



PROJECT FACTSHEET

Bosnia and Herzegovina January 2017

ACCESS TO LONG TERM FUNDING FOR MUNICIPAL INFRASTRUCTURE PROJECTS

Local infrastructure across the Western Balkans suffers from a significant backlog of investments. The Municipal Infrastructure Development Fund is an innovative financing vehicle dedicated to support municipal infrastructure projects by providing the long term funding and sustainability in municipal services.

Local infrastructure across the Western Balkans suffers from a significant backlog of investments. This is due to a significant funding shortfall faced by municipalities in the region. Given the region is expected to join the European Union, this situation is not tenable.

Against this background, the European Bank for Reconstruction and Development (EBRD) and the German KfW Group established with the support of SECO the Municipal Infrastructure Development Fund (MIDF) in order to provide the long term funding needed for infrastructure investments, help closing the funding gap, and promote long-term sustainability in municipal services.

MIDF co-operates with carefully selected local commercial banks in the region to expand access to funding sources. MIDF co-finances municipal infrastructure projects with the participating banks by sharing lending risks and/or providing liquidity. MIDF supports local banks in developing sound financing structures for municipal infrastructure investments. This includes the establishment of systems and methodologies for risk assessment, the drafting of financial document templates, social and environmental due diligence preparation, and procurement and concession monitoring.

Eligible Investments	Eligible Beneficiaries
Water supply and treatment	Municipal and regional governments
Waste management and recycling	Municipality-owned entities or companies
Energy and heat supply	Other public institutions
Public transport and traffic infrastructure	owning or operating municipal infrastructure
Buildings and energy efficiency	Private sector operators involved in the provision of municipal services

In addition, MIDF supports its beneficiaries in increasing their capacity throughout the project development and implementation cycle. This includes the preparation of feasibility studies, project designs, tender documents, procurement and concession reviews, and project monitoring.

COUNTRY/REGION: Western Balkans
TOPIC: Infrastructure financing
PROGRAM START: 2014
TOTAL BUDGET: EUR 79 Mio.
SECO-CONTRIBUTION: EUR 7 Mio.
PARTNER: EBRD, K&W

FURTHER INFORMATION AND CONTACT DETAILS

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