



Commission welcomes political agreement on the €6 billion Reform and Growth Facility for the Western Balkans

Brussels, 4 April 2024

The Commission welcomes the political agreement reached today between the European Parliament and the Council on the €6 billion Reform and Growth Facility for the Western Balkans, underpinning the Reform and Growth Plan proposed by the Commission in November 2023. It constitutes an unprecedented offer to the Western Balkans to access some benefits of EU membership before accession. The Facility will provide increased financial assistance in exchange for socio-economic and fundamental reforms defined in ambitious Reform Agendas being prepared by the Western Balkan partners.

Ursula **von der Leyen**, President of the European Commission, said: *"Enlargement is a key geostrategic priority. We want to bring the Western Balkans closer and faster to our Union. The €6 billion Facility agreed is a key step in that direction. By combining increased financial assistance and reforms, it will accelerate the progress of our Western Balkan partners on their EU path in advance of accession, foster their economic convergence and integrate them better in our Single Market."*

The **overall amount of the Facility for the period 2024-2027 is €6 billion**. This amount is composed of €2 billion in grants and €4 billion in highly concessional loans. At least half of the overall envelope will be allocated through the Western Balkans Investment Framework (WBIF), supporting infrastructure investments and connectivity, including transport, energy, green and digital transitions. The remaining part will be released as direct support to the national budgets.

Funds will be released twice a year, based on requests by the Western Balkan partners and following verification by the Commission and, where appropriate the EEAS, that all relevant conditions have been met. These conditions include payment conditions corresponding to qualitative and quantitative steps measuring progress and implementation results that have been agreed in the Reform Agendas, as well as general conditions related to macro-financial stability, sound public financial management, transparency, and oversight of the budget.

In case some conditions are not met, the Commission may suspend payments in part or in full depending on the condition. Following such a suspension and in case that Western Balkan partners do not fulfil the related conditions during a grace period of one year (or two years in the first year of implementation), the suspended amount will be withdrawn and may be redistributed among other beneficiaries in the subsequent years.

To finance the loan support, the European Union will raise €4 billion on the financial market until the end of 2027. The €2 billion of non-repayable support will be financed through additional resources from the Mid-Term revision of the Multiannual Financial Framework (MFF).

Next Steps

The political agreement reached is now subject to formal approval by the European Parliament and the Council. The Regulation of the Reform and Growth Facility for the Western Balkans will enter into force the day after its publication in the Official Journal.

Background

The Reform and Growth Facility for the Western Balkans is the financial instrument supporting the Growth Plan for the Western Balkans, adopted in November 2023. The Growth Plan is a new instrument to accelerate the Western Balkans' preparations for EU membership by bringing forward some of its benefits ahead of accession with direct impact for citizens and businesses. This in turn should significantly accelerate the speed of the enlargement process and the growth of their economies. The Facility is complementary to EU assistance already provided through the Instrument for Pre-accession Assistance (IPA).

For More Information

[Commission Proposal for a Regulation establishing the Reform and Growth Facility for the Western](#)

[Balkans](#)

[Commission Communication on the new Growth Plan for the Western Balkans](#)

[New Growth Plan for the Western Balkans \(webpage\)](#)

[Growth Plan factsheet](#)

IP/24/1688

Quotes:

"Enlargement is a key geostrategic priority. We want to bring the Western Balkans closer and faster to our Union. The €6 billion Facility agreed is a key step in that direction. By combining increased financial assistance and reforms, it will accelerate the progress of our Western Balkan partners on their EU path in advance of accession, foster their economic convergence and integrate them better in our Single Market."

Ursula von der Leyen, President of the European Commission

"Supporting the socio-economic convergence of the Western Balkan partners is the best way to promptly bring our partner countries closer to the EU. This new €6 billion Facility will reinforce our financial assistance as we further facilitate the region's integration into the Single Market by increasing its competitiveness. With this Facility fully functioning, by the end of this MFF we will reach 90% aid intensity per inhabitant in the Western Balkans as cohesion policy does on average in the EU. Thus, by choosing the EU path, we offer real-time benefits to the region's people and businesses before its full integration."

Olivér Várhelyi, Commissioner for Neighbourhood and Enlargement

Press contacts:

[Ana PISONERO-HERNANDEZ](#) (+32 2 295 43 20)

[Zoï MULETIER](#) (+32 2 299 43 06)

General public inquiries: [Europe Direct](#) by phone [00 800 67 89 10 11](#) or by [email](#)