

# CLIMATE SUPPORT FACILITY (CSF)

## Western Balkans Plus (WeBa+) Program



### KOSOVO COUNTRY BRIEF

The WeBa+ program has helped Kosovo advance its green transition by supporting coal phase-out planning, just transition measures for mining communities, renewable energy generation, sustainable district heating, rail sector resilience, and green public financial management. These efforts have strengthened institutional capacity, informed larger World Bank investments, and laid the groundwork for more resilient, low-carbon economic development.

The Western Balkans Plus (WeBa+) Program under the World Bank's Climate Support Facility (CSF) is exclusively supported by the Austrian Federal Ministry of Finance (BMF) and has the objective to advance climate and green growth priorities in the Western Balkans and other countries in Europe and Central Asia. Since its inception in December 2020, the WeBa+ Program supported 41 grants representing a total commitment of US\$ 8.8M. By being linked to World Bank lending, Program funding supports critical phases of operational readiness including upstream analysis, design, implementation and monitoring and evaluation. Austria's contribution to the WeBa+ Program has helped inform US\$ 791M in World Bank financing in the region.<sup>1</sup>

This Country Brief summarizes ongoing and closed/terminated activities under the WeBa+ Program aimed at supporting climate and green growth priorities in Kosovo.

### WeBa+ Program Support to Kosovo at a Glance

**11****Number of grants  
(active and closed)****US\$ 1.3M****Funding (active and closed)****US\$ 600K****Funding (active)****US\$ 63M****World Bank lending informed**

Grant Title	Approval Date	Status	Amount	Linked World Bank Lending Operation
Energy Transition	Nov 2024	Active	US\$ 200K <sup>2</sup>	pipeline
Support to Just Transition in Coal Mining	Nov 2023	Active	US\$ 150K	<a href="#">Kosovo Social Assistance System Reform Project</a> (US\$ 56M)
Supporting Stronger Foundations for Greener Growth	Oct 2023	Active	US\$ 150K	<a href="#">Kosovo Fiscal Effectiveness, Competitiveness and Green Growth DPF</a> (US\$ 100M)
Rail Network Resilience	Nov 2022	Active	US\$ 100K <sup>3</sup>	<a href="#">Western Balkans Trade and Transport Facilitation Project</a> (US\$ 15M)
Low-Carbon Response to the Energy Crisis in the Western Balkans	Jan 2023	Closed	US\$ 83K <sup>4</sup>	<a href="#">Kosovo Fiscal Effectiveness, Competitiveness and Green Growth DPF</a> (US\$ 100M)
Resilient Remediation of Contaminated Sites in Greening Land Project	Dec 2022	Terminated	US\$ 129K <sup>5</sup>	N/A
Green Finance Diagnostics and Roadmaps	May 2022	Closed	US\$ 95K <sup>6</sup>	N/A
Behavioral Insights for Air Quality Management and Energy Efficiency in the Western Balkans	Nov 2021	Closed	US\$ 32K <sup>7</sup>	N/A
Stakeholder Engagement Platform and Social Dimensions of Green Growth Analysis in the Western Balkans	Dec 2021	Closed	US\$ 7K <sup>8</sup>	N/A
Supporting the Design and Preparation of an Integrated “Livable Prishtina” Program	Dec 2021	Terminated	US\$ 334K <sup>9</sup>	N/A
Greening Motorization in the Western Balkans	July 2021	Closed	US\$ 55K <sup>10</sup>	N/A

<sup>2</sup> This grant totals US\$ 400K and is split among Kosovo and North Macedonia.

<sup>3</sup> This grant totals US\$ 200K and is split among Kosovo and Montenegro.

<sup>4</sup> This grant totals US\$ 500K and is split among the 6 Western Balkans countries.

<sup>5</sup> The initial allocated grant amount was US\$ 225K. US\$ 129K were disbursed before the activity got terminated. The remaining funds returned to the CSF/WeBa+ Program’s account.

<sup>6</sup> This grant totals US\$ 286K and is split among Kosovo, North Macedonia and Serbia.

<sup>7</sup> This grant totals US\$ 130K and is split among Kosovo, Bosnia and Herzegovina, North Macedonia and Serbia.

<sup>8</sup> This grant totals US\$ 40K and is split among the six Western Balkans countries.

<sup>9</sup> The initial allocated grant amount was US\$ 500K. US\$ 334K were disbursed before the activity got terminated. The remaining funds returned to the CSF/WeBa+ Program’s account.

<sup>10</sup> This grant totals US\$ 330K and is split among the six Western Balkans countries.

## GRANT SUMMARIES

### Energy Transition (US\$ 200k, active)

Activities financed by this grant are assisting Kosovo in designing and implementing strategies to phase-out coal-fired electricity generation and replace it with low-carbon options – and to reduce coal mine methane emissions in both active and abandoned mines – while enhancing the economic development of coal regions and the security of energy supply. The grant includes components on institutional strengthening with respect to coal phase-out, repurposing of coal mine lands (including planning for alternative uses), and coal mine methane management.

### Support to Just Transition in coal mining (US\$ 150K, active)

This grant aims to inform policy design options in social protection systems for mitigating social and labor impacts associated with the potential closure of coal mines. The grant is close to completion, and has supported [an assessment](#) of the labor market, its readiness to provide up-/re-skilling services, and a mapping of social protection programs and their ability to support the transition. The grant informed the implementation of the linked investment lending operation, specifically activities related to the design of employment services and labor market programs, and training voucher programs. It will serve as a basis for future engagement on labor and social protection in Kosovo.

### Supporting Stronger Foundations for Greener Growth (US\$ 150K, active)

This grant aims to enhance the effectiveness of fiscal policy, strengthen the investment climate, and lay the foundations for greener growth. It supports the preparation and implementation of policy actions under the linked lending operation. This includes analysis and advisory on green public financial management (PFM) principles, assistance for the implementation of the Law on Sustainable Investments, as well as analysis to inform and support the government's efforts in defining its climate change legislation.

### Policies to Promote Resilient Recovery (US\$ 63K, closed)

This grant aimed to foster resilience and greener growth in the post-COVID era. The grant closed successfully after having supported upstream analytics informing a new Law on Public Waste Management, a new Law on Renewable Energies, a new Law on Climate Change, and the adoption of a new sustainable tourism strategy (and informed the [Country Economic Memorandum](#)), through the linked policy lending operation.

### Rail Network Resilience (US\$ 100K, active)

This grant is supporting mainstreaming of climate resilience considerations in the rail transport sector through the review of current technical standards, guidelines, and planning tools for the railway sector vis a vis climate change adaptation and disaster risk management. The grant is supporting a climate vulnerability assessment of railway infrastructure, including identifying critical at-risk assets, assessing climate-related service disruptions, analyzing maintenance costs related to weather events, and recommending adaptation measures to increase resilience.

### Low-Carbon Response to the Energy Crisis in the Western Balkans (US\$ 83K, closed)

This grant supported the energy transition to low-carbon energy sources, while addressing security and affordability of energy supplies through linked lending operations. A renewable energy options analysis informed the government's enactment of the Law on the Promotion of Renewable Energy Sources increasing the institutional mandatory targets for renewable energy, which was supported through the linked policy lending operation. The new law is expected to increase Kosovo's new renewable energy sources committed for electricity generation. The grant also supported a Land Use and Repurposing Assessment (LURA) study to determine the optimal future uses of mining lands. This in turn enabled pre-feasibility studies exploring sustainable heating options adapted to local heating systems. These assessments provide the basis for renewable and sustainable district heating to be developed. The grant also supported analyses providing recommendations for the financial stabilization of utilities and enhancing the elaboration of energy vulnerable customer programs, as well as the preparation of a wind energy pipeline.

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## Resilient Remediation of Contaminated Sites in Greening Land Project (US\$ 129K, terminated)

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The objective of this grant was to develop a long-term system for managing land contamination and demonstrate a risk-based approach for contaminated land management at selected sites. However, the linked operation was dropped together with the grant at the request of the government. The grant was closed and the remaining resources redeployed.

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## Green Finance Diagnostics and Roadmaps (US\$ 95K, closed)

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The grant aimed to strengthen enabling policies and regulatory frameworks for green finance in line with the EU Green Deal. The grant supported a Financial Sector Climate and Environmental Risks and Opportunities (CERO) assessment and provided recommendations to strengthen climate related risk management capacity in the financial sector, enhance mobilization of green finance and develop an enabling environment including taxonomies and disclosure requirements. The grant also informed the [Western Balkans CCDR](#) in analyzing the financial sector's exposure to physical and transition risks.

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## Behavioral insights for air quality management and energy efficiency in the Western Balkans (US\$ 32K, closed)

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The grant supported an [upstream regional analysis](#) based on survey data to address sustainable heating behaviors and identified bottlenecks for energy efficiency programs. The grant facilitated an inclusive approach to subsidy program design, emphasizing financial and non-financial constraints on households, and empowered government counterparts in strategy formulation and implementation.

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## Stakeholder Engagement Platform (US\$ 7K, closed)

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This grant was one of the first supported by the WeBa+ Program and was developed in the midst of the green recovery agenda from the COVID-19 pandemic. The activity addressed best practices in policy and governance to help manage just transitions across industries/sectors and places by identifying transition pathways and a typology of policy responses. It was complemented by case studies of transitions management in three countries: Italy, Spain and South Korea.

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## Supporting the design and preparation of an integrated “Livable Prishtina” Program (US\$ 334K, terminated)

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The grant supported the development of green urban regeneration and upgrading options. It developed investment concepts supporting a more compact urban form and climate resilient development in selected areas of the city and identified options to scale up these interventions in implementing the Municipal Development Plan. Planned activities on urban mobility and energy efficiency did not materialize and the grant was terminated. Nevertheless, the completed work is expected to inform policies and investments by the Municipality of Prishtina and the national government and will also remain the basis for future engagement.

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## Greening Motorization in the Western Balkans (US\$ 55K, closed)

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The grant supported [an analysis](#) of vehicle, fuel, and electricity markets and institutional frameworks, backed by stakeholder consultations across Western Balkans countries, including Kosovo. It delivered recommendations for environmental improvements in road vehicle fleets that are informing pipeline lending operations in the region.

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