

EBRD Support for Transport Infrastructure in the Danube Region

The Danube Region Transport Days 2018

Ljubljana, 4 – 5 December 2018



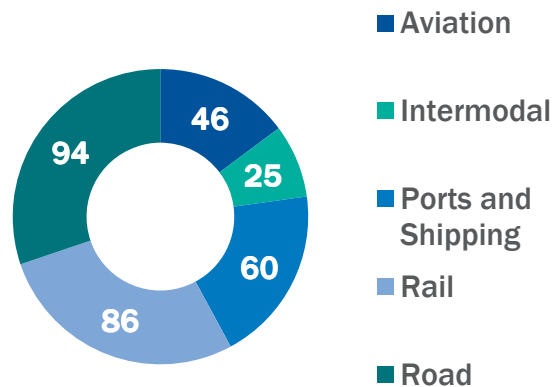
EBRD Transport at a glance¹



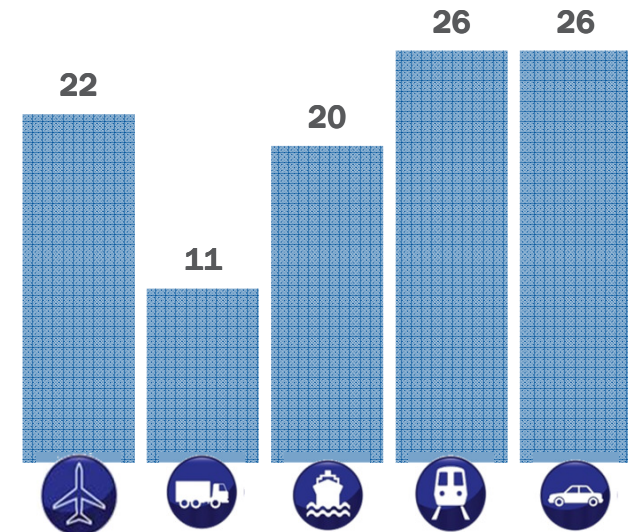
1. Data at end December 2017

- **€15.0 billion** invested
- Total project value: **€58.4 billion**
- **311 projects**
- **36** of the EBRD's countries of operation

Number of projects per sector



Country presence per sector



Transport in the Danube Region – EBRD Role



- **One of the key financiers of transport infrastructure in the Danube region;**
- **Strongly committed to further invest in the transport corridors, in particular in the non-EU countries of the region;**
- **Promoting regional cooperation through close coordination with the EU, WBIF, IFIs and donors;**
- **Actively supporting Corridor Vc, Corridor VIII, Corridor X in particular.**

Supporting Connectivity Reform Measures

- **Not just physical infrastructure.** EBRD is supporting important **connectivity reform measures and policy changes** to enhance interoperability, competition, governance and transparency as well as environmental and social benefits to improve transport services;
- **Examples:** Asset Mgmt & Track Access Charges, Road Tolling strategies, sustainable transport development plans, road safety auditing and inspection, climate change adaptation, enhancement of procurement standards, ISO certification for quality management etc.
- Supported by substantial TC funds from WBIF, SSF, CEI etc.;
- Strong indication of our commitment to the region and our determination to build on the strong foundations that we have established over the years.



Challenges & Issues

- Limited borrowing capacity vs huge infra gap
- Changes of government priorities/political agenda
- Institutional capacity weaknesses (project preparation, and implementation)
- Project selection needs to maximise value for money (long-term benefits)
- Inappropriate project structure (e.g. PPPs)
- Implementation of soft measures (facilitation of border crossing, transit efficiency)
- WBIF and EU IPA grants needed to complement IFI loans (especially for large corridors)
- Commitment to sector reforms to facilitate investments

- Ensure government commitment to projects in line with their obligations in coordination with EU and partner IFIs;
- Continue our important role as IFI with reform mandate particularly in the non-EU countries to promote the Connectivity Agenda;
- Strengthen coordination between Bank investments and sector policy reform and EU connectivity reform measures (cross-border issues, further digitalisation of customs/cross-border operations, road safety audit and inspection, climate change adaptation etc);
- Continue promoting PPP development (where feasible) through support for both preparation and investment incl. developing new products (credit enhancement, guarantees) in cooperation with EU/partner IFIs;
- Need for increased support for human capital development (training, youth inclusion, etc.) to address weak capacities in the region.

Decarbonising Transport: Areas of focus



Transport Pipeline – Examples

- Commitment to sign EUR 700m in the next 3 years for new sections of **Corridor Vc** including through PPP following MoU signed with **BiH** in February 2018;
 - Financing of a new section of Corridor Vc in **Croatia** under consideration;
 - Belgrade Airport PPP in **Serbia**;
 - **Serbia Route 7 highway** connecting Nis in Serbia with Pristina in Kosovo and Port of Durres in Albania; A high priority for regional integration; Preparation ongoing for the section from Nis to Plocnik;
 - In **Bulgaria**, supporting preparation of the concession of Sofia airport; Following up the tender process with the aim to support the concessionaire;
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Transport Pipeline – Examples (cont'ed)

- Supporting project preparation of sections of Bar–Boljare highway in **Montenegro**;
 - River ports development in **Serbia** (Novi Sad).
 - In **Ukraine**, supporting the railway sector through financing of UZ new rolling stock and UZ electrification and air navigation modernisation;
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Contact

For all further enquiries,
please contact :

Donald Mishaxhiu

Associate Director, Senior Banker

Transport

Tel: +44 7338 7109

Email: mishaxhd@ebrd.com

EBRD

One Exchange Square

London EC2A 2JN, United Kingdom

