



European Bank
for Reconstruction and Development

Digital Approach

2026-30

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Acronyms and abbreviations

AI	artificial intelligence	GET	Green Economy Transition
AML	anti-money laundering	GHG	greenhouse gas
API	application programming interface	HVAC	heating, ventilation and air conditioning
ASB	Advice for Small Businesses	ICT	information and communications technology
BIM	building information modelling	IEA	International Energy Agency
BREEAM	Building Research Establishment Environmental Assessment Method	IoT	internet of things
CEB	central Europe and the Baltic states	KYC	Know Your Customer
CFT	countering the financing of terrorism	MDB	multilateral development bank
CREST	Cyber Security Services, Accreditations & Training	NIS	network and information system
CRM	customer relationship management	OT	operational technologies
CRP	Cybersecurity Resilience Programme	ppp	purchasing power parity
CSP	Cyber Services Programme	PPP	public-private partnership
DORA	Digital Operational Resilience Act	SCADA	Supervisory Control and Data Acquisition
DTFF	Digital Transformation Financing Facility	SCF	Strategic and Capital Framework
DTSP	Digital Transformation Support Programme	SEE	south-eastern Europe
DPI	digital public infrastructure	SEMED	southern and eastern Mediterranean
EBRD	European Bank for Reconstruction and Development	SMART	SOE Management Assistance Reform & Transformation programme
EEC	eastern Europe and the Caucasus	SMEs	small and medium-sized enterprises
EO	Earth observation	SOE	state-owned enterprise
ERP	enterprise resource planning	STEM	science, technology, engineering and mathematics
ESG	environmental, social and governance	VCIP	Venture Capital Investment Programme
ESIF	Early-Stage Innovation Facility		
EU	European Union		
GDP	gross domestic product		

Executive summary

Digital transformation is reshaping economies, societies and markets at an ever-faster pace. In the economies where the European Bank for Reconstruction and Development (EBRD) operates, this shift presents both significant opportunities for sustainable growth and inclusion, and new challenges in terms of access to infrastructure, skills and enhancing resilience. Digitalisation is no longer a choice; it is a prerequisite for achieving and sustaining competitiveness in today's dynamic and interconnected markets.

The EBRD's Strategic and Capital Framework (SCF) 2026-30 commits the Bank to continuing to support its countries of operation in their transition to sustainable market economies by enabling them to become more competitive, well governed, green, inclusive, resilient and integrated.¹ In pursuing this goal, the SCF highlights three strategic themes on which the Bank intends to deepen its impact: (i) accelerating the green transition, (ii) strengthening economic governance and (iii) enhancing the development of human capital and equality for all. To amplify its impact, the SCF recognises two areas of activity as strategic enablers: the mobilisation of private capital to increase the flow of finance to the economies in which the Bank operates, and the development and deployment of digital technology to widen and deepen the scope of its transition impact.

The development and deployment of digital technology will be used to unlock new pathways for economic transition and increase impact in terms of all six EBRD transition qualities, underpinning the three pillars of the SCF. To illustrate, digitalisation can boost **competitiveness** by increasing productivity, support better **governance** through robust regulation and e-government services, enable the **green** transition by helping to reduce greenhouse gas (GHG) emissions, foster **inclusion** by expanding access and skills, strengthen **resilience** against shocks and cyber threats, and improve **integration** by reducing costs and increasing transparency in cross-border value chains.

The need for the EBRD to harness the potential of digital technology was recognised as a strategic priority in the Bank's previous SCF, which ran from 2021 to 2025.² The EBRD Digital Approach 2021-25 marked a significant step in mainstreaming digitalisation across the Bank's operations, supporting the establishment of the **foundations** of the digital economy, enabling digital **adaptation** in various sectors and enhancing **innovation**, underpinned by a cross-cutting focus on **cybersecurity**.³ Since the Digital Approach 2021-25 came into effect, the Bank has delivered tangible results through a range of new digital initiatives that combine investment, policy engagement and advisory support. EBRD-supported investments made in 2024 alone are expected to improve digital coverage for 4.1 million people and enhance connectivity for 676,000 individuals (see Section 1 and Annex A for more).

The **Digital Approach 2026-30 builds on the architecture adopted in the previous SCF period**, based on the three pillars of foundation, adaptation and innovation, and the cross-cutting theme of cybersecurity. The overarching goal for the next SCF period is **to harness digital technology as a strategic enabler accelerating**

¹ See EBRD (2025a).

² See EBRD (2020).

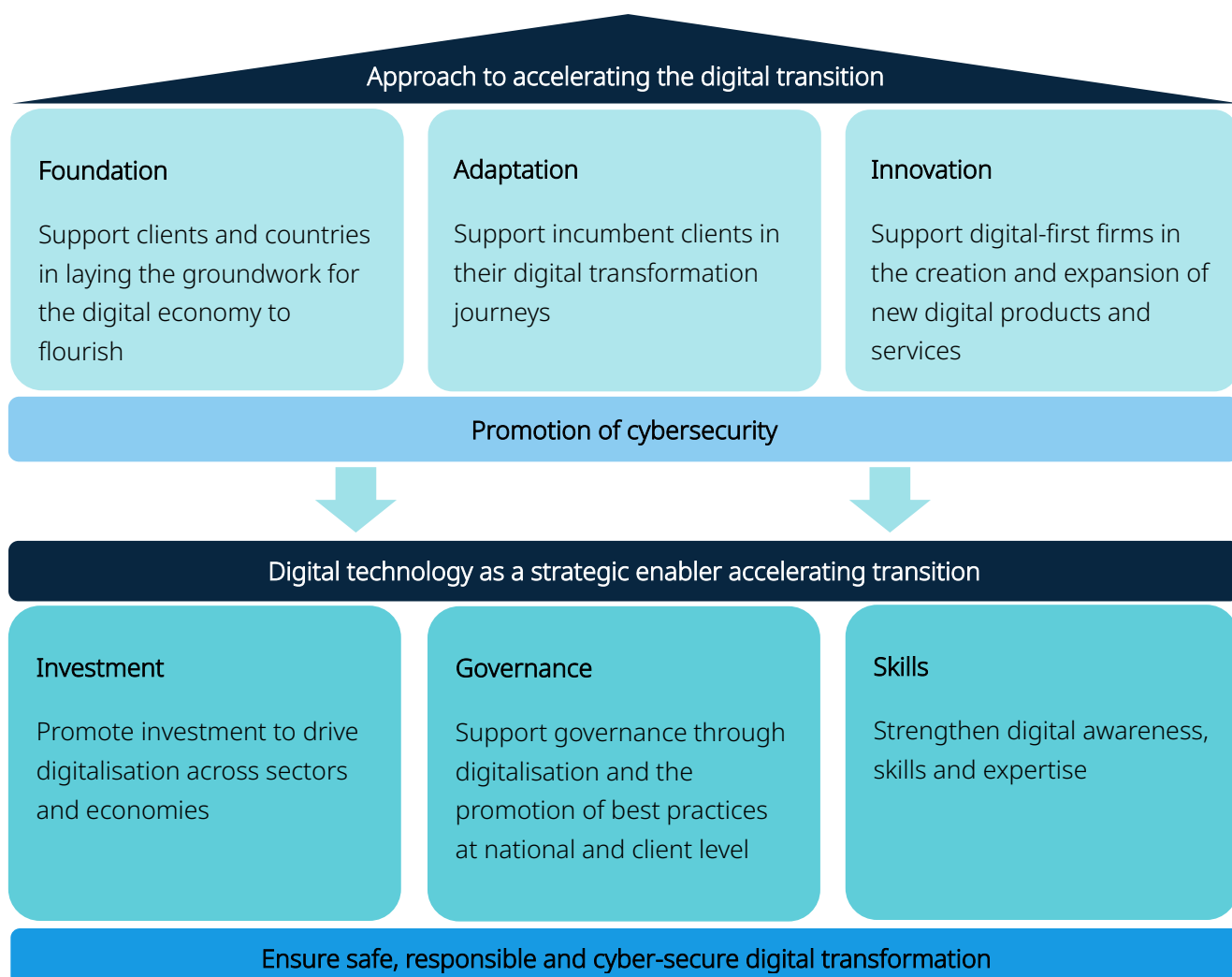
³ See EBRD (2021).

transition. To achieve this goal, the Bank will prioritise **four focus areas across the business sectors and economies in which it operates**:

- promoting **investment** to drive digitalisation across sectors and economies
- supporting **governance** through digitalisation and the promotion of best practices at national and client level
- strengthening **digital awareness, skills and expertise**
- as a cross-cutting priority, taking **measures to ensure safe, responsible and cyber-secure digital transformation** in the sectors in which it invests (see Figure 1).

To meet its transition objectives and amplify its impact, the Bank will further **enhance partnerships with donors and peer institutions**. The **EBRD's Digital Hub** will continue to play a pivotal role as a key delivery mechanism for the digital agenda, acting as a centre of excellence and a platform for coordinating, streamlining and amplifying digital initiatives across the Bank, while fostering knowledge sharing and measurable impact.

Figure 1. Framework for the Digital Approach 2026-30



Digital Approach 2026-30

The digital imperative for the EBRD regions

1. Adapting to an ever-changing digital landscape

1.1. External context and challenges in the EBRD regions

In 2026-30, the Bank will operate in the context of a rapidly transforming digital landscape that offers unprecedented opportunities for growth and innovation. The digital economy is expanding at more than twice the rate of global gross domestic product (GDP). Over the next decade, the World Economic Forum expects 70 per cent of new economic value to be generated by digitally enabled platform models.⁴ This underscores the central role of digital technology as a key driver of growth. “First movers” will secure productivity gains, attract investment and create better jobs, while economies and companies that lag in their digital transformation will face widening competitiveness and inclusion gaps.

While global connectivity continues to expand – with around 68 per cent of the world’s population online in 2024, up from 37 per cent a decade earlier⁵ – the digital divide is at risk of deepening (see Figure 2). In the economies where the EBRD invests, the digital inequality stack,⁶ including gaps in infrastructure, affordability and skills, threatens to deepen existing socioeconomic divides. Many low- and middle-income countries, particularly in sub-Saharan Africa, Central Asia and the southern and eastern Mediterranean region, still face some of the lowest connectivity rates and the highest internet costs relative to household income.

Foundational digital literacy remains low, with larger gaps in the EBRD’s non-EU investee economies (see Figure 3).⁷ Even when digital infrastructure and services are in place and individuals acquire information and communications technology (ICT) skills, limited local opportunities often lead them to pursue careers abroad, exacerbating the “brain drain” of digitally skilled talent. As emerging technologies become more complex and deeply embedded in operations, a digitally skilled workforce is increasingly a critical enabler of transformation.⁸ Digitalisation is expected to be the most transformative labour-market trend over the next five years, a period in which the global workforce overall is estimated to gain 170 million new jobs while displacing 92 million.⁹ Skills associated with artificial intelligence (AI) and big data are projected to be the fastest-growing skills, followed closely by network, cybersecurity and technological literacy.¹⁰ This highlights the urgent need for parallel investment in digital skills to ensure individuals are equipped to participate fully in digitally driven economies, including underserved groups and older people.

⁴ See WEF (2025a).

⁵ See ITU (2024).

⁶ See EBRD (2024b).

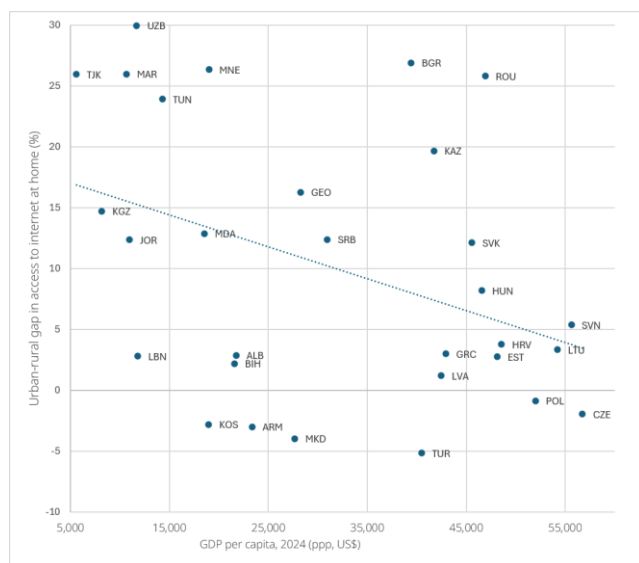
⁷ Ibid.

⁸ See EBRD (2025d).

⁹ See WEF (2025b).

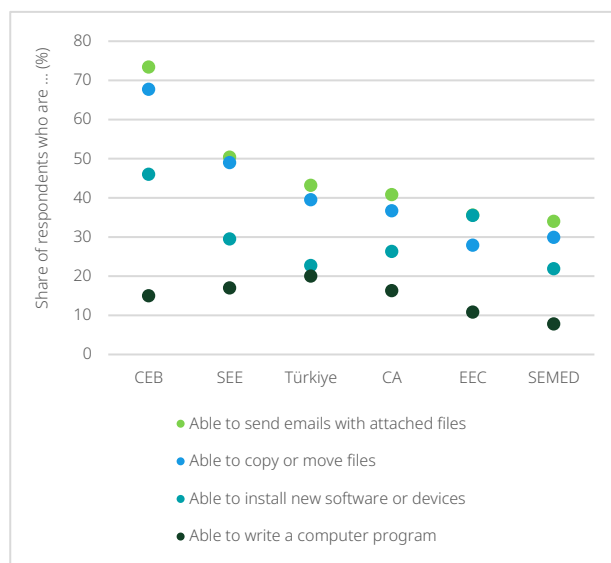
¹⁰ Ibid.

Figure 2. Urban-rural gaps in access to internet at home tend to be larger in poorer economies



Source: EBRD (2024b) and World Bank (n.d.).

Figure 3. Basic digital skills in EBRD economies



Source: EBRD (2024b).

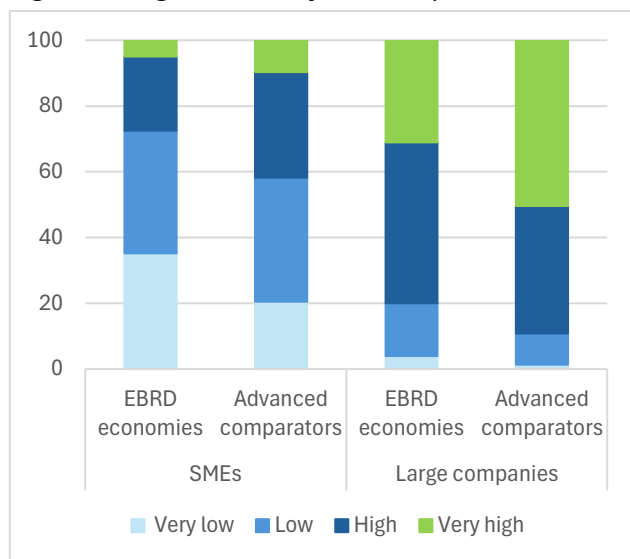
Firms across the EBRD regions are adapting to digital transformation at an uneven pace, with varying differences in infrastructural and digital readiness. While digital technologies such as cloud computing, enterprise resource planning (ERP), customer relationship management (CRM) systems and automation platforms are widely used in advanced economies, many small and medium-sized enterprises (SMEs), larger companies, state-owned enterprises (SOEs) and banks in the EBRD regions are still in the early stages of digital adoption (see Figure 4). These organisations often rely on outdated systems, spreadsheets or siloed legacy infrastructure, limiting their ability to scale up and integrate into modern digital ecosystems.

Another dimension of this challenge is the digitalisation of trade, which is increasingly reshaping supply chains, from customs and tariff management to environmental, social and governance (ESG) verification and digital product passports. As faster, more transparent and interoperable processes support competitiveness, firms in the EBRD regions may find themselves at a disadvantage if national infrastructure and regulatory frameworks do not keep pace, limiting their ability to participate in global markets. This imperative extends to capital markets. Digitalisation can play a transformative role in modernising capital markets infrastructure, reducing administrative barriers and enabling more proactive outreach to connect issuers with potential investors, thereby enhancing market access, efficiency and transparency, for example, with products such as digital bonds and blockchain technology.

As the digital shift accelerates, emerging technologies are rapidly becoming more mainstream, widening the gap between early adopters and laggards (see Figure 5). AI is increasingly being adopted by businesses worldwide and quickly becoming a key element in boosting productivity, innovation and competitiveness. Its transformative potential depends on access to AI-enabling infrastructure such as high-performance computing, cloud platforms and trusted data ecosystems, as well as foundational capabilities such as AI-related skills, cybersecurity resilience and regulatory readiness. However, the enabling infrastructure for the digital economy remains highly concentrated: only one in four of the world's connected data centres, where the training and deployment of AI models primarily take place, are located in low- and middle-income countries, limiting their capacity to scale up digital solutions and compete globally.¹¹

¹¹ See World Bank (2023).

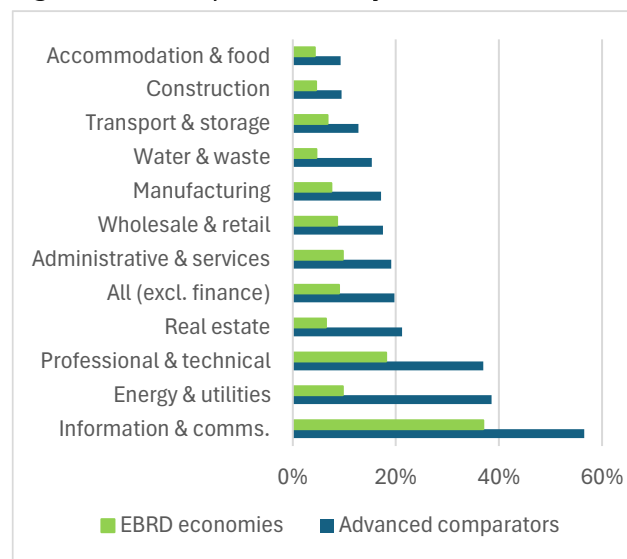
Figure 4. Digital intensity of enterprises



Source: Eurostat (2024).

Note: EBRD economies comprise the EU EBRD economies, Bosnia and Herzegovina, and Serbia. Advanced comparators comprise Austria, Belgium, Denmark, Finland, France, Germany, Italy, Luxembourg, Malta, the Netherlands, Norway, Spain and Sweden.

Figure 5. AI adoption rates by sector



Governments are increasingly recognising digitalisation as a strategic priority for policy action. The traditional policy focus on infrastructure and connectivity is rapidly evolving to encompass cybersecurity, data governance and the ethical use of emerging technologies such as AI. A number of international standards, including the Organisation for Economic Co-operation and Development (OECD) AI Principles, have become a global reference point, guiding governments towards innovative, trustworthy approaches to AI that respect human rights and democratic values, complemented by emerging International Standards Organization (ISO)/International Electrotechnical Commission (IEC) standards for responsible AI, such as ISO 42001, which provide guidance on secure, ethical and transparent AI deployment.¹² Recent trends, including the rise of agentic AI, are prompting a shift towards more adaptive, cyber-resilient regulatory frameworks. Europe has emerged as a global frontrunner in shaping digital and cyber policy, with landmark strategies and frameworks such as the EU's International Digital Strategy, Cybersecurity Act and AI Act aiming to establish common standards, enhance institutional preparedness and ensure responsible innovation. However, several non-EU EBRD economies face gaps when it comes to regulatory capacity and the ability to shape the broader enabling environment for new, emerging technologies, creating the risk of digital fragmentation and vulnerability to cyber threats.

The growing digital intensity of economic activity also brings new risks. As digital technologies become deeply embedded in ever more sectors, the reliance on data-driven tools heightens exposure to threats and risks such as data breaches, privacy violations and algorithmic bias. Cyber-attacks are becoming more frequent and sophisticated (see Figure 6), and the financial costs of cybercrime continue to escalate dramatically, with global losses projected to reach US\$ 10.5 trillion annually by 2025 and potentially US\$ 15.6 trillion by 2029 if current trends persist.¹³ Cyber-attacks undermine consumer and investor confidence, leading to lower sales and average stock-value declines of about 1.3 per cent post breach, with significantly larger losses in sensitive sectors.¹⁴ Smaller organisations, which often lack the resources to build

¹² See OECD (n.d.).

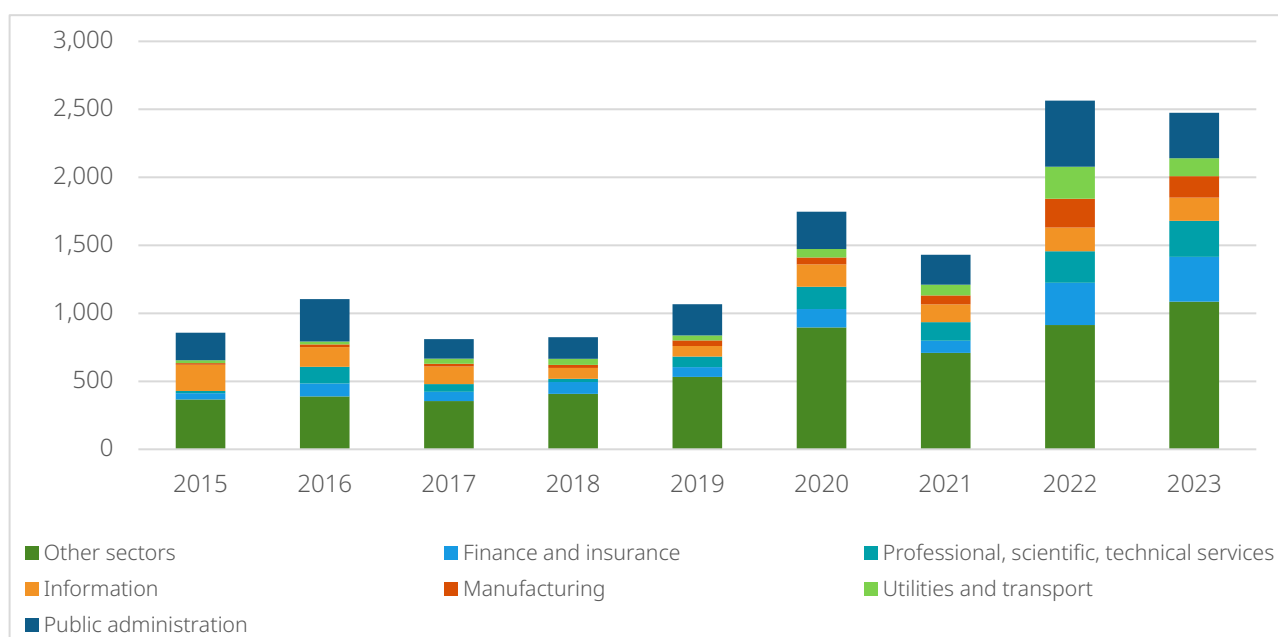
¹³ See Statista (2025).

¹⁴ See Celeny et al. (2024).

robust cyber-resilience, are particularly vulnerable.¹⁵ Importantly, cyber-attacks also carry a credit risk dimension for financial institutions, as they can trigger cascading financial losses along supply chains, underscoring the need for banks to incorporate cyber audits and cyber insurance into their credit risk assessments of clients.

Beyond direct financial damage, cyber-attacks have the potential to disrupt critical infrastructure sectors such as energy, finance, healthcare and transportation. Attacks on power grids can cause blackouts, halting business and daily life, while healthcare breaches can compromise patient data and services. On a national scale, the possibility of cyber-incidents poses significant threats to public services and government operations, with potentially debilitating effects on national economic governance and security. Geopolitical tensions and expanding regulatory regimes further exacerbate this trend, creating a more volatile cyberspace and increasing market demand for higher-quality suppliers and greater supply-chain security. The size of the global cybersecurity market is projected to grow from US\$ 219 billion in 2025 to more than US\$ 560 billion by 2032,¹⁶ making it both a critical policy priority and an opportunity for quality job creation and innovation. At the same time, two in three organisations report moderate to critical cyber skills gaps, highlighting the urgent need to pair technological investment with workforce development.¹⁷

Figure 6. Number of cyber-events by sector globally



Source: Harry and Gallagher (2018).

Note: Sectors are classified according to the North American Industry Classification System (NAICS).

Digitalisation is also both a critical enabler of the green transition (the “twin transition”) and a source of growing environmental pressure, which requires systematic management. The environmental footprint of the digital value chain, from rare earth extraction to hardware manufacturing and disposal, is significant, contributing to pollution and carbon emissions. Data centres, which are relatively new energy system actors at global level, were responsible for about 1.5 per cent of global electricity consumption in 2024 and are projected to reach 3 per cent in 2030 under an International Energy Agency (IEA) base-case scenario.¹⁸ At the same time, digital technologies are recognised as an important enabler of the long-term decarbonisation of

¹⁵ See WEF (2025c).

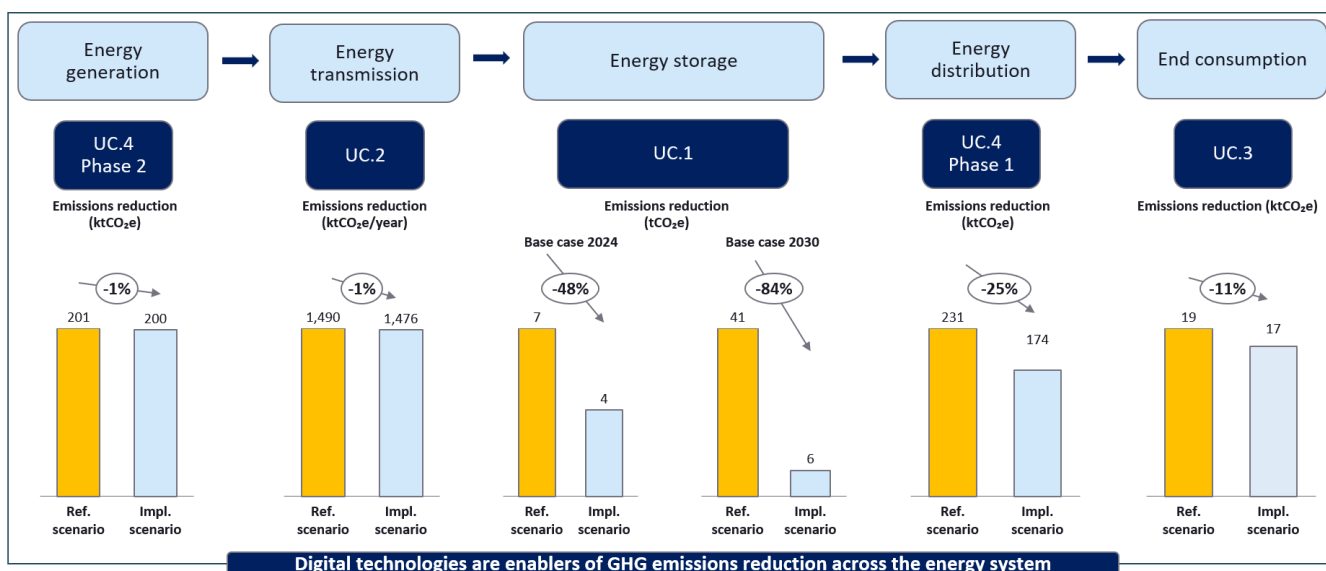
¹⁶ See Fortune Business Insights (2025).

¹⁷ See WEF (2025c).

¹⁸ See IEA (2025).

the economy across business sectors, from low-carbon mobility to precision agriculture, environmental monitoring and disaster response. Research suggests that digital solutions could help cut 20 per cent of GHG emissions in three carbon-intensive sectors (energy, materials and mobility) by 2050, through the development and implementation of new technologies to support energy efficiency.¹⁹ A recent study commissioned by the EBRD, for instance, which focused on four case studies, illustrates the significant positive impact of digital technologies throughout the energy value chain, reducing GHG emissions by as much as 84 per cent (see Figure 7).

Figure 7. Digital technologies as enablers of GHG emissions reductions across the energy system



Source: EY (2025).

Note: Ref. scenario = Reference scenario; Impl. scenario = Implementation scenario. Analysis is based on established standards and guidance for life-cycle carbon assessment and avoided GHG emission calculations, including ISO 14064-2, ISO 14067 and the World Business Council for Sustainable Development (WBCSD) guidance on avoided emissions. Estimated CO₂e emission reduction percentages are project specific and may vary significantly from initiative to initiative.

Box 1. Introduction to the space economy

The space sector plays a key role in many facets of the global economy, such as telecommunications, navigation, weather and climate forecasting, banking transactions and connectivity.

The global space economy is projected to reach €1.6 trillion by 2035²⁰ and its business potential is becoming increasingly recognised. It has strategic relevance for the EBRD because of its potential to drive innovation, improve economic growth and resilience, and support sustainable development in various sectors.

The EBRD Telecommunications, Media and Technology Sector Strategy 2025-29²¹ identifies satellite connectivity as an increasingly mainstream option for areas beyond the reach of cellular base stations and as a backup technology for critical communications infrastructure. Other business opportunities are to be found in the energy, agriculture, financial, transport and infrastructure sectors (smart/green cities). Geospatial applications and satellite data, known as Earth observation (EO) data, can assist in achieving sustainability and green transition targets by enhancing the effectiveness of environmental monitoring and social impact assessments, as well as supporting sustainable practices, such as smart farming.

With the global space economy permeating ever more sectors and industries, its importance to society and economic systems is expected to grow, offering potential for investment, innovation and greater impact.

¹⁹ See WEF (2022).

²⁰ See European Commission (2025).

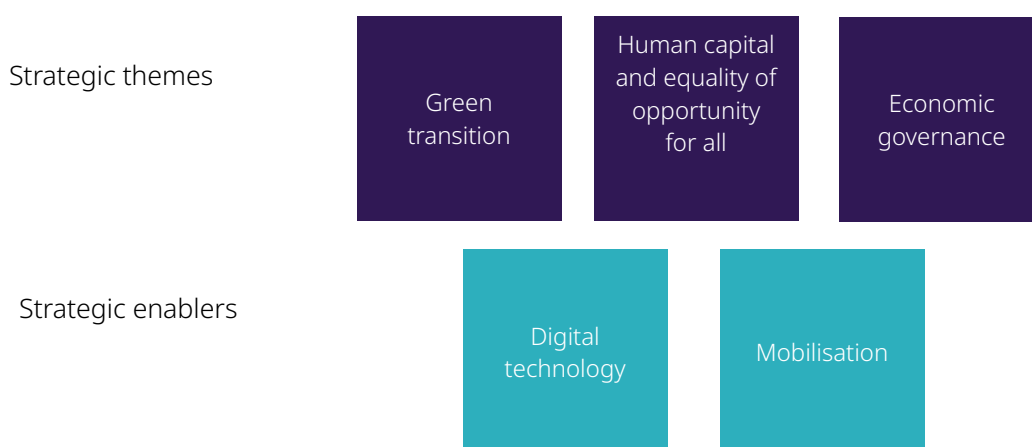
²¹ See EBRD (2025c).

EBRD economies can secure a competitive edge in the digital sphere by leapfrogging legacy technologies, skipping slow, costly infrastructure rollouts and moving directly, for instance, to 5G connectivity and smart infrastructures. Leapfrogging also allows firms and governments to build services on digital-by-design platforms, such as e-government solutions and AI-ready systems and infrastructure. This approach enables the faster adoption of modern, efficient solutions; integrates people sooner into the digital economy; and reduces costs for governments, businesses and households. Beyond efficiency, it creates space for innovation, new business models and digital-first companies, such as neo-banks and fintech firms. These increase access to finance, as demonstrated by the expansion of mobile money in Africa. Ultimately, it allows domestic entrepreneurs to compete globally with cutting-edge technology, rather than just catch up.

1.2. The EBRD's role

The EBRD's role in advancing the digital transition is anchored in its SCF 2026-30, which commits the Bank to supporting its countries of operation in the transition to sustainable market economies by enabling them to become more competitive, well governed, green, inclusive, resilient and integrated.²² In pursuing this goal, the SCF highlights three strategic themes on which the Bank intends to deepen its impact: (i) accelerating the green transition, (ii) strengthening economic governance and (iii) enhancing the development of human capital and equality for all. To amplify its impact, the SCF recognises two areas of activity as strategic enablers serving as a nexus across all three strategic themes, as well as across all sectors of operation: the mobilisation of private capital to increase the flow of finance to the economies in which the Bank operates, and the development and deployment of digital technology to widen and deepen the scope of its transition impact.

Figure 8. EBRD strategic priorities and enablers for the 2026-30 period



Source: EBRD (2025a).

²² See EBRD (2025a).

The development and deployment of digital technology will be used to unlock new pathways for economic transition and increase impact in relation to all transition qualities. To illustrate, digitalisation can:

- contribute to **competitiveness** by increasing productivity and innovation, enabling access to new markets and improving customer outcomes
- strengthen **good governance** by promoting regulatory frameworks that encourage responsible digital investment, foster efficient and transparent e-government services for businesses, and promote compliance with regulatory standards
- act as a key enabler for the **green** transition by facilitating emission reductions and climate adaptation across sectors through digital technologies
- promote **inclusion** by expanding access to digital services and job opportunities, improving the affordability and reliability of digital infrastructure, and equipping individuals, especially women, young people and underserved groups, with the skills needed to thrive in the digital economy
- bolster **resilience** by enhancing the ability of clients to withstand and recover from external shocks, while strengthening cyber-resilience at national and client level
- enhance **integration** by reducing transaction costs and increasing traceability and transparency across value chains, thereby improving cross-border connectivity.

The Bank's added value lies in its ability to combine financing with policy engagement and advisory support to accelerate cyber-secure digital transformation. The EBRD can help to scale up investments in digital infrastructure, modernising businesses, promoting greener and more sustainable digital systems, and strengthening human capital through inclusive digital skills development. At the same time, the Bank is well-placed to support business-enabling reforms that lay the groundwork for effective digital governance and support compliance with regulatory frameworks for cybersecurity and data privacy.

1.3. Results of the Digital Approach 2021-25

The EBRD recognised the need to harness the potential of digital technology as a strategic priority in its previous SCF for 2021-25.²³ To support its delivery, the EBRD launched the Digital Approach 2021-25,²⁴ which established a framework based on three pillars to be pursued through the Bank's full suite of digital investments, policy engagement and advisory services:

- establishing the **foundation** of the digital economy, seeking to promote appropriate policies and regulations, and improving access to connectivity through the expansion and enhancement of digital infrastructure
- promoting **adaptation** and the digital transformation of Bank clients in various sectors through enhanced digital services, products, processes and practices to promote greater productivity, resilience, environmental performance and inclusion

²³ See EBRD (2020).

²⁴ See EBRD (2021).

- supporting **innovation** by promoting startup-friendly ecosystems, overcoming growth constraints and meeting the specific financing needs of digital-first companies and startups vital to market economies owing to their innovation, rapid scaling, job creation and revenue generation.

These areas were supported by the cross-cutting theme of enhancing **cybersecurity** by undertaking due diligence and promoting the implementation of appropriate measures and investments to support clients in strengthening their cyber position and resilience.

The Bank supported the implementation of the Digital Approach 2021-25 with a comprehensive suite of measures to mainstream digital activities into its work across sectors, to enhance digital skills both at client and staff level, and to track activity and impact. This included the establishment of a digital tagging methodology to monitor digital projects that enabled transition impact, the integration of digitalisation and cybersecurity into the EBRD's transition impact assessment methodology, the integration of digital considerations into the Bank's strategies and policies – notably the inclusion of digital risks into the EBRD's Environmental and Social Policy²⁵ – and the launch of the Digital Skills learning and development programme for Bank staff.²⁶

The implementation of the Digital Approach 2021-25 has been underpinned by the development of a suite of innovative tools and products designed to accelerate digital transformation across the economies in which the Bank invests and to advance its digital ambitions.²⁷ These include:

- the **Go Digital Programme**, aimed at improving access to finance for SMEs that invest in automation and digitalisation, and increasing SME awareness and knowledge with a view to carrying out such investments
- the **Cybersecurity Resilience Programme (CRP)**,²⁸ a technical cooperation tool launched in 2023 to assess cyber-risks, raise awareness and formulate mitigation plans, as well as provide implementation support
- the **Digital Transformation Support Programme (DTSP)**,²⁹ an advisory tool launched at the end of 2024 to accompany clients in their digital transformation, address digital skills gaps, identify priority digital investments and raise capital
- the **Sustainable Infrastructure Group Digital Transformation Toolkits**, a suite of digital assessment tools for five key infrastructure sectors (transport, power and energy, solid waste, water, and buildings and district energy), aimed at identifying digital investment and capacity-building opportunities to better support clients' business objectives.

Between 2022 and 2024, the annual number of EBRD investments with a digital component enabling transition impact nearly doubled. Half of these investments were in the corporate sector, and the remainder was split equally between sustainable infrastructure and financial institutions. Investment activity was complemented by nearly 130 digital-related technical cooperation projects during the same period. Amid a wider strategic shift towards investment-enabling technical cooperation projects, the annual number of such engagements declined, reflecting more effective prioritisation. However, the number of assignments under the transactional flagship digital and cyber technical cooperation programmes (the DTSP and the CRP) is increasing steadily. In parallel, targeted support for digitally born businesses grew, with the number of firms

²⁵ See EBRD (2024a).

²⁶ See Annex B for further details on the results snapshot.

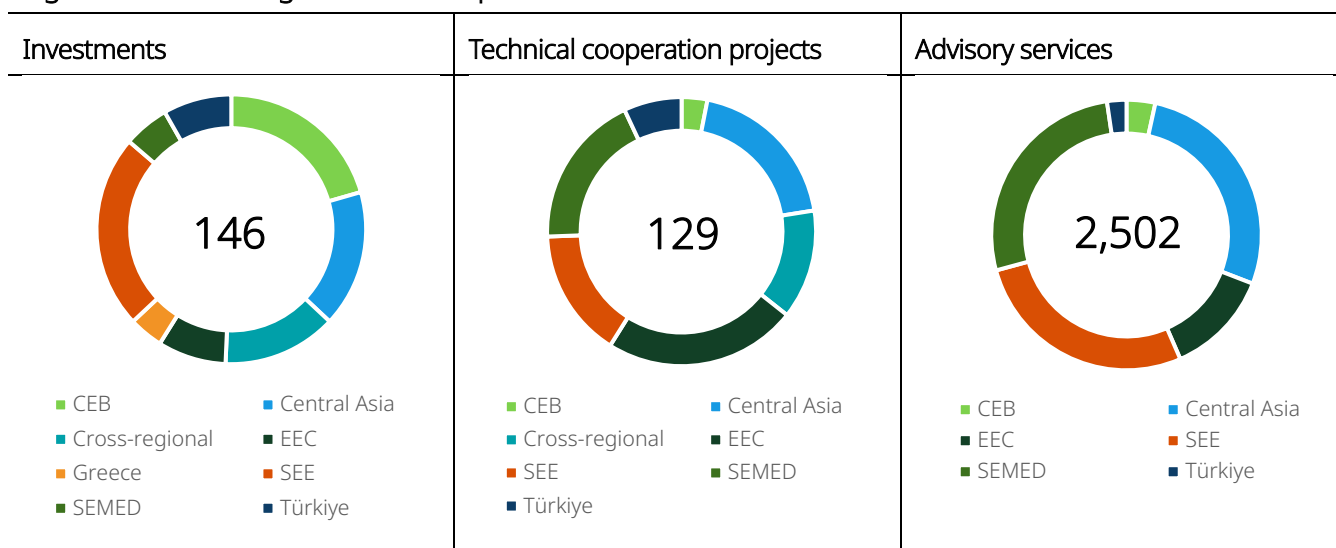
²⁷ See EBRD (2025b) for more.

²⁸ See EBRD (n.d.b).

²⁹ See EBRD (n.d.e).

assisted each year rising from 150 in 2022 to 163 in 2024, underscoring the Bank’s increasing focus on innovative, technology-driven enterprises (see Figure 9).

Figure 9. 2022-24 digital results snapshot



Note: Investments include projects with a digital component enabling transition impact. Technical cooperation projects include transactional and non-transactional projects with a measurable digital component. Advisory services to promote or facilitate SME digitalisation include projects with a cross-cutting digital component.

CEB = central Europe and the Baltic states; EEC = eastern Europe and the Caucasus; SEE = south-eastern Europe; SEMED = southern and eastern Mediterranean.

The Bank’s investments in digital infrastructure and connectivity in 2022-24 are projected to have improved digital coverage (the number of individuals who have physical access to a network) for 14.5 million people and boosted digital connectivity (the number of individuals actually connected to and using an improved network) for 3.5 million people, opening up economic opportunities and promoting digital inclusion.

Through the Bank’s Star Venture programme, which provides advisory services to SMEs with high growth potential, the Bank directly supported 389 tech startups and 36 local accelerators in 2022-24. Companies that have received support have seen their average revenue grow sixfold and have created more than 6,000 new jobs. Around three-quarters have raised more than €573 million in funding, mostly through equity financing.³⁰

The EBRD also invested directly alongside qualified co-investors in early- and growth-stage private technology companies through its flagship Venture Capital Investment Programme III (VCIP III), approved in 2022. With a five-year investment period and €250 million in available funding, the programme serves as a key instrument for supporting the development and commercialisation of innovative technologies and advancing the Bank’s digital objectives. As of October 2025, the VCIP III had 12 investee companies in its portfolio.

³⁰ See Annex B for more.

The following cases illustrate the range of the Bank's digital engagement under the Digital Approach 2021-25:

Building digital foundations in Serbia

By the end of 2024, 332 schools and 62,000 households in Serbia had benefited from new or upgraded connectivity thanks to EBRD finance for investment in mid-mile and last-mile broadband internet infrastructure that brought fibre to rural parts of the country. Two projects with a combined value of €118 million were provided to Serbia, building on the results of an earlier in-depth study to identify the most cost-effective public-private partnership (PPP) model for the construction of digital infrastructure.

Strengthening cybersecurity adaptation in Ukraine and Mongolia

The EBRD supported Ukrainian petroleum company GNG in developing dark web-monitoring capabilities to strengthen its cybersecurity position and enhance its threat intelligence gathering. The assignment included piloting a threat intelligence programme for dark web monitoring and research, with monthly reports on any compromised assets, leaked credentials and other threat indicators. Its impact was measured through company feedback and an assessment based on the Center for Internet Security CIS18 Framework, which showed a five-point improvement in its cyber-resilience score.

As part of a Women in Business credit line, the EBRD is helping to strengthen the cybersecurity of Mongolia's Khan Bank by improving its application programming interface (API) security, upgrading its customer security management, increasing awareness and addressing novel risks emerging from the use of AI applications and other digital systems, in alignment with the ISO 42001 AI management standard.

Supporting the twin green and digital transition in Lithuania

In 2024, the Bank extended a senior loan of €19.6 million under the InvestEU framework to support the construction of a sustainable office building in Vilnius. The project advances the twin green and digital transition by targeting at least Building Research Establishment Environmental Assessment Method (BREEAM) "Excellent" certification and promoting digital innovation in the built environment through the implementation of a suite of integrated digital tools, including building information modelling (BIM), a building management system and an AI-powered building energy modelling platform, to enhance decision-making, improve energy performance and ensure efficient operations throughout the building's lifecycle.

Financing technological innovation through venture capital investments in Poland

In 2025, through the VCIP III, the EBRD invested €15 million in Nomagic, a leading Poland-based provider of AI-powered robotic solutions for warehouse automation. Nomagic combines advanced AI with cutting-edge robotics to streamline e-commerce and multichannel fulfilment, helping businesses boost productivity, reduce operational costs and counter labour shortages. The investment supports the company's growth and innovation in a rapidly expanding market, where AI-driven robotic picking is closing gaps in warehouse automation.

1.4. Lessons learned and operational implications for future delivery

Since the Digital Approach 2021-25 came into effect, the Bank has maintained an agile approach to advancing its activities and engagement, testing, adapting and refining its delivery model to achieve the greatest impact. The lessons learned from implementing initiatives to date, which are reflected in the Digital Approach 2026-30, include the following:

1. The framework of the first Digital Approach has proved effective and will remain in place.

The **foundation, adaptation and innovation** pillars will continue to guide the Bank's strategic focus, resource allocation and cross-team coordination. As a prerequisite for ensuring resilience, trust and operational continuity between sectors and clients, **cybersecurity will remain an explicit cross-cutting priority**. The Bank's areas of focus should remain adaptive to emerging technological trends, especially where early engagement may offer leapfrogging opportunities.

2. Digital risks are increasingly relevant to stakeholder trust and to the EBRD's ability to deploy its products.

Technical cooperation should be deployed and/or enhanced to support the execution of projects with elevated digital risk profiles, particularly where targeted support can help to ensure compliance with the EBRD's Environmental and Social Policy and international standards, including on supply-chain security.

3. Digital knowledge and awareness are essential to delivering effectively.

Digital skills and awareness of the benefits and opportunities provided by digital technology are essential, underscoring the need for structured upskilling programmes at both client and EBRD staff level that will help to set the stage for ambitious and meaningful digital transformation projects.

4. Incentives matter to the delivery of digital projects.

The EBRD can play a pivotal role in helping clients identify priority digital investments, by clearly illustrating the return on investment and added value of such projects and providing, when needed, appropriate incentives to help de-risk initial investments.

Digital Approach 2026-30

Enabling transition: high-level objectives

2. Digital direction and high-level objectives

Advancing the Bank's aim of capitalising on the development and deployment of digital technology as a strategic enabler to achieve greater systemic transition impact, the Digital Approach 2026-30 complements and is supported by the three SCF strategies on human capital and equality of opportunity, economic governance and the green economy transition, as well as a number of sectoral strategies,³¹ policies and programmes:

- The **Telecommunications, Media and Technology Sector Strategy 2025-29** outlines the Bank's aim of supporting the foundations of a digital economy through the rollout of critical digital infrastructure and the fostering of innovative digital ecosystems by financing tech companies and dynamic IT services.³²
- The Bank's long-established **Venture Capital Investment Programme** specifically targets innovative investments in promising digital start-ups based in the EBRD regions, driving technological advancement and fostering entrepreneurship.³³
- The **Early-Stage Innovation Facility (ESIF)** helps to foster a thriving financial offering for digitally innovative young firms across the Bank's regions.³⁴
- The 2024 **Environmental and Social Policy**, which provides a foundational framework for managing environmental and social risks across the Bank's operations, includes digital risks for the first time, in recognition of the possible adverse environmental and social impacts of digitalisation, as well as the risks that data insecurity poses with respect to human rights and public health and safety.³⁵

The overarching goal of the new Digital Approach 2026-30 is to **harness digital technology as a strategic enabler, accelerating transition**.

The Digital Approach 2026-30 builds on the framework established in the Digital Approach 2021-25. As shown in Figure 1, it comprises the three pillars of **foundation, adaptation** and **innovation** and the cross-cutting theme of **cybersecurity**, and it has **four specific areas of focus**:

- promoting **investment** to drive digitalisation across sectors and economies
- supporting **governance** through digitalisation and the promotion of best practices at national and client level
- strengthening **digital awareness, skills and expertise**
- as a cross-cutting priority, taking **measures to ensure safe, responsible and cyber-secure digital transformation** in the sectors in which it invests.

³¹ Other EBRD sectoral and country strategies will play an increased role in the Bank's digital and cybersecurity delivery, including the Infrastructure Sector Strategy and the Energy Sector Strategy.

³² See EBRD (2025c).

³³ See EBRD (n.d.c).

³⁴ See EBRD (n.d.d).

³⁵ See EBRD (2024a).

The Bank's strategic focus for 2026-30 is founded on the understanding that achieving systemic impact requires integrated approaches that reinforce each other. Green transition, economic governance, human capital and equal opportunity, digitalisation and private-sector mobilisation are not standalone priorities; rather, they function as interconnected levers that collectively advance the Bank's mandate. The Bank will amplify its impact by intentionally designing operations and leveraging the significant interdependencies among these core strategic themes.

2.1. Promoting investment to drive digitalisation across sectors and economies

The Bank has a unique role to play in supporting its clients in their digital transition. Unlike commercial investors, it can take a long-term view, de-risk innovation, encourage the adoption of responsible and sustainable market standards, and promote interoperability and inclusion. The EBRD can assess project relevance, anticipate risks and help clients design future-proof investments, amplifying its catalytic role and ensuring digital technologies and policies are not just imported, but shaped, adapted, scaled up and embedded across its regions.

The development and deployment of digital technology rely on high-quality digital infrastructure. Better digital infrastructure and services will enable companies to grow, modernise and integrate into global value chains. Such investments also help clients adopt digital tools that improve productivity, efficiency and service delivery. Moreover, they foster innovation by enabling the emergence of new business models and digital-first enterprises. At the same time, digital technology plays a pivotal role in the green transition. Smart technologies, automation and satellite-based data and applications will be critical in improving resource efficiency, reducing emissions and enhancing climate resilience.

Table 1 illustrates the key challenges faced by EBRD clients, as well as some of the key opportunities presented by the digital transition and how the EBRD can lend support. The demand for digital investments has risen steadily over the past four years, with the number of "tagged" investments increasing by 30 per cent from 2023 to 2024. This upward trend is expected to continue.

Table 1. Examples of digital challenges, opportunities and how the EBRD can support its clients

Corporate sector (excluding telecommunications, media and technology) and SMEs	
Challenges	The corporate sector and, in particular, SMEs are suffering from limited digital capacity, low awareness and a lack of skills, compounded by siloed legacy systems and budgetary constraints. Productivity is lagging due to outdated equipment and exclusion from supply chains. In agribusiness, high exposure to climate effects, poor integration into global value chains and a lack of traceability are hindering competitiveness, while smallholders are struggling to access technology. Real estate is burdened by poor energy performance, low renovation rates and inefficient asset management.
Opportunities	Cross-sectoral opportunities include the modernisation of enterprise systems (ERP, CRM, low-code/no-code platforms, cybersecurity tools) and migration to AI-ready data centres and edge solutions. Transitioning to Industry 4.0 standards, including the internet of things (IoT), edge computing, robotics, AI-driven automation, predictive maintenance and digital twins, could boost efficiency and competitiveness. Sector-specific opportunities include: <ul style="list-style-type: none"> ● manufacturing and services: digital capex programmes to modernise production lines, improve resource efficiency and enable integration into global value chains ● food and agribusiness: adoption of climate-smart precision agriculture using IoT sensors, satellite data, blockchain for traceability and farm management platforms

- **real estate:** deployment of BIM, digital twins and AI-driven energy management systems for lifecycle monitoring and ESG reporting.

How the EBRD can contribute	The EBRD can accelerate digitalisation by building awareness and capacity, supporting re-skilling and upskilling, conducting digital maturity assessments, and improving access to finance and advisory services. The Bank can finance capex for Industry 4.0 upgrades, foster agritech ecosystems and promote digital platform interoperability aligned with digital public infrastructure (DPI) and cybersecurity objectives. In real estate, the EBRD can integrate advanced digital tools into green building finance, leveraging AI, the IoT and smart heating, ventilation and air conditioning (HVAC) for efficiency and sustainability.
Examples of support provided	<p>In 2022-24, the EBRD financed 14 investments in digital transformation projects in the manufacturing and services sector. Examples include a Ukrainian pharmaceutical producer's implementation of SAP systems, a Polish telehealth company's investment in e-health solutions and an Uzbek electronics retailer's integration of digital tools, such as AI-driven CRM personalisation, into its operations. The Bank also supported the innovation ecosystem by financing science and technology parks in Serbia to foster Industry 4.0 adoption.</p> <p>In food and agribusiness, the EBRD made 17 digital transformation investments, targeting automation, process digitalisation and digital infrastructure. Recent initiatives supporting agritech ecosystems include the 2024 launch of the AgVenture programme, which backs early-stage businesses developing technologies to make the agriculture and food industries greener and more sustainable, and an investment in the rollout of precision-agriculture technologies across Estonia, Latvia and Lithuania.</p> <p>The EBRD has also advanced digitalisation in real estate to improve efficiency and sustainability. In Lithuania, Bank financing enabled the introduction of advanced tools such as BIM, building energy management systems and AI-driven solutions for the design, construction and maintenance of buildings.</p> <p>The EBRD complements its digitalisation programmes with tools that raise awareness of how technology can drive business growth, such as the Digital Barometer, first piloted in Türkiye and now being scaled up in other countries.</p>

Telecommunications, media and technology

Challenges	EBRD countries face persistent connectivity gaps, widening the digital divide, alongside an increasing environmental footprint and growing cybersecurity risks.
Opportunities	There is potential to roll out and upgrade digital infrastructure to reduce connectivity gaps and scale up technologies that enable the digital economy. These investments can foster innovation, adaptation and resilience across markets.
How the EBRD can contribute	As outlined in the Bank's Telecommunications, Media and Technology Sector Strategy 2025-29, EBRD support includes the expansion and upgrading of digital infrastructure, including fixed fibre broadband and mobile networks (4G, 5G and satellite connectivity), investments in green, AI-ready data centres and cloud platforms, enabling sustainable growth and advanced digital services. ³⁶ The EBRD also drives the scaling up of technologies to support the digital economy, fostering innovation and adaptability across sectors.
Examples of support provided	In 2022-24, the EBRD invested in 10 digital infrastructure projects, including the rollout and upgrading of fixed and mobile networks in Armenia, ultrafast and energy-efficient broadband in central Europe and the Baltic states (CEB), and fibre network expansion to underserved areas of Jordan. EBRD investment also promoted greener infrastructure, such as a project in Armenia to support the replacement of twisted copper cable network infrastructure with fibre networks using next-generation passive optical network and fibre-to-the-home solutions. The Bank also supported 22 digital economy and technology projects, focusing on high-growth, tech-driven companies, such as business process and technology outsourcing, e-commerce platforms, fintech innovators and software firms (see Annex B for further details).

³⁶ See EBRD (2025c).

Sustainable infrastructure

Challenges	Across sustainable infrastructure sectors, clients face operational inefficiencies, legacy systems and outdated infrastructure, constraining service delivery and quality, and reducing efficiency. Operational inefficiencies also boost GHG emissions, making sustainability a critical challenge.
Opportunities	In the energy sector, significant opportunities exist to invest in digital solutions to optimise the operation of power generation plants, electricity networks, energy storage systems and consumer metering. Advanced network management software based on AI, machine learning in equipment, complex data mining and deep learning across sectors helps to enhance resilience and efficiency. Municipal services can benefit from digitalisation in the areas of urban transport, water treatment, waste management and district heating. On the logistical front, technologies such as warehouse management systems, AI-driven route planning, fleet telematics, blockchain for logistics and digital trade documentation offer transformative potential.
How the EBRD can contribute	<p>The EBRD can support the financing of digitally enabled, cyber-secure infrastructure across sustainable infrastructure sectors and provide advisory and technical cooperation to promote the adoption of green and digital technologies to strengthen efficiency, resilience and environmental sustainability.</p> <p>In energy and urban systems, the EBRD backs smart-grid and smart-city solutions, data-driven public service delivery and digital platforms that improve transparency and sustainability in areas such as district heating, transport, water and waste management. In transport and logistics, the Bank can facilitate the digitalisation of logistics corridors, green fleet infrastructure and cross-border transparency in freight and trade, boosting competitiveness and reducing emissions.</p>
Examples of support provided	<p>In 2022-24, the EBRD invested in 32 digital transformation projects in the energy, municipal infrastructure, transport and logistics industries. These included the digitalisation of traffic management systems in Bosnia and Herzegovina, metro operations in Türkiye, and Supervisory Control and Data Acquisition (SCADA) systems for district heating in Serbia and Ukraine, alongside smart metering in Tajikistan.</p> <p>In the energy sector, the EBRD strengthened cybersecurity standards at a Ukrainian petroleum company, deployed smart metering at an electricity supplier in the Kyrgyz Republic and supported the digital transformation of an electricity supplier in Morocco.</p> <p>On the mobility and logistics front, the Bank financed upgrades to Serbia's railway infrastructure, supported the integration of advanced road asset management systems in Kazakhstan, and invested in the enhancement of Armenia's road management through predictive maintenance tools. Additional investments included digital upgrades in Morocco's logistics zone through a one-stop-shop platform, advanced AI-driven solutions and warehouse automation in Türkiye.</p>

Financial institutions

Challenges	The situation in the financial sector is multifaceted. Certain institutions are dealing with outdated core-banking systems, inclusion gaps, weak SME onboarding processes, regulatory compliance strain and correspondent banking de-risking trends, while others have leapfrogged and successfully embedded nimble fintech technologies.
Opportunities	There is strong potential to support neobanks (fully digital banks) and accelerate the digital transformation of traditional banks, modernise core banking systems and introduce AI-based use cases to improve efficiency and customer experience. Opportunities include supporting partner banks in deploying fintech and e-Know Your Customer (e-KYC)/anti-money-laundering solutions, expanding digital lending applications and mobile money, enabling digital supply-chain financing, and building open banking infrastructure to foster innovation and interoperability. Alongside the digital transformation of partner banks, these actors are vital players in the broader digital transformation of full economies thanks to their role in providing access to finance for the digitalisation of SMEs.
How the EBRD can contribute	The EBRD can facilitate the adoption of digital tools by partner financial institutions, support inclusive fintech solutions and enable regulators to strengthen their supervisory capacity with supervisory technology. These efforts will enhance access to finance, particularly for SMEs, and build trust in the financial system.

Example of support provided	In 2022-24, the Bank extended 22 credit lines to partner banks, either fully digital or incorporating digital elements, to address SME financing gaps. Initiatives included Go Digital in Bosnia and Herzegovina and the Western Balkans, the Digital Transformation Financing Facility (DTFF) in Türkiye, and Women in Business in Morocco and Central Asia. The EBRD is strengthening partner financial institutions' digital capacity, such as upgrading online lending processes and designing a new micro, small and medium-sized enterprise (MSME) credit scoring system in the Kyrgyz Republic and introducing a factoring platform in Morocco.
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As part of its broader investment agenda, the Bank will place particular emphasis on advancing the twin green and digital transition. Recognising the transformative potential of digital technologies to advance green economy transition objectives, the Bank aims to support decarbonisation across six core economic systems outlined in the EBRD's Green Economy Transition Strategy 2026-30.³⁷ This includes supporting the decarbonisation of the ICT sector through investments in energy-efficient digital infrastructure, as well as the promotion of innovative and/or disruptive technologies (such as the IoT, 5G and AI) to enhance energy efficiency and enable decarbonisation and climate adaptation across the wider economy. It will also avail of digital solutions to improve the monitoring, measurement and reporting of environmental outcomes, thereby enhancing transparency and accountability in achieving climate and environmental objectives.

Box 2. Promoting digital transformation in Türkiye

In 2021, the Bank extended a senior loan of up to €150 million to Arcelik, a manufacturer and seller of home appliances. The loan supports a green investment programme to transform processes and plants, and to fund the research and development of greener products, as well as upgrade the company's refrigerator plant in Eskisehir and its cooking appliances plant in Bolu.

The package includes funding to develop an internet-based, end-to-end market-based dynamic discounting platform for Arcelik's digital supply-chain financing infrastructure for its local and global supplier base. Some 350 suppliers signed up to the system within a year, accessing cheaper working capital financing.

Lastly, the EBRD aims to unlock innovation and productivity in the AI value chain across its regions. AI is reshaping global competitiveness, productivity and public service delivery. From logistics and manufacturing to finance, agriculture and multilingual e-government services, AI-native applications are transforming entire value chains. To participate meaningfully in the AI economy, countries must invest in sovereign digital infrastructure, trusted data governance and AI localisation ecosystems. The AI value chain, spanning computer infrastructure, data generation, model development and application deployment, offers multiple entry points and leapfrogging opportunities for the economies in which the Bank invests.

The EBRD can play a catalytic role in this value chain, narrowing the digital divide and proactively encouraging the AI transition by:

- securing the foundations – investing in AI-enabling infrastructure, promoting trusted data ecosystems, supporting AI standard-setting and regulatory readiness for AI deployment, and building AI-ready skills, including supporting national reskilling platforms, bootcamps and AI literacy programmes
- facilitating the AI-digital transition and sector-wide adoption of AI tools, including supporting enterprise and SOE adoption, enabling smart infrastructure (promotion of digital twins, predictive maintenance and

³⁷ See EBRD (2026c).

AI-powered energy management systems), integrating AI into public services and de-risking adoption with technical assistance to test AI use cases in low-capacity environments

- accelerating innovation – supporting local AI ecosystems, startups and frontier applications with equity and venture-capital instruments, promoting localisation and inclusion (for example, through SME finance and adaptive learning), building regional AI/data hubs to foster ecosystem growth and cross-border collaboration, supporting AI-for-good initiatives and prioritising applications that serve the EBRD's transition qualities, such as climate resilience and financial inclusion
- managing risks and ensuring responsible AI by supporting clients in adopting bias testing, explainability tools and ethical AI frameworks, as well as strengthening cybersecurity.

The Bank can also proactively encourage initiatives contributing to less emissive AI infrastructure and leveraging AI capabilities to accelerate the green transition, including (i) supporting green data centres and energy-efficient AI infrastructure, (ii) promoting local and edge AI computing to reduce reliance on energy-intensive centralised cloud computing, (iii) encouraging sustainable AI practices, such as energy- and water-efficient AI model training; and (iv) supporting the use of AI for climate and resource tracking, for the real-time monitoring of energy, emissions and water use.

2.2. Supporting governance through digitalisation and the promotion of best practices at national and client level

Many countries in the EBRD regions have made deepening their digital economy an explicit policy goal, establishing digitalisation strategies, adopting regulatory frameworks and setting up dedicated implementation agencies to promote digital investment and cyber-resilience.

Digital technologies secure uninterrupted and quality delivery of public services to businesses, while playing an important role in improving governance and transparency – for example, in public procurement, customs administration and the sale of public assets. E-government services can simplify interactions between governments and businesses by enabling online access to forms and processes, and reducing costs and waiting times. Robust cybersecurity regulatory frameworks and practices increase public- and private-sector resilience and competitiveness, and facilitate integration into global markets. With this in mind, the EBRD will:

- enhance governance and transparency through e-government services to promote business, including the digitalisation of procurement, licensing and business-oriented public service delivery
- assist with the modernisation and institutional transformation of SOEs and private-sector clients by supporting their digital transformation and strengthening their cyber posture
- encourage conducive regulatory environments and promote alignment with international standards and best practices for digital transformation and cybersecurity (transaction enabling) through ad hoc, targeted engagement with the relevant authorities.

Box 3. Promoting digital governance in central Europe and the Baltic states

In 2024, the Bank provided a senior secured loan of up to €3 million in Polish zloty to UAB Noviti, a non-banking, technology-driven provider of loans to MSMEs, incorporated in Lithuania and operating in Lithuania, Latvia and Poland. The loan was provided under the Financial Intermediaries Framework, with the aim of enhancing access to finance and promoting the competitiveness of MSMEs in Poland.

Noviti conducted a penetration testing exercise and received ISO 27001 certification for its information security management systems. The EBRD supported the preparation process, with the client covering the costs of certification, audit and annual maintenance.

The EBRD will explore opportunities to strengthen private-sector development by improving digital public infrastructure (DPI). No digital economy can thrive without trusted public infrastructure and efficient digital government services. DPI enables applications in various sectors (for example, information systems and solutions for different verticals, e-commerce, social protection, remote education and telehealth). The most common types of DPI are platforms and systems for digital identification (ID), digital payments and data sharing.

Because of its focus on private-sector development, the EBRD will support the uptake and use of DPI to unlock private-sector benefits, accelerating adoption and ensuring that such systems deliver real impact for companies, banks and underserved communities. This can be achieved by: (i) supporting the foundational digital infrastructure needed to build DPI at national and municipal level; (ii) supporting PPPs and/or SOEs in charge of delivering DPI; (iii) financing private sector-related use cases and onboarding models (such as e-KYC, e-signature, trade facilitation and utility billing); and (iv) promoting SME DPI integration (for example, legal entity identifiers, e-invoicing and digital onboarding platforms).

2.3. Advancing digital awareness, skills and expertise

Digitalisation has transformative potential to promote and advance equal economic opportunity for all, to enhance workforce resilience and human capital across the EBRD regions. Disruptive technologies can reshape labour markets, unlock new pathways for skills development and improve access to employment, finance, entrepreneurship and services.

However, digitalisation can exacerbate existing inequalities when technologies are not available or affordable to everyone, or when parts of the population lack the digital skills needed to navigate them. Five years from now, all types of learning and vocational training are likely to be AI assisted, modular and based on remote online platforms. Countries need to prepare for this transformation of traditional learning by teaching technical skills and by training for adaptability, autonomy, and safe and lifelong digital learning. In addition, there is a growing need to address the risks of the digital world, such as cyberattacks and broader concerns about online safety, by building basic awareness among all users, and strengthening mitigation and recovery capacity.

Building on the progress made in the SCF 2021-25 period, and in alignment with the Gender Equality and Human Capital Strategy 2026-30,³⁸ the EBRD will: help to bridge the digital divide by prioritising digital skills development; support adaptation by enabling individuals and firms to embrace digital change; foster

³⁸ See EBRD (2026a).

innovation by cultivating a future-ready workforce; and advance cybersecurity as a cross-cutting theme by embedding awareness and resilience in the digital economy. The Bank will place particular emphasis on:

- **enhancing digital skills** by:
 - advancing and supporting the development of both basic and more advanced digital skills among EBRD clients through capacity-building initiatives
 - fostering the participation of disadvantaged groups in the digital economy through awareness-raising and skills-development programmes that support equal opportunity in science, technology, engineering and mathematics (STEM)
 - promoting tailor-made cybersecurity awareness-building activities for the EBRD's corporate and SME clients, including activities targeting women entrepreneurs
- **promoting competitiveness through the upskilling of digital companies** by:
 - scaling up support for the digital supply chain and ecosystem across the EBRD's investee economies, with the objective of promoting the competitiveness, market integration and capacity of local SME information technology (IT) and cybersecurity service providers, including strengthening skills and standards
 - strengthening the digital/AI skills and standards of local IT providers.

Box 4. Enhancing digital skills in Egypt

In 2024, the EBRD provided a comprehensive financing package of US\$ 74.1 million for the development and construction of the 200 MW Ras Ghareb onshore wind farm in Egypt, including an EBRD senior loan of up to US\$ 60.7 million, a concessional loan of up to US\$ 3.38 million from the Green Climate Fund and an investment grant of up to US\$ 10 million. Once operational, the wind farm is expected to reduce the country's annual CO₂ emissions by 390,000 tonnes.

The project will enhance skills development and employment prospects for young engineers thanks to a certified internship programme that includes digital SCADA operations training and a long-term commitment to engage in community outreach efforts and encourage girls to take up engineering studies and STEM careers.

2.4. Promoting the management of digital risks, digital resilience and cybersecurity

Cybersecurity has become a critical concern for governments and companies alike, as rapid digitalisation and deep-tech advancements in AI and other areas significantly increase cyber exposure and expand the potential for attack. Around 76 per cent of organisations suffer at least one ransomware attack annually and 48 per cent report an increase in insider threats.

In the EBRD regions, low cybersecurity maturity, limited investment and a shortage of skilled cybersecurity professionals remain key obstacles for many organisations. EBRD clients are increasingly affected by cyber threats and, with the development of new digital assets, Bank clients' vulnerability to cyber-attacks is increasing. While SMEs and critical infrastructure are particularly exposed to such attacks, affected companies come in all sizes from a wide variety of sectors and geographies. The Bank will continue to pursue

its client-facing cybersecurity work to effectively de-risk transactions, while also capitalising on the substantial development opportunities available through improved cybersecurity resilience.

In response to these challenges, regulatory frameworks are expanding, especially in G7 and EU countries.

For example, frameworks such as the EU Network and Information Security 2 (NIS2) Directive, the EU Digital Operational Resilience Act (DORA), the EU Cyber Resilience Act and the EU AI Act are introducing stricter requirements for operators, service providers and technology vendors in multiple sectors. At the same time, digital sovereignty concerns are growing, requiring closer scrutiny of supply chains and careful balancing of resilience with competitiveness. These dynamics underscore the urgent need for robust cybersecurity governance and robust cybersecurity due diligence processes.

In addition, digital transformation, while a key driver of economic growth and innovation, introduces new environmental, social and governance risks that must be managed responsibly. The EBRD is cognisant of such possible adverse impacts, as well as the issues and risks of digitalisation, cybersecurity and data privacy with respect to human rights and public health and safety. By explicitly addressing digital risks in its projects and advisory work, the Bank's 2024 Environmental and Social Policy ensures that potential impacts on people, communities and the environment are identified, assessed and mitigated, reflecting the Bank's commitment to safe, inclusive and sustainable digital development.

Building on its expertise, and in response to the increasing digital risks and cybersecurity challenges faced by its clients, the Bank will step up its efforts to help clients enhance their digital resilience and governance of digital risks. In particular, the Bank will focus on:

- assessing environmental and social risks and impacts associated with cybersecurity, data protection and privacy, where projects or the client's business activities involve the management of digital personal data, significant reliance on digital services and technologies, or the substantial digitalisation of services or products
- supporting the transformation of sectoral cybersecurity management approaches and the Bank's Environmental and Social Policy into a coherent overall cybersecurity framework covering all critical and digital sectors and technologies
- assisting clients in conducting responsible digital transformation, focusing on high-risk clients, such as telecoms operators, transmission system operators and national infrastructure operators
- mitigating systemic risks by ensuring supply-chain security across all relevant sectors, promoting alignment with international standards, and embedding digital risk management principles into investment strategies and operations
- positioning the EBRD at the forefront of the international financial institution community, working with peer institutions to advance a responsible, effective and secure digitalisation agenda.

Box 5. Managing cybersecurity and supply chain risks in critical infrastructure projects

As outlined in its Telecommunications, Media and Technology Sector Strategy 2025-29,³⁹ in line with its cybersecurity approach, the EBRD applies a risk-based framework to its investments in critical ICT infrastructure, with the level of risk assessed at the beginning to determine the scope of due diligence required. The Bank encourages the diversification of suppliers in its projects wherever possible and works with clients to develop cybersecurity plans. These aim to increase resilience, including the security of supply chains, and mitigate risks associated with suppliers deemed to be high-risk vendors.

In other critical infrastructure sectors, the EBRD applies enhanced scrutiny to safeguard resilience with regard to operational continuity, safety, data integrity and supply-chain security. Targeted technical cooperation activities promote cyber-resilience at client level, as well as at regulatory authority level.

³⁹ See EBRD (2025c).

Digital Approach 2026-30

How the EBRD will deliver

3. Supporting implementation: how the EBRD will deliver

Several key enabling factors will support the Bank’s implementation of the Digital Approach 2026-30 and its strategic direction.

3.1. Mapping EBRD instruments that contribute to the goals of the Digital Approach 2026-30

The EBRD will achieve the goals of the Digital Approach 2026-30 by deploying its full suite of products, working across sectors and teams, including by integrating digital priorities into its core activities and ensuring that investments, policy dialogue and advisory services work in tandem to build strong foundations, enable adaptation and foster innovation. As a demand-driven institution, the Bank will prioritise interventions at country level, in line with SCF priorities, country strategies and sector strategies. Building on past results (see Section 1.3), the Bank will maintain a balanced approach, supporting advanced economies in moving to the next level of digital maturity while helping early transition countries to bridge the digital divide. Table 2 shows how the Bank’s instruments map to and operationalise the core pillars of the Digital Approach.

Table 2. Mapping EBRD instruments that contribute to the goals of the Digital Approach

Instrument/ area of focus	Foundation	Adaptation	Innovation
Investments	<ul style="list-style-type: none"> Telecommunications, media and technology and cyber investments per the Bank’s Telecommunications, Media and Technology Sector Strategy, Infrastructure Sector Strategy⁴⁰ and Energy Sector Strategy⁴¹ 	<ul style="list-style-type: none"> SME digitalisation programmes, including sustainable supply-chain finance (financial institutions) Digital transformation/cyber capex and skills across sectors (financial institutions, corporate sector, sustainable infrastructure) 	<ul style="list-style-type: none"> VCIP, telecommunications, media and technology, ESIF and other equity transactions in digital-first companies (equity)
Policy	<ul style="list-style-type: none"> National and sector-level policy reforms to build an enabling environment for investments in digital sectors ICT Regulator Cybersecurity Programme Digital trade facilitation reforms 	<ul style="list-style-type: none"> SOE Management Assistance Reform & Transformation (SMART) programme E-government services for businesses (e-KYC, e-signature digital customs, and so on) 	<ul style="list-style-type: none"> Building an innovation-supporting ecosystem
Advisory	<ul style="list-style-type: none"> CRP 	<ul style="list-style-type: none"> DTSP CRP CSP Advice for Small Businesses SMART 	<ul style="list-style-type: none"> Star Venture programme

⁴⁰ See EBRD (2024c).

⁴¹ See EBRD (2023).

3.2. Improving the Bank's delivery and impact mechanisms

As learned from the current delivery period, the right incentives must be in place to foster the delivery of the most impactful digital projects. For the coming strategic period, the EBRD will:

- update its **methodology for tagging EBRD investments with a digital component** to cover both projects in which digital components are strategic enablers of the Bank's transition mandate and projects where digital components contribute to the EBRD's non-financial additionality
- ensure that digital components continue to feature as strategic enablers of transition impact in the Bank's **transition impact assessment methodology** for investments
- **report a select number of digital indicators** to reflect the broader transition impact of the EBRD's digital investments in the Bank's flagship annual *Impact Report*,⁴² together with qualitative reporting on policy initiatives that drive systemic digital transition.

The **mainstreaming** of digital components into EBRD sector and country strategies, Bank-wide policies and approaches will continue, as appropriate, as these become due for revision, in collaboration with the relevant Bank departments.

3.3. Institutional set-up, resources and partnerships

The EBRD implements its digitalisation agenda through the combined efforts of the Digital Hub and all teams across the Bank, including Banking and the Vice Presidency Policy and Partnerships, with the support of the Digital Champions network established in 2021. This broad network is embedded in the EBRD's Banking teams, mainly in the Resident Offices. In the coming period, the Digital Hub will function as a centre of both excellence and thought leadership on digital technology and cybersecurity. It will serve as a technological and strategic advisor and be responsible for assessing the alignment of digital-related investments and technical cooperation projects with the Bank's transition priorities.

External donors will remain critical to delivering digital initiatives over the next strategic period.

Contributions from bilateral donors and funding from the Bank's Shareholder Special Fund have supported flagship programmes such as the CRP and the DTSP (see Section 1), deepening the EBRD's impact when blended with the Bank's own financing (as in the case of EU support for the Go Digital initiative; see Section 1 for more). The EBRD will continue to build on existing partnerships while actively pursuing opportunities to scale up ongoing programmes and launch new initiatives, both in the economies where the Bank already operates and in its new countries of operation in sub-Saharan Africa and Iraq. Considering the needs identified in the 2021-25 period and the ever-growing importance of cybersecurity as part of the EBRD's offering, notably in critical infrastructure, the Bank will explore opportunities and new partnerships to pilot and scale up additional cybersecurity technical cooperation programmes in the 2026-30 period. These will include the ICT Regulator Cybersecurity Programme, the CRP, the CSP and cybersecurity-focused non-financial services for SMEs, as detailed in Annex A.

Partnerships are crucial to the delivery of the digital agenda. Beyond donor partnerships, the Bank will draw on an established network of multilateral development banks (MDBs) and international financial institutions, which have made a significant step-up in engagement in the digital space,⁴³ in addition to think tanks and universities

⁴² See EBRD (2026b) for the latest *Impact Report*.

⁴³ The World Bank, for example, established a Digital Vice Presidency in 2024.

(such as the European University Institute), private foundations and the International Telecommunication Union, the United Nations specialised agency for digital technologies. The EBRD already participates in the Digital Risk Regulation Forum, co-led by the International Telecommunication Union and the Asian Infrastructure Investment Bank, which is transitioning into the World Bank-led MDB Platform on Digital Transformation and AI, in which the EBRD will actively engage. The Bank also leads an MDB Coordination Working Group on Cybersecurity, involving institutions such as the World Bank, the International Finance Corporation, the Asian Development Bank, the European Investment Bank, the African Development Bank, the International Monetary Fund and the Inter-American Development Bank. This group meets every three to six months to share strategic updates and best practices, and discuss new developments, in addition to hosting regular meetings with digital and cybersecurity leaders from partner organisations.

In the coming period, the EBRD will continue to contribute to knowledge building and sharing on a variety of digital topics, including leading and participating in MDB-level working groups on digital infrastructure and cybersecurity, engaging in international fora, such as the G20 group of nations and the United Nations, contributing to norm-setting publications and strengthening delivery mechanisms for clients.

3.4. Impact measurement and reporting

Transition impact is central to the EBRD's unique mandate and one of the three operating principles of the Bank, alongside sound banking and additionality. The transition impact assessment methodology is a robust impact measuring system that can prioritise investments, as well as facilitate performance and impact reporting. The methodology is currently under review to align it with best practice in impact assessment, including clearly articulated theories of change across projects and a measure of systemic change. As part of the review, the way digitalisation impact is measured and reported will also be updated and streamlined.

To monitor progress on implementing the Digital Approach 2026-30 and the SCF objective of leveraging the development and deployment of digital technology to widen and deepen the scope of the Bank's transition impact, the EBRD will track activities in three key areas:

- (i) internal enablers to promote digital and cybersecurity within the Bank
- (ii) expanded engagement and scaled-up support for clients along the axes of foundation, adaptation, innovation and cybersecurity
- (iii) selected immediate digital outcome indicators at client level.

Output- and outcome-level indicators are in line with the treatment of digitalisation components in the EBRD's transition impact assessment methodology.

Table 3. Tracking indicator dashboard

Performance and results		Illustrative tracking indicators
Internal enablers		
Strengthened internal EBRD capabilities to enhance the Bank's support for the digital transition of investee economies		
<ul style="list-style-type: none"> Strengthened internal EBRD capabilities 		Number of EBRD staff trained through digitalisation-related capacity-building
<ul style="list-style-type: none"> Developed and scaled-up innovative instruments and products 		Number of innovative digitalisation-related EBRD instruments and products developed
Activities and inputs		
Strengthened EBRD engagement with clients and partners to address key challenges		
<ul style="list-style-type: none"> Increased investment, policy and advisory services to support digitalisation 		Number of investments/policy engagements/advisory services targeting: <ul style="list-style-type: none"> foundation adaptation innovation cybersecurity
Client-level outputs		
<ul style="list-style-type: none"> Firms with new or significantly updated digital processes, practices or technology 		Number of firms with new or significantly updated digital processes, practices, products or services
<ul style="list-style-type: none"> Digitalisation financing available 		Number or volume of digitalisation investments disbursed through partner financial institutions
Stakeholder-level outcomes		
Enhanced digital products, services and capacity for and by EBRD clients related to the four pillars of the Digital Approach		
Foundation	Increased access to ICT infrastructure	Number of individuals benefiting from better digital coverage <i>(Note: This includes expanding 4G/5G mobile coverage areas and homes passed for broadband.)</i>
	Increased access to ICT connections	Number of individuals benefiting from better digital connectivity <i>(Note: This includes the actual number of new mobile subscribers and homes physically connected for broadband.)</i>
	Improved legal and regulatory framework supporting digitalisation	Number of laws/reforms/regulations enabling digitalisation/cybersecurity adopted Number of digital strategies/sectoral standards/action plans adopted
Adaptation	Improved capacity and digital skills of firms and end users	Number of individuals with enhanced digital skills
Innovation	Increased number of firms with innovative product offerings that capitalise on greater digitalisation	Number of clients introducing digital-related innovations
Cyber	Increased number of firms with improved cyber-resilience	Number of clients implementing improved cybersecurity standards

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Annex A. Digital trends

Over the next five years, by stepping up computing power, the rapid transition to data-centric and AI-enabled solutions will reshape the digital landscape across the EBRD regions. Companies must modernise IT infrastructure to keep pace with automation and AI services, driving smarter decisions and greater efficiency. These developments will significantly affect productivity and service delivery, impacting EBRD policy and operations. By deepening its understanding of client challenges and digital opportunities, the Bank can better identify prospects, assess risks and maximise impact.

1. Strategic technologies and trends that will shape the digital landscape to 2030

This annex highlights current digital trends across sectors and industries, evaluating their potential effects on emerging economies and related policy and investment considerations. It presents targeted insights rather than an exhaustive review of all digital advancements.

a. Next-generation digital infrastructure

Digital infrastructure is evolving rapidly to meet the demands of data-intensive technologies such as AI, the IoT and advanced analytics. Over the next five years, competitiveness will hinge on building infrastructure that is high-capacity, intelligent and sustainable. Key trends include:

- **High-capacity connectivity:** Fibre networks, 4G/5G and low-Earth orbit satellites will make fast, reliable internet widely available. This is essential in order for businesses, governments and individuals to access digital services, process more data and participate in the global economy.
- **Cloud and edge computing:** Processing data closer to where it is generated will reduce delays and improve reliability, supporting innovations such as real-time health monitoring, smart transport and autonomous systems.
- **IT/operational technologies (OT) as a service:** Flexible cloud platforms will allow businesses to “rent” computing power, hosting services, hardware, AI and software as needed, through scalable services, making advanced technology affordable and accessible, even for smaller firms.

b. Industry 4.0 and enterprise systems integration

Industry 4.0 is transforming how businesses operate by merging physical and digital systems. Over the next five years, the integration of OT/IT across infrastructure, manufacturing and services will enable smarter and more connected enterprises. Key trends include:

- **Real-time monitoring and predictive intelligence:** Connected sensors, digital twins and AI-driven analytics will allow continuous performance tracking, early fault detection and more resilient operations, reducing downtime and costs.

- **Automation and augmented decision-making:** AI-enhanced enterprise systems, robotics and augmented reality/virtual reality tools will streamline workflows, automate routine tasks and augment workers through immersive training and remote support.
- **Connected, sustainable supply chains:** Unified data platforms, blockchain-based traceability and additive manufacturing will boost efficiency, enable customisation and support greener, more resilient production models.

c. The acceleration of the data economy

Benefiting from advanced infrastructure and digitalisation efforts, a more data-driven economy will emerge, enabling new business models, interoperability, transparency and governance, while simplifying trade and digital transactions. Data is the foundation of AI and digital transformation. Over the next five years, organisations will need to move beyond siloed systems and adopt connected, secure and transparent data architectures aligned with sustainability goals. Key trends include:

- **Connected and interoperable systems:** Organisations will shift from isolated data silos to architectures that allow information to flow securely across departments and borders, following FAIR principles (making data findable, accessible, interoperable and reusable).
- **Privacy and security by design:** Privacy-enhancing technologies will become standard to protect sensitive information, while frameworks such as the General Data Protection Regulation and the EU AI Act will require rigorous consent management, data lineage tracking and explainable AI models.
- **Open data and DPI** will enable cross-border services and foster innovation through shared, trusted data ecosystems.
- **Sustainability-driven governance:** ESG reporting and carbon accounting will require accurate, verifiable data streams, making robust governance essential for compliance and credibility.

d. Cybersecurity: a shift towards “resilience by design”

Cybersecurity is no longer just about protection, it is becoming the strategic foundation for digital trust, business continuity and innovation. Over the next five years, rising cyber threats, stricter regulation and growing digital interdependence will accelerate a shift towards “resilience by design”. This means embedding security into every layer of digital systems rather than treating it as an add-on. Key trends shaping this shift include:

- **zero-trust architectures** becoming the norm, ensuring that every user and device is continuously verified
- **AI-powered threat detection and automated response** embedded in systems to anticipate and neutralise attacks in real time
- **stronger safeguards for operational technology** as IT and OT converge in critical sectors such as energy, transport and manufacturing
- **supply-chain security and third-party risk management** gaining prominence as ecosystems become more interconnected
- **securing AI models, APIs and data pipelines** emerging as a new frontier, critical to preventing vulnerabilities in advanced digital systems.

The following sectoral insights illustrate how digitalisation is reshaping operations, improving resilience and enabling sustainable growth in key areas of the economy.

Table A.1. Cross-sectoral trends

Transport and logistics	Digital transformation is addressing operational inefficiencies, high GHG emissions and limited cross-border integration. Technologies such as warehouse management systems, AI-driven route planning, fleet telematics, logistics blockchain and digital trade documentation are enabling smarter, greener and more transparent supply chains.
Agribusiness	Digital transformation is addressing high climate exposure, limited integration with global value chains and a lack of traceability – challenges that are especially acute for smallholders. The adoption of climate-smart precision agriculture, including IoT sensors, EO data, blockchain for traceability and farm management platforms, is enabling more efficient, transparent and resilient food systems.
Financial institutions	<p>Modernising core banking systems, adopting AI-driven solutions and embracing fintech innovations, such as e-KYC/anti-money laundering (AML), transaction monitoring, digital lending and open banking, are essential in addressing outdated infrastructure, inclusion gaps and regulatory pressures at financial institutions.</p> <p>The rise of fintech, digital assets and cryptocurrencies is reshaping financial services, particularly in markets facing correspondent banking de-risking and limited access to traditional finance. These technologies can enable faster cross-border trade, improve transparency and provide alternative channels for underserved communities. However, they also introduce significant risks, such as market volatility, AML/countering the financing of terrorism (CFT) concerns and operational vulnerabilities, which require robust regulatory frameworks. In this context, Markets in Crypto-Assets (MiCA) establishes clear rules for crypto-asset issuers and service providers, while DORA strengthens ICT and operational resilience across financial entities and critical third parties.</p>
Buildings and real estate	This sector is moving towards BIM and digital twins to manage performance across the entire lifecycle, from design to retrofit. Building energy management systems, combined with AI-driven analytics, smart HVAC and IoT sensors, enable real-time monitoring, predictive maintenance and energy optimisation. These tools also support data-driven ESG reporting and alignment with green finance requirements. At a municipal level, smart city solutions, including digital platforms for district heating, water and waste management, and urban transport are emerging as critical enablers of efficiency, transparency and sustainability.
Energy and utilities	Investments are expanding into digitally enabled infrastructure ecosystems (energy management systems, grid integration controls, battery energy storage systems and virtual power plants) to integrate renewables and enhance flexibility. Advanced analytics and digital twins are emerging for asset diagnostics and lifecycle planning, while cybersecurity and interoperability standards are becoming critical to safeguarding operations and ensuring resilience.

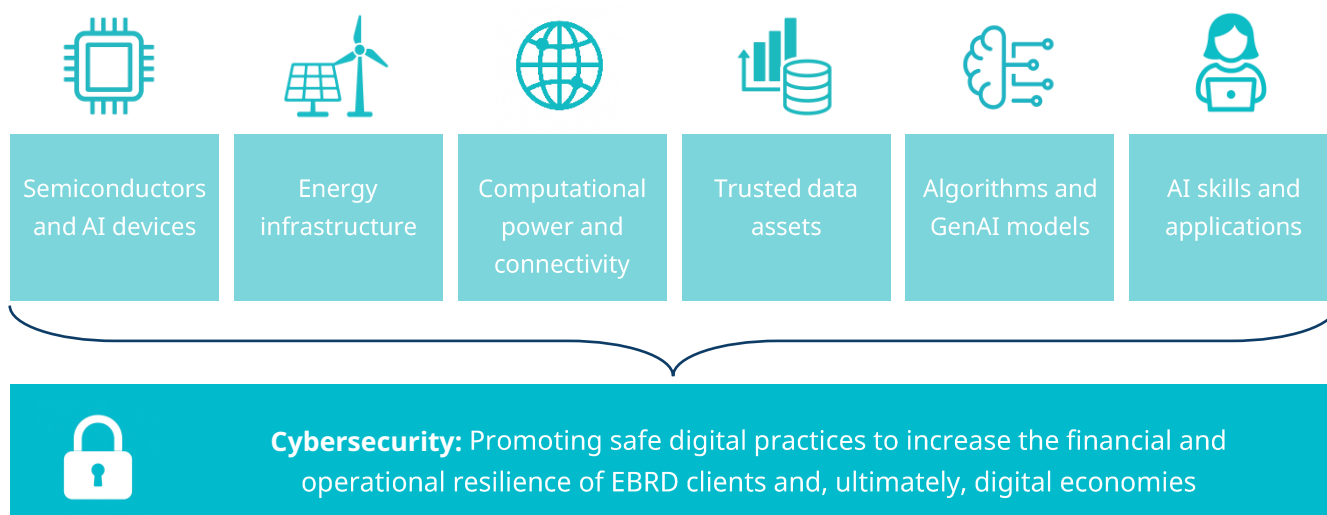
2. Supporting the AI transition through the end-to-end AI value chain

AI is a set of advanced techniques that leverage machine learning, logic-based reasoning and optimisation to enable systems to learn from data, predict outcomes and adapt to changing conditions. This capability allows AI to augment or automate decision-making processes, thereby enhancing efficiency, resilience and agility across various applications, including supply-chain management and IT service management. AI systems have matured rapidly, as demonstrated by breakthroughs in language models and robotics, and are increasingly integrated into business processes and public services worldwide. A survey of global employers found that 86 per cent expect advances in AI and information processing to transform their business by 2030, more than any other technology trend.⁴⁴

Today's AI solutions cover narrow AI (for example, vision, speech, optimisation and prediction) and generative AI (large language models and multimodal models that create text, code, images or audio), with agentic AI the upcoming trend in the AI landscape. Agentic AI is an approach to building AI solutions based on the use of one or multiple AI agents.⁴⁵ AI agents are autonomous or semiautonomous software entities that use AI techniques to perceive, make decisions, take actions and achieve goals in their digital or physical environments. AI agents can plan, call tools/APIs and other agents, and act with bounded autonomy to complete multistep tasks, escalating to humans when needed.

Over the next five years, the AI economy is projected to consolidate around a value chain of interdependent layers linking new AI skills, hardware, infrastructure, data, algorithms, applications and services. Understanding this chain is essential to anticipating where value will be created and where gaps in governance, sustainability and inclusion may emerge (see Figure A.1).

Figure A.1. Opportunities in the global AI value chain



Developing and transition economies can leapfrog through AI adoption. For instance, AI can augment scarce human expertise, acting as a “digital development wingman” in areas such as education or healthcare.⁴⁶ However, without proactive measures, these economies could also risk falling behind: early AI adopters

⁴⁴ See WEF (2025b).

⁴⁵ See Gartner (2025).

⁴⁶ See Dixit and Gill (2023).

(mostly advanced economies) could gain 20 to 25 per cent more economic benefit than today, while developing economies might capture only half of their potential AI upside, potentially widening global gaps.⁴⁷

Across EBRD regions, AI readiness varies significantly. Governance frameworks and interoperability are still fragmented, cybersecurity vulnerabilities in AI models are not fully understood, and many organisations lack the capacity to integrate AI into their operations. Economies in eastern Europe show higher readiness, while sub-Saharan Africa, Central Asia and SEMED are lagging (see Figure A.2).

Scaling up AI in emerging economies hinges on human capital. Talent shortages remain a critical barrier, affecting 44 per cent of technologies, particularly advanced generative AI (GenAI), where only 20 per cent of organisations are considered mature. Organisations are responding by upskilling staff, embedding GenAI in existing applications and creating new roles. Yet, speed and agility remain key differentiators, and nearly half of AI leaders still struggle to demonstrate clear business value. While confidence in data management is growing, governance maturity is low and fragmented, underscoring the need for stronger frameworks as budgetary control shifts toward chief technical officers and data functions.

These skill gaps have direct implications for labour markets. The International Monetary Fund estimates that around 40 per cent of global employment is exposed to AI, rising to 60 per cent in advanced economies, where cognitive work is more prevalent. Using a new measure of potential AI complementarity, researchers find that about half of these roles may be adversely affected by AI, while the other half may experience productivity gains through AI integration. Exposure is estimated at 40 per cent in emerging markets and only 26 per cent in low-income countries. While developing economies may be less disrupted initially, they are also less equipped to take advantage of AI, potentially widening the digital and income gaps.⁴⁸

⁴⁷ See McKinsey & Company (2018).

⁴⁸ See Cazzaniga et al. (2024).

Evidence from the EBRD regions suggests a more nuanced picture (see Figure A.3). Although concerns about job losses from wider AI adoption dominate policy debates, an EBRD survey of family-owned businesses in Bulgaria, Czechia, Hungary, Poland, Romania and the Slovak Republic found that, conditional on other investments in software, firms that had adopted AI were roughly 20 per cent more likely to report an increase in workforce skills, 15 per cent more likely to report growth in STEM skills and 10 per cent more likely to report an increase in headcount between 2022 and 2024.⁴⁹ This suggests that, when paired with complementary investments, AI adoption can enhance skills and employment rather than erode them.

Figure A.2. AI Preparedness Index (2023)

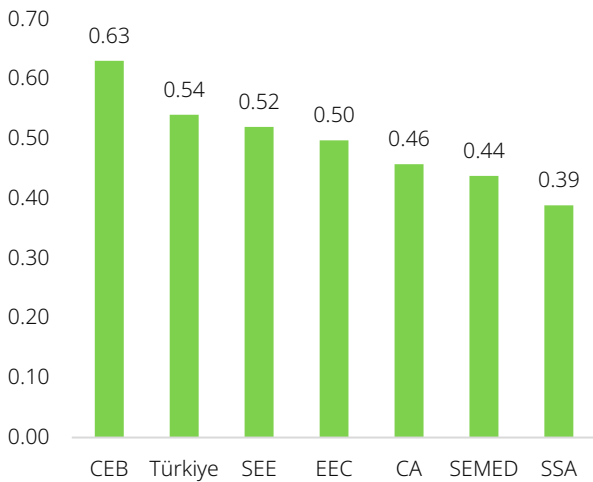
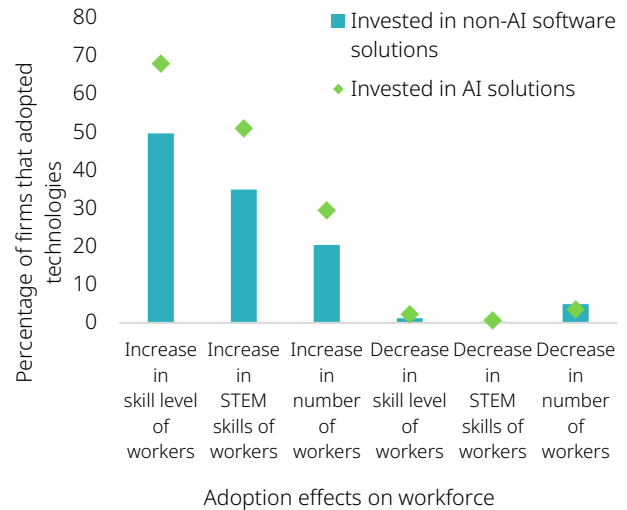


Figure A.3. Effects of AI adoption on workforce



Source: IMF (2025) and EBRD (2025d).

Note: The chart on the right-hand side is based on the responses given by 312 firms that adopted AI between 2022 and 2024. Respondents were asked a series of yes-or-no questions.

Over the next five years, helping clients and counterparts scale up AI sustainably will be essential. This requires effective change management, stronger governance and a focus on tangible outcomes, such as addressing AI privacy and security risks. To achieve this, institutions must embed accountable AI leadership, align use cases with national development priorities and promote cross-sector adoption where it can boost productivity and inclusion.

⁴⁹ See EBRD (2025d).

Annex B. Digital Approach 2021-25: results

The Bank advanced the Digital Approach 2021-25 through a comprehensive set of measures aimed at embedding digital activities across sectors, strengthening digital skills among clients and Bank staff, and systematically tracking progress and impact. This effort was supported by the development of innovative tools and products designed to accelerate digital transformation in the economies where the Bank operates and to reinforce its digital ambitions.

Overview of Digital Approach commitments and activities undertaken to fulfil them

Under the Digital Approach 2021-25, particular emphasis was placed on four types of engagement: strengthening the role that digital components and enablers play across EBRD systems and processes; deepening existing activities already contributing to the ambitions of the Digital Approach; mainstreaming digital components across existing EBRD operations that did not previously take them into account; and piloting new targeted initiatives and products to enhance the Bank's delivery with regard to digital projects.

Strengthening digital enablers in EBRD systems and processes

To embed digitalisation in the EBRD's internal systems and strategic processes, the Bank implemented a series of measures, including:

- **Establishing a methodology to tag and track EBRD investments with a digital component, enabling transition impact.** This was developed and rolled out in April 2022 by the Digital Hub, the Impact Department and the Operations Committee Secretariat to allow the Bank to make good on its commitment to track progress against the Digital Approach.
- **Incorporating digital elements into the EBRD transition impact assessment methodology, as well as country diagnostics and country and sector strategies to increase incentives.** This was developed and rolled out by the Impact Department and the Digital Hub in February 2024, following additional research and discussions with the Office of the Chief Economist and the Independent Evaluation Department.
- **Updating the Bank's Environmental and Social Policy Performance Requirements.** This was concluded as part of the 2024 policy update and relevant guidance notes were jointly commissioned by the Environment and Sustainability Department and the Digital Hub in the course of 2025.
- **Launching a learning and development programme tailored to the Bank's digital skills needs.** This was actioned rapidly by the Digital Hub and the Human Resources and Organisational Development Learning and Development units, with learning programmes developed and rolled out for: all Bank staff (generic digital skills); the Digital Champions network of client-facing teams (sector-specific digital skills); and the EBRD's senior leadership team and Board of Directors (high-level principles of the digital economy for strategic decision making). Members of the Digital Champions network have access to tailored training opportunities through the Digital GrandMaster programme, which offers EBRD staff a multi-modal learning curriculum, including self-paced online learning, independent research and live sessions with industry experts. In addition, the Bank offers a range of institution-wide training and knowledge-sharing initiatives. These include tailored learning events, online primers and a monthly newsletter curated by the Digital Hub covering key topics such as disruptive technologies, cybersecurity and digital innovation trends.

Deepening digital activities

The EBRD has significantly deepened its digital activities through enhanced investment initiatives in the telecommunications, media and technology sector, leveraging instruments such as the ESIF II and the VCIP.

As highlighted in the Bank's Telecommunications, Media and Technology Sector Strategy,⁵⁰ in 2020-24, the EBRD focused on promoting innovation and bridging digital divides by way of four focus areas:

- network infrastructure, by investing in the rollout and enhancement of digital infrastructure, including broadband and mobile networks, to provide greater coverage, access, reliability and speed
- new technologies, by investing in early-stage, high-growth, technology-focused companies, which introduce new and innovative applications that bring the benefits of technology to consumers and businesses
- innovative advanced IT services, by supporting the growth of IT services and business process outsourcing companies, which are often asset light, helping to facilitate access to finance and skills development, as well as supporting digitalisation
- privatisation and commercialisation, including supporting SOE commercialisation, designing programmes for state intervention to address corporate governance and market failures, and the adoption of legal and regulatory environments that promote liberalisation and competition.

Building on the Bank's commitment to fostering innovation, the ESIF, introduced in 2014, laid the foundations for investment in early-stage innovation-focused venture-capital funds and accelerators in the economies where the EBRD operates. After implementing the ESIF, the EBRD launched the ESIF II in 2022. The ESIF II is a €200 million envelope that provides financing of up to €25 million to investment vehicles, primarily targeting early- and growth-stage venture-capital investments in companies engaged in developing innovative products and services with potential for growth.

Mainstreaming digitalisation across operations

In line with its commitment to mainstreaming digital considerations across its investments, the EBRD undertook the following key initiatives:

- The Project Preparation and Implementation (PPI) unit within the Bank's Sustainable Infrastructure Group partnered with the Digital Hub to lead the creation of a suite of digital assessment tools for five key infrastructure sectors: transport, power and energy, solid waste, water, and buildings and district energy. These are referred to as the Sustainable Infrastructure Group Digital Transformation Toolkits and are tailored to the specific needs of individual clients (public authorities, operators and providers); they aim to identify targeted digital investment and capacity-building opportunities to better support clients' broader business objectives (while ensuring resilience to cyber-attacks).
- In line with its commitment to mainstreaming digital considerations into its urban infrastructure investments, the EBRD added a "smart maturity assessment" to its Green Cities methodology in 2020. A streamlined version of this assessment methodology was mainstreamed into the recently revised Green Cities methodology as part of the baseline assessment. The preparation of an optional "digitalisation module" has also been added, which can be tailored to the needs and priorities of the partner city.

⁵⁰ See EBRD (2025c).

Piloting new products

In addition to the aforementioned products, a number of initiatives remain at the proof-of-concept or pilot stage, including the following:

- **The Cyber Services Programme (CSP)** aims to enhance the competitiveness, market integration and capabilities of cybersecurity service providers, many of which are SMEs. The programme evaluates these providers against internationally recognised best practices and delivers tailored support to strengthen their offerings in six core areas of cybersecurity services: penetration testing, security operations centres as a service, incident response, threat intelligence, cyber-training and security architecture. The ultimate goal is to facilitate the attainment of globally recognised certification by CREST, an international non-profit organisation and leader in cybersecurity accreditation. CSP activities include assessing SME cyber providers against CREST standards and providing implementation support through mentorship and training, facilitated by CREST, all with a view to achieving CREST certification. The initial CSP pilot was successfully completed in partnership with SME Finance and Development (F&D) in Morocco.
- **The Digital Barometer**, launched by SME F&D in Türkiye, is an online self-assessment tool designed to help manufacturing-sector MSMEs evaluate their level of digital maturity. To date, over 3,000 Turkish MSMEs have used the Digital Barometer to advance their digital transformation efforts. In light of these results and ongoing demand from Turkish MSMEs for support in their digital transformation, SME F&D and the Digital Hub will launch an enhanced version of the tool, the Digital Barometer 2.0. The upgraded tool will be integrated into the EBRD Digital Transformation Financing Facility,⁵¹ to help MSMEs identify suitable digital investments and access technical guidance on applying for and benefiting from DTFF digital loans.

Lessons learned

A 2023 Internal Audit Department review presented several insights relevant to the development and implementation of the Digital Approach 2026-30. These considerations have been integrated into the aspirations outlined above (CS/FO/24-25).

The 2024 Independent Evaluation Department digital project evaluation (CS/ARC/25-11) presented several insights relevant to future EBRD operations. These are presented below for ease of reference. These elements are incorporated into the EBRD's design approach to digital projects and supporting technical cooperation programmes, such as the DTSP.

- Insight 1: Assessing the digital readiness of clients enables informed and realistic planning.
- Insight 2: Engaging relevant experts early in the process mitigates risks and maximises long-term benefits by streamlining processes.
- Insight 3: Integrating client capacity development into the project scope supports the long-term sustainability of digitalised customs services.
- Insight 4: Post-deployment monitoring and self-evaluation are key to establishing effective learning loops that ensure continued benefits from the project and enable more effective implementation in future initiatives.

The 2025 Independent Evaluation Department Thematic Evaluation of the EBRD Digital Approach (CS/ARC/25-65) presented several insights relevant to future EBRD operations, with a separate EBRD Management Response explaining how the Bank would address these matters.

⁵¹ The EBRD DTFF promotes and finances the digital transformation of MSMEs in Türkiye, providing financing for digital investments through EBRD partner banks.

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