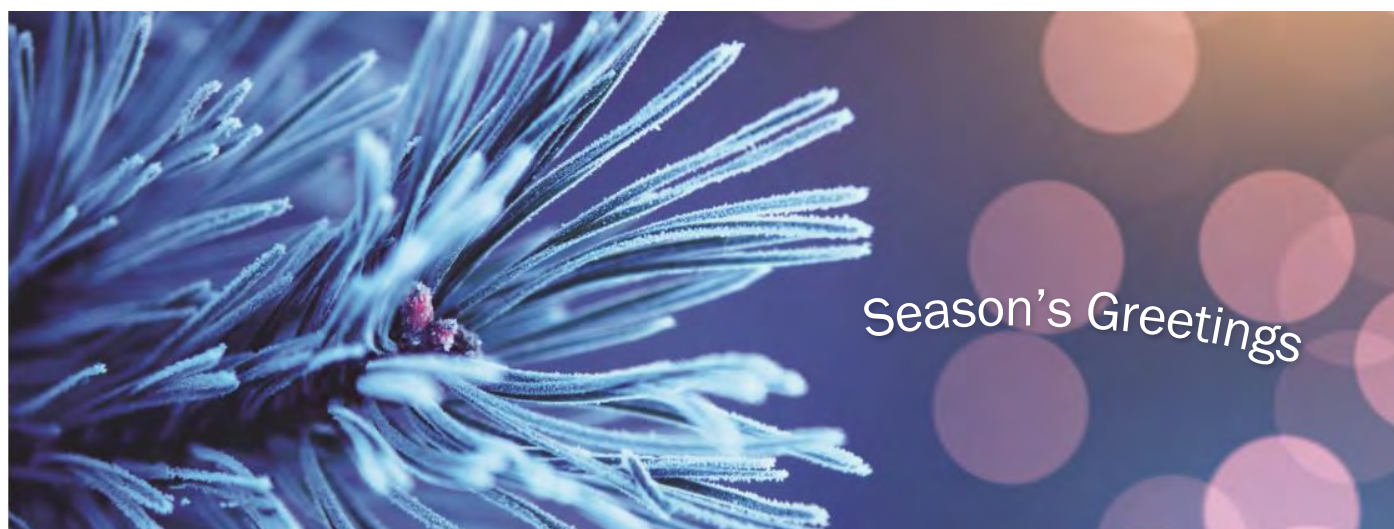




ALUMNI ASSOCIATION NEWS

Message from the Chairman

Alumni Get-togethers– From Luxembourg to Washington DC, Ottawa and Moscow

Happy to be on board! – Marlene Frauscher, our new Alumni Association Coordinator

NEWS ABOUT ALUMNI

Chris Clubb ('16) - From EBRD's ETC Initiative to Managing Director, Convergence

Welcome to Michael Weinstein ('18)– A man who brought the flavour of New York to the Bank

The EBRD Alumni Association welcomes Sevki Acuner ('18) – A farewell message to staff

OBITUARIES

Remembering EBRD's first General Counsel Andre Newburg ('97)

Sergey Stephantsov ('00)

NEWS FROM EBRD STAFF

Recent Senior Appointments

BANK NEWS

Work in Transition

Economic outlook

Central Asia Investment Forum

FEATURED TOPIC

Impact Investment

Annual Alumni Reunion, London, 31 January 2019

With the participation of Jacques de Larosière, former EBRD President (1993 – 1998). Register [here](#).

Visit the Alumni Association Website

The [website](#) contains an alumni directory, details about and photos of the Association's Chapter Get-togethers, previous newsletters and other information of interest to alumni. If you have lost your username and/ or password, please contact alumnie@ebrd.com to have these reset.

Help shape the future of the Alumni Association!

Thank you very much for participating in our recent survey about the Association's communication products and tools. We have received a lot of valuable feedback and look forward to implementing your suggestions next year.

The survey is now closed. But this does not mean that you are no longer able to contribute to your Alumni Association. Please let us know about any ideas or suggestions to improve our activities by contacting alumnie@ebrd.com.

ALUMNI ASSOCIATION NEWS

Message from the Chairman

Welcome to the December 2018 issue of the
EBRD Alumni Association newsletter



The Association is honoured that Jacques de Larosiere, EBRD President (1993-1998), former Governor of the Banque de France, and Managing Director of the International Monetary Fund, has accepted our invitation to be the keynote speaker at the Association's sixth Annual Reunion in London on 31 January 2019. He will address current global challenges in light of several books he has recently written. You can find the detailed programme of the event and registration instructions under [UPCOMING EVENTS](#).

The Association continues to expand its reach to alumni residing outside of the UK. We have recently launched the fifth regional chapter of the Association in Luxembourg, held annual alumni get-togethers in Washington DC and Ottawa, and organised an alumni get-together Moscow. We report on these reunions in this newsletter; links to photographs give you an opportunity to see former colleagues who participated in these events. The Alumni Association plans to launch two new regional chapters (France and New York) in 2019.

We thank those of you who responded to our survey to assess the way in which the Association communicates with its members and some of the services it delivers. Your input is being analysed and will shape the steps we take in 2019 to improve our communications. Your valuable feedback will help us redesign the website, which will become mobile-device friendly, and rethink both the format and content of our newsletter.

We now have a fully operational EBRD intranet site where we inform staff, members of Senior Management and Board on Alumni Association activities. We thank the Communications Department for the support they provided in this initiative.

One of the most important alumni issues is medical cover. There is a considerable deficit in the leavers medical cover offered by the Bank compared to other

IFIs. The Association's Committee on the Leavers Medical Cover* has devoted considerable time and effort in 2018 to interacting with Senior Management and the Board, as well as with the Staff Council, on needed improvements to the cover, for the benefit of past and future eligible leavers. The priority issues it has addressed are ensuring long-term commitment to the availability of the cover on affordable terms, equal treatment of past and future leavers in terms of premiums and coverage, as well as the cover's financing structure. While progress has been slower than we had hoped, Senior Management, with Board approval, has now committed to undertake a fundamental review of the plan in early 2019 with a view to presenting recommendations to the Board for implementation in 2020. The Association will continue to monitor and interact with Senior Management, Staff Council and the Board throughout this process.

It is extremely valuable to connect with and learn from other alumni organisations. Our Alumni Association participated once again this year in the annual meeting between the Alumni and Retiree Associations of international organisations (ARAIO), and continues to maintain close bilateral contacts with associations of sister IFIs.



Participants in the October ARAIO meeting in Washington DC

Finally, we are delighted to welcome Marlene Frauscher, an Austrian national, who has now joined the Association as Alumni Association Coordinator.

**George Krivicky, Chairman
EBRD Alumni Association**

*Members of the Committee are Emmanuel Maurice, David Klingensmith, Enery Quinones, Nick Tesseyman, Lutz Blank, and George Krivicky.

Alumni Get-togethers

From Luxembourg to Washington DC, Ottawa and Moscow

Luxembourg City, Washington D.C., Ottawa and Moscow – these are not just some beautiful cities, but also locations for the most recent EBRD Alumni Reunions. These events are all part of a concerted effort by the Alumni Association to increasingly reach out to our alumni on a regional level.



Jan Kooy ('06), Ines Hobdari ('17) and Adrian Kamenitzer ('05) at the Luxembourg Chapter Launch

On 11 October, the launch event for the Luxembourg Chapter brought the number of the Alumni Association's regional chapters to five. Thirty-seven EBRD alumni attending the event and delicious servings of Cremant de Luxembourg, made for a successful launch of this newest Chapter. Participants were welcomed by the Luxembourg Chapter Coordinator Elina Kamenitzer ('06), currently Head of Corporate Lending, Germany, Austria, Poland and Northern Europe at EIB. The reunion's keynote speaker, Konstantin Andreopoulos ('05), currently Honorary Director General and Member of the Board of Directors at EIB, shared his admiration for the competence and professional attitude of EBRD's staff, and their ability to handle complex and difficult projects.

Photographs from the event can be accessed [here](#).



Philip Bennett ('18), former EBRD First Vice President, addressing the Washington DC Alumni Get-together

The next regional Chapter Get-together took place in Washington D.C., on 25 October. Participants were welcomed by Makiko Toyoda ('02), Chapter Coordinator and currently Project Lead at the IFC. In a highly motivational keynote address, Phil Bennett ('18), former EBRD Vice President, noted that he was delighted to take part in the reunion. He noted that the EBRD had been the most fascinating experience of his career. The EBRD was a tremendous institution despite some of the governance complexities that came with its international structure. He

saw one of his roles at the Bank as having been to protect and leverage the legacy of staff who had preceded him. The reputation of the EBRD had made his job easy, interesting and powerful. He thanked the alumni present for having contributed to making the EBRD what it is today.

He was pleased that the Alumni Association was focusing attention on the Bank's Leavers Medical Cover. He also welcomed the Alumni Association's plans to complete the set of three seminars, targeted at senior EBRD bankers who are nominee directors on boards of financial institutions in which EBRD had invested. He hoped this scheme could be extended to alumni.

Photographs from the event can be accessed [here](#).



From left to right: Suzanne Gaboury ('06), Stephen Millar ('98), Michelle Kaminski ('07), Gillian Elias ('10), and Carlos de Vera ('18) at the Canadian Chapter Alumni Get-together in Ottawa

From Washington DC the Alumni Association then focused on Ottawa, where André Juneau ('09) – the Association's Coordinator for Canada – and his wife Laura Chapman graciously hosted the local Chapter Get-together at their home on 27 October.. For André and George Krivicky ('08), Chairman of the EBRD Association, this annual Canadian Chapter Get-together is particularly special. The two of them had first met 60 years ago as classmates in Montreal, then lost touch with each other, only to be reunited at the EBRD 40 years later when André was appointed as Board Director for Canada and Morocco.

Suzanne Gaboury ('06), the Get-together's keynote speaker, enthusiastically briefed participants on the challenges of her new assignment as Chief Investment Officer of FinDev Canada – the country's newly-established DFI - and how her time at the EBRD helped her in this task.

The lunch-time discussion focused on how the EBRD Alumni Association had become a unique tool to help alumni (re)-connect, both professionally and socially. As participants discussed the initiatives in which they were involved, it became obvious how much they could benefit from each other's contacts and experience. The breadth of contacts and experience accumulated collectively within the Canadian EBRD alumni community was clearly demonstrated by the wide range of organisations where alumni currently work, including Global Affairs Canada, the Library and Archives Canada, Convergence Blended Finance and HSBC. Participants left the reunion energised by the discussion and the "esprit de corps" which was evident at the get together.

Additional photographs from the event can be accessed [here](#).



From left to right: Elena Yakunina, Tatiana Fokina ('17), Oleg Kuzakov ('97'), Nadya Kluchnikova, and Larissa Loznova ('05) at the Moscow Reunion

The Association ended its series of Alumni Get-togethers at the Moscow Resident Office. Some 43 alumni were joined by 30 staff members at this very successful event. George Orlov, Director, Head of Financial Institutions CAR, CAU and Acting Head Russia, opened the Alumni Reunion with some welcoming remarks. He said that what united all participants was what he referred to as the “EBRD culture”.

Jonathan Charles, Managing Director of Communications, then spoke about his personal, professional, and family ties to Russia, which all began in the early 1980s when he worked in the country for the BBC. He reminded the audience that it was only in 2014 that the majority of the Bank's Board Directors, representing shareholders, made it clear that they would not approve new projects in Russia if management were to propose them.

Yet the EBRD, a much more flexible institution than many other multilateral development banks, had managed to adjust and rise to the challenges that this had created. The Bank had continued to deliver a record level of overall business volume, expanded its countries of operations, and reactivated its operations in Uzbekistan following a long hiatus. The EBRD's ability to address these challenges is largely due to the strong calibre of the Moscow RO staff – now developing and monitoring projects in Central Asia – and the legacy which the Bank's alumni had left behind in the country.

He reminded alumni that, overall, the Bank was performing well: it had operations in 38 countries, had accepted new shareholders, and had changed the way it interacted with its countries of operations through increased emphasis on policy work leveraged on the back of its investments. The Bank was now also talking to its shareholders about increasing business volume in future.

Natasha Khanjenkova, Managing Director, Portfolio and Russia, further reminded participants of the important achievements the EBRD has already made in Russia – a country where the Bank had financed nearly 800 projects. As the Moscow Reunion drew to a close, it was agreed that gatherings of this type in Moscow should be organised on a more regular basis.

All of these regional Get-togethers demonstrate the esprit de corps existing among alumni as well as between alumni and Bank staff. They also clearly demonstrate that

there is a sustained attachment to the EBRD, its mission and its values.

Photographs from the event can be accessed [here](#).

Find more details about and pictures from the reunions on our [Alumni Association website](#).

Happy to be on board!



Dear EBRD Alumni,

My name is Marlene Frauscher and I am your new Alumni Association Coordinator. I joined the Bank in the end of July 2018. I look forward to helping to modernise the Association, and expand and maximise the growing network of EBRD alumni. In order to effectively foster its mission and spread its message, the EBRD also strongly relies on its network of alumni. A thriving Association works similar to a family, being mutually beneficial for all parties.

Undergraduate studies have allowed me to gain a sound overview of a wide range of subjects from international economics to geopolitical affairs, business administration, international law and sustainable development. I am originally from Austria and I moved to the UK in 2017 to complete my MA in International Relations at King's College, London. The way that language and visual representation shape our perception of certain international issues, events and organisations particularly aroused my interest.

The most exciting thing about working for the EBRD's Alumni Association is the variety of my daily tasks and the possibility to expand my knowledge not only in communications, but also in economics and geopolitical affairs.

Please let me know if you have any questions, or suggestions for the Association's future growth and development.

I look forward to working with and meeting many of you soon,

Marlene

CONTACT ME

Email: alumnie@ebrd.com

Tel: +44 (0) 207 338 7468

NEWS ABOUT ALUMNI

Chris Clubb ('16)

From EBRD's ETC Initiative to Managing Director, Convergence



Chris Clubb has been an EBRD alumnus since February 2016, following 14 years with the Bank, where he was Director, Early Transition Countries Initiative in his last position. Previously, Chris worked as a Senior Banker in EIB's Infrastructure and Project Finance Team in Luxembourg, Director of Risk Management and Transport Team Leader at Canada's Export Development Corporation (EDC) and commercial banker at Toronto Dominion Bank. He holds an MSc in Finance from the University of British Columbia and a BCom from Queens University.

Since leaving the EBRD, Chris has assumed the position of Managing Director at Convergence Blended Finance in Toronto. Convergence was conceived by the Government of Canada, OECD, the World Economic Forum and through the Re-Designing Development Finance Initiative, and was launched at the 2015 Addis Ababa Financing for Development Conference. Convergence is a not-for-profit organisation whose mission is to be the global network for blended finance, and 100% dedicated to increasing private sector investment in developing countries, in order to achieve the Sustainable Development Goals.

What are your main memories from your years at the EBRD?

First, the organization. The EBRD is fortunate to be the only MDB with a dual private sector and public sector mandate, but designed to move at the speed of commercial investment. Second, the Bank's commitment to smaller, lower-income countries. The creation of the ETC Initiative led to an eight-fold increase in EBRD's financing transactions in its low-income countries. This transformation is unprecedented within the MDB and DFI community, and the envy of other MDBs. Third, the staff, clients and projects in its countries of operations. The Bank has super, engaged staff. And the industrious, clever entrepreneurs that implement their projects and create jobs despite a systemic lack of financing, always impressed me on travels to the far reaches of the Kyrgyz Republic, Tajikistan and Georgia. Lastly, my best memory is delivering the Bank's mandate in the early days of the ETCs; when a small group of dedicated staff would collaborate to finance the best projects we could find in

these countries. We quickly ramped up the portfolio with non-performing loans (NPLs), well below everyone's expectations – demonstrating the potential of the MDBs and DFIs in low- income countries.

You are now Managing Director at Convergence, based in Toronto, Canada. This is a new institution established in 2015. Can you tell us something about its objectives, your role and some of Convergence's achievements?

Convergence's mandate is to make the Sustainable Development Goals (SDGs) investible. The UN estimates the annual investment gap to achieve the SDGs in all low and middle-income countries at US\$ 2.5 trillion. With Official Development Assistance at US\$ 146 billion, philanthropic commitments around US\$ 15-20 billion and aggregate MDB and DFI financing to the private sector around US\$ 35-40 billion per year, it is not possible to achieve the SDGs with "status quo" business models. With global financial markets and capital markets at US\$ 330 trillion and US\$ 220 trillion, respectively, there is a huge supply of private investment to transform people lives in developing countries. But we need changes to "business as usual" to achieve the SDG vision – donors committing more funds as development capital and MDBs/DFIs scaling up mobilization to create investments that meet private sector investment criteria.

Convergence focuses on blended finance transactions and market building: (i) increasing the quantity and quality of investment/financing in developing countries; and (ii) collaborating to build an effective blended finance market. Our main activities include (1) running a match-making platform where we match concessional capital, commercial capital and technical assistance to blended finance projects for our (currently 348 institutional members 54 projects fundraising US\$ 4 billion); (2) awarding repayable grants to accelerate good blended finance ideas to financial close (14 projects funded that have mobilized US\$ 327 million); (3) curating the world's largest database of 372 blended finance transactions; (4) training organisations on how blended finance can achieve their objectives and mobilise financing in support of the SDGs; and (5) disseminating best practices.

Can you tell us what exactly is blended finance? Can you take us through examples of a transaction to illustrate this?

Convergence's [The State of Blended Finance 2018 Report](#) is a good explanatory resource. Blended finance, as practiced today, combines funds/capital from different sources to finance projects in developing countries that otherwise would not happen without that blending. The main challenges to mobilise private sector investment in developing countries are: (i) absolute risk and (ii) risk-return relative to other investments. As an example, of the 145 ODA-eligible countries, 85 are rated with a median rating of "B." This implies unacceptable probabilities of default and expected losses for the large majority of private investors. And for the small number of investors prepared to take the risk, the return relative to developed country investment is not sufficient.

Two good recent examples of blended finance to which EDC staff and alumni can relate are the [IFC-Sida MCPP Infrastructure Program](#) and [the AfDB-EC Room2Run transaction](#). Both of them, (i) lever the development world's largest under-utilised asset - the ability of MDBs

to originate, arrange and manage good quality investments in developing countries; and (ii) create a risk-return profile acceptable to private investors. In both, the MDB originates senior loans to private sector borrowers, synthetically transfers 50% of the exposure to an “SPV” and mobilises private investment through the diversification and subordination of development capital. The two examples show how MDBs can easily transform their core product (senior loans) into investments for investment and speculative grade investors. Both are great examples of all participants achieving their objectives, and most importantly, SDG-related projects receiving funding.

You have worked a lot with other MDBs over the past two years. Can you tell us something about what you have learned from this work? How does the EBRD compare to these MDBs?

Indeed, Convergence works with many MDBs and DFIs. The EBRD is lauded as a top-tier MDB by private sector investors, and therefore is in a great position to attract private investors and could become a global leader in blended finance. I now work exclusively in developing countries, and work most closely with MDBs and DFIs that are active in ODA-eligible countries. Africa demonstrates the challenge for MDBs. The IMF and AfDB estimate African MSMEs and mid-caps will create around 80% of the jobs Africa requires over the next 20 years. These companies’ financing needs are small – like the ETCs. The MDBs do a good job providing wholesale debt to domestic banks, but only a small fraction of MDB capital bears MSME risk. Domestic financial institutions need more risk bearing capital to provide loans to the job-creating MSMEs (hopefully in the same currency as their revenues). The EBRD’s co-financing facility is a great product in principle, but is systemically underutilised due to internal constraints. The AfDB, Denmark and Spain created an excellent external blended finance vehicle – the [African Guarantee Fund](#) – to overcome these institutional challenges. The AGF partnership demonstrates the power of blended finance to reach the most important segment to achieve the SDGs.

Find further information on Convergence’s design funding [here](#).

Welcome to Michael Weinstein ('18)

A man who brought the flavour of New York to the Bank



After 18 years of service in numerous senior positions, Michael Weinstein retired from the Bank at the end of October 2018. During his time at the Bank Michael led the Bank’s operations in Armenia, then Kazakhstan and, back in London, the coordination of our country strategies. EBRD lost much more than a brilliant banker and a razor-sharp mind. A truly strategic thinker left the country strategy team.

Whoever succeeds in penetrating his sometimes slightly gruff exterior, is richly rewarded. A warm-hearted and kind man with a huge sense of self-deprecation, he brought a whiff of his native New York to the Bank. And although he initially cut his teeth as an investment banker, the New York Michael represented was more the city of Woody Allen and Gary Shteyngart than of Gordon Gecko. His Wolf of Wall Street was more cuddly toy than carnivore.

Speaking of which, he actually is quite a carnivore... The love of a decent (and sufficient) meal runs through the personal recollections below like a golden thread. Michael is missed in the Mozart, but much more in our team and by colleagues across the Bank.

Alan Rouso, Managing Director, External Relations and Partnerships:

So many years, so many memories. Or, as the Russians say: so many years, so many winters.

Michael and I joined the Bank at around the same time. I remember meeting him at a small get together for new US joiners organised by the US Executive Director at the time. I thought: where does this guy come off trying to pass himself off as American? He kind of sounded like a gruff New York banker, but the accent was definitely more Brighton Beach than Wall Street.

As a fellow New Yorker, I liked him immediately. But he was off to Moscow to work in the RO as an MEI banker, so I didn’t see a lot of him while he was getting his orientation to the Bank in HQ in those early days.

Our friendship really developed around the Annual Meetings, when thanks to Dicky Wallis, who got to know Michael well in Moscow, the three of us would spend time together exploring the local food scene of whichever exotic city the AM happened to be organised in that year.

We had some great times. Particularly memorable was our afternoon and evening escape with Dragica at the Belgrade AM. Although she was unofficially the host as the Director for Serbia, she left the official duties and networking obligations behind and whisked us off in her convertible for a tour of the city that ended with one of the most enjoyable evenings I've had since joining the Bank 18 years ago; eating amazing food alfresco by the banks of the Danube, drinking local wine, listening to music and basically laughing our a**es off.

I miss Michael's sense of humour – his wit but also his incredibly deep reserve of Soviet-era jokes (only Mahir Babayev could match him). A couple of transplanted New Yorkers, we both love our food (not just pizza and bagels, but the good stuff too), cinema, theatre and all that makes that city great. When he goes, there will be no one left who gets some of my more obscure references to US pop culture icons and television nostalgia. No one to share my dining exploits in London and New York with. My scoring of the 'best friend at work' on the staff engagement survey definitely has to be taken down a notch.

Angela Sax, Head of Moldova:

Michael hired me in EBRD Armenia as the first female banker there. He was pretty happy with me but when he had to hand over the probation letter stating that I have successfully completed my trial period, he came into my office in his inimitable style and said: "Hi, here is your letter, you passed your probation against my better judgement".

Always he had something smart to say. Once I went to a client with him where he had to discuss transparency and integrity issues. Being a newly-minted banker I thought this would be a diplomatic mission without achieving much. Not with Michael though. He was straight to the point, head on, and the client didn't even had time to change subject.

I learnt a lot from Michael and maybe the best advice he ever offered me was: "Never make your boss look bad." Never have I relied more on this than now when I am managing an office myself...

We miss him at the EBRD!

Anita Taci, Deputy Director CSRM:

I shared the office with Michael and I am focusing here on having been an office-mate. Every morning Michael started the computer by huffing and puffing, and while he was waiting for the machine to start he said: "This computer is driving me nuts". He also talked to his son on the phone and always tried to interrupt him by repeating "David, David, David, David...". But the son usually got his way. Such is the delight of being a parent. Especially, of being a caring one as is Michael, which is also illustrated by this photo taken at our last team meeting in Cambridge when he collected all the bags from the lunch picnic and disposed of our waste.

Christoph Denk, Director CSRM:

What made the biggest impression on me from the very beginning was Michael's sharp wit and great sense of

humour. Whatever happened, you could count on Michael being able to respond with a sharp and witty comment.

Never was this clearer displayed than at the "kick-off meetings" for a new country strategy. Here he brought it all together: His deep knowledge of the Bank's regions and business model, his ability to ask exactly the right questions to tease out what we should do, and his great ability to translate this all into "country strategy speak". The meetings under his lead were extremely popular among our team because there was so much you could learn simply by listening to Michael's questions and train of thought.

His love of language and great penmanship obviously proved to be extremely useful during the drafting stage of country strategies – particularly in their new format whose roll-out Michael led. And the "telegraphic writing style" we aspire to will forever be closely associated with his name.

Francesca Foglia, Acting Principal Counsellor, EU Affairs:

From educating us all on what FOPIP (Financial And Operational Performance Improvement Programme) is really about, to his invaluable experience on restructurings and SOE reforms, Michael had been instrumental for the substance of EBRD country strategies, with his expert banker's eye always pointing to the need to balance political nuances with commercial acumen.

If you worked, travelled and spoke with Michael you would certainly have memorable laughs and smiles all day. An opportunity for a good joke was never to be missed, be it in an email or a quick word in the corridors.

Besides a good laugh, Michael offered his analysts also a good deal of drama. One regular occasion was the challenge to format his drafts which were close to poetry into dull powerpoint presentations. It was quite something to witness Michael's first steps in the world of results indicators and TIMS or to keep country strategies' timelines in check. While rising to the challenge himself, Michael was always prepared to acknowledge and empower his young colleagues. His advice was not only free, it was also really good.

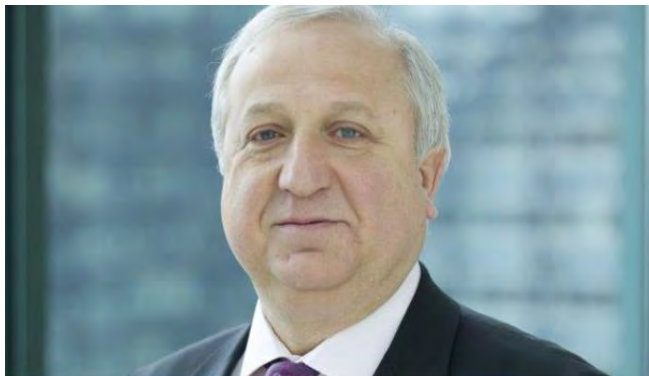
The Michael I remember is the man with the fast brain and the sharp wit. But equally fondly I remember Michael the "bon vivant". Have you ever met a New Yorker investment banker, who ended up heading the EBRD Kazakhstan office, adoring Italy and continuing to nurture all sides of the classics – from music to literature to culinary musts?

Here is a prime example of Michael's sense of humour: When researching this article we were forced to ask him when he joined the Bank. He answered with a question: "Are you writing my obituary?"

By Christoph Denk, Director Country Strategy Coordination & Results Management

The EBRD Alumni Association welcomes Sevki Acuner ('18)

Below we reproduce in full Sevki's farewell message to EBRD staff



Dear Colleagues and Friends,

After nearly 23 years, I am leaving the Bank on 30 November. I leave with the same pride in our mandate and impact as I felt at the very beginning.

There is hardly a better feeling than seeing the sparkle of hope in the eyes of people who are realising that they and their children are getting an opportunity for a better life, and knowing that we, the EBRD employees, are the catalysts, the enablers for that.

I worked for many years in Risk Management and I remain grateful for all that I learned and was able to pass along, and for experiencing the extraordinary wisdom and knowledge in this area. But as I think about my time here, I want to concentrate on two more recent assignments – in Turkey and Ukraine.

It is while at Agribusiness, an extraordinary team that have set the finest example for customer oriented business development and execution, that I believe I have made my finest contribution to EBRD, by spearheading the Bank's opening in Turkey. At that time, people often spoke of the "Sunset Bank" and many were against going to Turkey because it might destroy that Sunset premise. Other IFIs were not necessarily enthused about it either, and frankly Turkey itself had some concerns - the authorities thought it would damage the country's image, since Turkey had never been a communist, command economy country.

Thanks, however, to a free shooting license issued by our then President Jean Lemierre, and with lots of effort, negotiation, persistence and the leverage of a range of relationships and with the help of our then Secretary General Horst Reichenbach, I was able to make the case. I also took enormous pride, together with Mike Davey, in recruiting some fantastic talent in Turkey and how we were able to build the business from nothing to close to US\$ 1billion.

Then to Ukraine, where what I experienced in five years of service, including witnessing the only modern day popular revolution by the people who deposed their corrupt political leaders, will never fade from my memory. I have

such admiration for the brave Ukrainians of the Maidan revolution. And I hope I can say I contributed to the building of a new nation that has irreversibly turned its face and now embraces western democratic values with market economy principles.

Together with my colleagues on the ground and thanks to the unshakeable support from the Bank's leadership and our Board of Directors, we have built the EBRD into a clear position of leadership for driving reform and improving business climate, and thereby helping to transform the country. The incredibly talented and admirably committed Ukrainian team we have across the country is an irreplaceable asset to the EBRD and a source of pride, as it is for Ukraine.

I felt very much at home in Ukraine, as the warmth with which Ukrainians responded to me and continue to honour me even after I left the country is beyond my wildest imagination. As some of you may know, I will be continuing to work towards the transformation of Ukraine's economy through the (independent) directorships that I hold in state-owned enterprises there, as long as I am wanted.

Safe to say, it is our spirit of camaraderie, combined with commitment to our delivery of our mandate that set us apart from any other institutions. The respect and appreciation we enjoy in our countries of operations are not accorded to any other institution. And this should make us all proud. It makes me proud...

So, as I leave the Bank, I do so with many fond memories, precious friendships, a sense of accomplishment and pride. I shall aim to enjoy life a bit more and have time for my family, who share my pride in this organisation, even though it so often took me away from home. Without a good, strong family behind you, there is not much distance you can go...so I thank them first and foremost. And I thank you, my colleagues and friends, and clients and counterparts who supported, were bored with, suffered, tolerated and sometimes, I hope, also appreciated and loved me. Thank you all and I shall remain in touch, close touch.....I will try to not let you forget me....

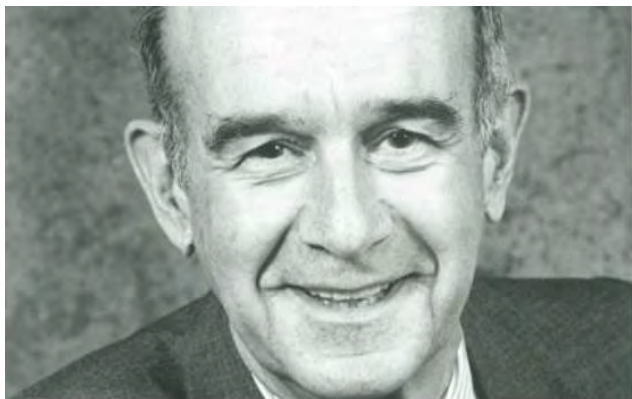
By Sevki Acuner

It's your turn!

Would you like to share any of your (professional and personal) achievements and experiences with the alumni community via the Alumni Association's newsletter? Contact us at alumnie@ebrd.com

OBITUARIES

Remembering EBRD's first General Counsel Andre Newburg ('97)



Andre, a US national, joined the Bank in 1991 as its first General Counsel after a 40-year career at the prestigious New York law firm of Cleary Gottlieb Steen & Hamilton. Andre retired from the Bank in 1995 but continued to serve as a senior adviser over the next two years and followed developments at the EBRD with a keen interest for the rest of his life.

Born to a German father and a Russian mother, with whom he immigrated to the USA in the 1930s, Andre was particularly interested in the Bank's mission in all its dimensions. In addition to his many qualifications, Andre had the rare distinction of speaking the four languages of the Bank fluently, due to his background and the many years of his professional life spent in Paris and Brussels. He also spent time as a US military officer stationed in Vienna after the Second World War.

As a prominent member of the Executive Committee and a scrupulous attendee at all Board meetings, Andre was thoroughly involved in the drafting and adoption of the first policies of the EBRD, notably the procedures to regulate the political aspects of the Bank's mandate. Being the General Counsel during the crises that affected the Bank's early years, he masterfully handled the state succession issues arising from the dissolution of the Soviet Union and the breakup of Yugoslavia, participated actively in the preparation of the first capital increase and helped resolve a number of delicate situations arising internally.

Recruiting colleagues from various IFIs and law firms, he created the EBRD's Office of the General Counsel and ensured that it operated according to principles of expertise, independence and collegiality. In addition to overseeing the legal aspects of the Bank's operations, he was a keen promoter of legal transition and initiated the

efforts leading to the development and publication of the EBRD Model Law on Secured Transactions.

Andre was a soft-spoken and friendly gentleman with a wonderful personality. He is survived by his wife Sue, his four children and their families.

By Emmanuel Maurice, former General Counsel and EBRD Alumnus ('14)

Sergey Stephantsov ('00)



You may know this already but I felt it was important to share with the EBRD community the sad news that our former colleague and friend, Sergey Stephantsov, passed away on 7 May from a heart attack in Smolensk. He was only 46 years old.

I first met Sergey in 1995, when he was one of six individuals chosen to participate in the first "analyst programme" set up by the Russia team (and actually the Bank as a whole). I still remember the excitement as we sent the six young bankers to London for intense, tailor-made training that would provide the required tools and know-how to become successful young EBRD bankers upon their return to Moscow.

Sergey was one of the bankers I mentored. He was smart, charming, a team player and appreciative of the guidance provided, including the occasional kick-in-the-back. He rarely had a bad word to say about anyone and always had a ready toast at gatherings of the Russia team (and what a team we were in the mid-1990s!).

On travel for an EBRD mining project, Sergey was in the August 1998 helicopter crash in Buryatia that took three lives, including that of EBRD colleague Randa Smine. Sergey may have recovered from his physical wounds but I sensed that he never fully regained his old self and optimism. I would like to raise a toast to Sergey and the good times we had with him during his years at the EBRD and thereafter. We will miss him!

By Stephan DuCharme, EBRD Alumnus ('97)

NEWS FROM EBRD STAFF

Recent Senior Appointments

Nandita Parshad to lead EBRD's new Sustainable Infrastructure team



The EBRD is bringing together its energy and infrastructure teams in a consolidated Sustainable Infrastructure group headed by Nandita Parshad as Managing Director.

Ms Parshad is currently Managing Director for Energy and Natural Resources at the Bank and in her new role will lead the Bank's engagement in environmental, transport and energy sectors [in 38 economies across three continents](#), with a particular focus on decarbonisation and sustainable financing.

The new Sustainable Infrastructure group has a portfolio of over €22 billion and invests yearly over €4.5 billion in new investments, or about one-half of the EBRD's annual business.

Matteo Patrone is new EBRD Managing Director, Eastern Europe and Caucasus



Matteo Patrone has been appointed EBRD Managing Director, Eastern Europe and the Caucasus. Based in Kiev, he will be responsible for the Bank's operations and engagement in [Ukraine](#), [Belarus](#), [Moldova](#), [Armenia](#), [Azerbaijan](#) and [Georgia](#).

The EBRD's combined investment in these six countries stands to date at almost €24 billion throughout all sectors of their economies. Mr Patrone is taking over the position from Francis Malige, who was the first Managing Director of the EBRD's Eastern Europe hub and has recently been appointed Managing Director, Financial Institutions, at the Bank's headquarters in London.

Victoria Zinchuk, former Acting Director for Morocco, has been appointed to the role of Director for Croatia, effective from 1 November 2018 onwards.

Bruno Balvanera is new Managing Director, Central Asia



Bruno Balvanera has been appointed new EBRD Managing Director, Central Asia. In this position he will be responsible for one of the most geographically diverse regions of the Bank's operations, with current commitments close to US\$ 13.5 billion (€11.6 billion).

Bruno will take over responsibility for Central Asia from Natasha Khanjenkova, following her appointment to the new combined role of Managing Director, Portfolio and Russia.

Sarah Timby appointed Managing Director, Operations and Service Management



Sarah Timby, currently a senior executive at Barclays in London, has been appointed as the EBRD's first Managing Director, Operations and Service Management. She will join the Bank in January 2019.

The recently formed Operations & Service Management Department is responsible for the Bank's transactional operations, providing services to Banking, Treasury and OGC.

Victoria Zinchuk to head the Zagreb office



Victoria will head the Bank's resident office in Zagreb and together with the strong 17-people team will work towards supporting private sector competitiveness, promoting commercialisation of public companies and increasing access to finance.

Balthasar Lindauer appointed Managing Director, Nuclear Safety



Balthasar Lindauer took over as the Managing Director, Nuclear Safety, on 1 August. He is now in charge of the team of 25 staff and has a huge area of responsibility. The Bank's Nuclear Safety Department manages seven nuclear safety, remediation and decommissioning funds to overcome Soviet-era nuclear and radiological legacies.

The change in management comes at a time when the department is also undergoing a fundamental transition. "Some of our funds are coming to an end," says Balthasar. "We have been very successful and accumulated a unique wealth of know-how and expertise. Now it is time to think about the challenges ahead and how to make best use of the Bank's capacity in this specialist area."

Francis Malige, new Managing Director for Financial Institutions



Francis Malige, formerly MD, Eastern Europe and the Caucasus, has been appointed as Managing Director, Financial Institutions. Taking over from Nick Tesseyman, he now leads one of the Bank's largest departments with circa 150 staff and a business volume of €2.9 billion in 2017.

Before joining the EBRD in 2010, Francis spent his career in the private sector with positions at Arthur Andersen, McKinsey & Company and BNP Paribas.

BANK NEWS

Work in Transition

The new [EBRD Transition Report](#)



The official launch of the [2018-19 Transition Report](#) took place on 13 November 2018.

Migration, automation, demographic shifts – these themes lead the news cycle in many countries, irrespective of their stage of development. The interplay of these factors will drive major changes in labour markets in the coming years. In the absence of serious, evidence-based analysis, these themes are often turned into scare stories, creating anxiety and feeding populist narratives.

This year's [Transition Report](#) presents such evidence-based analysis for the EBRD countries of operations. The Bank's goal is to promote informed debate on these issues and help generate appropriate policy and operational responses. It is titled "Work in Transition", not just because it covers the Bank's countries that are in transition to sustainable market economy, but also primarily because it is about the transformation that is happening to work itself – both in advanced economies and emerging markets.

The transformation of work is taking place along three dimensions. First of all, major demographic shifts are affecting the supply of labour. The populations of advanced economies and the countries of emerging Europe are ageing rapidly, resulting in labour shortages and a need to improve the way in which older cohorts are integrated into the labour market. Meanwhile, the populations of Turkey, Azerbaijan and the countries of Central Asia and the southern and eastern Mediterranean are still very young, and those economies face the altogether different challenge of creating sufficient number of jobs for all the young people entering the labour market every year.

The second aspect of the transformation of work concerns skills. Technology-led changes are resulting in job polarisation, reducing demand for medium-skilled workers and increasing demand for high and low-skilled workers. For the time being, low-skilled jobs can be done so cheaply that there is little risk of them being outsourced or automated. However, as technology progresses, they too will increasingly be at risk. Such changes take place not only in advanced economies but also in middle-income ones, including the EBRD countries of operations.

Given the speed of technological changes workers will need to keep upgrading their skills throughout their careers. Unfortunately, in many parts of the EBRD regions, outdated education systems fail to equip workers with the right skill sets, resulting in a mismatch between the skills that the new entrants to the labour market get and the skills that are required by the private sector.

The third aspect of the transformation of work concerns geographical shifts in the location of jobs and workers. As the costs of labour mobility are coming down, we observe both high levels of cross-border migration and significant intra-country labour mobility (primarily from rural areas and small towns to larger cities).

Most of this year's *Transition Report* is devoted to analysing these three dimensions of the transformation of work. The first chapter looks at demographic shifts in the economies of the EBRD regions. The second chapter explores the issue of technological change and automation, as well as the supply of and demand for skills. The third chapter delves into cross-border migration, examining the determinants and effects of both emigration and immigration. And the fourth chapter looks at internal migration and the impact of agglomeration. We examine the interplay between demographic change, technological advances, migration and urbanisation, showing that these result in both threats and opportunities.

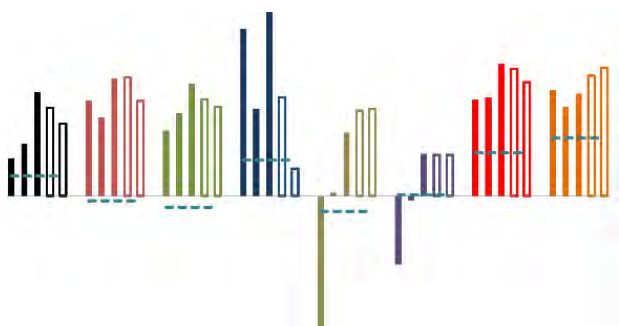
The report also helps understand what the economies of the EBRD regions need to do in order to leverage those rapid changes in the nature of work and deliver for their citizens. The report argues that there is no one-size-fits-all solution. The challenge for ageing economies in emerging Europe will be to provide healthcare and training to older cohorts, and to invest in public goods in order to contain emigration. Those countries should also foster "knowledge remittances", benefiting from the knowledge and ideas of their diasporas abroad in order to boost productivity at home. Younger economies, in contrast, will need to reform their education systems and raise labour force participation rates among women. Advanced economies should invest in policies aimed at improving the integration of refugees, while less developed countries should prioritise sustainable infrastructure and reductions in the cost of trade and mobility. And all countries should promote smart and sustainable urbanisation.

While the transformation of work will pose major challenges for policymakers, our overall message is optimistic. Increases in life expectancy, technological progress and geographical shifts towards areas where workers can be more productive and lead more fulfilling lives can all result in tangible aggregate benefits. Moreover, a fair distribution of those benefits is eminently feasible. The future of work will itself entail plenty of work, but that future can and should be a bright one.

By Sergei Guriev, Chief Economist

Economic outlook

Sustained growth, tighter financing conditions



With escalating trade wars, uncertainties in emerging markets, and increasing oil prices, what does 2019 look like for our regions?

On 31 October, the Bank launched its new issue of the *Regional Economic Prospects* – the EBRD's biannual forecasts of economic growth in our region's economies for the two years ahead. The report is always much anticipated in the media throughout the EBRD regions and beyond – as a health check of the region's economies performed by the region's most important institutional investor.

The previous report (published in May 2018) highlighted the vulnerabilities of overheating economies that borrowed heavily in foreign currency. In Turkey, these risks have since materialised. This report focuses on longer-term risks – the region's vulnerability to trade wars should they escalate beyond the USA-China disputes.

The near-term outlook differs across countries. Many economies in Central and South-eastern Europe have been growing above potential for a long time – making a slowdown likely. In the EBRD's southern and eastern Mediterranean (SEMED) region, in contrast, the outlook is improving as the region has seen the best tourist season since 2010.

Growth revisited

Growth is expected to average 3.2 per cent in 2018 and 2.6 per cent in 2019, compared with 3.8 per cent in the 2017 and the first half of 2018. This represents a downward revision of 0.1 percentage points in 2018 and 0.6 percentage points in 2019 compared with the May 2018 forecast, primarily on account of slower expected growth in Turkey, where a sharp deceleration in the second half of the year is expected to bring the 2018 growth rate down to 3.6 per cent, as the weak lira and interest rate hikes negatively impact private consumption and investment. A growth rate of around 1 per cent is expected in 2019.

Excluding Turkey, the projection for the region's average growth in 2018 has been revised upwards by 0.1 percentage points, reflecting strong economic performance in the first half of the year, and is unchanged for 2019. Spillovers from the expected deceleration in Turkey to other economies in the EBRD regions are expected to be very limited.

Global pressures

Three major trends have affected the external economic environment for the EBRD regions: the tightening of financing conditions for emerging markets; escalating trade conflicts; and higher oil prices.

The recent increase in average interest rates faced by emerging markets is the fifth largest in the last 20 years. Yet interest rates remain low in historical perspective, comparable to those prevailing during 2003-07 and 2013-15. As a result, the moderate tightening of financing conditions has so far primarily affected capital flows to economies with underlying weaknesses, notably Argentina and Turkey.

If trade conflicts remain confined mainly to bilateral China-US trade, economies in the EBRD regions will be relatively little affected, as most of the region's trade takes place within or with the European Union. In contrast, a scenario in which trade tensions escalate globally and international supply chains become severely disrupted entails high risks for the region's economies that are strongly integrated into global value chains.

So far, the oil price in 2018 has been 40 per cent higher than in 2017. This provided a boost to growth in Russia, Central Asia and Azerbaijan and underpinned continued recovery in remittances from Russia to Central Asia, Moldova and the Caucasus.

The Bank's latest economic forecasts are available [here](#).

By Alexander Plekhanov, EBRD Director, Transition Impact & Global Economics

Central Asia Investment Forum



Suma Chakrabarti with Neven Mimica, EU Commissioner for International Cooperation and Development

"I am optimistic about Central Asia's future... The opportunities for you to be involved in the success story that is Central Asia have never looked more attractive." So said Suma Chakrabarti at the opening of the Central Asian Investment Forum (CAIF), in Beijing on 14 November. This one-day event, organised by the EBRD and co-sponsored by the People's Bank of China (PBoC), was the latest in a series of recent EBRD regional forums that aim to forge partnerships and boost investment for greater impact in our countries of operations.

More than 600 business guests from Europe and China, along with representatives from governments, MDBs and the EU, gathered to explore investment opportunities, trends and challenges in the six countries of the region - the Kyrgyz Republic, Kazakhstan, Mongolia, Turkmenistan, Tajikistan and Uzbekistan.

The CAIF programme was rich and varied, mixing plenary sessions with thematic panel discussions on financial connectivity, the Belt and Road Initiative, agribusiness, the development of renewables, public-private partnerships in the infrastructure sector and risk mitigation. There were also ample networking and business development opportunities: the CAIF Marketplace, for example, allowed EBRD experts to interact with participants and answer questions about our work in sustainability, learn about our donor partnerships, and discover how we help investors mitigate risk.

With overall growth rate of 4.6 per cent forecast this year, Central Asia is growing faster than any of the regions where the EBRD operates. For a long time economic development was mostly reliant on the region's abundant resources in oil and gas. But today this is changing and, as Suma stressed, "There is much more to Central Asia than traditional carbon energy."

The EBRD is the largest single investor in Central Asia with a total investment of US\$ 14 billion to date. Through its network of local offices the Bank has built a strong presence in the region. We are financing wind and solar power in Kazakhstan and Mongolia, providing credit lines and empowering female entrepreneurs in Tajikistan, piloting a cultural heritage programme in Uzbekistan to promote sustainable tourism, enhancing access to health care in the Kyrgyz Republic and helping small businesses in Turkmenistan.

At the same time the EBRD's work on policy reform includes areas such as improving the business climate, safeguarding client integrity and compliance with international anti-corruption standards, developing skills among local populations, and encouraging diversity in the workforce and inclusion more generally.

The EBRD already enjoys close cooperation with China, especially in Central Asia, given the great overlaps between EBRD's region of operations and the Belt and Road Initiative. Since joining the EBRD in 2016, China has become the Bank's 11th largest co-financing partner. During CAIF the EBRD announced plans to increase its co-operation with China and the EU in order to increase "high-quality investment" in the Central Asia region. And it will do so in partnership with the Belt and Road Initiative, and other multilateral development banks and investors around the world.

Although the EBRD's statement of commitment to Central Asia should help to boost investment in the region, some commentators saw CAIF as also reflecting a shift in China's engagement with Central Asia.

Chinese investment has historically been channelled through Chinese policy banks, such as the Export-Import Bank of China and China Development Bank. These banks, all of which are backing the Belt and Road Initiative, have become more active in co-operating with international lenders, announcing plans in July 2018 to work with international financing institutions to improve

financial governance and to manage debt and investment risk. It is generally believed that Central Asian countries will continue to rely on Chinese investment to develop infrastructure projects. But co-operation with multilateral agencies such as the EBRD could improve the transparency of financing under future China-led projects, with more projects being implemented under internal lending standards.

The Central Asia Investment Forum succeeded in further raising the EBRD's profile, and work continues to convert this heightened visibility into sound business relationships and quality investments for EBRD's countries of operations.

Watch the video, [EBRD in Central Asia](#) which was screened at the CAIF opening session.

Jane Ross, Associate Director, Marketing and Campaign Communications, Communications Department

To get more news about the Bank's activities, please visit [EBRD.com](https://www.ebrd.com).

FEATURED TOPIC

Impact Investment

Impact investing – Doing well by doing good



Alan Rousso, EBRD Managing Director, External Relations and Partnerships

Impact investing is becoming a mainstream investment strategy around the world. A significant opportunity to mobilise both public and private capital to do good. Or as The Global Impact Investing Network (GIIN) defines it: ‘investments made into companies, organisations, and funds with the intention to generate a measurable, beneficial social or environmental impact alongside a financial return’. Impact investments can be made in both emerging and developed markets, and target a range of returns from below market to market rate, depending on investors’ strategic goals.

The impact investing industry has grown five fold between 2013 and 2017. It provides capital to address the world’s most pressing challenges in sectors such as sustainable agriculture, renewable energy, conservation, microfinance, and affordable and accessible basic services including housing, healthcare, and education. As such, impact investing is one of the many ways development actors and private capital together can help countries address their Sustainable Development Goals (SDGs) and Paris climate commitments.

In terms of trends, there is growing appetite amongst individual investors and pension holders to align their investment capital with their values. An increasing movement among institutional investors to reference “sustainability” and “impact” in their overall investment expectations. And an increasing number of new products coming to market that are “SDG-aligned”.

The EBRD and impact investing

The EBRD is already an impact investor. The Bank’s investments are designed to advance the transition to market-oriented economies, set the highest standards of corporate governance and promote environmentally and socially sound and sustainable development. Achieving sustainability is an integral component of the Bank’s transition impact concept: a well-functioning and sustainable market-oriented economy should be competitive, well-governed, green, inclusive, resilient and integrated. These qualities are fully consistent with the definition of impact investing and are in line with the SDGs.

Furthermore, the EBRD already plays a number of unique roles in the growing impact investing space. As a mission-focused institution with a mandate towards economic development; as a large-scale investor in unique geographies and sectors; and as an influential actor with in-depth local and sector-specific knowledge for institution and field building. With a capital base of €30 billion the Bank has invested over €115 billion in more than 5000 debt and equity projects to date (more than €9 billion annually in each of the last 3 years and €9.7 billion in 2017). In 2017, 43% of the Bank’s investment volume supported its Green Economy Transition initiative, making the EBRD a leader in climate finance amongst the MDBs. Furthermore, the EBRD engages with impact investors already, notably via our Treasury operations (Green Bonds and Social Bonds), equity investments (both direct and through Funds) and loan syndication activities.

But the Bank is now increasing outreach to the growing network of impact investors – asset owners, wealth managers, family offices and philanthropic organisations – that want to invest for a ‘double bottom line’ of balanced financial and social return. The EBRD is in many ways an ideal partner for such investors and partnering with them would help us mobilise more private capital for the development of EBRD countries of operations.

Over the last two years, the EBRD has undertaken many activities to strengthen our presence in the impact investing landscape. For example,

- Alan Rousso, Managing Director of External Relations and Partnerships, has set up a cross-departmental Impact Investing Working Group, to explore ways to deepen our engagement with the growing community of impact investors. The Group’s seven work streams are focusing on understanding the impact investing landscape; reviewing how ESG rating agencies see EBRD; mapping the transition qualities to the SDGs; defining and broadening the EBRD product offer; packaging and publicising (financial/risk-return/impact) data and results; increasing visibility; and establishing an effective coordination structure for the Working Group.
- Bank teams are identifying major impact investing players in the EBRD region and their preferred instruments. Names already identified are Nuveen, Oiko Credit, Omidyar Network, Overseas Private Investment Corporation (OPIC), responsABILITY Investments, PGGM, RS Group.
- The EBRD has joined key organisations: the Investors’ Council of the Global Impact Investing Network (GIIN), the European Venture Philanthropy Association (EVPA), and the UN’s Principles for Responsible Investment (PRI).
- Bank staff participated at DFI Roundtables with Impact Investors in London (December 2018) and New York (March 2018) and organised a panel discussion at the EBRD Annual Meeting and Business Forum on ‘Mobilising Impact Investments’.

Significantly, the EBRD was a key contributor to the preparation of the draft Investing for Impact: Operating Principles for Impact Management at the recent IMF/World Bank meetings in Bali in October 2018. The

development of a common discipline for managing impact investments is timely: despite the increasing interest in and demand for products labelled as impact investments there is still some complexity and confusion for investors, as well as a lack of clear distinction between impact investing and other forms of responsible investing. The IFC has invited additional reviews from stakeholders – investors, companies, academics, civil society and governments – through the end of 2018 after which the Principles will be available for investors to sign.

Impact investing is on the rise, and the EBRD is ready to maximise its potential.

Jane Ross, Associate Director, Marketing and Campaign Communications, Communications Department

UPCOMING EVENTS

6th Annual Alumni Reunion at EBRD HQ, London, UK



We are honoured to welcome back Jacques de Larosière, former EBRD President (1993-1998), at the sixth Annual Reunion of the Alumni Association on **31 January 2019**.

Listen to the keynote address on current global challenges by Jacques de Larosière.

Enjoy a performance of Taktakishvili's "Sonata for Flute and Piano" by Chiawen Kiew, Associate Director, EBRD's Office of the Chief Compliance Officer, and Principal Flute of the London City Philharmonic Orchestra.

Join EBRD President Suma Chakrabarti, members of the Board and Senior Management, Bank staff and alumni in a relaxed and pleasant atmosphere at the networking reception.

Doors will open at 17:30 for registration, badge collection and welcome drinks. As we expect a large attendance at this event, please register as soon as possible by clicking on the registration button below:

REGISTER HERE

The detailed programme of the reunion can be accessed [here](#).

We look forward to seeing you at this unique event.

Please note that external visitors must bring a form of photographic ID and may be subject to a random bag search.

CONTACT US

EBRD Alumni Association

Email: alumnie@ebrd.com

Tel: (+44) 207 338 7468

Alumni Association website:

<https://alumni.ebrd.com/>