

Promoting Transport Connectivity and Regional Integration

TEM Steering Committee Meeting

Sarajevo 8 November 2017



European Bank
for Reconstruction and Development

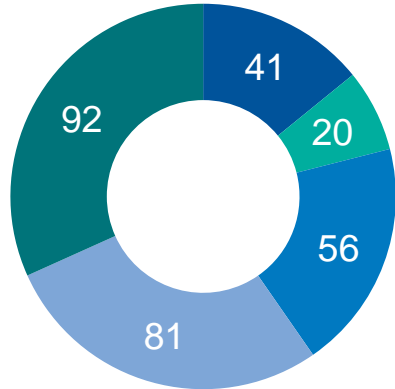
Transport at a glance¹



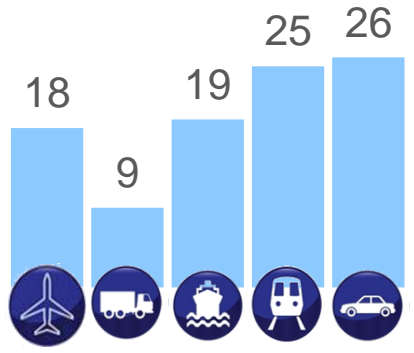
- **EUR 14.7 billion** invested
- Total project value: **EUR 56.4 billion**
- **290 projects**
- **33** of the EBRD's countries of operation

projects per sector

- Aviation
- Intermodal
- Ports and Shipping
- Rail
- Road



Country presence per sector



1. Data at end January 2017

- Invested more than EUR 900 million in 20 projects: reconstruction of roads and railways, construction of motorways (Sarajevo Bypass, Banja Luka - Gradiska, Banja - Luka Doboje, Corridor Vc) and development of air traffic control system).
- Fostered efficiency, competitiveness and financial sustainability (establishment of public companies and agencies, introduction of fuel levies and tolls, access to en-route charges etc.) .
- Keeps promoting development of private sector for services and increasing private sector participation in transport infrastructure, for example through PPPs.
- Most recently focusing on road safety, climate change resilience etc.

Importance of transport corridors development* in:

- **Supporting national and regional integration**
- **Integrating Pre-Accession countries into the EU market**
- **Developing sustainable transport networks which balance economic, environmental and social sustainability**
- **Acting as a catalyst for economic growth**
- **Promoting interoperable transport systems to facilitate trade across border**
- **Reducing transportation costs in order to increase the competitiveness of products in the regional market and beyond**

** At least until we become able to beam ourselves from Sarajevo to Podgorica*

Ongoing Transport Projects in BiH

Signed projects:

- FBH Main Roads Modernisation (€65m)
- Port of Brcko modernisation (€10m)
- Corridor Vc 2 plus Extension motorway (€156m)

Projects in preparation:

- Corridor Vc in RS motorway– Part 1 (€70m)
- Corridor Vc in FBH motorway– Part 3 (€180m)



Sovereign / Sovereign Guaranteed Loans:

- Concessional financing with a tenor of max 15 years include grace;
Fixed pricing including margin of 6 M EURIBOR plus 1%
- Typically used for transport (roads, highways, or railway investment projects) or municipal infrastructure (water supply projects, urban transport, waste water treatment)

Corporate:

- Unsecured loans to public companies (eg energy utilities for power generation or power distribution)
- Pricing on commercial terms (but possible EBRD can provide a longer maturity than commercial banks)

Equity

- Common stock or preferred
- Minority position only (up to 35%)
- Mezzanine
- Other
 - guarantees
 - currency swaps

Loans

- Senior, subordinated, convertible
- LT (up to 10y or more) or ST revolving
- Floating/ Fixed rates
- Choice of currencies (€, US\$, PLN, TRY etc.)