



**European Bank**  
for Reconstruction and Development

# ALUMNI ASSOCIATION NEWSLETTER

ISSUE 26, DECEMBER 2022

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# Message from the Chair of the Alumni Association

In our last edition, I shared some thoughts on what we had achieved since the launch of the Association, the contribution of alumni to EBRD activities, and some plans for the future of the alumni initiative. I also informed you of the Bank's intention to play an even more active role in the management of the Association. I'd like to pick up that thread in this edition.

The EBRD alumni community is an important asset to both the Bank and its former employees. Accordingly, from its inception, it was recognised that the aims of the Alumni Association should be bi-directional, delivering benefits to both the Bank and its alumni.

To reiterate:

- The Bank can benefit from its alumni community in areas such as external communications, ambassadorship, business development, support for certain human resource functions, and as a source on which the Bank can draw for advice and expertise, contacts and strategic partnership.
- The Alumni Association can help alumni retain links to the Bank and the region, support social and professional networking, and offer selected services to them.
- It was agreed that the Alumni Association should act as a channel through which benefit-related issues affecting alumni could be brought to the attention of Bank Management and that the Association should participate in their resolution.

Since the launch of the Alumni Association in 2014, there has been substantial progress. Considerable effort has gone into locating and reconnecting with alumni internationally, communicating with and animating the network, keeping alumni abreast of developments at the Bank, informing the Bank internally on its alumni, and mobilising alumni in support of selected institutional activities and objectives. Key issues with leavers' medical cover have been brought to the attention of Bank Management.

But substantially more can be done if the Bank and its alumni are to fully benefit from the initiative. Indeed, it is an opportune moment for the Bank to move to a new phase in the development of its alumni network. In particular, achieving a more intensive and systematic uptake of alumni to support Bank activities will be a key objective over the coming years.

A strong, longer-term institutional commitment will also be needed, including explicit backing from the highest levels of the Bank.

Those Bank units expected to benefit from the alumni network, and the Alumni Association, including its Alumni Advisory Committee, will need to work closely to refine the vision, define priorities and objectives, adapt procedures and leverage the Bank's alumni asset base.

The Bank has, in the past, demonstrated its ability to rise to the occasion in addressing new challenges. It should, therefore, be able to continue innovating and leading among international financial institutions in further developing its alumni initiative.

Turning to the current newsletter, we are pleased to include a report on the EBRD President's recent visit and meeting with Ukrainian President Volodymyr Zelenskyy in Kiev, an account of a reunion of alumni and staff at the Tbilisi Resident Office to celebrate the EBRD's 30th anniversary in Georgia, interviews with alumni Mike Davey ('15), Paul-Henri Forestier ('13), Vedrana Jelušić Kašić ('18), and recent news on alumni Jonathan Charles ('22) and Philippa Moore ('17).

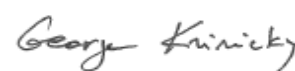
We are also honoured to include an exclusive article by former EBRD President Jacques de Larosière (1993 to 1998) on the launch of his latest book, *Putting an end to the reign of financial illusion*.

We report on the Bank's recent move to Canary Wharf, the launch of the latest *Transition Report* (which some 35 alumni attended in person, with many more online), COP27, safety restoration efforts at the Chernobyl nuclear power plant in Ukraine, Bank support for food security, and plans for the May 2023 EBRD Annual Meeting in Samarkand, Uzbekistan.

Alumni can play an important role in assisting the Bank in its business development efforts. Promotional material, which alumni can use, can be found on the Association's website in the [Business Development](#) section. This newsletter also includes an article by Ana Draskovic, Director of the Bank's Business Development Group, which provides further guidance on how alumni can help.

The Association recently launched an official [LinkedIn Group](#) as part of its effort to diversify the platforms it uses to connect with you. Its current membership stands at more than 400. We encourage you to join and share news with the rest of the community, including on projects and initiatives in which you may be involved and which could be of interest to your peers.

With best wishes to all,



George Krivicky ('08)



# My visit to Ukraine



Driving through the Ukrainian countryside last week, I was struck by how normal life appeared in some parts of the country. When we stopped to re-fuel halfway, people were calmly drinking their coffee, the petrol station shop stocking everything you needed. Our meetings in Kyiv, in contrast, were intercepted by constant alerts and we were forced to take shelter on several occasions, including in the middle of the night, at 02.00. The hotel we stayed in had sand bags discretely tucked away behind the curtains, just in case. Our visit to Irpin, now in ruins after Russian troops occupied this quiet town near Kyiv last March, was another stark reminder of the devastation and trauma caused by the Russian invasion.

It was a privilege and great honour for me to visit Ukraine and to meet the country's leaders at this time. The trip had been planned for a while but as you can imagine we had to keep it very confidential for security reasons and be flexible given the volatile situation. Following the recent increased Russian shelling, the trip was in doubt for a while. Our security team was, of course, constantly assessing the risk and, ultimately, we decided to go ahead. I would like to thank them for their care and great professionalism throughout.



On the trip I was accompanied by Alain Pilloux, Matteo Patrone, Oleksandr Pavlyuk and Ukrainian Alternate Board Director Artem Shevalev, who was instrumental in helping to arrange the meetings with the Ukrainian authorities.

During our talks on Friday, President Volodymyr Zelenskyy underlined the need for continued support for Ukraine now, including urgent repair. He highlighted the damage to the country's infrastructure, with Russia intensifying its attacks on electricity generation and distribution. In fact, while we were there, 1.5 million people were affected by an electricity blackout overnight Friday to Saturday.

The reconstruction of housing is also a major challenge, notably in cities like Kharkiv. The President was understandably extremely worried about the uncertainty surrounding energy and water security and its implications for people going into the winter months. He talked about the Ukrainian population being held hostage by the Russians. He thanked us for our support to date, including, of course, our investments in the country's electricity network and Naftogaz, which he said were vital. The Bank's Governors, who represent its 73 [shareholders](#), expressed their solidarity with Ukraine and signalled their strong support for the EBRD's efforts to respond to the crisis.

Our talks with President Zelenskyy, Prime Minister Denys Shmyhal and Mayor of Kyiv Vitali Klitschko were all extremely constructive. We discussed how we can best target our support, including how to scale up funding for urgent repairs of the electricity grid and support the municipal authorities in Kyiv, Lviv and Dnipro. The rebuilding and reconstruction of local infrastructure will clearly be very important in many municipalities, as is our support for the private sector.



We did manage to meet some of our clients in the Resident Office, including the heads of energy company Ukrenergo, rail company Ukrzaliznytsia, Privatbank and Dragon Capital. They told us that despite the difficult circumstances, economic activity is proving resistant and they are managing to keep going.

It is this resilience, the strength, calmness and determination that I found most impressive.

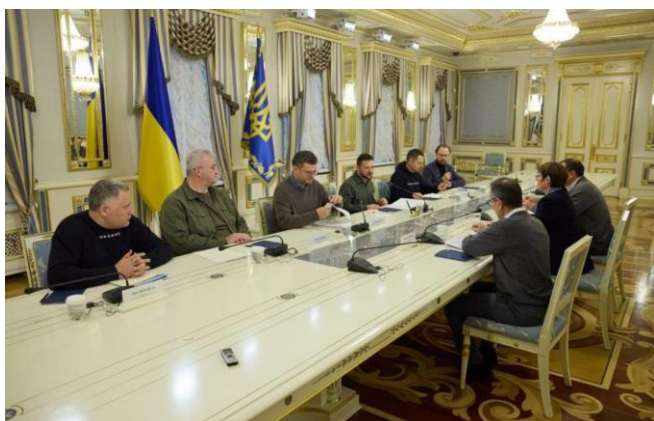
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It is this resilience, the strength, calmness and determination that I found most impressive. Even while having to seek shelter in bunkers, people were very patient and often continued with their business and meetings thanks to wifi (as was the case during our meeting with City officials in Kyiv). It is also clear that Ukrainians have hope, including, I am pleased to say, some of our own colleagues who remain on the ground in Kyiv and whom we found in good health and spirit.

Even while having to seek shelter in bunkers, people were very patient and often continued with their business and meetings thanks to wi-fi (as was the case during our meeting with city officials in Kyiv). It is also clear that Ukrainians have hope, including, I am pleased to say, some of our own colleagues who remain on the ground in Kyiv and whom we found in good health and spirits.



Another alert prevented us from meeting Finance Minister Serhiy Marchenko; I met him in Berlin instead. But on our return journey, we managed to arrange one more meeting, this time with the new Governor of the National Bank of Ukraine, Andrii Pyshnyi, who was just on his way back from Vienna where he had held meetings with the International Monetary Fund. Both Alain and Matteo knew him from his former role as head of a local bank and despite the rather unusual setting – a local McDonald's in Poland near the border – we had a good discussion about the situation of the banking sector and the importance of good governance and stability.



We managed to travel back home without much delay, and I would like to thank all colleagues involved in the trip, those who volunteered to accompany me, and those who supported us remotely, including colleagues from the Crisis Management Team, led by Annemarie, for the meticulous and extremely agile planning.

I would also like to take this opportunity to thank all the teams in the Bank working to provide support to Ukraine. First and foremost, our Ukrainian colleagues and those from our Ukrainian Resident Office, but also those in the sector teams, in VP3, Risk, OGC and those securing the support of our generous donor countries, so that we can deliver our support quickly and efficiently.

All the people we met expressed their gratitude for our visit and continued support – we are clearly an important and valued partner to them.



Odile Renaud-Basso  
EBRD President

# ALUMNI NEWS\*

## Mike Davey ('15): Celebrating 30 years of the EBRD in the Caucasus



*Mike Davey was at the EBRD for nearly 20 years, most of which time he spent working in the field. As we celebrate 30 years in the Caucasus, Mike looks back on his experiences and how he navigated the ups and downs of the last two decades.*

### Background

Mike Davey worked for New Zealand banks from 1976 to 1984, when he was offered a position at the Asian Development Bank (ADB). Based in Manila and focussing on capital-market development, he spent time in a range of Asian countries over the next six years. Then, keen to embark on a different lifestyle for his young family, he accepted a position in the ADB's South Pacific Regional Office in Vanuatu. Vanuatu is, perhaps, the most idyllic location in the South Pacific and proved a happy family environment. The work involved travel to nine other South Pacific countries and a range of financial-sector projects. However, three years in paradise was enough, and Mike was pleased to receive an offer to join the EBRD as a Senior Banker in London in early 1993.

Until 1999, Mike travelled throughout Russia, working mainly with Russian banks. His main role was to coordinate with other international banks and institutions in a bid to understand the risks that prevailed and to look for ways to deal with the very fractured banking system that had emerged in the country following the collapse of the Soviet banking system. Many of the pertinent questions were answered in the summer of 1998, when the Russian banking system collapsed following a systemic default by the Russian government.

Having "blunted his spurs", as he put it, on Russian banks, Mike then moved to Almaty as Regional Director for Kazakhstan, the Kyrgyz Republic and Tajikistan.

At that time, the Central Asian countries were a long way from the centre of the EBRD's activities and not many deals were being done. Mike focussed his attention on strengthening Resident Office staffing and raising the Bank's profile. He played a leading role in establishing new Resident Offices in Astana and Dushanbe and in initiating operations in Mongolia.

Later in his time in Central Asia, Mike played an active role in designing the Early Transition Countries Initiative (ETCI).

Coinciding with the launch of the ETCI, Mike was appointed Director for the Caucasus, Moldova and Belarus, based in London. The Caucasus and Moldova were, along with Central Asia (apart from Kazakhstan), key targets for the ETCI, which provided important tools for enhancing the EBRD's effectiveness in those countries. Mike soon found that George Krivicky ('08), in his role as Director ETCI, had the important Headquarters-based functions well covered when it came to ensuring the success of the ETCI. Preferring a role in the field, Mike made a case to Bank management for establishing a hub in Tbilisi for the countries under his management. This was quickly agreed and resources were provided. Mike and his family thus moved to Tbilisi, along with a few other staff, in mid-2006.

The hub concept and the ETCI were quickly effective, and Mike found this period to be among his most rewarding at the EBRD.

Mike chalked up another first in 2009 when he became the EBRD's inaugural Director in Turkey, as the Bank made its first significant "out-of-area" expansion. Under him, the EBRD quickly put in place a substantial and diversified Turkish investment portfolio. Mike remained Country Director for Turkey until his retirement from the EBRD in February 2015.

Mike holds an Independent Board Member position with YDA Construction Industry and Trade Inc. and its subsidiaries, YDA Airports Investment and Management, Inc. and ATM Health Konya Investment and Management, Inc.. He holds similar positions with three other companies (two in Turkey and one in Dubai) in the luxury goods sector.



\*The views and opinions expressed by alumni in interviews and articles in the newsletter reflect the views of their author(s) and do not necessarily represent those of the Bank or the Association.

**You had a long career with the Bank, spanning 1996 to 2015. A large part of this time – or almost 17 years from 1999 – was spent working in the field. You have a reputation for preferring positions in economies where the bank operates to those at Headquarters in London. Is that a fair assessment?**

Well, that is how it turned out. My family and I loved living in London. We had very nice homes there and four of my children did very well at UK universities. Two of my daughters and their families are now settled in Cambridge and Edinburgh. However, maybe because those of my nationality (New Zealand) tend to be a bit blunt, or maybe because I was never the sharpest negotiator in the room, or just clumsy, the jostle and politicking involved at Headquarters was never something I thrived on. In contrast, from early in my time in Central Asia, it was clear to me that the Bank was not getting the full benefit of its Resident Office network. Back then, Resident Office staff generally acted in subordinate roles to Headquarters staff. I found that there was plenty of unexploited talent in the Resident Offices and I got a real charge out of empowering that talent and developing it. That was the main motivation for me. Besides, the skiing was much better in Kazakhstan and Georgia than it was in London.

**In 2006, you set up a new hub based in Tbilisi that covered the Caucasus as well as Belarus and Moldova. Why was it needed? What were the challenges involved in setting it up? Did it evolve over time?**

The hub was needed for the reasons mentioned above: empowering the Resident Office staff. Taking the Tbilisi Resident Office as an example: when I first went there I found that all of the staff spent their days shut behind closed doors. I found smart, well-educated people doing mundane reporting and monitoring roles. I changed the office to house the hub so it was all glass walls and people could see each other – and so there was nowhere to hide. The ETCI allowed boundaries to be stretched in terms of size and financing structures for deals. But Headquarters staff were never going to travel at length to make sure that happened. It was up to those in the Resident Offices to do it. The hub put management, communications, legal and senior structuring expertise alongside the newly empowered local staff. That effect spread effectively across Armenia, Azerbaijan and Moldova as well as Tbilisi. The late and dear Olivier Descamps ('15) was a great supporter of the whole concept and made sure that top people were placed as Heads of the Resident Offices. I am out of touch with how this has since developed in the EBRD, but from my observations both in house and elsewhere, there is normally ongoing tension between field-based resource strategies and Headquarters-based resource strategies. So, advocates of the field-based approach need to keep their guard up.

**Why was Tbilisi chosen as the location for the hub?**

The hub was based in Tbilisi because it could not have been based in Yerevan or in Azerbaijan for political reasons. Tbilisi, in any case, is geographically in the middle. Lastly, Georgia was at the time (and hopefully still is) riding the crest of an “international approval wave” following the Rose revolution.

**When you look back on the Bank's achievements in the Caucasus, what projects really stand out for you? Were there any particularly difficult transactions and how were they achieved in the end? Were there any disappointments?**

That's a difficult question, because it was a few years ago and I am now pushing 73. A feature of the ETCI was that portfolios were not built around larger, high-profile projects, but from relatively small, local projects. Apart from one or two deals in Azerbaijan, I don't recall any substantial foreign direct investment projects in our portfolio at that time, for example.

What stands out for me are the people, rather than the projects. Resident Office staff with glowing optimism as the business in their countries grew strongly. Certain entrepreneurs who we had worked with for years who were now seeing some real success. At least one senior government official in each country who understood what we were doing and supported us strongly. There was one Deputy Prime Minister in the most difficult country for the EBRD, Belarus, who did an outstanding job of helping us to get things done there. I am sure that there will have been some portfolio failures by now. There were none in the Caucasus that I can recall before the Russian invasion in 2008. That had a horrible effect on business activity in Georgia at the time. I know that business volume is only one measure of success. But, in 2005, business volume in these five countries was less than €150 million. By 2008, it was a healthy and sustainable €800 million. That fact stands out.

**Outside the world of EBRD business and banking, what personal recollections do you have from the Caucasus region? Where did you like to travel?**

Once a month, I drove over the mountains from Tbilisi to Yerevan to see my colleagues there – a beautiful drive at any time of year – always stopping at Lake Sevan for barbecued eel for lunch. The ski fields. Watching all three cities modernise and strengthen their infrastructure.

We have an adoptive daughter from Russia who came to us at age two in 1998. By the time we left Tbilisi, she was 11 years old, still speaking Russian, playing basketball and baseball, skiing and part of a very rich local community. The mountain communities in north-western Azerbaijan, close to the Georgian border, were strikingly beautiful to visit. Many memories.

**You were leading the hub at the time of the conflict between Russia and Georgia. The Bank played an important role in supporting the Georgian economy as it came under the double threat of the conflict and, later, the global financial crisis. How was this response put together? Where were the weaknesses in the economy? What did the Bank do, specifically?**

The conflict erupted in August 2008. I was in Tbilisi at the time and received an early-morning tip off that something was afoot. The war had an immediate impact on the economy. The business climate in Georgia changed overnight from upbeat – growing quickly and investment friendly – to very downbeat. One banking/real-estate group that we were close to saw its prospects, liquidity, underlying equity and investment plans change from growth to gloom. Decimated. That's just one example. But the EBRD teams sprang into action. Resident Office staff who were away returned quickly.

Nick Tesseyman ('18), newly appointed as Financial Institutions Business Group Director, was in Tbilisi with a team while the guns were still firing in South Ossetia and very quickly put recovery and support plans together for the three key banks, with which we had already built up very close working relationships. I was also very impressed by the reaction of the United Nations and how well the UNHCR (United Nations High Commissioner for Refugees) response was coordinated.

As for the global financial crisis, I believe our client banks in the region will not have suffered excessively, as they did not hold toxic assets. By the time any former Soviet economy got to 2009, the built-in resilience from the previous, stressful 20 years would have been important factors in their recovery. That's my view.

**You spent much of your working life in the EBRD's traditional/original countries and yet you were the person who opened the first office outside of this area, namely, in Turkey? How difficult was this transition? Were there lessons from the Caucasus that proved useful in Turkey?**

I will say right away that this was a job I really wanted to do. For many years, I had been stopping off in Istanbul on the way to somewhere else. But, now, I really wanted to get to know the country better and this was my chance.

Also, from the Bank's perspective, Turkey was a much more straightforward country to enter than many might have feared. Turkish companies had worked with the Bank for many years throughout the region and we had no lack of willing Turkish partners to work with.

What also made things easier for the EBRD, perhaps, was that we were different from the other development banks. There was a bit of development bank fatigue – the authorities felt that they were being told what to do. We were not like that, but were able to make changes by working directly with a vibrant private sector.



Turkey certainly suffered a shock from the global financial crisis, but it bounced back quickly because its financial sector, which had gone through major crises in 1997 and 2002, had since been subject to rigorous supervision, had attracted strong foreign investment and was untouched by the toxic assets that had caused the crisis.

From a personal perspective, one thing I had learned was that having a strong partner to help you launch something new was important. I had (Turkish national) Sevki Acuner ('18) beside me, and that made a big difference. His skills and knowledge of the Turkish business community were major contributors.

A difference in Turkey to the manner in which the Bank operated elsewhere was that very serious promises had been made to the Board that we would keep business levels constrained for the first two or three years and that we would only do very high transition impact business. In contrast, all the sector teams saw Turkey as a potential bonanza country. I had very clear instructions from Senior Management to keep faith with the board. So, there was quite a bit of goal-keeping involved, which may have cost me some friends in Headquarters. The Small Business Team, the FI Team and the Sustainable Energy Team, meanwhile, had products available that could be readily deployed in Turkey in a manner that gave us great working relationships with the Turkish banks and key government officials and helped us to build a high-impact portfolio with good regional spread.

Building a new staff from the hard-working and smart young Turkish community was a joy and, I guess, the experience I had built in my two previous positions helped a lot in that regard.



**As a former senior banker on the Financial Institutions team in London, you will be well acquainted with the sector. Reading through the list of our alumni in or from Georgia reads like a Who's Who of the financial sector there, including the Georgian Central Bank. Names such as Irakli Managadze ('15), Irakli Gilauri ('03), Murtaz Kikoria ('07), Archie Gachechiladze ('02), Goga Japaridze ('11), Vitali Taktakishvili ('08), Zurab Zakariadze ('20), Nikoloz Shurgaia ('08) (in Azerbaijan). Any reason for such a concentration of EBRD alumni power in the sector?**

The simple answer is that, whatever else it is, the EBRD is a bank and we tend to employ the best banking talent from the economies in which we operate. Georgians love their country, as do many other nationalities. But it does not surprise me at all that so many of our Georgian colleagues have taken their experience and talents back home.

Nik is not far away in Azerbaijan and took the step away from the EBRD and into senior management positions at banks relatively early. I admire him for it. These are all very clever people. Still relatively young.

You retired from the EBRD in 2015. You have remained professionally active. How else are you spending your time post-EBRD?

It wasn't the plan to remain professionally active. The big plan was to buy a 50-foot yacht with a brother who had vast offshore sailing experience, then sail it from Turkey to New Zealand in stages over a three-year period, writing something readable on the way.

But we both have families and other commitments and we became more realistic about it all as time passed. I continue to enjoy working with YDA in Turkey. It is a family company run by two very impressive brothers and my role is enough to keep my mind ticking over. My plan is to rebuild the family home in Hornbaek, Denmark. Perhaps another home in Scotland, reduce my involvement over here and spend more time over there. Six children, five grandchildren and more expected should be enough to keep my habits healthy. Covid interrupted much of that. I have two daughters currently living in Dubai and went there in March 2020 to do what was necessary to help the Dubai company I am a director of get through the crisis. But the borders closed and I ended up staying there, running that company for two years and enjoying time with those two daughters. Then I was asked to come back to Turkey to help with a tech start up. That is going very well, but could keep me busy until I turn 75. So, those are the parameters.

Tony Williams ('19)  
Former Director of External Communications  
Communications Department

## Paul-Henri Forestier ('13): Our (former) man in the Caucasus



*This year, the European Bank for Reconstruction and Development (EBRD) is celebrating three decades of activity in the Caucasus, in Georgia, Armenia and Azerbaijan.*

*Paul-Henri Forestier had a distinguished EBRD career in the region and was Director for the Caucasus, Moldova and Belarus, based in Tbilisi, from 2009 until his retirement in 2013. In this interview, Paul-Henri recalls his time there and tells us about his life before and after joining the Bank.*

**Paul-Henri, you spent many years in the private sector (with Chemical Bank and BNP Paribas) before joining the EBRD in 2002. Why did you make the transition to an IFI and what were the main challenges you faced? Did you have to learn very different skills?**

This sounds like my interview with HR prior to joining the EBRD! I am a graduate of IEP Paris, better known as Sciences Po. I had intended to go into the public service sector and join the French civil service, but ended up working exclusively for the private sector. I gained extensive international exposure, primarily developing skills in project finance. Joining the EBRD offered me the best of both worlds: fulfilling my aspirations of public service and bringing to the cause skills that matched the EBRD's approach to investing in projects.

A key challenge was ensuring transition impact, one of the Bank's three pillars. That is not to say that it was a necessary evil! Indeed, it was the very reason I wanted to work for the institution! However, there are so many ways of demonstrating compliance and only a few would be accepted by the guardians of the temple.

One always needs to learn new skills in different environments. In my case, the most difficult skill – because it was new to me, but also the most rewarding – was the teamwork needed when seeking approval for country strategies. Bear in mind that approval starts with the authorities of the host country; there is no point in going to the EBRD Board with a document that the host country does not fully sign up to.

**In your previous positions in the private sector, did you ever have dealings with the Bank? What stood out for you on the very first week that you joined the EBRD? What were your very first impressions?**

I had protracted dealings with the EBRD on restructuring the project financing for the M1-M15 motorway linking Hungary with Austria and Slovakia, the first project financing of its kind in eastern Europe – and a tricky one! I was representing all of the private-sector, non-Hungarian banks, as BNP Paribas was their agent. The EBRD's Peter Reiniger was instrumental in advancing the dialogue with the authorities involved, which led to a more successful outcome than anyone had really expected. Incidentally, this was a great lesson for the private sector. It demonstrated the benefits of cooperating with the EBRD in politically sensitive or risky situations.

When I first joined the EBRD in 2002, I was struck by its friendly environment – helped by the lobby bar, an unexpected forum for effective business discussions. Broadcasting key football World Cup matches in the auditorium was the cherry on the cake.

**Can you tell us about the work you did in those early years at the EBRD, before becoming Director for the Caucasus, Moldova and Belarus?**

I spent my first four years in the Evaluation Department. For me, it was an exceptional opportunity to find out how the EBRD really operated in many different countries through numerous projects and investments. If it were up to me, it would be a mandatory training ground for EBRD staff who are skilled in banking, but who do not have broad diversified geographical, sectoral and strategic experience.

Before moving to Tbilisi, I worked on different projects under the umbrella of “Special Industries”, the most significant being Garadagh Cement, the predecessor of Holcim Azerbaijan. At the time, it was the country's largest private-sector project and, because of the 2008 financial crisis, the EBRD ended up carrying it in its entirety. Understandably, persuading Risk Management to take on such a concentration of risk required lengthy negotiation with the client and EBRD Management. The deal was signed shortly after I took over the directorship of the Caucasus, Moldova and Belarus.

**Before we turn to the work of the EBRD across the Caucasus, can you perhaps provide some personal memories from each of the three countries? Which areas outside of the main cities did you enjoy travelling to? Are there cultural recollections that stand out? Did you get to know the different types of music or experience the literature? Do you have a favourite culinary dish from those countries?**

I visited many places in the three counties. During my stint, we had board consultation visits to all three countries, which always offered interesting sightseeing opportunities.



In Georgia, I would highly recommend a site that is less well known to tourists: Bethania, a church and monastery half an hour's drive from Tbilisi, with beautiful frescos of Queen Tamara, who was a regular visitor for prayer and meditation. Bethania is in a remote location. Peace and tranquillity in this mountainous area are guaranteed. There is no internet and road conditions make access over the last mile challenging, even in a 4x4 SUV.

In Georgia, one must not miss the male polyphonic singing, an art not found in any other country, except for Corsica. The French Embassy has even organized polyphonic singing competitions between Georgia and Corsica!

Georgia also offers both traditional and modern dancing, each region having its own distinct choreography and outfits. Moreover, Georgia has an outstanding ballet academy, led by Nina Ananiashvili, who was one of the world's most accomplished classical dancers.

The list goes on! I could talk at length about Georgian wine, both its traditional and western-type produce. Many books cover the history of the Caucasus and its more recent political developments, such as the writings of [Thomas de Waal](#). One short novel stands out: *Ali and Nino*, published under the pseudonym Kurban Said around 1920. It is an amazing cross-cultural tale of the love story between an Azerbaijani Muslim boy and Christian Georgian girl.

**You were based in Tbilisi for several years. Can you describe the city for readers who have not yet visited?**

What first comes to mind is the extraordinary hospitality of the Georgian people. This makes your first contact with Tbilisi very easy. The city is struggling to safeguard some of its beautiful historical sites and buildings, “modernising” so rapidly that not enough remains of the charm I encountered when I arrived in 2009. In contrast, it is safe and very well equipped in terms of healthcare and shopping. Traffic jams and the lack of parking have worsened as the city has grown. Georgian food is excellent and not limited to the famous khachapuri cheese-filled bread. Interestingly, a number of new Georgian restaurants have opened up recently in Tbilisi, providing high-quality, sophisticated Georgian dishes.



**How would you characterise the impact that the EBRD has had across the region and, specifically, in each of the three countries?**

There is a strong positive correlation between the EBRD's impact and the national governments' genuine acceptance of transition in terms of democratic institutions and the fight against corruption. During my tenure, Georgia scored first and foremost in this respect, while Armenia and Azerbaijan had more room for improvement. The ratios of private- to public-sector EBRD investments in the respective countries reflected these disparities. However, in each country, the EBRD made a very positive impact by hiring talented young nationals, training them and creating models for future decision-makers in both the private and public sectors.

**You presided over many projects in the region – some very small and some very large. Irrespective of the investment volume involved, can you tell us about the one project from each country that you remember with the most pleasure and/or pride?**

In Armenia, it would have to be the financing of the Yerevan Metro modernisation. Here, I would like to pay tribute to Catarina Bjorlin-Hansen, now Director, Regional Head for the Caucasus. Catarina was Operation Leader for the Yerevan Metro financing project and she received and deserved the admiration not just of her EBRD colleagues, but also of the Armenian government and Yerevan city authorities.

I mentioned earlier the financing of the modernisation by Holcim of the Garadagh cement plant. I wonder whether this €120 million loan has not remained EBRD's largest private-sector financing deal in Azerbaijan's history.\*

The financing of a 500-kilovolt cross-country transmission line in Georgia, together with the European Investment Bank and Germany's KfW, was key to the future development of hydropower plants, one of Georgia's key resources along with agriculture and tourism.

\*The Holcim plant was certainly one of the largest private investments in Azerbaijan's non-oil and gas sectors. The EBRD has undertaken a private Lukoil project (US\$ 250 million) in the oil and gas sector and, more recently, Masdar and Aqua each committed to invest more than €200 million in the country's renewable sector. The State Oil Company of the Azerbaijan Republic (SOCAR) has also made many investments in various sectors (such as the SOCAR urea plant worth €800 million).

These are just some recollections off the top of my head; I hope I am not being unfair to all the sector and local teams that worked very hard on so many successful projects.

**What progress did you witness in your time in the region? Where do you see the main remaining transition challenges?**

All three countries have benefitted from strong economic growth, fostered by foreign direct investment, to which the EBRD has been a major contributor, particularly where the private sector is concerned. This has allowed for significant changes in infrastructure and, in the case of Georgia, spectacular improvement in the banking industry. In the wake of the 2008 financial crisis and conflict with Russia, the two largest banks in Georgia were on the brink of bankruptcy. Before I retired in 2013, both were listed on the London primary market! In all three countries, however, the creation of wealth was more impressive than poverty alleviation or inclusion as EBRD standards require. In addition to setbacks in democratisation and in the eradication of corruption, particularly in Armenia and Azerbaijan, improvements in the judiciary in terms of competence and independence remain a major transition challenge.



**The EBRD changed dramatically during your time there. You remained in the Bank's traditional area, while it expanded into the new regions of Turkey and then North Africa and the Middle East. How do you feel the Bank managed the expansion?**

I would say historical area, rather than traditional. Indeed, the creation of the Tbilisi hub sought and implemented by Mike Davey set a new trend in EBRD management. Decentralisation improved the Bank's perception by host countries and enhanced its effectiveness. Calls for new EBRD offices in countries that had undergone major liberation movements were a tribute to the effectiveness of the Bank's then unique business model, based on local presence, enhanced by decentralisation. Apart from Turkey, most of this expansion occurred after my time. My impression, however, is that the Bank's approach, inspired by acquired experience, was successful.

**The EBRD now faces major challenges, with the impacts of Covid-19 and the war on Ukraine dealing a significant blow to economic growth, not to mention an energy and food security crisis. What are the inherent strengths of the EBRD that will help it weather this latest storm and ensure that it continues to make a relevant contribution to the people of the countries it serves?**

The EBRD has an unprecedented history of weathering crises, both externally – as when it dealt with the Russian crisis in 1998 or with the Georgian situation during and after the 2008 conflict – and internally – as when, in the very early days, Jacques de Larosière rescued the institution from reputational disaster. I believe its strengths are primarily based on the integrity, competence and dedication of its staff at all levels. The cause of development and transition is the strongest motivation for joining the institution. As long as it can continue to hire and keep such motivated staff, the EBRD will overcome all challenges ahead.

**You left the EBRD nearly 10 years ago and have been working with a Tbilisi-based company involved in document storage and management. There is clearly life after the EBRD! Can you tell us something about Dasta Records Management?**

There was no outlet providing state-of-the-art records management in Georgia. Dasta was created in 2014 to meet this need. I considered my involvement in the venture to be an extension of the transition impact aspirations I inherited from EBRD. I am glad to see that it has grown into a mature company over the years, helping companies in Georgia to free up expensive space and improve access to their records while protecting them from fire, flooding and other such dangers.

My life after the EBRD in Georgia has also included other exciting elements, such as teaching at the International School of Economics at Tbilisi State University and the Georgian Institute of Public Affairs, advising a Georgian property group on investment financing and a foreign-owned bank on credit decisions, and helping foreign investors with financial advice on several projects, which are now in the development phase.

**Are there hobbies or other pursuits you have taken up since leaving the EBRD?**

Surprisingly, I took up golf about three years ago. It's a great hobby and a good way to spend healthy time with your wife. However, improvements to my game are as badly needed as transition in some Caucasus countries. I have also been able to dedicate a lot more time to opera and classical music, attending festivals at home and abroad in the summer. I hope to attend the Tsinandali music festival in the not-too-distant future.



**What advice would you have for someone starting out on a career in development banking in 2022?**

Get to know as much as possible about the Bank. Expand your horizons as soon as you have worked on a few projects. A year's secondment to Evaluation or Credit may be a good idea. Be prepared to move to Resident Offices, be it as a sector specialist or in general banking. If you are a foreign national from a country in which the Bank operates, aim for a London assignment as a temporary posting to enhance your skills and visibility, not as an opportunity to acquire a passport. You are of greater value to your own country than to the City of London!

### **Background**

Since 2014, Paul-Henri has been a board member and director of Dasta Records Management, a Tbilisi-based company specialising in document storage and management. He served on the board of Transparency International Georgia for two years and currently provides financial advisory services to investors in Georgian agribusiness-related ventures.

He left the EBRD in 2013, having worked there since 2002, initially in the Evaluation Department and, from 2006, in Banking, as Mike Davey's London-based coordinator for the Caucasus, Moldova and Belarus. This led to his 2009 appointment to Tbilisi to replace Mike, who moved to Istanbul.

Prior to the EBRD, he worked for 16 years in the New York, Paris, London, Brussels, Singapore and Toronto branches of Chemical Bank (NY), in corporate banking and energy and mining project financing in the United Kingdom and south-east Asia. He subsequently spent 15 years in the French banking sector in Paris. His last posting was with BNP Paribas, in charge of asset restructuring and the coordination of project finance activities in North and Latin America.

Tony Williams ('19)  
Former Director of External Communications  
Communications Department

# Alumni reunite on EBRD's 30th anniversary in Georgia



Catarina Bjorlin Hansen, Regional Head of Caucasus

*This autumn, the Caucasus Regional Office in Tbilisi marks its 30th anniversary. There is a lot to celebrate. In a country of just around 3.7 million people, the bank has already invested more than €5 billion in 278 projects. This ranks Georgia among the countries with the Bank's highest per capita investments.*

The EBRD in Georgia is as big as ever, with staff numbers increasing every year and already surpassing 40 this year. While looking forward to the truly exciting opportunities ahead, the 30 year anniversary also gave us a moment to look back and appreciate the role of the people who made all this possible – our alumni.

For the occasion, the Resident Office held a small, but very colourful reception. This was an opportunity for staff of all generations and our alumni to come together. Attendees at the reunion included well-known figures in Georgia, such as Archil Gachechiladze, now CEO of Bank of Georgia, and Irakli Giulauri, CEO of Georgia Capital, among others.



Georgia (RO) staff and alumni

For me, however, the most memorable moment was when Gvantsa Omiadze, who had been at the Bank for more than 20 years, whispered to me, “these two ladies cutting the cake together are our two original staff members from 1992”. In 1992, I hadn't been born yet!



Mariam Megvinetuhutsesi ('07) and Lela Tchumburidze ('21)

I was truly amazed to see how this forward-facing institution had managed to keep in touch with and take pride in its past!

Later in September, Odile embarked on her trip to the Caucasus. While in Tbilisi, she said to a journalist, “I can tell you that we are proud of what we have achieved together here. The results we are getting from here fill us with confidence that our work will bring even more tangible results to Georgians for the years to come.”

At that moment, I was thinking of our anniversary reception and about generations of true professionals who have laid the foundation for what the Bank represents here today. Odile's seemingly ordinary statement, genuinely echoed our sentiment, expressed at our reception through numerous toasts that are so characteristic of Tbilisians of local and international origin.

Rezo Bitsadze  
Associate, Communications  
Tbilisi (Georgia)

## Vedrana Jelušić Kašić ('18): Business adjusted to clients' needs



*Jelušić Kašić has had an impressive international career in the financial sector, with more than 20 years at the EBRD. Her former peers at the Bank describe her as a “tireless role model for women in business”. From 2013 to 2018, she was EBRD Regional Director for Croatia, Slovenia, Hungary and Slovakia. She then became a partner responsible for financial consulting at consulting and auditing giant Deloitte. From there, she transferred to PBZ, where she is also President of the Supervisory Board of PBZ Leasing d.o.o. In September last year, she became a member of the PBZ Management Board.*

In her early career, Jelušić was employed by the Croatian National Bank (CNB) and Raiffeisen Bank. She acquired additional business experience at Monte Titoli, a Milan clearing and settlement depository company, and at Merrill Lynch in Boston.

One of the biggest challenges of PBZ's interactions with medium-sized and large companies is the current macroeconomic and geopolitical environment, specifically, the associated market risk and low predictability of future trends, in particular those in energy, food and construction material prices.

We talked to the financial expert on improving client relationships, business challenges, sustainable business, employee motivation and empathy – a feature increasingly in focus today.

### How challenging has the past year been in terms of business?

At present, the macroeconomic environment in all of Europe is even more challenging than last year. Aside from the ever present impact of the pandemic on the economy, particularly in the area of disrupted supply chains, increased health risks and increasing prices of various goods, the Russian invasion of Ukraine, together with the sanctions, has made the business environment even more complex. Energy prices and inflationary pressures have reached unprecedented levels. As a reflection of these disruptions on the market, sources of financing have also become more expensive due to the policies of the central banks, in particular ECB and the Fed. In such circumstances, the cost-effectiveness of individual projects has changed and risk assessment is also difficult.

### What is particularly important when it comes to doing business with large clients?

Mutual trust and regular communication are key to understanding the challenges that some companies are facing, as well as to being able to react in an appropriate way and offer them support. In an environment of ever-increasing input costs, especially those associated with the increased price of raw materials, many of our clients have elevated working capital requirements. As far as the financing of capital projects is concerned, a mitigating situation for our companies is access to European funds, as well as funds through the National Recovery and Resilience Plan. Together with our clients, we are exploring the best possible financial options available to them to fund their projects, from long-term loans, guarantees and bridge financing to capital-market instruments.

### How do you advance your relationships with clients?

We are continuously enhancing our business relationships with our clients by diversifying the array of financial products available to them and tailored to their needs, as well as developing new digital offerings and strengthening our digital platforms, which make their operations more efficient and resilient.

### How do you motivate your employees?

I very much nurture diversity and inclusion in my leadership style. Diversity is about managing a team in a way that combines our experience, views and approaches, so that they can serve our joint strategic goals. Diversity means pluralism, debate and listening to each other. It also means being ready to learn from each other.

Diversity can only deliver when we create an atmosphere in which leaders allow themselves to be challenged and no-one is afraid to speak their mind.

Diverse teams are more effective, as they process information differently, challenge orthodox approaches and broaden horizons. Employees in inclusive environments are more engaged and happier in their workplace, as their voice matters and their contribution is visible to the wider group of engaged stakeholders.

The personal development of employees is of the utmost importance and the bank pays special attention to enabling employees to have access to desired training and work situations that will give them new experiences and professional development and advancement. In an environment of great cross-border mobility and decreasing demographic trends, talent management, attracting talent and keeping existing talent is crucially important.

**What are the biggest challenges connected to the sector that you cover at PBZ?**

Due to the unprecedented macroeconomic and geopolitical environment, the largest challenges are connected to market risk and the low predictability of future trends, in particular, those associated with the volatility of energy, food and construction material prices. Moreover, with regard to the sanctions due to the war in Ukraine, it is important to continuously monitor the alignment of our bank's operations and clients with the sanctions in place.

**Is sustainable development one of the most important things in today's business?**

Sustainable development is, indeed, very important to local economies and also to us as a credit institution. Reducing CO<sub>2</sub> emissions, the more efficient use of available resources, less dependence on fossil fuels and better management and social inclusion will make our economies more resilient to external impacts. PBZ, as a part of the Intesa Sanpaolo Group, is of the opinion that the integration of environmental, social and governance (ESG) aspects is crucially important to strengthening the entire economy. Promoting economically and socially sustainable development through the regular operations of both the bank and our clients not only strengthens our financial results and reduces certain business risks, but also has a wider positive impact on the environment in which we operate, such as better air quality and the preservation of resources that are very limited.

**Fortune Magazine recently published an article saying that empathy is one of the most desirable features of a modern leader. How important is empathy to you in your relationships with your environment, clients and associates?**

I adopt an empathetic leadership style in many situations, because it enables me to better understand the person I am talking to. Empathy enables us to show our feelings, share passion and enthusiasm, and sometimes even disappointment. An empathetic leadership style is inclusive. I try to understand the thoughts, feelings and emotions of my team members and, in return, they feel that I understand them better and that they are not alone in facing business challenges. There are many more benefits ensuing from an empathetic leadership style, such as greater motivation and encouragement of employees, the combination of views and skills and the sharing a strategic vision. Empathetic leadership also helps to reduce stress at work and workforce fluctuation, as employees appreciate a safe working environment where they feel that their contribution matters.

Furthermore, an empathetic leader creates an environment that is open to innovation. When people are encouraged to innovate, they feel better and are more connected to the bank's strategy. Still, there is nothing wrong with assertiveness when necessary, particularly in crisis situations, when there is little time to make decisions. I think that good leadership is a combination of many leadership styles. A certain situation, as well as the interlocutors, define which style should be used.

Diversity can bring results only if an environment is created in which the leaders allow themselves to be questioned and where nobody needs to refrain from expressing their thoughts.

Source: Gloria Magazine, Croatia

# IN FOCUS

## Putting an end to the reign of financial illusion: for real growth

*Jacques de Larosière's latest book*



I have just published a book entitled *Putting an end to the reign of financial illusion: for real growth* (Odile Jacob, September 2022).

It deals with the consequences of “financialisation”, a phenomenon that has hit record amounts over the past decade.

The main consequences of the inordinate growth in money and borrowing can be summed up as follows:

1. The massive increase in global borrowing has made the financial system more vulnerable. Not only has credit bounced to unknown heights, but the quality of the credit extended has deteriorated.
2. The very low interest rates that have accompanied the accommodative monetary stance of the last decades have created massive distortions. Not only have zero interest rates not fostered productive investment (which has declined significantly since 2000), but they have created the “liquidity trap” feared by Keynes, namely, that households tend to keep their savings in liquid placements rather than investing them in risky, but non-remunerated, longer-term projects. Moreover, “zombie” companies have survived (because of the subsidies created by low interest rates, to the detriment of global productivity).

3. The expansionary monetary stance has resulted in higher valuations of financial assets (bonds, equity) and real estate. Research shows that while, historically, credit and growth always evolved more or less at the same pace, since 2000, borrowing has jumped, but real growth has remained subdued,

4. The global balance sheet has tripled over the last 20 years, while real GDP growth has been modest. Research shows that 75 per cent of the global balance sheet increment has fed into increased valuations and only 25 per cent into real growth.

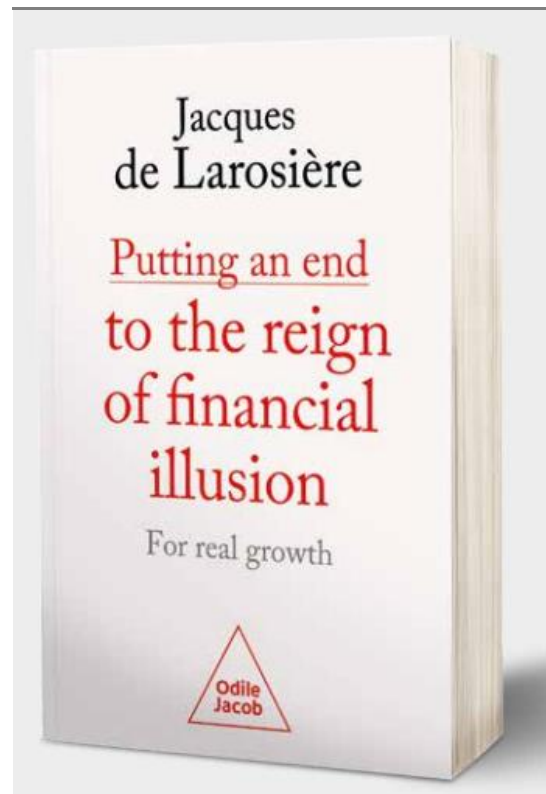
5. This financialisation has resulted in a strong increase in social inequalities. Lax monetary policy and quantitative easing have produced high financial asset values that have been concentrated in the richest 10 per cent of populations.

6. Insidiously, the pattern has changed: cheap money has inflated the wealth of the wealthiest, while wage earnings have stagnated.

This new paradigm has not been conducive to productive investment and productivity gains. Financing the large ecological investments of the future will not be possible as long as the real economy, waged earnings and the remuneration of savings have not been restored to normal levels.

Always borrowing more is not a way of dealing with structural reforms.

J. de Larosière  
Former EBRD President  
3 November 2022



# TRANSITION REPORT

Launch of the EBRD Transition  
Report 2022-23: Business Unusual



Jonathan Charles ('22), Phil Bennett ('18), Ivan Krastev and Beata Javochik

This was a regular, yet in some ways extraordinary, *Transition Report*, reflecting the uncertain and turbulent times in which we live. The post-pandemic reality has brought a colossal list of developments and challenges, be it a revolutionised approach to work, extreme weather conditions, supply-chain disruptions, Russia's invasion of Ukraine, forced mass migration, high inflation, rocketing energy prices, growing debt burdens, reshoring and friendshoring...

A fascinating panel discussion at the EBRD's new headquarters focused on the latest challenges to the global economy, with distinguished speakers Beata Javorcik, Ivan Krastev, Sabine Weyand and alums Phil Bennett ('18) and Jonathan Charles ('22). It was a joyous occasion to see so many alums in person at this highly engaging session.



Betsy Nelson ('19)



Yury Voicehovsky ('05), Sevki Acuner ('18) and Vesna Mukaetova ('10)



Gohar Lputian ('01)



Emily Walker ('93) and George Krivicky ('08)

Thank you to all alumni who attended in person and online.

Video: [Launch of the EBRD Transition Report 2022-23: Business Unusual](#)

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## The EBRD Alumni Association launches a LinkedIn group



We are pleased to announce that we have launched the LinkedIn Alumni closed group as part of our ongoing efforts to engage with the Alumni community.

This addition to our existing communication channels will offer a useful platform to share your news, advertise positions within the extensive talent pool of our community, and share business development opportunities, news, information and events notifications about the Alumni Association and the Bank.

To join our LinkedIn page, please follow this link:  
[The EBRD Alumni Association](#)

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## Véronique Allarousse ('07) joins the Advisory Committee of the Alumni Association



*We are delighted to welcome Véronique Allarousse, the new member of the Advisory Committee of the EBRD Alumni Association.*

Véronique joined the legal department of the EBRD in January 1995 and left in 2007. As Chief Counsel, she led a team of lawyers advising on all aspects of banking operations, as well as policy-related issues. She is currently a full-time legal consultant for the Asian Infrastructure Investment Bank (Beijing) but remains based in London. Véronique specialises in project and structured finance and cross-border transactions in the development sphere. Before the AIIB, she worked at Credit Suisse UK in an advisory role to the General Counsel EMEA, on a wide range of subjects including governance, culture change, disciplinary, operational risk and compliance. Earlier in her career, Véronique was in private practice with the law firms of Sullivan & Cromwell (New York) and Linklaters (London and Paris). Véronique holds an LL.B. and various graduate law degrees from the University of Paris-Assas, the University of Paris-Panthéon Sorbonne and Harvard Law School. She is a member of the Bars of Paris and New York. She is an IMC Member of CFA UK and an Associate Member of CISI. She is a Fellow of the Chartered Institute of Arbitrators.

Véronique looks forward to staying engaged with the EBRD's alumni community and the wider region through her involvement in the EBRD Alumni Advisory Committee.

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## Jonathan Charles ('22): life after the EBRD



*Jonathan Charles ('22), former Managing Director, Communications, in his post-EBRD life, has taken on a number of consultancy projects. They include advising COP28, to be held in the United Arab Emirates next year, as well as advising the Presidents of Uzbekistan and Kazakhstan on reform communications.*

As part of that, he recently held a meeting with the Uzbek Foreign Minister (see picture).

Jonathan is also advising a sovereign development fund. Jonathan tells us that he is still trying hard to make sure he doesn't work more than three days a week and is squeezing in plenty of time in his much-loved Lanzarote

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## Philippa Moore ('17) awarded a Residential Fellowship at the Katharine Susannah Prichard Writers' Centre for 2023



*Philippa Moore worked in the Communications team at the EBRD for five years before returning to live in Australia with her husband in 2018. She is now halfway through a PhD in history and creative writing at the University of Tasmania, and her project was recently awarded a Residential Fellowship at the Katharine Susannah Prichard Writers' Centre for 2023.*

Philippa will spend two weeks at the KSP centre in Perth, Western Australia, working on the historical novel she is writing for her bPhD, which is based on the real life of one of Australia's first female entrepreneurs. Philippa's passions for sustainability and social justice, which were greatly encouraged while she worked at the EBRD, have carried on into her current work, both in her creative practice and PhD research, and in the recent formation of her own communications company which specialises in corporate reporting.

Follow Philippa on: [www.philippamoore.net](http://www.philippamoore.net) and [www.wearewinchmore.com](http://www.wearewinchmore.com)

# BANK NEWS

## EBRD moves its London headquarters to Canary Wharf



- *The EBRD has relocated to Five Bank Street in Canary Wharf*
- *Its new office building is one of the most environmentally advanced in the United Kingdom*
- *Move reflects the Bank's commitment to sustainability and new ways of working*

The EBRD has officially moved its London headquarters from Exchange Square in the City of London to Canary Wharf.

Some 2,800 London-based staff have already relocated to the new state-of-the-art building at Five Bank Street.



The EBRD, which promotes open-market economies and the private sector in 36 countries across three continents and is owned by 71 countries, as well as the European Union and the European Investment Bank, [announced the planned move in May 2019](#).



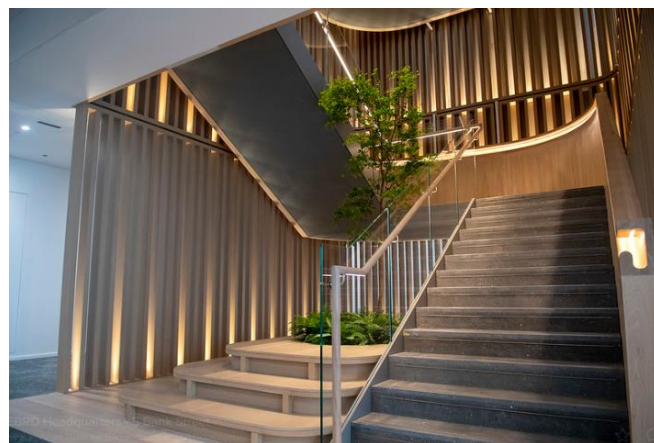
EBRD President Odile Renaud-Basso said: “We are delighted to call Five Bank Street our new home. It is a truly world-class building, which provides the best facilities and working conditions for our staff and reflects the Bank’s commitment to sustainability and new ways of working.”



Five Bank Street is one of the most environmentally advanced offices in the United Kingdom, with the shell and core building achieving BREEAM Outstanding certification in 2020, as well as an Environmental Performance Certificate (EPC) A rating.

The EBRD is also on target to achieve an EPC A-rating and BREEAM Outstanding certification for the fit-out, design and construction, which have been guided by a desire to reduce waste and incorporate the Bank’s green values.

The building has been designed to support the new ways of hybrid working that emerged during the Covid-19 pandemic, enabling staff to easily connect to virtual meeting platforms, collaborate and work flexibly across the building.



Read more: [EBRD moves London headquarters to Canary Wharf](#)

View photo gallery: [Five Bank Street](#)

Nigina Mirbabaeva  
Associate, Communications  
Multichannel Output

# SUSTAINABILITY

Environment and sustainability



## Launch of the EBRD Climate Adaptation Action Plan at COP27

- *At COP27, the EBRD launched its Climate Adaptation Action Plan to boost adaptation finance*
- *Plan involves integrating climate resilience into project design, building new and enhanced partnerships and mobilising private finance*
- *Adaptation finance is crucial to address the climate vulnerability of the EBRD regions*

As it moves to increase its [climate adaptation finance](#), the EBRD launched the [EBRD Climate Adaptation Action Plan](#) (CAAP) at COP27, the global climate summit that took place in Sharm el-Sheikh, Egypt, in November.

[Climate adaptation](#) – adapting to already existing climate change and anticipating future changes in long-term planning – has been an increasing focus in recent years as the current level of global warming is already causing extreme weather events to multiply and intensify.

The EBRD is a leader on climate finance, but its business model, with a focus on the private sector, means that it has done more mitigation than adaptation, which is often publicly financed. The EBRD CAAP brings together a number of elements to strengthen the Bank's adaptation work: integrating adaptation into project and policy design, building partnerships, developing business and mobilising private finance.

“We don't have one single answer on adaptation; our response is a combination of a number of different tools and approaches,” says Harry Boyd-Carpenter, EBRD Managing Director, Climate Strategy and Delivery. “We increasingly see adaptation not as a cost but rather as an investment that protects economic development and preserves the competitiveness of our clients.”

Vanora Bennett  
Principal, Communications  
Media Relations

Read more: [Launch of EBRD Climate Adaptation Action Plan at COP27](#)

# NUCLEAR SAFETY

EBRD's ICCA steps up support for Chernobyl



## Restoration of safety and security at Chernobyl Nuclear Power Plant

- *ICCA donors approve €1.1 million grant to improve fire safety at Chernobyl*
- *Specialised equipment will help fight forest fires in the exclusion zone*
- *Longer-term support for Chernobyl*

On 10 November 2022, the EBRD Nuclear Safety Department hosted the International Chernobyl Cooperation Account (ICCA) assembly meeting of major donors, focusing on key tasks ahead to support the restoration of safety and security at Chernobyl following the Russian military occupation.

Olha Stefanishyna, Ukraine's Deputy Prime Minister for European and Euro-Atlantic integration, also participated in the assembly. She thanked the EBRD and the international community for their continued support in overcoming the consequences of the Chernobyl disaster, as well as for expressing readiness to cooperate on the issues of the Chernobyl Exclusion Zone.

The ICCA was established in November 2020 by the EBRD at the request of the government of Ukraine to support the development of a comprehensive plan for Chernobyl. This multilateral account helps to integrate safe and cost-effective solutions for the decommissioning of the Chernobyl nuclear power plant and in managing the radioactive waste in the exclusion zone.

The Russian invasion of Ukraine and the occupation of the Exclusion Zone on the first day of the war dramatically changed the landscape. ICCA discussions quickly refocused on how the body can help stabilise the situation at Chernobyl Nuclear Power Plant – the world's most vulnerable nuclear facility.

Oraztach Sovdekova  
Analyst, Funds Management Operations  
Nuclear Safety

Learn more: [EBRD's work in Chernobyl](#)

# ANNUAL MEETING 2023

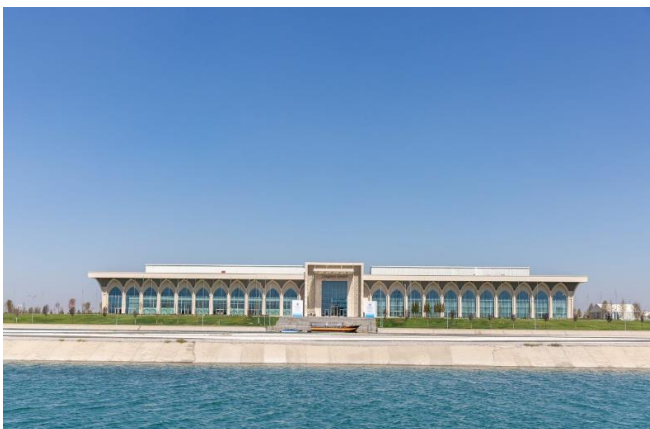
2023 Annual Meeting and Business Forum:  
Investing in Resilience



- The 32nd Annual Meeting of the EBRD Board of Governors and Business Forum will take place on 16-18 May in Samarkand, Uzbekistan
- Preparations are well underway for the flagship event at the state-of-the-art Silk Road Samarkand Touristic Centre complex, which opened earlier this year
- “Investing in Resilience” has been chosen as the 2023 Business Forum theme

Alongside the institutional programme, 10 discussion panels will be included in the schedule. The aim is to deliver a series of discussion panels balancing Central Asian/regional cooperation topics and global issues.

A series of investment outlook sessions, including a host country investment outlook session, press events, awards, the Business Connect programme and networking/social events will complete the 2023 Annual Meeting platform.



Kazuhiko Koguchi  
Secretary General  
Office of the Secretary General

# FOOD SECURITY

Trade Facilitation Programme



**Trade Facilitation Programme maintains support to alleviate issues in economies where the Bank operates**

- The Trade Facilitation Programme (TFP) plays an important role in food security in the economies where the EBRD invests
- In 2022, the TFP has supported more than 270 transactions, for a total of over €670 million of foreign trade in related products
- The TFP continues to offer swift support for economies where the EBRD invests to maintain the flow of essential imports and exports, even during crises

The war in Ukraine has had an enormous impact on global food supply chains, and the importance of food security has been receiving global attention.

The war and associated export restrictions have disrupted the planting, growing, harvesting, storing and exporting cycle in Ukraine, but the war has also affected many of the other economies in which the EBRD invests.

Some countries, particularly those in the southern and eastern Mediterranean region, rely on food imports and commodities from Ukraine and Russia. The populations of these countries are expected to grow and food demand will continue to rise. They are low income and basic food imports are vital.

Some of the economies in which the EBRD invests, particularly Kazakhstan, Romania and Ukraine, are major exporters of foods and food commodities into the EBRD regions, but they need to import seeds, fertilisers and agricultural machinery to plant and harvest their crops. The food and agricultural industries are important sources of income for these countries.

Yuka Masumizu  
Analyst  
Trade Facilitation Programme

Read more: [Trade Facilitation Programme](#)

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## RATINGS

Moody's and the EBRD



### Moody's reaffirms EBRD's AAA-rating with Stable Outlook

- *Moody's highlights the Bank's financial strength due to its high level of paid-in capital and reserves, as well as its very strong levels of liquidity and access to funding*
- *It notes that these attributes, together with its prudent risk management framework, support a riskier portfolio than most multilateral development banks, which are sovereign focused*

While recognising the impact of Russia's invasion of Ukraine on the EBRD's loan portfolio, including the rise in non-performing loans, the report takes particular note of the Bank's strong shareholder support, as evidenced in the substantial donor contributions and guarantees for the Bank's role and commitment to Ukraine. This leads Moody's to conclude that "the strong donor support obviates the need for a more time-consuming implementation of a general capital increase, but in case of need, we would also expect shareholders to provide such additional paid-in capital".

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## Fitch affirms EBRD at "AAA"



- *Fitch reaffirms EBRD's AAA rating with Stable Outlook*
- *It assesses EBRD's liquidity as "aaa" and shareholders' support at "aa-".*

In its affirmatory report, Fitch notes: "Thanks to its well-managed capital buffers, the bank has absorbed significant losses in relation to the Russia-Ukraine war, while still maintaining "excellent" capital ratios under Fitch's criteria. Despite rising credit risk in its countries of operations, Fitch expects the bank will maintain solvency metrics consistent with a "aaa" assessment over the medium term."

Commenting on the Bank's increased exposure to Ukraine, Fitch notes that the "EBRD has committed an envelope of up to 3 billion Euros new investments in Ukraine in 2022 and 2023, reflecting the strong commitment from shareholders to support the country".

Isabelle Laurent  
Director, Deputy Treasurer, Head of Funding

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## RECENT APPOINTMENTS

### **Tomas Kairys appointed Associate Director, Head of Baltic States**



*Tomas Kairys, former EBRD Associate Director, Senior Counsel has been appointed to the position of Associate Director, Head of Baltic States, effective 1 October 2022. Tomas will be based in Vilnius, Lithuania and report to Elisabetta Falcetti, EBRD Director, Regional Head of Central Europe and Baltic States.*

A Lithuanian national, Tomas first joined the Bank from the private sector in 2006 as Counsel with the Office of General Counsel (OGC) Banking team based in London. He was promoted to Principal in 2008 and again in 2011 to Associate Director, Senior Counsel, respectively. From 2011 to 2015, he was based in Istanbul, establishing the first OGC presence in Turkey. In 2019 to 2021, Tomas took the opportunity to spend two years at the AIIB, based in Beijing, China, as Chief Counsel for all of the bank's Investment Operations.

Tomas brings to his new role a wide spectrum of knowledge, skills and sectoral and regional experience, including support for complex capital-market transactions in the Bank's most advanced regions.

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## New Board Directors



With effect from 8 September, Andrew Smith became Alternate Director for Canada/Morocco/Jordan/Tunisia, succeeding Nathalie Dubé.

With effect from 1 November, John Swieringa became Director for Australia/Korea/New Zealand/Egypt, succeeding Philip Lindsay.

With effect from 7 November, Dino Sorrentino became Alternate Director for Italy, succeeding Massimo Carneiros.

# COMMUNITY INITIATIVE\*



## EBRD staff and alumni continue their joint fundraising efforts to support Ukraine

*At the beginning of March, the EBRD Community Initiative Steering Group unanimously approved extraordinary support from the Community Initiative for the staff fundraising campaign for Ukraine. The alumni community joined in the initiative and has been quick to respond to the many causes launched under the EBRD Community Initiative banner to help those affected in Ukraine. The Bank has agreed to match contributions from both staff and alumni, thus doubling the impact of their generosity.*

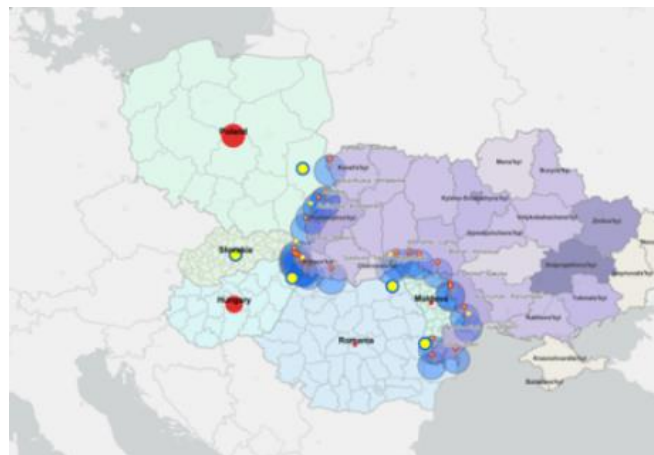
### Support our current Community Initiative projects



**Kids and Art Ukraine** – medical, humanitarian and educational support for the most vulnerable Ukrainian children (53 per cent raised so far). **Proceeds will be used, among other things, to buy electricity generators to keep kids warm!**



**Humanitarian Mission "Proliska"** – humanitarian help to provide food and shelter for the population of Ukraine's Kharkiv region. Crowdfunding has been undertaken together with a UNHCR partner, the non-governmental organisation Humanitarian Mission "Proliska" (37 per cent raised so far).



**Needs Map for Ukrainian Refugees** – support for civil society organisations in Ukraine and neighbouring countries through interactive map technology, which will help to create a coordinated and systemic humanitarian response.



**British-Ukrainian Aid** – a group of United Kingdom-based volunteers from diverse professions supporting the needs of people affected by war and humanitarian crisis in Ukraine. They provide support to the injured and wounded, internally displaced persons, orphaned children, the elderly and families who have lost their breadwinners.

\*The Community Initiative is a programme that provides a framework for the engagement of staff and the institution in philanthropic, social and cultural activities in the regions where the Bank works.

# COMMUNITY INITIATIVE

## EBRD Literature Prize



### EBRD Literature Prize 2023 open for submissions

- [Bank launches the EBRD Literature Prize 2023](#)
- [Competition celebrates translated literature from the regions where the EBRD operates](#)
- [Winning writer and translator to be revealed in spring 2023](#)

The European Bank for Reconstruction and Development (EBRD) has launched the [EBRD Literature Prize 2023](#).

The EBRD Literature Prize 2023 will be awarded to both the writer and the translator of the best work of literary fiction written in any language of the EBRD regions, translated into English, and published for the first time by a European (including UK) publisher in the eligible period.

The Prize has gained ever more visibility and recognition in recent years.

The independent judging panel of the EBRD Literature Prize 2023 will be chaired by [Toby Lichtig](#), Fiction and Politics Editor of the *Times Literary Supplement*, in his third and last term chairing the competition. Mr Lichtig is also a freelance editor and writer for a range of publications, including the *Wall Street Journal* and *The Guardian*. He is a former Chair of Judges of the 2018 JQ-Wingate Prize and a jury member of the 2019 EU Prize for Literature.

Other judges on the panel for the EBRD Literature Prize 2023 include:

[Maya Jaggi](#), an award-winning writer, critic and artistic director in London. Her cultural writing has appeared widely, from the *Guardian Review* (where she was a profile writer for a decade) and *FT Weekend* to *New York Review of Books*.

[Arkady Ostrovsky](#), *The Economist's* Russia and eastern Europe editor. He was previously Moscow Bureau Chief for *The Economist* and spent a decade with the *Financial Times* covering Russia. He wrote the 2016 Orwell Prize-winning book *The Invention of Russia: The Journey from Gorbachev's Freedom to Putin's War*.

[Natasha Randall](#), writer, literary translator and contributing editor to literary magazine *A Public Space*. Her award-winning translations include books by Dostoyevsky, Lermontov, Gogol and Zamyatin. Her articles and reviews have appeared in the *Times Literary Supplement*, *The Moscow Times*, *The New York Times* and others. Her debut novel, *Love Orange*, was published by riverrun (Quercus) in September 2020.

Since its inauguration in 2017, the EBRD Literature Prize has introduced English-language readers to a wide range of literature from countries as diverse as Albania, Croatia, the Czech Republic, Georgia, Latvia, Lebanon, Lithuania, Morocco, Poland, Russia, Turkey, Ukraine and Uzbekistan.

### Eligibility

Submissions for the EBRD Literature Prize 2023 may only be made for books translated into English for the first time between 15 November 2021 and 14 November 2022, by European (including UK) publishers with an ISBN and the price printed in the currency of a European country.

The works must consist of literary fiction (including collections of short stories by a single author), translated into English and written originally in any language, be it official or minority, of [a country in which the EBRD operates](#), by an author who is (or has been) a citizen of a country in which the Bank operates.

The submission deadline for publishers is 30 November 2022.

The shortlist will be announced in March 2023. This will be followed by an announcement of the three finalists in April 2023. An awards ceremony will be held at EBRD Headquarters in London.

The first prize, worth €20,000, will be equally divided between the winning author and translator. The two runner-up books will each receive a prize of €4,000, also equally split between author and translator.

# ARTS AND CULTURE

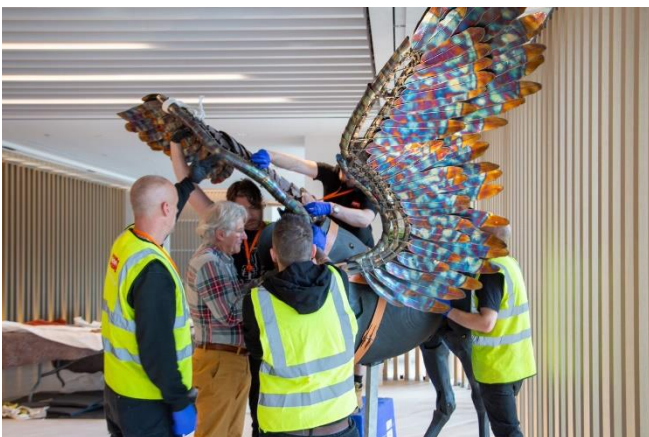
Pegasus spreads its wings at Five Bank Street



Last month, I walked to Whitechapel tube station to take the new Elizabeth line to Five Bank Street for the first time. I was off to the office to interview French artist Christian Renonciat, the creator of our magnificent Pegasus sculpture.

Christian created Pegasus more than 30 years ago and, when the time came to transport the huge piece to our new office, it was agreed that only he had the skill and knowledge to move his creation. This involved two special trips from Paris; the first to disassemble Pegasus and then, a week later, to rebuild it in its new home.

I met with Christian on level 14 of Five Bank Street, as he was orchestrating the reassembly of the sculpture. The piece is large and heavy, and required six contractors to manoeuvre portions of the horse's body, which he told me weighs 800 pounds – the same as a large adult horse.



Christian noted that Pegasus differs significantly from his usual work, which explores inanimate objects and materials in an abstract manner. Pegasus was fashioned in the Bank's image rather than his, designed to represent our mission.

In 1992, the artist was approached by the Bank to make a bespoke sculpture that could capture its essence. "The symbol of this bank is Europe," Christian told me.

To convey this, Christian decided to make a sculpture of Pegasus that melded the natural form with mechanical elements – a wooden horse with steel wings attached by a harness. "I decided to make Pegasus, inspired by Leonardo Da Vinci," he explained. "The wings are inspired by Leonardo, in his spirit of rebuilding the world mechanically. He designed wings for man to fly." Much like Da Vinci's vision, Pegasus captures the zeitgeist of the Renaissance period, where human reason was believed to have the power to shape the world.

To me it sounded like the sculpture was created to symbolise a future in which the Bank would contribute to rebuilding and reconstructing the economies in its regions.

## Piecing Pegasus together

The Pegasus sculpture is technically complex, with myriad moving pieces, fitted together. "There was quite a time crunch, as the team working on the disassembly only had one week to remould the base of the stand. I had to be there because it is quite tricky to take it apart and to put it together," he highlighted.

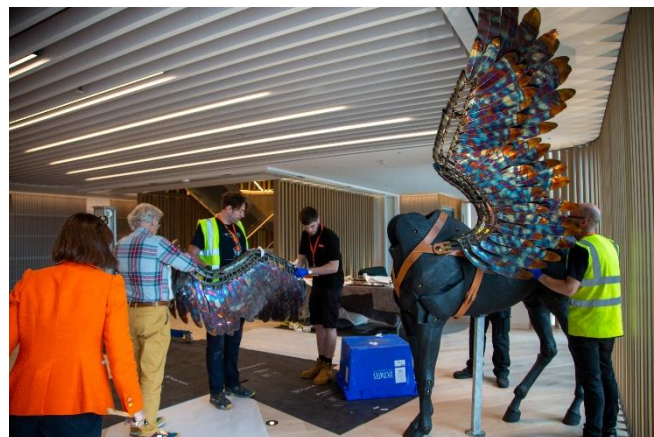
He stressed that capturing fluid movement was a key consideration when creating the artwork. "I was always thinking about these artist's mannequins, but they are always right in the way they move. They do not correspond to the natural way a human body moves, every articulation is wrong, because the axes of the ball joints are not the axes of joints in a natural skeleton. So, this horse was designed to replicate a natural skeleton, so that all the articulations would be in the right place."

The horse's body is made from plywood and employs a special technique: each piece is shaped differently to allow the sculpture to move and be adjusted in a range of positions. Similarly, the wings are created with the intention of functioning like bird wings, with the ability to fold into themselves.

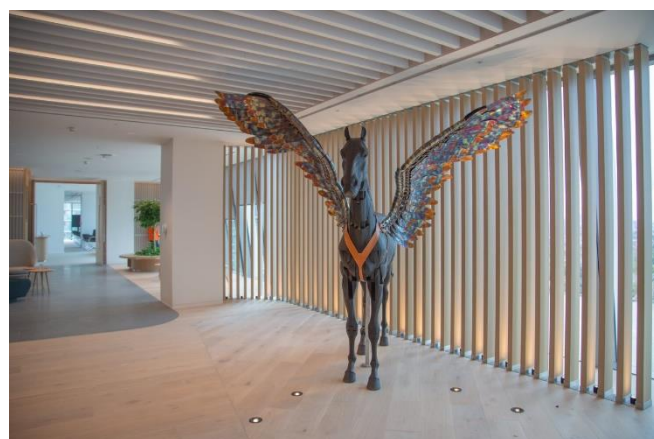


The sculpture was made in collaboration with Christian's brother, a talented craftsman who works with a variety of metals. The wings were made from stainless steel and scorched by fire, which created their luminescent blue-gold ombre.

“When I do art for a commissioned project, I feel like a young boy playing with new things. It feels like a holiday from my original work.”



When Christian screwed the final piece of the sculpture in place and the work was complete, the room, full of moving staff, colleagues from the Communications & BIS department and our art consultants, stood still in admiration. Pegasus, placed in front of a floor-to-ceiling window on level 14, brandished its wings before the striking London skyline as if about to take flight. The artwork serves as a fitting symbol of our institution's work over the last 31 years and its aspirations to rebuild and reconstruct the economies of the future.



Medina Bakayeva  
Assistant Analyst, Internal Communications  
Communications Department



Lastly, the leather harness, made by a top saddler, underscores the marriage between the mechanical and the natural. Pegasus' wings are artificial, made functional by the mechanism created by the harness, which attaches to the horse's body and legs. The idea is that when the horse moves its legs, the harness would pull the steel wings to make them flap. Of course, the horse does not move by itself, however, Christian wanted to convey the interaction of the man-made and the natural by giving the impression that the horse could fly.



### Then and now

I asked Christian how it felt to be reacquainted with the statue. “I did it 30 years ago, quite a long time. I had the pleasure of re-finding it in a new state,” he said. He remarked that working on Pegasus had offered him respite from his usual work.

# PUBLICATIONS



The EBRD's autumn/winter 2022 collection of publications contained two quality flagship reports that you won't want to miss.

## Transition Report 2022-23: Business Unusual

Our *Transition Report 2022-23: Business Unusual* was published on 22 November. In challenging times, this year's edition examines a global economic landscape scarred by the aftershocks of the Covid-19 pandemic and the consequences of Russia's war on Ukraine.

Europe is living through its largest forcible displacement of people since the Second World War, while both individuals and companies are experiencing unprecedented hikes in energy prices. Supply chains are being reshaped to boost their resilience, while many firms suffering from record levels of debt are at risk of becoming "zombies".

Our report contains fresh survey data and crucial insights to inform public and corporate decision-making. Its focus this year is on:

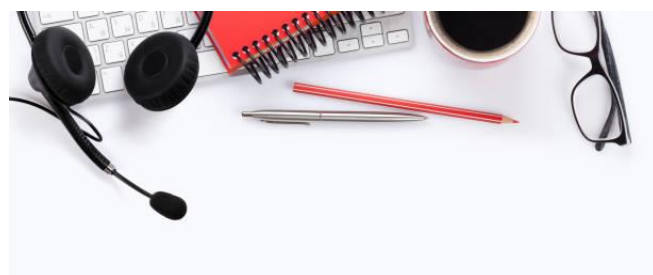
- The economics of war and peace, including a survey of the impact of military conflict on gross domestic product per capita, inflation, public debt and the path of post-war recovery.
- Conflict and migration, the demographic breakdown of refugees and their geographical distribution (EBRD economies host a third of the world's refugees), and the way they can relieve labour shortages in their host countries.
- Global supply chains, the disruption caused by Covid-19, extreme weather and the war in Ukraine, and efforts by firms to boost their resilience.
- Corporate debt and business dynamism, with debt in the EBRD regions at record highs, but defaults at record lows and "zombie firms" on artificial life support dragging down the performance of their more competitive rivals.

## Law in Transition 2022

Our *Law in Transition 2022* report was published on 17 October, with a primary focus on the digitalisation of government services – key to reassuring investors that they can conduct their business in a safe and predictable environment. The limited social contact of the Covid-19 pandemic has accelerated the process; digital tools have enabled citizens and businesses alike to continue interacting with government structures. The work of the EBRD's Legal Transition Programme actively promotes policies and regulation for the digitalisation of government services.

Our report, which also touches on the green agenda, includes articles on the digital transformation of public-sector services from an open government perspective; the feasibility of using electronic public procurement to select private parties in concessions and public-private partnership projects; the EBRD's agenda to address climate change and the role lawyers can play in achieving the goals of the Paris Agreement; and how technology, standards and regulations are rapidly evolving to help save biodiversity and our natural capital.

Happy reading!



# BUSINESS DEVELOPMENT

The EBRD's Business Development Group and the Alumni Association – working in partnership



## A word from Ana Draskovic, Director, Head of the Business Development Group (BDG)

*It may not be obvious to some but by working together, you, the Alumni Association, and the Business Development Group can reap many rewards. Ana Draskovic, Head of the BDG, explains how.*

### What is the BDG?

The Business Development Group (BDG) is an integral part of the Banking Department. We are a proactive, knowledgeable and friendly team of around 22 professionals, with staff based in London, Beijing, Dubai, Seoul, Tokyo and Washington, DC.

### What do we do?

Our goal is to develop new business for the Bank. We work in 35 foreign direct investment (FDI) countries and [37 economies](#) where the EBRD invests, collaborating with sector and country teams to increase the origination of new projects and business opportunities for the Bank.

By working with various stakeholders and global business associations we come up with innovative and strategic ways to market the EBRD to potential clients. We identify new clients, set up one-to-one meetings with companies and organise high-level webinars, conferences and global events. We also arrange delegation visits to our regional offices and conduct market mappings of FDI investors in the economies where the Bank operates.

Within the Bank, we have pioneered and introduced knowledge-sharing solutions for our colleagues.

We are also working on a new client portal that will make it easier for Bank clients to stay in touch with us and share information more seamlessly. But more on that another time!

### What are the Bank's current strategies and priorities?

We know that the world is living in turbulent times. The business climate is a challenge for governments and businesses alike. On the one hand, we see that foreign direct investment in the Bank's regions has been severely affected. On the other, however, we are seeing how companies are rethinking their business strategies through rebranding, product changes, seeking alternative supply chains, considering new markets or reshoring their operations.

You will have [read](#) that, in light of the war on Ukraine, the Bank and its donors are focused on supporting clients in Ukraine through a €2 billion resilience and livelihoods framework package. We are rethinking our approach to the ongoing energy crisis and food security situation, as well as addressing inequalities through our projects in our regions.

And it goes without saying that we continue to support our clients across all of our sectors and economies through financial and other business services.

There is much to do!

### How can alumni support business development?

Alumni can be pivotal to the Bank's business development efforts.

You have all worked here in your respective roles; you know the institution, you understand how we work and support companies through our financing and services, and you are experts in your fields.

If you so wish, you can do numerous things to help us: refer companies to us for financing or advice; share our [materials](#) and facilitate the connections.

We are happy to meet you and potential clients to discuss any possible investment plans. We could help match them with our teams in London and in the regions.

## How can BDG help our alumni?

Support is a two-way street, of course, and we would be pleased to help you in your endeavours. Would you like us to speak at your company or client events, for example? Could we support an event in your city with the local business community or associations or in academia? You already receive our monthly client newsletters via the membership portal, but perhaps there are different types of information you might want from us on a frequent basis?

These are just a few of our ideas and by no means exhaustive. We are really at *your* disposal and we stand ready to assist.

I look forward to keeping you informed of our BDG activities through the Alumni Association newsletters and staying in touch.

Best,  
Ana

For more information, please contact  
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Email: [draskova@ebrd.com](mailto:draskova@ebrd.com)

### Latest Business Development Group newsletters:

[BDG Newsletter December 2022](#)

[BDG Newsletter November 2022](#)

[BDG Newsletter October 2022](#)



Designed and produced by Lori Coretchi,  
Alumni Association Coordinator

Send us your feedback and any ideas for future features  
to [alumniE@ebrd.com](mailto:alumniE@ebrd.com)