European Commission - Press release





Berlin Process Summit: EU announces €1 billion energy support package for the Western Balkans and welcomes new agreements to strengthen the Common Regional Market

Berlin, 3 November 2022

Today, President Ursula **von der Leyen**, and High Representative Josep **Borrell** participated in the Western Balkans Summit in the context of the Berlin Process.

During the Summit and as advanced during her mission in the region last week, the President announced a substantial **energy support package of €1 billion** in EU grants to help the Western Balkans addressing the immediate consequences of the energy crisis and build resilience in the short and medium term.

The President of the Commission, Ursula **von der Leyen**, said: "The EU continues to stand behind the Western Balkans – both in good times and in hardship. During the COVID-19 pandemic, we mobilised an unparalleled $\in 3.3$ billion package for the region and today we are putting together a $\in 1$ billion energy support package to protect the most vulnerable groups and boost much needed investments in energy diversification. We are investing in the economic fabric of the region to advance in the clean energy transition and come out greener, stronger and more sustainable from the current crisis."

In the immediate term, the Commission is ready to provide €500 million budget support, which will be adopted in December and available in January. This amount will support households and small and medium sized enterprises to cushion against energy price increases and their impact.

Over the short- and medium term, the Commission will provide another €500 million to advance in energy diversification, renewable energy generation and gas and electricity interconnections through the Western Balkans Investment Framework. Short-term measures (next 1-2 years) will support diversification of energy supplies, by boosting gas and electricity interconnectors including LNG as well as by supporting the construction of renewable energy projects and the energy efficiency measures. The medium-term assistance (next 2-3 years) will include other investments contributing to the energy transition and security. These measures will cover large-scale renewable energy generation projects, upgrade of energy transmission systems, district heating and schemes for energy efficiency for the old blocks-of-flats.

The Summit also focused on the progress achieved by the region under the Common Regional Market; the regional initiative agreed upon by the Western Balkans leaders in Sofia in 2020 bringing together the six economies, as well as on the implementation of the **Economic and Investment Plan (EIP)** launched in October 2020.

The European Union welcomed the breakthrough in the negotiations of three new **Common Regional Market agreements** facilitating freedom of movement and employment across the region. The agreements concern ID travel within the region, recognition of academic qualifications and recognition of qualifications for certain professions. It will substantially improve mobility and cooperation within the region.

The region also endorsed a **declaration on energy security** cooperation, in which the leaders committed to redoubling their effort to implement the **Green Agenda for the Western Balkans** aligned with the EU's Green Deal. This cooperation will contribute to greater energy diversification and cleaner energy, as well as to speed up reforms on their national energy markets to align with the EU.

Background

In its ninth edition, the Berlin Summit, hosted by Chancellor Scholz, gathered Heads of State or Government from the Western Balkans and their counterparts from nine EU Member States and the UK to advance on their regional cooperation and European integration agenda. The Summit is part of the **Berlin Process**, an initiative of several EU Member States, under German leadership, to engage with the six Western Balkan partners and promote regional cooperation and the European

perspective of the region. It consists of annual summits and a series of ministerial meetings. EU representatives participate in the ministerial meetings and summits, as do key international financial institutions and regional and international organisations.

The Economic and Investment Plan for the Western Balkans foresees mobilising up to €9 billion in grant funding over the next seven years and €20 billion in loans, leveraged by the new Western Balkans Guarantee Facility. It focuses on flagship projects in green and digital transition, smart mobility, sustainable energy, and support to the private sector, and development of the human capital to help bridge the socioeconomic gap between the Western Balkans and the EU. Through the Economic and Investment Plan and its Green Agenda for the Western Balkans, the Commission has been supporting energy efficiency and renewable energy generation, as well as reinforcing energy connectivity infrastructures. One of the objectives of the EIP is to help decrease the dependence on Russian fossil fuels, accelerate decarbonisation of the Western Balkans, and enhance the region's energy security. So far, 24 large EIP investment projects in sustainable transport, green energy transition, human capital and waste management have been launched with a total of €1.2 billion EU grants under the WBIF, expected to attract investments of up to €3.4 billion in cooperation with the international financial institutions.

As a crucial element for the success of the Economic and Investment Plan and the Berlin Process, the **Common Regional Market** agreed by the Western Balkans Leaders in Sofia in November 2020, is an ambitious regional economic integration project aiming to turn the region into an area of free movement of people, goods, services and capital, based on the EU example and standards. This will unlock the region's economic potential and make it a more attractive investment destination and bring it closer to the EU.

For More Information

Economic and Investment Plan - Factsheet

EIP Endorsed Flagship Projects - Brochure

In focus energy - Factsheet

EU-Western Balkans relations - Factsheet

Green Agenda - Factsheet

Roma Integration - Factsheet

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Members of the college said:

The EU stands with the Western Balkans in addressing the wider consequences of Russia's aggression against Ukraine and its weaponisation of energy. The key words for the months to come are resilience, stability and reconciliation. Today, more than ever, regional cooperation, enhancing stability and advancing on reconciliation remains key in facing these challenges. Progress on implementing the common regional market in all its dimensions is crucial for bringing the region closer to the EU. The EU and the Western Balkans will continue to build a community of resilience based on shared principles, to reduce the exposure of our countries to threats against peace and security.

The EU continues to stand behind the Western Balkans – both in good times and in hardship. During the COVID-19 pandemic, we mobilised an unparalleled ≤ 3.3 billion package for the region and today we are putting together a ≤ 1 billion energy support package to protect the most vulnerable groups and boost much needed investments in energy diversification. We are investing in the economic fabric of the region to advance in the clean energy transition and come out greener, stronger and more sustainable from the current crisis.

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