**Brief Information on the Implementation of WBIF Projects in Serbia**

**May, 2013**

**Background**

Since 2009 Serbia has been awarded 28 WBIF grants which support some 23 projects. Of the 28 grants, 13 grants are implemented by IPF Technical Assistance while the other 15 national WBIF grants are allocated to be managed by IFIs. Serbia is also participating in 6 regional projects.

**Spatial Distribution of the ongoing WBIF grants in Serbia**

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1 One grant awarded cancelled on SC.6.
WBIF grants by round and sector:

<table>
<thead>
<tr>
<th>Round</th>
<th>Energy</th>
<th>Transport</th>
<th>Environment</th>
<th>Social and PSD</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>IPF TA</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Inv.</td>
<td></td>
<td></td>
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<td>1</td>
<td>1</td>
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<tr>
<td>Region</td>
<td>1</td>
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<td>1</td>
<td>1</td>
<td>1</td>
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<tr>
<td>Total</td>
<td>7</td>
<td>11</td>
<td>5</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

List of WBIF IPF TA grants:

See project description for detailed status of each grant

<table>
<thead>
<tr>
<th>Project ID</th>
<th>Project Title</th>
<th>TA Type</th>
<th>Lead IFI</th>
<th>Status</th>
<th>Grant Budget (€)</th>
<th>Loan /investments (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TA-SER-17A</td>
<td>Feasibility Study for Collection, Transport and Treatment of Waste Waters in Municipality of Vranje</td>
<td>FS</td>
<td>KfW</td>
<td>Completed</td>
<td>250.000</td>
<td>10.000.000 /17.500.000</td>
</tr>
<tr>
<td>TA-SER-17B</td>
<td>Feasibility Study for Collection, Transport and Treatment of Waste Waters in Municipality of Uzice</td>
<td>FS</td>
<td>KfW</td>
<td>Completed</td>
<td>250.000</td>
<td>10.000.000 /17.500.000</td>
</tr>
</tbody>
</table>
| TA-SER-15 | Railway Reconstruction Nis - FYR Macedonia Border (Corridor X)³  
a) Pre-Feasibility Study  
b) Feasibility Study and Preliminary Design | PFS, FS, PD | EIB, EBRD | a) Completed  
b) To be continued from EWBJF | 500.000          | N/A                                      |
| TA-SER-26 | Western Serbia – 400kW Transmission System Upgrade | PFS, FS, EIA | EBRD     | a) Completed  
b) Completed               | 500.000          | Up to 65.300.000 /75.800.000 |
| TA2-SER-SOC-04 | Municipal and Regional Infrastructure | PMU | EIB | Completed                       | 375.000          | 75.000.000 /150.000.000 |
| TA3-SER-SOC-01 | Building the Knowledge Economy - Research and Development Infrastructure Initiative | Update of FS, MD, TDP | EIB | Completed Under Implementation | 600.000          | 200.000.000 /420.000.000 |
| TA3-SER-SOC-02 | Modernization of Judiciary Facilities²  
² Continuing the sub-project approved with the new grant under WBIF | PD/MD/TDP | EIB | Completed                       | 720.000          | See under WB6-SER-SOC-08 |
| TA3-SER-SOC-03 | Modernization of Prison Facilities - Providing Human and Safe Prison System² | OPs, FS, MD | CEB | Under execution                | 685.000          | 18.000.000 /30.200.000 |
| TA3-SER-SOC-04 | Social Housing - Serbia | PMU | CEB | Completed                       | 70.000           | 15.000.000 /30.000.000 |
| WB4-SER-ENE-04 | Serbian Gas Transmission Pipeline (to Bulgaria) | FS,EIA &SIA | EBRD | FS Completed Discussions ongoing about commercialisation aspects | 1.000.000 | 50.000.000 /58.400.000 |

² EU financed Municipal Window investment grants – IPF MW
³ Continuation of the sub-project approved with the new grant under WBIF.
<table>
<thead>
<tr>
<th>Project ID</th>
<th>Project Title</th>
<th>TA Type</th>
<th>Lead IFI</th>
<th>Status</th>
<th>Grant Budget (€)</th>
<th>Loan /investments (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TA3-SER-ENV-01</td>
<td>Municipal Water (Republic of Serbia)-Rehabilitation of Water Supply, Wastewater Collection and Treatment Networks of the Cities of Nis and Novi Sad</td>
<td>PMU</td>
<td>EIB</td>
<td>Delayed pending outcome of ongoing studies outside WBIF</td>
<td>1.000.000</td>
<td>15.000.000/30.000.000</td>
</tr>
<tr>
<td>WB6-SER-SOC-08</td>
<td>Extended TA for Judiciary Facilities</td>
<td>PD/MD/TDP/PIU</td>
<td>EIB</td>
<td>Under execution</td>
<td>1.000.000</td>
<td>45.000.000/54.500.000</td>
</tr>
<tr>
<td>W88-SER-SOC-13</td>
<td>Extended TA for improvement of prison facilities</td>
<td>ATP, PD/MD</td>
<td>CEB</td>
<td>ToR preparation</td>
<td>700.000</td>
<td>17.000.000/29.000.000</td>
</tr>
<tr>
<td>W88-SER-TRA-14</td>
<td>Reconstruction &amp; modernisation of existing railway track &amp; construction of second track on the Belgrade – Nis; Stalac – Djunis section</td>
<td>FS, PD, EIA</td>
<td>EBRD</td>
<td>ToR preparation</td>
<td>1.500.000</td>
<td>105.550.000/107.660.000</td>
</tr>
</tbody>
</table>

**TOTAL**                                                                 |                                                                 |                      |             |                                                                        | 9.150.000        | >625.850.000/1.020.560.000 |

**Note:**
- **PFS** – Pre-feasibility study
- **OP** – Operational Plan
- **PD** – Preliminary Design
- **FS** – Feasibility Study
- **FR** – Feasibility Report
- **MD** – Main Design
- **TDP** – Tender Documentation Preparation
- **PP** – Project preparation
- **PMU** – Project Management Unit support
- **TA** – Technical Assistance
- **EIA** – Environmental Impact Assessment

**List of other WBIF projects:**

The following table provides information on the other WBIF grants in Serbia whose implementation is managed by IFI’s (project description are in a process agreement with IFIs)

<table>
<thead>
<tr>
<th>Project ID</th>
<th>Project Title</th>
<th>TA Type</th>
<th>Managed by</th>
<th>Status</th>
<th>Value Budget (€)</th>
<th>Loan /investments (€)</th>
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</thead>
<tbody>
<tr>
<td>MW-SER-ENV-CEB/KfW-01</td>
<td>Medium sized towns Water Supply and Sewerage Systems</td>
<td>CF</td>
<td>CEB/KfW</td>
<td>Under execution</td>
<td>3.000.000</td>
<td>25.000.000/44.300.000</td>
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<tr>
<td>MW-SER-TRA-EIB-03</td>
<td>Reconstruction of the Urban transport system (tramway and road) of the City of Belgrade</td>
<td>CF</td>
<td>EIB</td>
<td>Under execution</td>
<td>6.000.000</td>
<td>8.230.000/33.600.000</td>
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<tr>
<td>WB1-SER-TRA-03</td>
<td>Sava Bridge Loan Extension: Performance-Based Maintenance and Management of Roads and Bridges</td>
<td>TMA</td>
<td>EIB</td>
<td>ToR under finalisation</td>
<td>240.000</td>
<td>160.000.000/400.000.000</td>
</tr>
<tr>
<td>WB1-SER-TRA-02</td>
<td>Belgrade Rail Modernisation Project-Procurement, Implementation Support and Contract Supervision &amp; Urban Transport Public Service Contracting and Route Structuring Preparation</td>
<td>TMA</td>
<td>EBRD/EIB</td>
<td>Technical and environmental due diligence completed. Final negotiations underway to structure new rail service</td>
<td>750.000</td>
<td>50.000.000/79.750.000</td>
</tr>
<tr>
<td>WB1-SER-TRA-01</td>
<td>Corridor X Serbia</td>
<td>ATP, MD, TMA</td>
<td>EIB</td>
<td>Under execution</td>
<td>4.500.000</td>
<td>579.000.000/734.000.000</td>
</tr>
<tr>
<td>WB4-SER-TRA-06</td>
<td>TA for Railways Infrastructure</td>
<td>MP, PMU</td>
<td>EIB</td>
<td>Under execution</td>
<td>800.000</td>
<td>N/A</td>
</tr>
<tr>
<td>Project ID</td>
<td>Project Title</td>
<td>TA Type</td>
<td>Managed by</td>
<td>Status</td>
<td>Value Budget (€)</td>
<td>Loan /investments (€)</td>
</tr>
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<td>------------------------</td>
</tr>
<tr>
<td>WB4-SER-TRA-05</td>
<td>Documentation for Modernization of Railway Nis to FyR Macedonia</td>
<td>FS, PD, EIA, SIA</td>
<td>EBRD/ EIB EWB/JF</td>
<td>Grant cancelled on SCG</td>
<td>1.040.000</td>
<td>/263.600.000</td>
</tr>
<tr>
<td>WB4-SER-SOC-05</td>
<td>TA for School Modernization Programme</td>
<td>PMU</td>
<td>EIB CEB/E WBJF</td>
<td>Under execution</td>
<td>800.000</td>
<td>/50.000.000</td>
</tr>
<tr>
<td>WB4-SER-TRA-04</td>
<td>TA for Railways Rehabilitation II</td>
<td>TMA</td>
<td>EIB EBRD /EBRD EWB/JF</td>
<td>Under execution</td>
<td>1.000.000</td>
<td>/140.000.000</td>
</tr>
<tr>
<td>WB4bis-SER-ENE-05</td>
<td>Rehabilitation of District Heating systems in Serbia³</td>
<td>FS</td>
<td>KfW</td>
<td>Completed</td>
<td>2.047.000</td>
<td>Approved 500.000</td>
</tr>
<tr>
<td>WB6-SER-ENE-06</td>
<td>Rehabilitation of the District Heating Systems in Serbia – Phase IV – Program Implementation – SECOND STAGE</td>
<td>TMA</td>
<td>KfW EWB/JF</td>
<td>Under execution</td>
<td>1.512.000</td>
<td>/45.000.000</td>
</tr>
<tr>
<td>WB6-SER-SOC-09</td>
<td>Development of a concept for monitoring and evaluation of education</td>
<td>TMA</td>
<td>WB</td>
<td>Under preparation – procurements for consulting services underway</td>
<td>350.000</td>
<td>/600.000</td>
</tr>
<tr>
<td>WB6-SER-TRA-10</td>
<td>Belgrade road &amp; tram network upgrade – Phase 2</td>
<td>ATP, MD, SofW, TMA</td>
<td>EBRD</td>
<td>Under preparation – procurements for consulting services underway</td>
<td>2.350.000</td>
<td>/57.000.000</td>
</tr>
<tr>
<td>WB6-SER-ENV-03</td>
<td>Construction of collectors II and VII and water well in Subotica and preparation of technical documents for sludge management</td>
<td>ATP, SofW, TMA, CF</td>
<td>EBRD</td>
<td>ToR preparation</td>
<td>2.040.000</td>
<td>/11.000.000</td>
</tr>
<tr>
<td>WB8-SER-ENE-11</td>
<td>EE Programme in public buildings – Serbia EEP</td>
<td>ATP, MD, FS, SofW</td>
<td>KfW</td>
<td>ToR preparation</td>
<td>1.300.000</td>
<td>/10.000.000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>26.182.000</strong></td>
<td>&gt;1.135.230.000/2.980.507.000**</td>
</tr>
</tbody>
</table>

Note:  
List of WBIF regional projects with Serbia participating:

<table>
<thead>
<tr>
<th>Project ID</th>
<th>Project Title</th>
<th>TA Type</th>
<th>Lead IFI</th>
<th>Status</th>
<th>Value Budget (€)</th>
<th>Loan/investments (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>WB5-REG-PSD-01</td>
<td>Establishment of Western Balkan Venture Capital Fund (WBVCF) and Guarantee Facility (WBGF)</td>
<td>EIB</td>
<td>Guaranteed, capital</td>
<td>Being established by EIF</td>
<td>34.200.000</td>
<td>120.000.000 /185.000.000</td>
</tr>
<tr>
<td>WB5-REG-ENE-02</td>
<td>Feasibility Study for 400 KV interconnection (Serbia-Montenegro-BiH)</td>
<td>FS, EIA</td>
<td>EBRD</td>
<td>ToR completed</td>
<td>850.000</td>
<td>84.000.000 /92.850.000</td>
</tr>
<tr>
<td>WB5-REG-SOC-01</td>
<td>Centre for Entrepreneurial Learning and Strengthening Competitive Economy SEECEL</td>
<td>CD, FS, PD, MD, ATP</td>
<td>EIB</td>
<td>Under execution</td>
<td>1.584.000</td>
<td>4.260.000 /30.000.000</td>
</tr>
<tr>
<td>WB7-REG-TRA-SD-02</td>
<td>Updating the Regional Transport Study (REBIS)</td>
<td>SD</td>
<td>WB</td>
<td>ToR preparation</td>
<td>600.000</td>
<td>N/A</td>
</tr>
<tr>
<td>WB7-REG-ENE-SD-14</td>
<td>Gas Ring and Gas to Power study</td>
<td>TMA</td>
<td>WB</td>
<td>ToR preparation</td>
<td>1.000.000</td>
<td>N/A</td>
</tr>
<tr>
<td>WB8-REG-ENV-03</td>
<td>Water Resources Management in Drina River Basin</td>
<td>SD, TMA</td>
<td>WB</td>
<td>ToR preparation</td>
<td>1.200.000</td>
<td>N/A</td>
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<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>38.434.000</td>
<td>208.260.000 /307.850.000</td>
</tr>
</tbody>
</table>

Note: MW – Grant provided under Municipal Windows | IFITA – Technical Assistance deployed under the WBIF and managed directly by the IFI | FS - Feasibility Study | EIA - Environmental Impact Assessment | SD – Sector Development | CD – Conceptual Design | PD – Preliminary Design | MD – Main Design | ATP – Assistance to Tendering Process | TMA - Technical and Management Assistance | CB – Capacity Building | BD – Business Development |

Number of national WBIF grants by Sectors (28 in total)
Grants Value Approved by Sectors (total 35.332 mil EUR)\(^4\)

Value of completed grants (IPF TA only) by Sectors\(^4\)

\(^4\) Grants for Regional sub-projects not included.
Value of loans signed and ratified

The following charts presents leveraged loans signed relating to the grants approved for Serbia. Of the total number of grants, loan financing agreements are signed for 14 national projects, of which 4 under IPF TA and 10 under IFIs management.

Total amount of loans signed to date equals to € 1.205 mil.

Value of loans signed by IFI [mil €]

Value of loans signed by Sector [mil €]
Niš to Preševo rail line - rehabilitation of a national main line and international transport corridor

Project description

The project deals with a railway line over 100 years old in a poor state such that train speeds are severely restricted. There has been no significant repair or development work done for more than 30 years beyond a minimum attention to keep the track open. The line is part of a pan-European transport corridor, Corridor X, connecting Europe to Serbia, the former Yugoslav Republic of Macedonia and Greece. The track under study runs for 160km between Niš and Preševo on Serbia’s southern border.

The study covers three Phases:

Phase I - Preliminary investigation that is sub-divided into two Steps. Step 1 identifies and analyses the development strategy options for the modernisation of the line and identifies the optimal strategy; Step 2 analyses this chosen strategy from the perspectives of technological, economic and financial evaluation.

Phase II – Preparation of a Feasibility Study and Environmental Impact Assessment

Phase III – Preparation of documents for executing the works

Phase I has been completed within the framework of IPF support.

Key Facts

Project title: Reconstruction of the line Niš – Preševo – FYROM
Reference: TA-SER-15
Beneficiary: Serbia
Promoter: Serbian Railways
IFI: EBRD and EIB
Sector: Transport
Support: Technical assistance
Timing: Study work completed November 2010

Support provided by WBIF

- Identification of optimal development strategy

Finances

- WBIF- IPA grant: € 500,000
- Estimate total investment: € 263,000,000
- Estimate IFI loan: Not decided
Modern water supply and wastewater collection and treatment for Serbian cities: Vranje and Uzice

Project description

The project deals with the rehabilitation and expansion of water and wastewater infrastructure in the Municipalities of Vranje and Uzice. Vranje is in southern Serbia and has a population of 98,000 and Uzice is in west of the country with a population of 60,000 (see map). The waste water services in both towns suffer from long term lack of investments. The project preparation feasibility studies targeted to provide a significant positive health impact through improved quantity and reliability of water supply and collection and treatment of wastewater to meet needs for compliance with EU environment acquis.

Each study formulated a long term strategic investment programme for both water supply and wastewater collection and treatment infrastructure. The priority investment programme for improvements in water supply and wastewater services was identified in each case together with environmental assessment of its contribution to mitigate the threat to environmental resources of the project areas. In addition a financial model of the operations of the operating company was prepared to demonstrate the actions needed to ensure the long term sustainability of operations in terms of technical, financial and environmental criteria. The projects were found to represent viable investments with the assistance of some EU IPA grant funding. KfW has gone to tender to implement the proposed projects.

Key Facts

| Project title: | Feasibility studies for water supplies and Wastewater for Municipalities of Vranje and Uzice |
| Reference: | TA-SER-17 |
| Beneficiary: | Serbia |
| Promoter: | Ministry of Agriculture, Forestry and Water |
| IFI: | KfW |
| Sector: | Environment |
| Support: | Technical assistance |
| Timing: | Studies completed in August 2010 Designs and tendering for works started 2012 |

Support provided by WBIF

- Feasibility Study for Vranje water supply and wastewater collection and treatment infrastructure
- Feasibility Study for Uzice water supply and wastewater collection and treatment infrastructure

Finances

- WBIF- IPA grant: € 500,000
- Total investment: € 36,500,000
- IFI loan: € 15,300,000
- EU - IPA: € 13,800,000
- Beneficiaries: € 7,400,000
Upgrading Western Serbia’s electricity transmission line that will link with neighbours’ networks and existing Member States for interconnectivity

Project description

The project has developed proposals for the upgrade of the existing 220 kV network in Western Serbia to 400 kV. The existing overhead lines and substation equipment at Bajina Basta, and the OHL to Valjevo, Obrenovac and Beograd 3, are in extremely poor condition after 50 years of continuous service. There is also a need to develop a new 400 kV network corridor to accommodate potential projects and to allow for the future development of the electrical transmission system, not only in Serbia and the Western Balkan region, but also connecting into North-East and South-East Europe.

For this part of the network, the technical assistance started by preparing a prefeasibility study to identify options and potential network topologies for the upgrade, and resulted in a plan to upgrade the 220kV circuits to 400kV between Obrenovac and Bajina Basta, with a potential loop into Valjevo. In the second stage, a full Feasibility Study was undertaken for this scenario, including site investigations, corridor definition, financial and economic assessments and a comprehensive environmental and social impact assessment.

Due to the age and condition of the existing assets, this project is a necessity for the Serbian Transmission System Operator, EMS. EMS has prioritised this project for financing discussions and implementation in the near term. The conclusion of this upgrading to 400kV will not only improve transmission capacity and quality of supplies to customers in Serbia, but in conjunction with other WBIF-supported projects (the Lastva – Pljevlja 400kV project in Montenegro and the Bajina Basta – Visegrad – Pljevlja 400kV project) will provide regional strengthening and market opening possibilities.

Support provided by WBIF

- Project indentation and pre-feasibility study
- Feasibility study
- Transmission line alignment

Finances

- WBIF- IPA grant: € 500,000
- Estimate total investment: € 50,000,000
- Estimate IFI loan: € 30,000,000

Key Facts

- Project title: Upgrading of transmission network in Western Serbia to 400kV
- Reference: TA-SER-26
- Beneficiary: Serbia
- Promoter: EMS
- IFI: EBRD
- Sector: Energy
- Support: Technical assistance
- Timing: Pre-feasibility completed May 2010
  Feasibility study completed September 2011

Current 220kV transmission line will be upgrade to 400kV

Project location Line is indicative
Enhancing water supply in medium sized towns, Serbia

Project description

This project represents a second stage continuation of the first programme, “Water supply and sewage disposal in medium-sized Serbian towns”. The aim of the project is to include investment measures designed to achieve a long-term reduction in water losses, investments in water production and processing, as well as investments in expansion of the existing networks. Funds in excess of € 44 million will be used for urgently required investments in the seven Serbian medium-sized cities’ water supply and sanitation systems (Kraljevo, Loznica, Pancevo, Sabac, Smederevo, Sombor, Vrsac). The selected programme towns/municipalities and their respective water utilities will act as Project Implementation Agencies responsible for planning and implementation the investments.

They are supported by an implementation consultant for planning, tendering and construction supervision. They are also, supported by a consultant for technical assistance aiming at strengthening their internal organization and their commercial performance (financed by €1.25 million German government grant not included in the investment costs). Both consultants assist the utilities in installing Management Information Systems, updating tariff adjustment plans, developing human resources training needs analysis (billing and collection and leak detection), improving public relations with customers, detecting leaks through training leakage teams and following up leak detection surveys as well as developing preventive operation and maintenance plans. The key aim of the consulting services is sustainability of operation, i.e. to allow the water utilities to operate the water system long term from a commercial and technical point of view. After completion, the infrastructure will be operated by the cities’ water utilities.

The programme is in full swing as the construction of the main transmission main in Pancevo started in 2011. In Kraljevo the construction of the reservoir started in March 2012, and in Loznica the rehabilitation of the pumping station started in May 2012. The pipe rehabilitation and extension works are ongoing in all six cities in which these measures were foreseen (Kraljevo, Loznica, Pancevo, Sabac, Smederevo, Sombor).

Key Facts

Project title: Medium Sized Towns Water Supply and Sewerage Systems
Reference: MW-SER-ENV-CEB/KfW-01
Beneficiary: Municipalities and local utility companies (Kraljevo, Loznica, Pancevo, Sabac, Smederevo, Sombor, Vrsac)
IFI: KfW
Sector: Environment
Support: Investment grant
Timing: Supply of material and civil construction works ongoing

Support provided by WBIF
- Investment grant

Finances
- WBIF- IPA grant: € 3,000,000
- Estimate total investment: € 44,300,000
- Estimate IFI loan: € 25,000,000
Belgrade’s urban transport renewal

Project description

The €6 million grant from the EU’s “Municipal Window” is dedicated to the improvement of street infrastructure in Belgrade. This project component is part of the Belgrade Urban Renewal project which already benefits from an EIB loan aiming at revitalising Belgrade public transport and urban environment. An EBRD loan co-finances a second phase of the project*. The overall investments include the upgrading of existing tramway infrastructure and tram vehicles, the reconstruction of street infrastructure, and the improvement of traffic management systems in Belgrade. As part of the project, technical assistance for preparatory activities is provided to the Project Implementation Unit.

The component supported by the IPF grant for street improvement is estimated at €33 million. The project was initially made up of 3 components, with the majority of the grant (90%) dedicated to the first component, the reconstruction of the Bulevar Kralja Aleksandra which was done in 2010. In March 2012, a request was made to the EC to reduce the scope of the project to two components. The works on the second sub-segment (reconstruction of the Vojvode Stepe Street) is expected to commence in Autumn 2013. The financing for this segment will include the remaining amount of the IPF Municipal Window contribution as well as a contribution of the EBRD loan that co-finances the overall project. The project is due to be completed in 2014.

Key Facts

Project title: Reconstruction of the urban transport system (tramway & road) of the City of Belgrade
Reference: MW-SER-TRA-EIB-03
Beneficiary: Serbia
Promoter: City of Belgrade
IFI: EIB
Sector: Transport
Support: Investment grant
Timing: Project will be completed in 2014

Support provided by WBIF

- Investment grant

Finances

- WBIF – EWBGF grant € 6,000,000
- Estimate total investment: € 32,000,000
- Estimate IFI loan: € 16,000,000

* See also related project: Belgrade road and tram network upgrade – Phase 2 (ref: WB6-SER-TRA-10)
Helping provide small scale municipal infrastructure facilities across Serbia

Project description

This project focused on creating the systems for advancing finance to small scale municipal infrastructure across Serbia. Support was given for administration and administrative capacity building.

Following the establishment of a Project Management Unit (PMU) as a structure within the Ministry of National Investments and Plans (MNIP) the WBIF technical assistance team provided support in all tasks predicted in the already existing Finance Contract between the MNIP and the EIB. This EIB loan provides resources for Serbia’s municipalities to establish replace and/or upgrade small scale infrastructure at the local level. Applications for money were made by individual municipalities with the scheme managed by the MNIP.

Supported task included: i) the elaboration of all documents required by the EIB to approve allocation requests submitted by MNIP, then the disbursement of the loan during the implementation of the approved projects; ii) establish a specific Financial Data Base, having as main goal the actual follow up of all on-going projects; iii) establish filing systems, review procurement practices within the MNIP in order to achieve the objectives of a fair competitive and transparent tendering / contracting procedure; iv) grant the compliance of the selected projects with the main environment regulations issued by the EU; v) and support the PMU to monitor the technical and financial follow up of the projects during the implementation phase. Help was also given to establish PMU working methodologies and proceedings between the PMU and the Project Implementation Units (PIUs) in the Municipalities.

Project location  Countrywide

Key Facts

- **Project title:** Municipal and Regional Infrastructure
- **Reference:** TA2-SER-SOC-04
- **Beneficiary:** Serbia
- **Promoter:** Ministry of the National Investment Plan
- **IFI:** EIB
- **Sector:** Social
- **Support:** Technical assistance
- **Timing:** Study work completed Feb 2011
  Programme implementation on-going

Support provided by WBIF

- Institutional capacity building to the Project management Unit
- Financial, environmental and procurement technical advice

Finances

- **WBIF- IPA grant:** € 375,000
- **Estimate total investment:** € 150,000,000
- **Estimate IFI loan:** € 75,000,000

Connecting projects with investment funds
Connecting projects with investment funds

R & D facilities to enhance knowledge capacity and scientific excellence in Serbia

Project description

The project consists of three Components:

• Component A: Petnica Science Centre (review feasibility study (FS), main design for works; technical specifications for equipment and furnishings, procurement plan),

• Component B: Zvezdara Technology Park (update FS, main design, bill of quantities, procurement plan),

• Component C: Centre for promotion of Science in Belgrade (facility programme, prefeasibility study, preparation of a design Brief and regulations for international architectural competition).

The R&D Infrastructure facilities development in Serbia is financed by the EIB with a total of € 200 million. To manage the project's implementation a PIU has already been created.

The deliverables for the two Components (A, B) were prepared in a way that facilitated the review by the relevant State Revision Committee according to the local procedures and laws in Serbia. The deliverables of Component C led to an international architectural competition, the results of which were announced according to the set plan in December 2010. Implementation of Component C depends on on-going negotiations with the winning international architectural office.

Key Facts

Project title: Building the knowledge economy of Serbia, R&D infrastructure initiative
Reference: TA3-SER-SOC-01
Beneficiary: Serbia
Promoter: Ministry of Science and Technological Development (now Min. of Education & Science) with R&D PIU d.o.o
IFI: EIB
Sector: Social
Support: Technical assistance
Timing: TA Support completed: December 2010
Construction of Comp. A and B completed

Support provided by WBIF

- Review of existing pre-feasibility and feasibility studies
- Preliminary and Main (detailed) designs
- Technical Specification for Supplies and Bill of Quantities
- Organisation of international architectural competition

Finances

- WBIF- IPA grant: € 695,000
- Estimate total investment: € 58,077,000
- Estimate IFI loan: € 29,000,000

Zvezdara Technology Park (Belgrade) and Petnica Science Center

Architect’s impression of the center for promotion of science in Belgrade

Map of Serbia

Connecting projects with investment funds
Connecting projects with investment funds

New modern judiciary buildings for Serbia

Project description

A feasibility study was carried out by EIB to cover the initial phase of project preparation and the concept design for 3 buildings in the scope of the Modernisation of Judiciary Facilities in Serbia. It concerned the rehabilitation of The High Court (Building B), a new construction for the Prosecutors Office (Building C) and of the Extension of the Special Court (Building D). The Feasibility Study was approved on 8th February 2011.

The 1st TA concerned the latter of the above two buildings and had three Components:
- Component 1: support to the PIU
- Component 2: Main design for construction of Building C
- Component 3: Main design for construction of Building D

In the scope of Component 1 TA supported the Min. of Justice in the creation of the PIU and the development of its role in the various stages of the evolution of the other two Components.

In the scope of Components 2 and 3, the preliminary design and the detailed design for Buildings C and D was carried out, while the Tender Documents for the construction of the buildings and their equipping was prepared, including the relevant specifications.

The 1st TA services were delivered in the period February 2011 to March 2012 and all Components were completed on time. The relevant outputs of Component 2 and 3 were approved and are ready for implementation.

Additional funding was approved in December 2011 under the WBIF 6th Round for the renovation of the third Building “Palace of Justice”, which is scheduled to be completed in February 2014. It comprises the following Components:
- Component 1: Main design for the renovation of Building B
- Component 2: Continuing support to the PIU

Key Facts

Project title: i. Modernisation of Judiciary Facilities
                        ii. Extended TA for Judiciary facilities
Reference: i. TA3-SER-SOC-02
                        ii. WB6-SER-SOC-08
Beneficiary: Serbia
Promoter: Ministry of Justice
IFI: EIB
Sector: Social
Support: Technical assistance
Timing: i. TA completion: March 2012 (Bldg C&D) Construction scheduled to start: 2013
                        ii. TA completion: February 2013 (Bldg B) Construction scheduled to start: 2014

Prosecutor’s Office (Building C) and Special Court (Building D)

Support provided by WBIF

- Review of existing feasibility study
- Preliminary and detailed design (main design)
- Technical specifications for equipment and materials
- Tender documents for construction and supplies
- Support to PIU

Finances

- WBIF- IPA grant: i. € 720,000
                           ii. € 1,000,000
- Estimate total investment: € 92,000,000*
- Estimate IFI loan: € 45,000,000

*for the 3 buildings B,C,D with Government contribution for 13 more facilities

Project location

[Map showing Belgrade in Serbia]
Improving prison conditions in Serbia

Project description

Poor physical conditions in the penal institutions in Serbia are evident with severe prison overcrowding together with a lack of prisoner activities and activity space. These inadequacies have been noted both by the Serbian Government and international observers in prison reform. Poor conditions adversely affect both prisoners and prison staff. It also weakens the opportunities of the Prison Service to have an impact on recidivism through successful correctional work and interaction with inmates.

Serbian prison reform started in 2005 with the aim of improving living conditions for inmates by renovating buildings, constructing new facilities and improving security and safety systems. The Government has turned to IFIs to get funding support for its plans. As a means of progressing prison development, a project has been formulated within the WBIF framework. The project consists of the construction of new prisons at two institutions: District Prison Pančevo and District Prison Kragujevac. At least two prison buildings need to be constructed as soon as possible in order to safeguard human rights and enable human and secure conditions for inmates.

The technical assistance has developed Operational Plans and Feasibility Reports for Pančevo and Kragujevac prisons. On the basis of this documentation the CEB has agreed to provide loans for both projects. The design for Pančevo is on-going and a follow-up grant (Extended TA for improvement of prison facilities) deals with Kragujevac Prison design and tendering.

Key Facts

Project title: i. Modernisation of prison facilities/providing a humane and safe prison system
ii. Extended TA for improvement of prison facilities

Reference: i. TA3-SER-SOC-03
ii. WB8-SER-SOC-13

Beneficiary: Serbia

Promoter: Ministry of Justice

IFI: CEB

Sector: Social

Support: Technical assistance

Timing: Pančevo: preliminary design preparation
Construction scheduled for 2014.
Kragujevac: ToR prepared for design work

Support provided by WBIF

- Feasibility study
- Detail design
- Technical and management support

Finances

- WBIF- IPA grant: i. € 700,000
  ii. € 700,000
- Estimate total investment: € 70,000,000
- Estimate IFI loan: € 35,000,000
Social housing - construction of new non-profit housing for the provision of affordable accommodation in Serbia

**Project description**

The project provides standard mechanisms for preparing and drafting housing loans to non-profit housing organizations, as defined by the Social Housing Law (SHL). Generally, the programming and financing part of social housing provision will be done centrally while the implementation - including beneficiary selection - will be done locally. In technical terms, the project will in particular support the promotion of high energy efficiency standards and, if some of the municipalities express additional interest, the new housing construction project may be done according to passive energy standards, in order to become a showcase for the whole housing sector.

The project takes significant care in promoting the new social housing system. To that end, all new settlements and/or blocks will be built after an urban-architectural design competition. Architectural and planning design competitions are foreseen to be standard for all the State supported social housing programs.

Training in 12 municipalities on Social Housing took place in January and February 2011.

A second WBIF application is envisaged upon the results of the needs assessment (feasibility study and housing programmes), which shall coherently tackle the difficulties within the housing policy system and further strengthen the institutional capacity at national and local level.

**Key Facts**

- **Project title:** Social Housing Serbia
- **Reference:** TA3-SER-SOC-04
- **Beneficiary:** Serbia
- **Promoter:** Ministry of Environment & spatial Planning of the Republic of Serbia
- **IFI:** CEB
- **Sector:** Social
- **Support:** Technical assistance
- **Timing:** Study work completed Feb 2011

**Project location** Countrywide

**Support provided by WBIF**

- Feasibility report and housing programme for the pilot investment scheme
- Project identification and formation of the requirements for Further technical assistance

**Finances**

- WBIF- IPA grant: € 70,000
- Estimate total investment: € 15,000,000
- Estimate IFI loan: € 15,000,000
Serbia’s Corridor X improves domestic journey time and links the country internationally

Project description

The project is part of the Pan European Corridor X, aimed at developing modern and high quality road infrastructure in Europe. Corridor X passes through Austria, Slovenia, Croatia, Serbia, Macedonia and Greece. It also forms part of the south eastern axis of the extensions of the trans-European transport network (TEN-T) network, a key element in the Lisbon Strategy for competitiveness and employment in Europe and part of the Europe 2020 strategy. As such, the project is strategically important in the region, serving international and local traffic demand and improving one of the few remaining bottlenecks on the 1,500 km long Corridor. Time savings, reduced accidents and modest vehicle operating cost saving will contribute to the many economic benefits of this project derived from improved links of this region with Europe.

The project covers the two sections of the Serbian part of Corridor X:

- A 98 km-long section on E80 between Niš and the Serbian border with Bulgaria at Dimitrovgrad (Corridor Xc).
- A 75 km-long section on E75 between Grabovnica and Levošoje (Corridor X) leading to the border with FYRo Macedonia.

The total estimated cost of the project is €1,570 million (€970 million for the E75 sections and €600 million for the E80 sections). Out of the total project cost, €30 million is estimated for project preparation, management of construction and work supervision, covering both sections of E75 and E80. WBIF has provided €4.5 million as a grant for project management activities and special studies. This includes €3.0 million with EIB as lead IFI for geotechnical and structural expertise, detailed design, quantity surveying and traffic management systems, and €1.5 million with EBRD as lead IFI. This technical assistance is coordinated with World Bank, which is also a co-finance for the project.

Works on both sections are underway. Tender procedures for a few lots were finalised in 2012, some are underway and it is expected that works on remaining lots will start in 2013-14. WBIF technical assistance is expected to be completed by end of 2015, while implementation is expected to go beyond 2016.

Key Facts

| Project title: | Corridor X Serbia |
| Reference: | WB1-SER-TRA-01 |
| Beneficiary: | Serbia |
| Promoter: | Corridors of Serbia |
| IFI: | EIB |
| Sector: | Transport |
| Support: | Technical assistance |

Support provided by WBIF

- Preliminary and detail design
- Supervision of Works
- Technical and management support

Finances

- WBIF – EWBVF grant: €4,500,000
- Estimate total investment: €1,570,000,000
- Estimate IFI loan: €1,100,000,000
A new bridge across the Sava will bring major benefits to Belgrade and wider Serbia

Project description

Belgrade’s Sava Bridge project should be considered within its larger road network development context of the City. It is the most significant element of the Inner City Semi-Ring Road development, recognised as a high priority infrastructural development in Belgrade’s Urban Development Plan (2003-2021). The construction of this third major bridge across the Sava, with its approach roads, would improve the connection between Old Belgrade and two fast growing suburban municipalities, significantly reduce traffic congestion, noise and air pollution and increase mobility. The total value of this project is estimated to be €405 million, including €160,000,000 in loans, from EIB and EBRD.

A €240,000 grant is jointly provided by the EWBJF and EIB for technical assistance to the City of Belgrade. This includes a procurement approach from design of tender documentation through selection and first phase implementation, establishment of requirements for an adequate road inventory database and bridge and pavement maintenance management system and the development of a Belgrade specific performance-based management and maintenance of roads (PMMR) strategy and system for the new bridge and at least 20 km of roads. It is expected that this type of PMMR can result in significant savings versus traditional unit-cost methods of road maintenance and will have a strong demonstrative effect as this will be the first example of PMMR contracting applied to urban roads and bridges in Serbia.

The Sava Bridge was open to the public on January 1st 2012, and the project is due to be completed by December 2014. The technical assistance should be completed in 2015.

Key Facts

**Project title:** Sava Bridge loan extension: performance Based maintenance & management of Roads (PMMR) and Bridges  
**Reference:** WB1-SER-TRA-03  
**Beneficiary:** Serbia  
**Promoter:** City of Belgrade  
**IFI:** EIB  
**Sector:** Transport  
**Support:** Technical assistance  
**Timing:** Technical assistance support completed by 2015

Support provided by WBIF

- Technical and management support to PIU
- Tender Documents
- Assistance to tender process

Finances

- WBIF – EWBJF grant: € 240,000
- Estimate total investment: € 404,090,000
- Estimate IFI loans: € 160,000,000
Connecting Serbia and Bulgaria with interconnection gas transmission pipe

Project description

This bi-directional high pressure gas transmission pipeline between Bulgaria and Serbia is of considerable regional significance, since it will give both Serbia access to a second import pipeline and Bulgaria access to Serbia’s existing and planned gas storage, benefiting the energy security of both countries and the whole region of SEE. The regional significance of this connection is endorsed by EC’s Directorate General for Energy and the EBRD. In the light of the importance of this connection it has been recently announced that Bulgaria intends to use up to €60 million from the EU Funds (ERDF earmarked for 2007-2013) to support the construction of the interconnector with Serbia.

The project is in line with the provisions of the Energy Community Treaty and with the EU’s pre-accession strategy for Serbia and is part of the concept for the Energy Community Gas Ring. The study will prepare Srbijagas to work in a competitive market, improving the trading function of the company and the identification of new equipment for system and market operations.

The investment is required for approximately 180 kilometres of gas pipeline, for about 2 billion cubic metres annually at an estimated €120 million (of which €60 million for Serbia) to be financed by EBRD. The gas pipeline will be built between Nis and Dimitrovgrad while a compressor station is planned on the Bulgarian side. The respective FS from Bulgarian side was executed with one year delay. A commercialisation study provided insight on ways to implement the investment in Serbia.

Key Facts

| Project title: | Feasibility Study and ESIA for Serbian Gas Transmission Pipeline to Bulgaria |
| Reference: | WB4-SER-ENE-04 |
| Beneficiary: | Serbia |
| IFI: | EBRD |
| Sector: | Energy |
| Support: | Technical assistance |
| Timing: | TA study was initiated in July 2010 and completed in October 2012 |

Support provided by WBIF

- Feasibility study
- Environmental and Social Impact Assessment
- Commercialisation study – Business case

Finances

- WBIF- IPA grant: €800,000
- Estimate total investment: €60,000,000
- Estimate IFI loan: €n.a.
Improved conditions, greater equitable access and a system to prioritise investments in Serbia schools

Project description

Education and training are essential priorities for Serbia to increase employment, yet the quality of the current education system is low, the education infrastructure degraded and investments in this sector inadequate, affected by rigid allocation mechanisms, insufficient funding from local governments and a lack of involvement of the business sector.

The School Modernisation Programme (2010-2014) is aimed at improving the quality of learning conditions for students at all levels of pre-university education, increase equity in the education system and provide for more efficient allocation and investment in physical infrastructure that is aligned with the corresponding country needs and global circumstances. The programme is made up of 3 components: components 1 and 3 focussed on renewal and expansion of school infrastructure and building of new schools and component 2 supporting the strategic development of the Serbian education system through technical assistance. The value of the overall programme is estimated at €100 million, co-financed by an EIB loan of €50 million.

An €800,000 grant was provided through the WBIF to address the main tasks in Component 2 of the Programme. First, assistance was provided to the Ministry of Education and Science in Serbia in preparing an implementation plan for the Education Sector Strategy which lays out the vision for education and how to achieve the country’s development goals. A sub-set of an overall strategy for the sector includes the decision to invest in expanding, rehabilitating and upgrading the school infrastructure. Secondly, support was provided for the completion of conception and implementation of the informational and management system in education. The third task was to improve the process by which Serbia makes decisions relating to large-scale investments in educational infrastructure, with a view to maximizing the country’s initial investment (Decision Methodology for Investments in Education Infrastructure). WBIF technical assistance is expected to be completed by 2014.

Project location Countrywide

Key Facts

- **Project title:** Schools modernisation programme
- **Reference:** WB4-SER-SOC-05
- **Beneficiary:** Serbia
- **Promoter:** Ministry of Education, Science Technological Development
- **IFI:** EIB
- **Sector:** Social
- **Support:** Technical assistance
- **Timing:** Study work completed by 2014

Support provided by WBIF

- Technical and management support
- Identification of investment.

Finances

- **WBIF – EWBJF grant:** € 800,000
- **Estimate total investment:** € 100,000,000
- **Estimate IFI loan:** € 50,000,000

Connecting projects with investment funds
Connecting projects with investment funds

New capacity for Serbia Railways

Project description

Rail transport sector is of critical importance to Serbia. The country’s geographical position makes it a key transit country for passengers and goods, and good communication is an important aspect of allowing trade, industry and tourism to prosper. The goal of the Government of Serbia with regard to railway infrastructure is to achieve a recovery from the years of underinvestment and poor maintenance of the railway sector. Moreover, with the aim of satisfying European standards, market requirements and competitive performance, the Serbian EU Accession Strategy emphasizes that it is necessary to stimulate the development of railway infrastructure to enable faster fulfilment of accession requirements in the transport sector.

WBIF, through the Joint Fund (EWBJF) and with EIB as lead IFI, provides € 800,000 for assistance for implementing the railway component of the General Transport Master Plan (GTMP) of Serbia and capacity building support to the Ministry of Infrastructure and Energy, and the Serbian Railways, including support for identifying priority projects to be implemented with the support of IFIs and bilateral donors in the next 5 to 10 years. WBIF technical assistance is expected to be completed in 2014.

It is crucial for Serbian railways to increase their attractiveness in the region and regain market shares lost to other transport modes. The prioritised investments to be realised in Serbian railways as an outcome of the technical assistance will help prevent further deterioration of infrastructure assets beyond the point of recovery while increasing capacity and efficiency of the priority lines. It will also allow Serbian Railways to achieve its modernisation targets in a period where it will simultaneously have to start reforming itself to comply with the EU railways directives.

Key Facts

- **Project title:** Serbian rail infrastructure
- **Reference:** WB4-SER-TRA-06
- **Beneficiary:** Serbia
- **Promoter:** Serbian Railways
- **IFI:** EIB
- **Sector:** Transport
- **Support:** Technical assistance
- **Timing:** Study work completed by 2014

Support provided by WBIF

- Technical and management support

Finances

- WBIF – EWBJF grant € 800,000
- Estimate total investment: n.a.
- Estimate IFI loan: n.a.

Project location

Countrywide
Connecting projects with investment funds

Major improvements to Serbian district heating systems

Project description

As in other countries in the region, district heating plays an important role in the supply of heating energy in Serbia, especially in urban areas. About 1 in 5 Serbian households is connected to one of the more than 50 district heating systems with a total generating capacity of approx. 6,600 MW. Long-term underinvestment has resulted in many of the production and distribution facilities being in a poor technical condition, in turn leading to inefficient heat production as well as high losses of water and energy.

The objective of Phase IV of this Programme is to improve the technical efficiency and financial and ecological sustainability of the 20 participating municipal District Heating Companies (DHC) by replacing obsolete pipelines, substations and production facilities, as well as by modernising and improving their operation and maintenance. The Programme also aims to introduce institutional and organisational reforms in the DHC, which shall enhance their business policies, for example by supporting the introduction of consumption-based billing.

The Programme has positive economic and environmental impacts - it will lead to reduced fuel consumption, cost-savings and more environmentally friendly heat production and distribution with significantly reduced CO2-emissions as demonstrated in previous Programme phases.

The total investment volume is approx. €62 million, of which €45 million is provided as an interest-subsidised loan by the German government through KfW. Moreover, €9.25 million is provided by the Serbian government under a Debt Swap Agreement with Germany and the remainder consists of own contributions by the DHC.

In total, a €2 million grant has been provided by the EU through the WBIF for the financing of consulting services required for the preparation and implementation of the Programme which is co-financed by a grant of the German government of €2 million. The preparatory stage of Phase IV lasted from February to September 2012 during which the consulting team performed heat demand forecasts, hydraulic calculations and analyses of the business models in order to elaborate detailed investment plans for each DHC. Since November 2012 the first tenders for the procurement of supply and works contracts have been initiated and the works on the most urgent rehabilitation measures are expected to begin in summer 2013. The project is expected to be completed in December 2015.

Project location: Countrywide

Key Facts

Project title:
1. Rehabilitation District Heating Systems – Phase IV
2. Rehabilitation of the District heating system in Serbia – Phase IV – pgm implementation

Reference: WB4bis-SER-ENE-05
WB5-SER-ENE-06

Beneficiary: Serbia
Promoter: Ministry of Energy, Development and Environmental Protection with District Heating Companies

IFI: KfW

Sector: Energy
Support: Technical assistance
Timing: Construction programme on-going

Support provided by WBIF

- Heat demand forecasts
- Hydraulic modelling
- Business modelling

Finances

- WBIF – EWBJF grant
  i. € 500,000
  ii. € 1,512,000
- Estimate total investment: € 58,297,000
- Estimate IFI loan: € 45,000,000
Connecting projects with investment funds

Greater capacity for Subotica’s wastewater treatment plant  -  Serbia

Project description

The project builds on the results of a previous wastewater collection and treatment plant project that was completed in March 2012, with support from the EBRD and the EU. As such, the WBIF grant will be used for the construction of collectors to make better use of the capacity of the existing WWTP and for support for the project preparation, tendering procedure and supervision of construction. It will also assist with a feasibility study for construction of a sanitary landfill and a composting plant to help with the management of increasing quantities of sludge from the newly constructed WWTP.

The project will enable the City of Subotica to fully close the wastewater cycle in its territory by extending the wastewater collection and sewage network (to about 12,000 new consumers), and by expanding the overall sewage coverage to close to 60 per cent of the population. It will also help prevent the pollution of Palic Lake, one of the top five tourist destinations in Serbia situated eight km to the east of Subotica. It has a significant importance also for providing sufficient water volume, pressure and water quality from the public water supply system. The construction of the so-called “water factory” on the second city complex (water intake 2) will provide quality potable water supply to the entire population of Subotica, Palic and the suburbs.

The overall value of the project is estimated to be €24.6 million, to be financed through a €11 million loan from the EBRD, beneficiary contribution and the WBIF grant of just over €2m.

Key Facts

Project title: Construction of collectors II & VII and water well in Subotica and preparation of technical documents for sludge management system
Reference: WB6-SER-ENV-03
Beneficiary: Serbia
Promoter: Subotica Public Utility Company
IFI: EBRD
Sector: Social
Support: Technical assistance
Investment grant

Timing:

Support provided by WBIF

- Assistance with tendering
- Supervision of works
- Investment grant

Finances

- WBIF – EWBJF TA grant: €740,000
- EWBJF investment grant: €1,300,000
- Estimate total investment: €24,600,000
- Estimate IFI loan: €11,000,000

Greater capacity for Subotica’s wastewater treatment plant - Serbia
Upgraded facilities for Belgrade’s cars, trams and pedestrians

Project description

The Belgrade Urban Renewal Project II, valued at €223 million, will provide more capacity and enhance the quality of urban public transport and therefore attract more passengers to use more sustainable modes of transport. In Phase 1 of the project, the main transport corridors in the city with total length of 17.5 km were rehabilitated into modern streets and tramway networks were revitalised*. The aim of Phase II is to improve further road and tram infrastructure, assist in traffic management, as well as improve the City’s ability to manage and protect the street assets once these have been modernised. The project is supported by a €57 million loan to be provided by EBRD.

The priorities in this phase include: new tram tracks on the new Sava Bridge and approach roads; traffic management installation along the approach roads to the Sava Bridge; tram track reconstruction and new track maintenance along the main city streets in Old Belgrade and New Belgrade; improvements to pedestrian zones (underground walkways) along the Sava River between Pristaniste to Kalemegdan streets and at Slavia Square; and road infrastructure improvements to expand a section of Boulevard Oslobodjenja from 3 to 4 lanes and for the grade separation of the Auto Komanda Junction. These are important links in the city’s road network which suffer currently from congestion.

A €2,350,000 WBIF grant is used for technical assistance for the proposed investments, including an update to the City’s transport master plan (including a Strategic Environmental Assessment in conformity with EU Directives), preparation for eligible investment projects (including feasibility studies and detailed design of the eligible investment components) and targeted capacity building and implementation support for a new integrated Project Management Unit. Phase II of the Belgrade Urban Renewal Project should be completed during 2015.

Key Facts

Project title: Belgrade road & tram network upgrade – Phase 2
Reference: WB6-SER-TRA-10
Beneficiary: Serbia
Promoter: City of Belgrade
IFI: EBRD
Sector: Transport
Support: Technical assistance
Timing: Construction scheduled to start during 2013 and completed during 2015

Support provided by WBIF

- Detail design
- Assistance with tendering
- Supervision of works

Finances

- WBIF – EWBIF grant: € 2,350,000
- Estimate total investment: € 283,000,000
- Estimate IFI loan: € 57,000,000

*See also related project: Reconstruction of the urban transport system (tramway and road) of the City of Belgrade (ref: MW-SER-TRA-EIB-03)
Connecting projects with investment funds

Energy efficiency in Serbian public buildings with a focus on schools

Project description

Inefficient use of energy is a major concern in Serbia. Consumption of primary energy in Serbia for every dollar of GDP is two to three times more than in the EU. The demand of energy is a major concern that apart from the transport sector relates to three major categories of energy consumers: industries, residential and public service facilities. The proposed Energy Efficiency Programme in Public Buildings (EEP) would focus on selected public service buildings - especially schools - and demonstrate to the municipal and government officials and local communities the benefits of investment in energy efficiency measures. The programme is expected to contribute to 20-40% reduction in energy consumption, providing economic and environmental benefits as well as having a positive social impact.

The main beneficiary, the Ministry of Energy, Development and Environmental Protection (MEDEP) is in charge of the overall coordination and execution of the EEP. The programme builds on the experiences of the on-going Serbia Energy Efficiency Project (SEEP) co-financed by the World Bank. The programme will be implemented in two phases and comprise 25-35 schools.

The total value of the programme is estimated to be €12.6 million, to be financed through a €10 million loan from KfW, a contribution from the beneficiary municipalities and a WBIF grant in the value of €1.3 million for consulting services. These services include the elaboration of feasibility studies together with detailed designs of the renovation works in the schools, development of tender documentation, project supervision and targeted capacity building and implementation support. Moreover, the grant would be used to finance a local expert working in the project implementation unit of the Ministry of Infrastructure and Energy assisting primarily with reporting tasks, coordination between the responsible ministries together with KfW. ToR preparation for this sub-project is pending.

Key Facts

- **Project title:** Energy efficiency in public buildings - Serbia EEP
- **Reference:** WB8-SER-ENE-11
- **Beneficiary:** Serbia
- **Promoter:** Ministry of Energy, Development and Environmental Protection
- **IFI:** KfW
- **Sector:** Energy
- **Support:** Technical assistance
- **Timing:** Study work underway

Thermal insulation to be fitted in school refurbishment

Support provided by WBIF

- Feasibility study
- Detail design
- Assistance with tendering
- Supervision of works

Finances

- WBIF – EWBJF grant €1,300,000
- Estimate total investment: €12,600,000
- Estimate IFI loan: €10,000,000

Project location

Countrywide