economic accession criteria. We will coordinate our programmes of technical assistance, and where appropriate develop joint ones, to support the countries in the region.
- We agreed that carrying out those structural reform initiatives that derive from economic governance programmes will be essential to ensure economic progress and maximise the benefit of our investments. We also agreed to take into account the social aspects, given the high unemployment rate in the countries concerned.
- Based on the priorities of and together with the beneficiary countries, we will strive to create a single pipeline of key public investment projects within the remit of the respective mandate of each institution; such as the Trans-European Networks (TEN) priority projects in the area of transport, and energy, or support for the social sector and education infrastructure. Financial support for these projects in the form of grants, loans or guarantees will be coordinated at a national and regional level under the Western Balkans Investment Framework. This pipeline will be reviewed on a regular

basis. In addition, the World Bank notes its commitment commensurate with its status and role in the WBIF.

- We agreed on the need to further combine existing funding. It is crucial, in the context outlined above, to make best possible use of available resources by combining EU grants and FI project financing. This will allow for more large scale investment programmes and ensure that capital is available for priority investments in infrastructure (e.g. for EU and regional energy and transport connectivity in the context of the Connecting Europe Facility) and other socio-economic priorities.
- We will continue working together on developing innovative solutions for combining public and private funds, to e.g. enable funding of public-private partnerships for municipal environment investments, equity based instruments and support to SMEs, notably through the EU Platform for Blending in External Cooperation.
- The EC and its FI partners will jointly review their current policy and strategy cooperation frameworks in view of the above conclusions.