

THE EBRD & DONORS

2022 Report – Highlights



INTRO -DUCTION

The European Bank for Reconstruction and Development (EBRD) produces a comprehensive report each year (**The EBRD & Donors**) which details its work with donor partners, including an analysis of the role of donor funds in EBRD operations, how those funds have been used, and the results they have achieved.

This is a brief overview of the most recent such report (**The EBRD & Donors 2022 Report**) highlighting key figures such as fund inflows, use of funds, results achieved, and reforms undertaken.

2022 was an exceptional year affected by the Russian war on Ukraine. The Bank's significant efforts to support Ukraine, and the role its donor partnerships played in this regard, is highlighted in a specific chapter.

2022 WAS A YEAR OF CRISIS

The Bank's partnership with donors has grown and strengthened over the years. Donor support has come to play a crucial role in the Bank's delivery of its transition mandate and business plans. 2022 was no exception and the partnership proved to be even stronger in the face of numerous challenges, most notably the war on Ukraine.

The war on Ukraine led to widespread devastation in the country and had profound consequences for both neighbouring countries and for the wider world. It disrupted a nascent economic recovery from the Covid pandemic and prompted a global economic crisis. Yet in the face of the challenges of this war and the related global crises, the EBRD remained committed to delivering its transition mandate in its region. The Bank's immediate action was to introduce the 'War on Ukraine – EBRD Resilience Package' for Ukraine and affected countries. As the first multilateral development bank (MDB) to take on balance sheet risk with on average 50% of donor support and invest during an ongoing conflict, the Bank committed to invest €3bn over 2022-2023 to support the country and deployed more than €1.7bn in 2022.

The speed and depth of the response would not have been possible without the significant support mobilised from the Bank's donor partners. In 2022, **donors provided more than €1.22bn** through new contributions and redirecting of existing funds, in **support of the Bank's operations in Ukraine**, providing timely and critical funding to vital sectors of the Ukrainian economy.

The Bank's work in Ukraine was part of the wider effort across the EBRD regions: its annual investments (ABI) was over €13bn, a record. 50% of this was for financing the green economy. More than a third of investments incorporated gender and inclusion components. Standing behind many of these significant achievements was the overall support from donors, which also reached record levels in **2022: €2.10bn which is the highest amount ever mobilised in a single year**. Donor funding came in the form of grants, risk-sharing instruments and unfunded guarantees.

With donor support, the Bank delivered several projects in 2022 across various sectors ranging from supporting SMEs and entrepreneurs to investing in key municipal infrastructure. This was coupled with extensive upstream support in the form of policy reforms and technical assistance. This led to a total of **€1.38bn in donor funds being utilised in 2022** – by far the largest ever annual amount.



MAJOR ACHIEVEMENTS IN 2022

- 2022 was a record-breaking year with **€2.10bn of new funds** secured for EBRD's use, through both funded and unfunded contributions from donors. Another €120m of funds came from Net Income Allocation.
- **€1.01bn** were contributed as new funds to support the Bank's response to the war on Ukraine, as directed by the War on Ukraine – EBRD Resilience Package.
- Total resources for the Resilience Package rises to **€1.22bn**, after adding existing donor funds that were redirected, and Net Income Allocation. Another €36m were provided to Ukraine in the form of EBRD managed funds.
- The vast majority of donor funds were raised from May 2022 onwards and utilised in 2022, demonstrating the swiftness of donors response to the war on Ukraine.
- **A further €585m was raised** for EBRD managed funds (EWBJF, E5P), which exist as a shared pool of funding that EBRD and other international financial institutions (IFIs) can use.
- 2022 also saw the largest ever use of donor funds in a given year, **reaching €1.38bn**.
- **€748m** of donor funds were used to support investments in Ukraine and affected countries related to the Resilience Package.
- By end 2022, the Bank managed an active donor funds portfolio worth over **€3.8bn**, which rises to €4.1bn if unfunded guarantees are included. **49%** of the Banks active investment projects benefited from donor funds support. Moreover, 250 active donor funds were managed by the Bank.

The role of donor funds is an important and integral part of the Bank's business model and the Bank has benefited from donor funds ever since its start in 1991. More generally, donor funds unlock investment opportunities that could not be financed on purely commercial terms. They make it possible to overcome market and institutional failures where these persist and address externalities. They also promote capacity building and policy and regulatory reforms. Such upstream activities are vital to creating an enabling environment and strengthening the capacity of clients, thereby ensuring a steady pipeline of investment projects and building sustainable markets.

HOW WE WORK WITH DONORS



Advisory Services

To engage and provide expert advice targeting an improvement of operations, project preparation or project implementation.



Co-financing

To improve affordability, reduce risks and provide incentives to the private sector to invest.



Policy dialogue

To provide expertise to improve the legal, regulatory environment and investment climate and/or to deliver capacity building to intermediaries.



Technical assistance

To help design or implement an investment project and build client capacity.



KEY FIGURES 2022

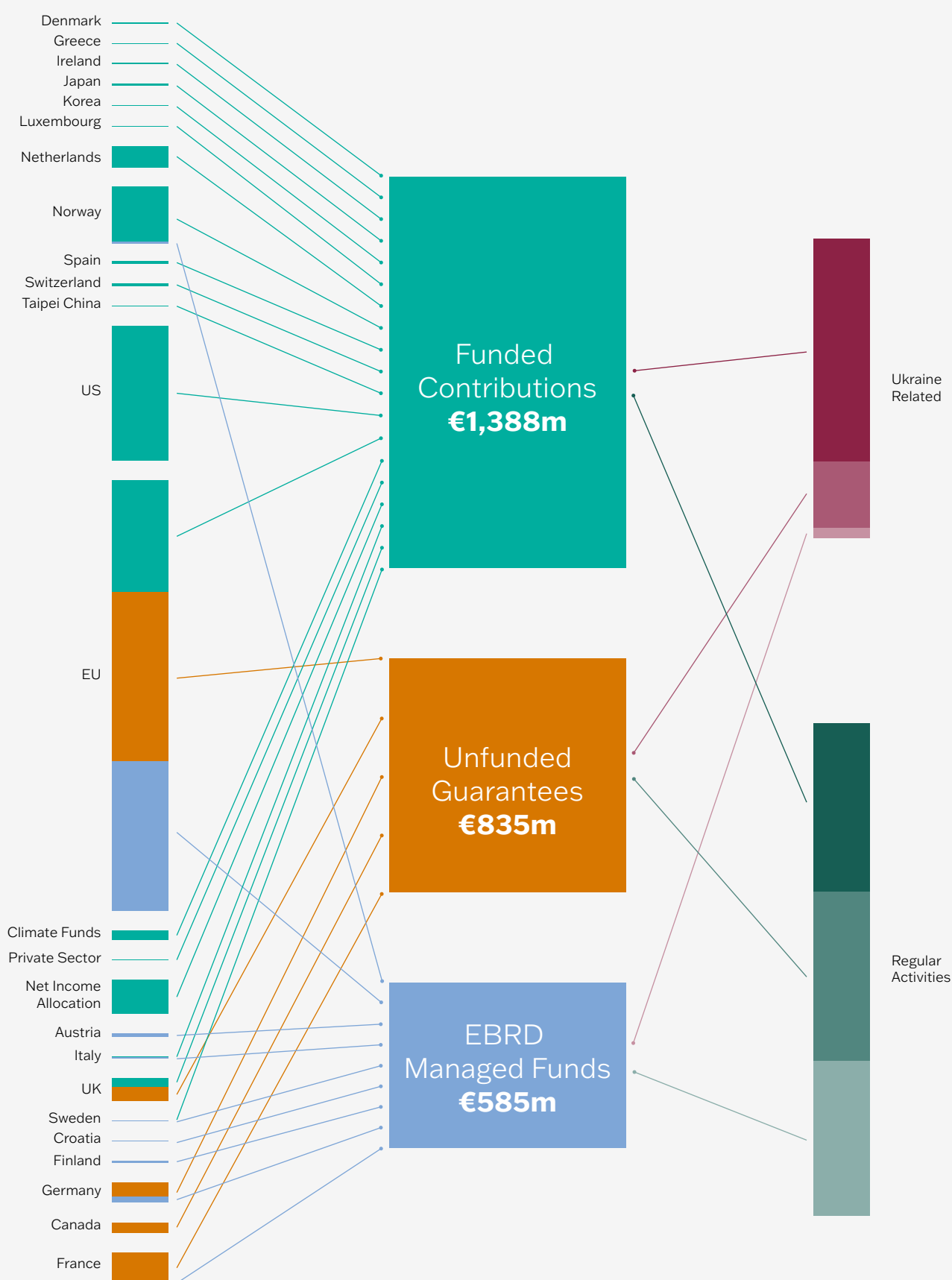


Chart 1: Total donor resources mobilised by the Bank in 2022

Donor Inflows

During 2022, the Bank mobilised **€2,103m of donor funds; this represents an increase of 78%** compared with €1,185m mobilised in 2021. Out of the total donor support, €1,268m were received in the form of funded contributions, with the remaining amount of €835m in the form of unfunded guarantees. Additionally, the Bank's Board approved an allocation of net income for the Bank of €120m in support of its activities. Donor-backed unfunded guarantees are relatively new to the Bank, which mobilised its first such guarantees from the EU in 2019 and 2020, respectively.

Chart 2: Composition of donor inflows in 2022

Total Resources Mobilised in 2022, in €m	
Funded Contributions	1,268
Unfunded Guarantees	835
Total Inflows	2,103
EBRD managed funds	585
Net Income Allocation	120

*This is revised from the 1,184m reported in the 2021 ADR

Use of donor funds

The total use of donor funds was **€1,079m in 2022**, and a further **€302m** of unfunded guarantees were also utilised to support Ukraine. The overall amount of donor support totalled €1.38bn, a significant increase from the €427m in 2021. Donor funds were primarily used to support less advanced regions, with the EEC region, SEMED and Central Asia representing 73% of funds used. Out of the €1,079m, €828m was used in the form of co-investment funds and €250m as TC grants. Resilient is by far the most notable TQ, accounting for 41% of donor funds used.

Out of the €1,079m used in 2022, €446m (or 41%) of funds, and 302m of unfunded guarantees, were dedicated to the crisis response in Ukraine.

Taking aside the donor funds utilised for the Ukraine crisis, the €633m of donor funds used in 2022 is still a significant increase from 2021 – nearly 50%. This sharp increase was due to a need for greater concessional financing experienced across all of the Bank’s economies where the Bank operates following the deteriorating macroeconomic situation in many countries due to the war.

Chart 3: Use of donor funds 2015-2022

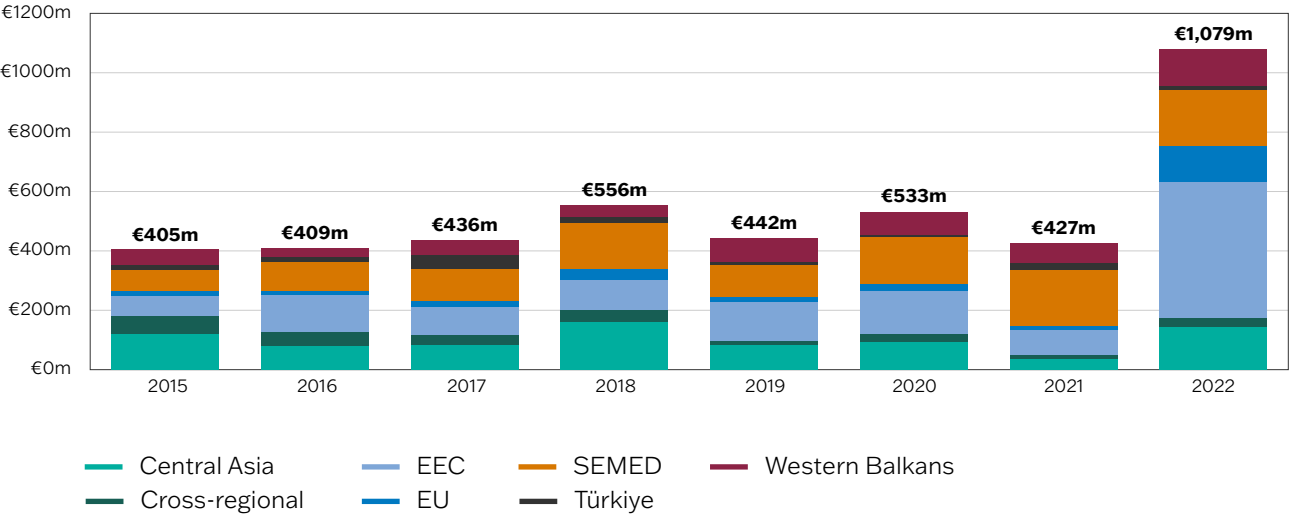


Chart 4: Use of donor funds in 2022 by instrument type and region, in €m

	Capex	Concessional loans	Incentives	Risk-sharing	TC	Total
EEC	85	0	0	340	29	455
SEMED	56	40	12	13	69	189
Central Asia	53	27	4	3	58	145
Western Balkans	55	0	23	4	41	123
EU	0	103	0	0	19	122
Cross-regional	0	0	1	5	23	30
Türkiye	0	4	0	0	11	14
Grand Total	249	173	41	366	250	1,079

Converting the original values into unit of millions results in many decimal places. When displaying the values as rounded full numbers for clarity, the aggregated figures may not sum exactly, and appear to be different from other similar figures in the report.

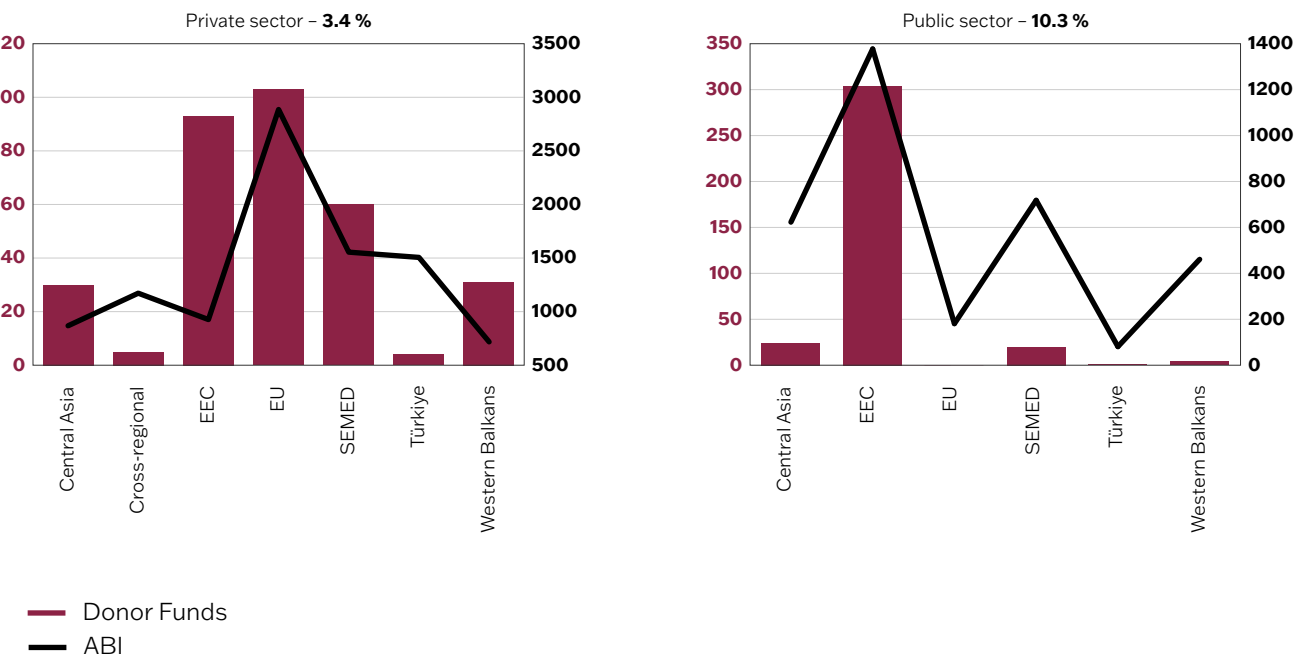
Ratio of donor funds to ABI

The Bank regularly assess the relationship of donor funds to its investments to see how they have evolved over time, through different methods:

- In 2022, **49%** of the Bank's investment operations (by number of investments) in its active portfolio benefitted from donor funds, which is in line with 2021.
- Another way to assess the role of donor funds in EBRD operations is to examine the volume of the use of donor funds relative to the volume of the Bank's investment. The ratio of donor funds to ABI in volume stands at **5.2%** reflecting an increase from 1.9% in 2021.

The ratio plays out differently in the private (3.4%) and public sectors (10.3%). The share of donor funds in private sector operations represents 3.4% in 2022 compared to 1.7% in 2021. The relatively higher ratio in 2022 can be explained due to the increase of donor funds used primarily in the EEC region while ABI remained approximately at the same level. It is worth highlighting that there has been a major increase in the use of funds in the EU region, specifically in Greece, following a significant contribution as part of the EU Recovery and Resilience Facility (RRF). For public sector operations, the ratio of donor funds to ABI was almost four times higher compared to 2021. This increase was driven by the ratio of donor funds to ABI in the EEC region which increased from 2% in 2021 to 22% in 2022.

Chart 5: Ratio of donor funds to ABI by volume per portfolio class and region, 2022 in €m

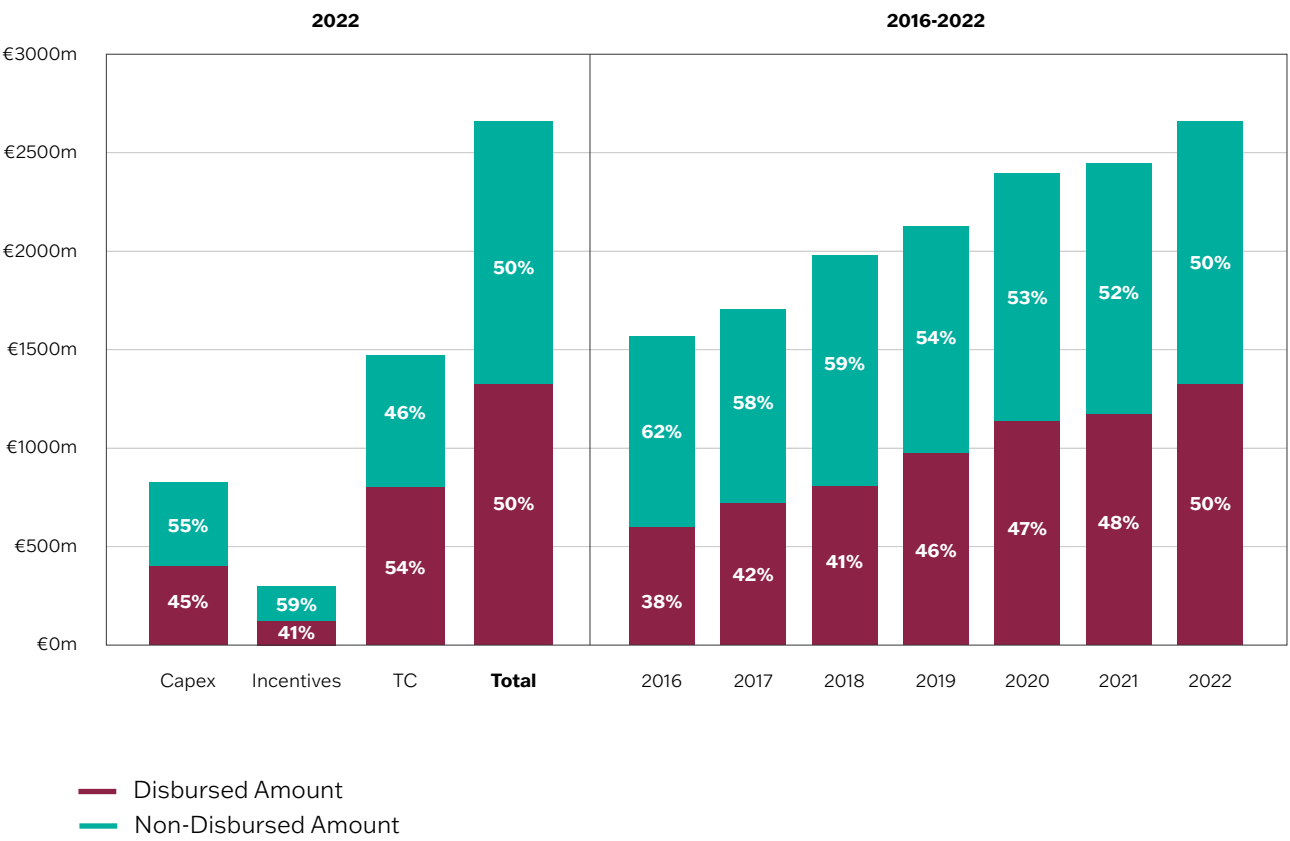


Disbursement rate

As of end 2022, the active donor funds' portfolio was worth over €3.8bn (over €4.1bn, when including unfunded guarantees). The disbursement rate reflecting the usage for the entire portfolio stood at **50%** for 2022, broadly in line with recent years.

It is important to note that this rate reflects a range of projects across the Bank's portfolio with different implementation periods.

Chart 6: Disbursement rate





EBRD AND DONORS IN UKRAINE

The **war on Ukraine** called for swift and unprecedented action. The Bank's relationships with donors intensified, with innovative instruments being deployed to quickly tackle the challenges brought on by the war and its consequences across the rest of the Bank's regions. Between May and December 2022, more than 15 donors contributed €1,006m of new funds for the EBRD Resilience Package, to support Ukraine and affected countries. Additionally, €199m of existing funds were redirected for this purpose. By year-end €748m had been deployed, which is a unique achievement as donor funds raised in one year are seldom programmed and used in the same year.

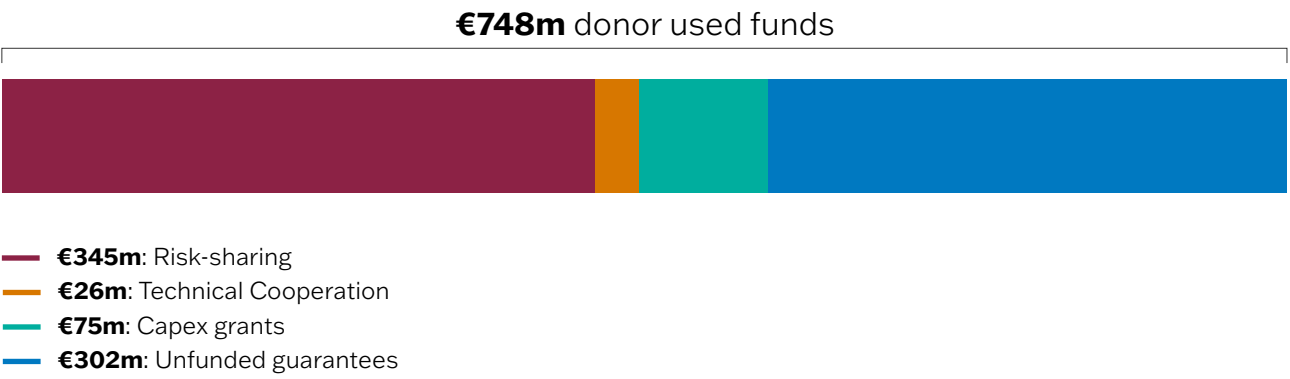
Donor inflows

Chart 7: Composition of donor inflows dedicated to the Bank’s response to the war on Ukraine in 2022, in €m

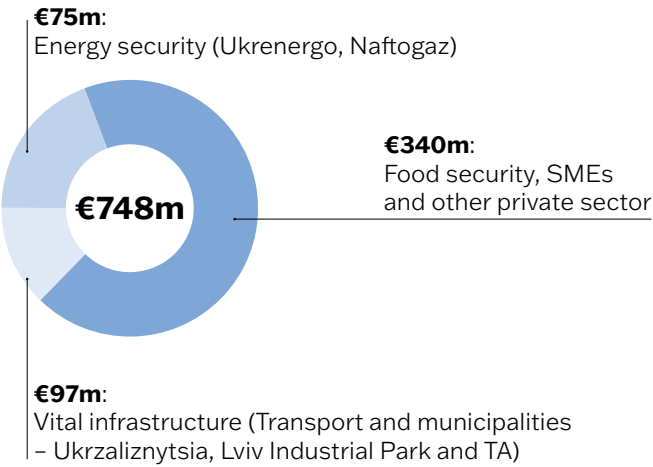
Funded Contributions	771
Unfunded	235
Total Inflows	1,006
Redirected funds (SSF, Small Business Impact Fund (SBIF), Post Graduation Special Fund (PGSF))	199
EBRD managed funds	36
Net Income Allocation	20
Total resources	1,261

Use of donor funds

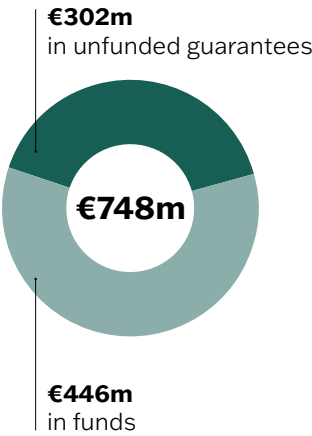
Chart 8: Use of Donor Funds in Ukraine



A total of €748m was deployed to support €1.7bn of investments in Ukraine in 2022:



Support for the following key sectors:



EBRD'S ACTIVITIES IN UKRAINE

The EBRD has sought to deploy donor support across a range of sectors where donor priorities match priorities as set out in the EBRD's response to the war on Ukraine. The following sections give a short overview of the Bank's projects and investments across six key sectors.

Energy security

EBRD's support ensures the continued provision of vital energy services to affected people and businesses. This support has been instrumental in keeping the lights on, providing heating and ensuring companies and basic public services can keep operating. In the early stages of the war, focus was on providing working capital and grants to the two leading state-owned energy companies: Naftogaz (natural gas company) and Ukrenergo (electricity transmission system operator).

Progress in 2022

The Bank signed a €300m loan with Naftogaz to finance natural gas procurement. The loan was supported by a combination of donor guarantees for a total amount of €200m: a €36.5m unfunded guarantee extended by Canada; a €50m unfunded guarantee provided by Germany and a €50m unfunded guarantee issued by France. In addition, the US allocated €63.5m from their contribution to the CRSF for the same purposes. On top of that, the Bank signed a contribution agreement with Norway of €196m that was directly channelled to Naftogaz in the form of a grant to make additional critical gas purchases.

EBRD furthermore repurposed an up to €150m facility that had been previously extended to Ukrenergo to finance the emergency working capital of the company. The loan was supported by two unfunded guarantees: an EU guarantee worth €35.6m extended through the EFSD, and a guarantee provided by the UK worth €48.6m. The EBRD SSF contributed an additional €1.9m.

Also, EBRD extended a new loan of €300m to Ukrenergo to finance emergency restoration of Ukraine's electricity transmission network and extra liquidity needs. The loan was supported by a €150m guarantee from the US contribution to the CRSF. In addition, the Netherlands also allocated €72m in the form of investment grants from their CRSF contribution to finance Ukrenergo's purchase of critical equipment.

Trade finance and FI support

Trade finance is the lifeblood of any economy and its international commercial relations. Due to the war, Ukrainian banks have been facing cancellations of commercial limits by international banks and have been increasingly reluctant to take on non-payment risks as the economic conditions in the country have continued to deteriorate. The closure of international trade finance available to local banks and companies coincided with much more limited access to working capital finance locally. To facilitate trade flows and keep open the channels of commerce, especially for essential goods and strategic exports, the EBRD has been expanding its Trade Facilitation Programme to several Ukrainian banks. In addition, the Bank has been providing direct lending to a number of Ukrainian privately owned banks in order to strengthen their resilience and provide an ability to support their core customer base, with a particular focus on the SME segment.

Progress in 2022

The Bank extended €249m of Trade Finance Programme (TFP) facilities to six Ukrainian commercial banks in 2022, which were supported by a €18m guarantee from the SSF.

In addition, EBRD provided a €20m loan to Ukrgazbank to support SMEs, and additionally a €10m A/B loan to Bank Lviv for on-lending to private businesses. The focus was on companies in the food security sectors and those who needed to relocate their businesses to the western part of Ukraine. The Ukrgazbank transaction was supported by a €10m guarantee from the US through the CRSF.

Vital transport and municipal infrastructure

Numerous municipalities have been deeply affected by the war with destroyed infrastructure and multiple impediments to the provision of basic public services to local populations. The Bank has focused on providing emergency liquidity support and critical capex loans to renew and ensure continued operations and avoid a collapse of essential transport and logistics services at municipal level. EBRD has been aiming at providing emergency liquidity financing for hard-pressed municipal budgets to renew and ensure continued operations and uninterrupted provision of essential public services such as district heating, water and wastewater, solid waste and public transport.

Progress in 2022

EBRD repurposed an up to €150m facility that had been previously extended to Ukrainian Railways to support its critical liquidity needs. The loan was supported by two unfunded guarantees: an EU guarantee worth €22.3m extended through the EFSD, and a guarantee provided by France worth €49.4m. The SSF contributed an additional €2.8m.

Also, EBRD signed a €25m facility with the municipality of Lviv to finance emergency liquidity needs. The project has been guaranteed by €12.5m of CRSF funds, allocated from the US contribution.

In addition, a €4.5m investment grant was extended by the EBRD SSF to Ukrposhta, the national postal operator of Ukraine, to support the acquisition of Starlink satellite internet terminals as well as power generators and batteries for 1,700 local mobile post offices. This allows people, even those in rural areas, to remain connected despite attacks on the energy infrastructure.

On top of that, the Bank secured contributions from Sweden (€9.3m), Norway (€1.9m), Germany (€20m) and Finland (€4.7m) to the E5P Fund that will be able to provide capex grants for Ukraine's municipal infrastructure sector in 2023 and beyond.

Agriculture and food security

Agribusiness is a key sector in the country, with an estimated 40% of Ukraine's export revenues coming from the agri-food sector and 17% from employment, before the war. In addition, the importance of Ukraine's role as the breadbasket of Europe cannot be overstated, with many countries depending on its exports. Overcoming a liquidity crunch, occupied and mined lands, and the war's impact on the workforce is a great challenge, with high stakes for food security in Ukraine and the world as a whole.

Boosting agricultural production and securing the agricultural value chain in Ukraine is critical to ensuring food security. EBRD investments have also contributed to averting a global food crisis by addressing risks related to the global maintenance of vital food supply, particularly in countries highly dependent on food imports such as in the SEMED region. The Bank has focused on providing short-term liquidity support to agribusiness clients to preserve jobs, protecting crop seasons (from planting to harvesting), and providing fuel and logistical support.

Progress in 2022

In 2022, EBRD provided around €106m of investments to its clients in the form of direct loans extended by the Bank, or in the form of risk-sharing Facilities/Food Security Guarantees provided by the Bank to Ukrainian financial institutions. The financing was supported by guarantees from various donors, including €23.2m from the US (through the CRSF), €15m pooled from the G7 countries, Norway and Switzerland (also through the CRSF), and another €16m from the SSF. The US also provided a guarantee channelled through the CRSF, to enable a €10m loan to the Ukrainian grain producer Grain Alliance Group to improve and expand its overland export capacity, thereby mitigating the effects of Russian port blockades on Ukrainian exports.

Astarta, one of Ukraine's largest vertically integrated agro-industrial holdings, with EBRD support, was able to plant 100% of its farmland (even in the Chernihiv region which was recaptured in spring), harvest and export hundreds of thousands of tons of grain and oilseeds. It also continued to supply local livestock farmers with soybean meal and prepared its sugar plants for production season. Similarly, the Bank stepped in to help finance Myronivsky Hliboproduct PJSC (MHP) sowing and harvesting campaigns at this difficult time.

EBRD financing also supported Enzym, a company responsible for supplying over 50% of the yeast needed for bread production in Ukraine. One of only three nationwide yeast producers, Enzym was facing skyrocketing input prices.

Additionally, the Bank is supporting opportunities for Ukrainian refugees at the Maxima Grupe, a large food retailer operating in the Baltic countries. The programme will help to upgrade Maxima's human resource policies and practices to broaden and strengthen recruitment and career development opportunities for refugee workers (most of them women).

Governance

EBRD has a long tradition of supporting reform and capacity building in Ukraine. Through the Ukraine Stabilisation and Sustainable Growth Multi-Donor Account, the Bank has promoted good governance, the rule of law and better functioning institutions by extending technical assistance to ministries, state entities and select private sector organisations.

Progress in 2022

The Bank has been focusing on emergency support to Government ministries, including advisory work on EU accession, coordination of humanitarian aid, support on trade facilitation and technical assistance to financial institutions on payments, working via the Ukraine Reform Architecture Programme (URA), the Business Ombudsman, and many other tools. Switzerland has contributed €3m in grants to the Ukraine MDA in addition to the €10m from Austria, €9.5m from the US via the CRSF and €2.5m from the Netherlands. Through the URA, the Reforms Delivery Office (RDO) and the Reform Support Teams (RST) have contributed to the achievement of some of the following results throughout 2022:

- In **energy security**, the development of a digital platform – AidEnergy – supported the restoration of critical energy facilities and the URA assisted in the development of measures for financial stabilisation of the energy market.
- In the repair of **critical infrastructure**, the development of a digital platform – UNEEDS* – facilitated the repair of utility services enabling the coordination of urgent aid and its delivery to utility providers affected by the war.
- To support the inflow of **humanitarian assistance**, a portal (www.help.gov.ua) was launched and a humanitarian hotline was coordinated.

Nuclear safety

The EBRD has a nuclear safety team managing several funds to finance nuclear safety improvements, management of radioactive waste, decommissioning and rehabilitation of contaminated sites across the region. Maintaining nuclear safety in Ukraine following the Russian invasion is a top priority.

The International Chernobyl Cooperation Account

The Bank has a long and proud history of collaboration on nuclear safety and decommissioning at the Chernobyl Nuclear Power Plant in Ukraine, with the programme valued at over €3bn representing the world's largest-ever international collaboration on nuclear safety.

The Russian invasion of Ukraine in February 2022 created new and unexpected radiological and nuclear risks in Ukraine and put nearly two decades worth of international collaboration at the Chernobyl site in jeopardy. The Bank, through the International Chernobyl Cooperation Account, is working to restore safe and secure working conditions in Chernobyl where Russian forces have destroyed vital infrastructure and looted or destroyed safety-relevant equipment. In 2022, the first projects to re-establish the capability of the authorities to prevent and tackle fires within the zone received donor approval. Further activities, both to support day-to-day safe operation at the site and to establish a longer-term pathway for safety and decommissioning, are planned in the near future.

Private sector and small and medium-sized Enterprises

As in other countries, SMEs are the backbone of the Ukrainian economy. With the Bank's private sector mandate, EBRD has been unique among international institutions in extending continued support to private businesses engaged in several critical sectors of the Ukrainian economy affected by the war, which have required funding to continue their operations. EBRD's initial focus has been on the pharmaceutical sector (to ensure Ukrainian hospitals and pharmacies have access to essential medicines and equipment), metals and mining industry (to facilitate continuity of operations of one of the largest export-oriented sectors of the Ukrainian economy) and other sectors through either direct lending or Resilience and Livelihoods Guarantees (RLGs) extended to Ukrainian banks. In addition, the Bank has been rolling out a range of support instruments through grants and first-loss risk-sharing facilities to help SMEs with issues such as business relocation, supply chain integration, start-up seed grants and capacity building.

Progress in 2022

The Bank extended a €20m loan to Farmak, one of the leading manufacturers of medicine, to continue its production and supply of medicines. The loan was supported by an €8.9m unfunded EFSD guarantee. In addition, €1.1m has been allocated from the SSF.


Also, EBRD provided €21.3m of RLGs to two Ukrainian local banks to facilitate further support to critical sectors of the Ukrainian economy. The Bank's facilities were backed up by €10.7m guarantees from the US through the CRSF.

In addition, the Bank secured several new contributions to EBRD's SBIF: €7m from Switzerland, €4m from Ireland and \$2m from the US. A further €18m was secured through repurposing existing funds from the US, Korea and Italy.

As part of its support to SMEs in 2021, EBRD launched a digital platform in Ukraine to provide businesses with legal and business advice, including in digitalisation (businessguide.ebrd.com.ua). In 2022, with the start of the war on Ukraine, the platform was updated to include legal information for SMEs, such as labour law, business reallocation, tax matters and currency restrictions. A regular newsletter was also launched with up-to-date legal and business guidance. The website in Moldova was updated with guidance on the requirements for setting up and running a business in Moldova, how businesses can employ Ukrainian citizens and what support they can receive in this respect. Nearly 900 businesses in Ukraine and 15,000 businesses in Moldova benefitted from this information.

Additionally, EBRD is working with Ukraine's Ministry of Education and Science to produce a detailed skills needs assessment in partnership with the EU for Skills Programme. The study will collect and analyse primary data from employers across Ukraine to produce findings around key skills mismatches and priority needs. The study will help the Ministry and its partners to better target and plan training-related activities under the ongoing crisis.





RESULTS ACHIEVED TOGETHER

This section provides a high-level perspective of the results the Bank and donors achieved using grants, loans or unfunded guarantees. Such donor-funded projects deliver outputs and outcomes of key importance to the achievement of the Bank's transition mandate.

Funding provided by donors has now become an integral part of the Bank's ability to deliver projects on the ground which have played an ever-increasing role in the response to two successive crises – Covid-19 and the war on Ukraine.

In addition, to select aggregate results, the report includes a variety of project examples and focus pieces to illustrate the type of interventions and contributions that donor-funded projects make towards the EBRD's transition objectives. While 2022 started to see the impact of the pandemic lessen, the war on Ukraine has had significant ramifications on the country and adversely impacted the wider EBRD region, including SEMED. The use of donor funds in the Bank's response in Ukraine, and affected countries has been central.

The results presented are organised around the Bank's six TQs: green, competitive, resilient, well-governed, inclusive and integrated. SCF themes of supporting the transition to a green, low-carbon economy, promoting equality of opportunity, and economic governance are primarily reflected under the green, inclusive, and well-governed transition qualities.

These themes are, to varying degrees, cross-cutting and can be found in any of the TQs. Where relevant, the report highlights the SCF theme of accelerating the digital transition. The Bank has also been making efforts to link its results to the Sustainable Development Goals (SDGs), as indicated at the start of each section. This will be expanded upon in future reports.

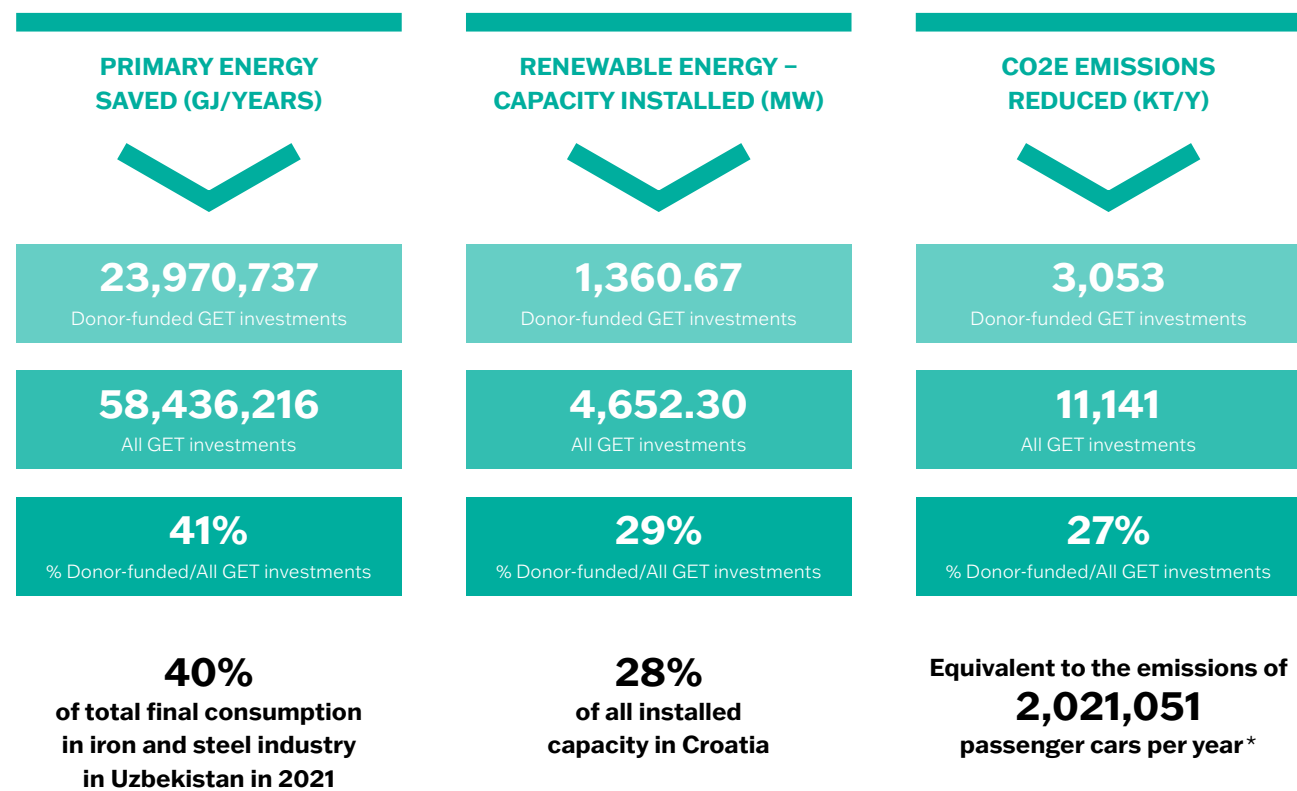
Donor funding plays an important role under all the TQs for achieving project results as per the 2020 multi-year analysis. As referenced in the Annual Donor Report covering 2020 (submitted in 2021), general findings of the multi-year analysis of completed projects, as conveyed in the Bank's 2020 Annual Report on Transition Performance, suggest that combining investments with TC can have a positive effect on transition impact, helping the Bank deliver its mandate and mission.



GREEN

Donor funding allows the EBRD to provide guarantees and concessional finance in its green investments – lowering the barriers for early-movers. Donor funding also supports the Bank’s technical assistance and capacity building engagements, helping to create an enabling environment to scale green investments, all of which contribute to realising the SCF’s theme of transition to a green, low-carbon economy.

Chart 9: Total GET results on course to be delivered from EBRD investments in 2022 and the proportion of which supported by donor funds and the SSF



*The reference is average annual km of 1 car=14,000km, and average CO2 emissions of 1 car = 107.9gCO2/km



In 2022, the EBRD remained focused on the climate crisis while mobilising additional donor financing to support Ukraine. The Bank’s green economy financing reached €6.3bn – representing 50% of the total 2022 business volume. This was supported by donor funding of €260m from bilateral and multilateral sources in the form of technical assistance and capex grants, concessional co-lending and guarantees.

In 2022, donor funding and the SSF supported over €2.5bn of EBRD green investments, representing 40% of the Bank’s green investments that year, contributing to an expected reduction of more than 3,053 kilotonnes of carbon emissions yearly and the expected primary energy savings of more than 23m gigajoules (GJ) annually (see Fig 1). Other expected results include a total renewable energy capacity installed of 1,360 megawatts (MW).

The Bank delivered on its promise to align its operations with the objectives of the Paris Agreement by the end of 2022, and as of this date, all EBRD investments are now screened for their alignment with these mitigation and adaptation goals. Beyond investments, the Bank’s Paris alignment covers all internal operations – ranging from treasury to mobility.

A commitment to deliver governance models that manage climate risks and opportunities underpins the Bank’s Paris alignment approach. To that effect, the Bank committed €30m to establish the Corporate Climate Governance (CCG) Facility. The CCG Facility supports financial institutions, corporate and municipal clients in incorporating climate considerations into their governance, strategy and risk management structures. With EBRD support, clients develop transition plans to address governance gaps, identify priority green investments and raise capital for green investments. To date, the Facility has engaged with clients in sectors such as agribusiness, power and energy, manufacturing and services, and natural resources.

The Bank’s flagship Green Cities network welcomed four new cities, bringing the network to 57 cities in total. Municipalities in the Green Cities network develop Green City Action Plans (GCAPs) that identify investment opportunities and policy actions to address their most pressing environmental challenges. The programme supports municipalities with over €5bn in funding – including €301.2m of donor funds since 2016.

In 2022, the Bank committed €763m to 16 green cities projects. Collectively, these projects will reduce 3.1 million tonnes of CO2 equivalent, save or treat 73 million m³ of wastewater and save around 318,000 GJ of energy.

In addition to assisting municipalities with formulating their GCAPs, the Bank supports the design and implementation of Green Cities projects. For example, the Bank is providing technical assistance to the Istanbul municipal government for the Goztepe-Atasehir-Umraniye metro line. In Cairo, EBRD assistance supports project implementation for the rehabilitation of Metro Line 2. The latter will serve as the first investment for Cairo under the Green Cities programme. It will also include donor funding for the development of a GCAP with an estimated budget of €1.3m.

The Green Economy Financing Facility (GEFF) enables its network of 188 partner financial institutions to establish credit lines to support businesses and homeowners that invest in high-performing green technologies. Since the launch of this financing instrument, and with the support of donors, the EBRD has distributed over €6bn via the GEFF – avoiding almost 10 million tonnes of CO2 emissions per year.

For example, in Bosnia and Herzegovina (BH), the EBRD is providing finance and grant support of €24m to residential sub-borrowers and firms via local banks in the GEFF network to install more energy and resource-efficient equipment that will lead to energy savings and CO2 reductions.

At COP27, Egypt launched the energy pillar of the Nexus-Water-Food-Energy (NWFE-EP) programme, with the EBRD as the lead development partner. Under NWFE-EP, Egypt will retire 5 GW of inefficient fossil fuel power capacity by 2025 and deploy 10 GW of renewable energy by 2028, including solar and wind energy, and renewable hydrogen. NWFE-EP aims to mobilise over half a billion euros in grants and concessional loans – including \$20m for technical assistance – from donors and IFIs to address critical bottlenecks, such as the expansion of the electricity grid and support for affected workers. The Bank expects the programme to unlock \$10bn in private investments to support the deployment of renewable energy. Donor funds have been provided to support a TC that will create a partner Coordination Platform which will commence in 2023.



SUCCESS STORY

Supporting sustainable energy in the Kyrgyz Republic

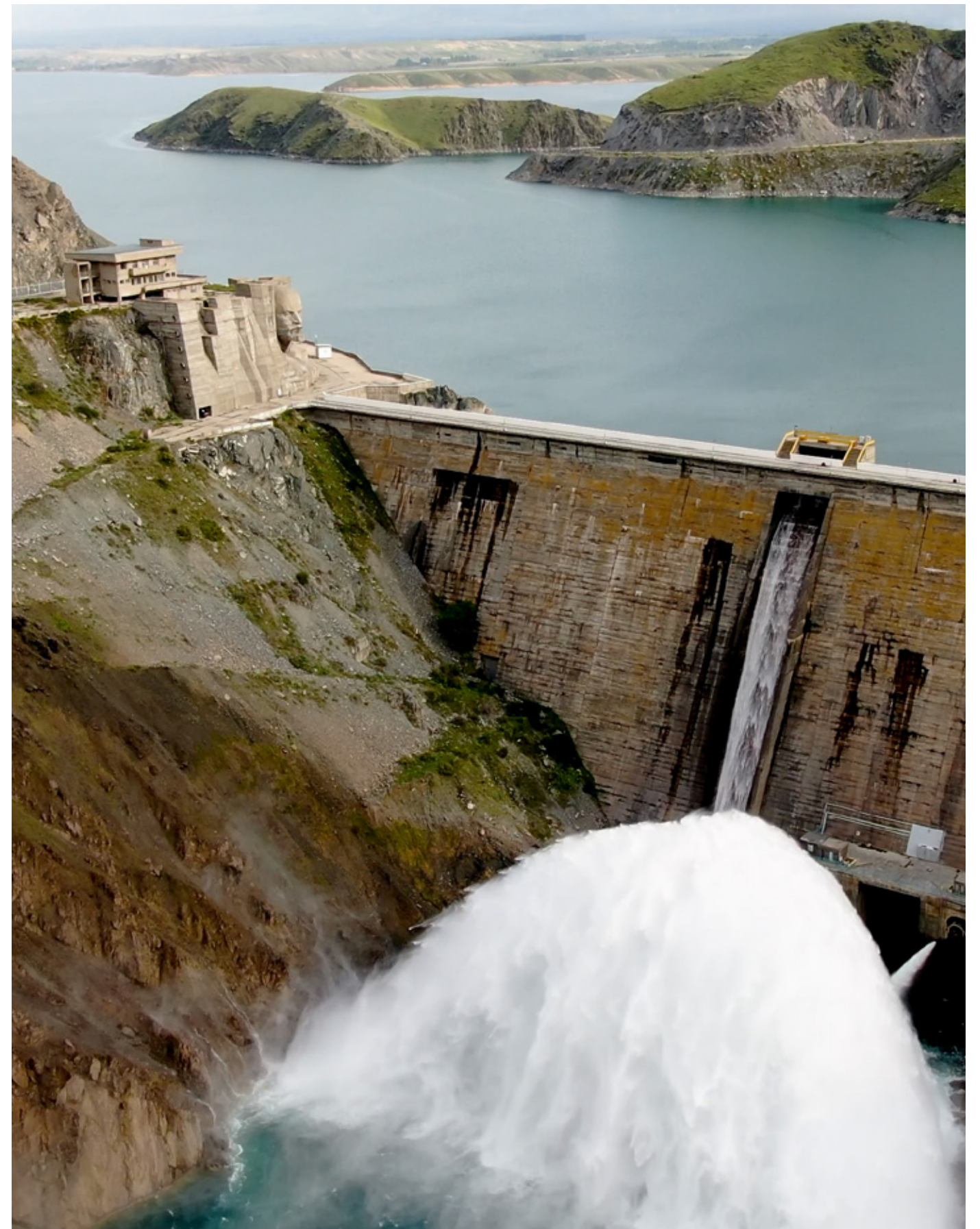
The Kyrgyz Republic Sustainable Energy Financing Facility (KyrSEFF) is one of the Bank's longest running sustainable energy initiatives in Central Asia. Launched in 2012 and supported with donor funds, KyrSEFF focused on the improvement of energy and resource efficiency across the country. It also launched a much-needed dialogue with the national authorities resulting in the adoption of the Law on Energy Performance of Buildings, making the Kyrgyz Republic a pioneer in the region.

The KyrSEFF financing facilities I and II were implemented between 2012 to 2022 and helped finance over 3,500 projects, supporting more than 3,000 households and nearly 200 businesses with improvements in their energy efficiency, resulting in:

- Annual energy savings of almost **200,000** MW (enough to meet the energy demand of almost **20,000** households).
- Annual water savings of more than **153,600** m³.
- Annual CO2 emissions reductions of more than **67,000** tonnes (equivalent to removing **14,500** passenger cars from the streets of Kyrgyz cities).
- Development of secondary legislation: Energy Performance Certification Scheme.

The introduction of various innovations through the KyrSEFF has resulted in the increased use of high-efficiency technologies by 30% and solar technologies by 50%. EBRD partner-banks are actively embracing green finance concepts and local journalists received specialised KyrSEFF training on how to write about sustainable energy and green technologies.

In December 2022, the EBRD celebrated the 10-year anniversary of KyrSEFF I and II, sharing success stories and discussing the challenges that the country still faces in building a sustainable green economy framework. The EBRD's Board of Directors approved a new \$50m for KyrSEFF III in late 2022, which will broaden the scope of activity covered by the previous facilities. It will be aiming to introduce new, inclusive financial products to support climate resilience and adaptation, reduce pollution and promote the sustainable use of water.





INCLUSIVE

An inclusive economy ensures that anyone – regardless of their gender, place of birth, socio-economic background or other circumstances – has access to economic opportunities. 2022 was an important and intensive year for the Bank’s work on promoting equality across the EBRD regions of operation. It was the first year of implementation of the Bank’s equality strategies for the 2021–2025 period: the Strategy for the Promotion of Gender Equality and the expanded Equality of Opportunity Strategy.

Chart 10: Selected inclusive oriented training supported by donor funds and the SSF in 2022

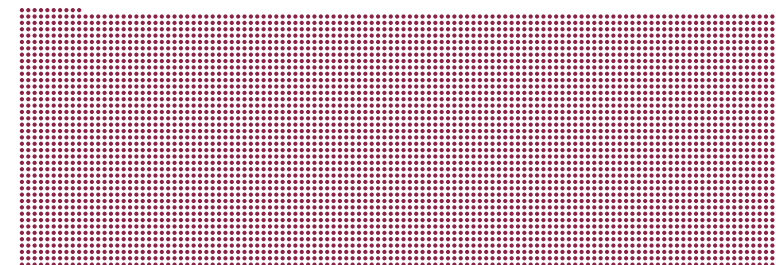
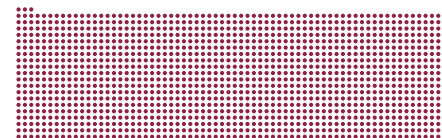
Close to 400 staff across 14 PFIs received training on gender-responsive green finance



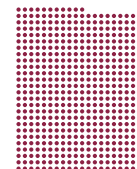
230 women trained on financial literacy and awareness raising on the benefits of green technologies for the environment



1,363 women trained under the Women in Business (WiB) programme



4,910* trained by the Gender and Inclusion team



511 youth trained under the Youth in Business (YiB)

*Areas of training

- For students/entry-level employees to learn workforce-critical skills
- Work-based learning training for Technical and Vocational Education and Training (TVET) students
- Digital skills training within Clients’ workforces on skills critical to the future of work
- Green skills for renewable and green jobs
- For employees on Gender-based Violence and Harassment (GBVH) awareness
- Completion of accredited courses for students at TVET institutions/universities on curricula developed in partnership with clients



The total investment volume towards the inclusive transition quality amounted to over €4bn in 2022 (compared to €2.6bn in 2021) with 37% of all EBRD investments categorised as Gender SMART (where gender was at least a substantial component of the overall investment) – well above the 25% target for the year. Moreover, 62% of donor funded investment projects addressed issues related to gender and inclusion. In addition, there was an 87% increase in inclusive operations over the last year – from 56 operations in 2021 to 105 operations in 2022. The substantial increase in inclusive projects was driven by the integration of a focus on supporting people and preserving livelihoods under the RLF. The work under this transition quality directly supports meeting the SCF theme of promoting equality of opportunity.

The A4EG was launched in late 2022 to scale up donor funding towards inclusion and enhance the efficiency of deployment of funds. The fund aims to mobilise €100m of donor contributions over a five-year period. Some initial financing towards the fund has been received and funding for projects is due to start in 2023. These include support to Ukraine’s emergency response, equal opportunities in Mongolia, green skills in the energy sector in Uzbekistan, and increasing access to employment in Kazakhstan.

In 2022, there was a notable scale up of efforts to support equality of opportunity and increase the role of women in addressing climate change through projects, policy engagement, and key partnerships. The EBRD signed more than 15 new gender-responsive GEFF transactions with PFIs across five countries. To overcome supply-side barriers to women’s equal access to climate finance, close to 400 staff and management across 14 PFIs received training on gender-responsive green finance. The Bank also supported training to 230 women on financial literacy and raised awareness on the benefits of green technologies for the environment. Thus far, as of 2022, over 1,800 women-owned or led businesses and individuals have been reached with GEFFs.

In Jordan, the EBRD has been working to promote equal opportunities, develop human capital and increase employment opportunities in the energy sector. In 2022, the Bank supported the National Electric Power Company (NEPCO) in identifying staff with strong leadership qualities and planning capabilities as part of capacity building and developed recommendations to strengthen equality of opportunities for all employees, particularly women. The project also supports improvements in the school-to-work transition of young graduates through the formalisation of an 8-month apprenticeship arrangement with the Al-Hussein Technical University (HTU) and its technical and bachelor’s degree programmes in Energy and Electrical Engineering. This will target 140 youth, including 25% women in the coming 7-year tenor of the loan. Finally, in 2022, the project began the design of a new regulatory framework for qualification of electrical technicians across all levels of voltage. As there is no comprehensive legislation related to licensing in the energy sector, this framework will improve the quality of service, and ensure the safety of the system and its workers.

Elsewhere, the Bank continues to support youth through its flagship Youth in Business (YiB) programme. While youth entrepreneurs often run dynamic and innovative businesses with high potential, they often struggle with accessing finance due to perceptions of risk and limited managerial experience. In 2022, EBRD extended the YiB programme from Morocco and Egypt to the Western Balkans to support young entrepreneurs with growing their businesses.

The programme has three core components:

- 1)** Dedicated financing for youth entrepreneurs, supported by first loss risk cover to address PFIs perceived risk.
- 2)** TC to PFIs to build their capacity in serving and understanding the youth segment.
- 3)** Direct support to youth entrepreneurs, building their managerial capacity, competitiveness and resilience.



SUCCESS STORY

Istanbul Metropolitan Municipality and the Metro Company implement ambitious gender and inclusion agenda

The Bank has provided €97.5m to Istanbul Metropolitan Municipality (IMM) to co-finance the construction of the Umraniye-Atasehir-Goztepe Metro line, including stations, the rolling stock depot area and a connection tunnel.

Supported by donor funds and because of their engagement with the EBRD, IMM and the Metro Company are now implementing an ambitious gender and inclusion agenda across several fronts:

- 1) Improving the accessibility and safety of public transport for over 2 million users daily.
- 2) Strengthening women's access to jobs and employment in the male-dominated Turkish transport sector.
- 3) Supporting the development of new learning programmes for young people in green transport (expected to be launched in 2023).



Challenges related to accessibility and safety-related issues revolve around a lack of public awareness for safety and security measures including anti-GBVH policies and improperly designed physical space in the stations and carriages for those with special needs. In order to address those challenges, the Metro Company has developed and implemented an ambitious Equal Opportunities Action Plan under the 'Equality Here' initiative which has delivered remarkable results in strengthening gender balance in the transport sector and introduced a best practice going beyond national Environmental and Social (E&S) requirements and the Bank's Performance Requirements.

Additionally, there have been various challenges to women's access to jobs and employment in the transport sector ranging from the lack of a female talent pool, discriminatory hiring practices, lack of work-life balance measures and traditionally perceived gender roles.

In response to this, the project has already produced a range of impressive results:

- The company signed the UN Global Compact and Women Empowerment Principles (WEPs) as a testimony for the highest level of commitment to gender equality.
- The rate of job applications from women increased from 7% to 24%, and 50% of all new recruitment over the last two years has been women.
- The proportion of women in engineering roles increased from 16% to 29%.
- The rate of female senior managers rose from 8% to 16%.

- For the first time in the 33-year history of the company, female station supervisors took office and almost 70% of the train drivers recruited in the last two years have been women.
- Women's career progression in the company has reached a record-high and increased 19-fold.
- The employee turnover rate has decreased from 4.37% to 2.34% as a result of improved work-life balance policies.
- Research on the prevalence of GBVH in public transport in Istanbul was conducted and a public campaign was launched to increase awareness of GBVH in public transport.
- A gender lens has been introduced into the design and delivery of public transport services as part of an Action Plan report and is being implemented by relevant IMM and Metro Company units.

As a clear recognition of those achievements, the Istanbul Metro Company won the European Region Special Award in the category of 'Diversity and Inclusion: Gender Equality' at the 6th International Union of Public Transport (UITP) Awards. Those achievements have been a clear indication that the client has introduced best practices in a heavily male-dominated sector with pervasive barriers to women's access to jobs and services, and thus established a new benchmark for the sector to serve as inspiration and a source of future replication.

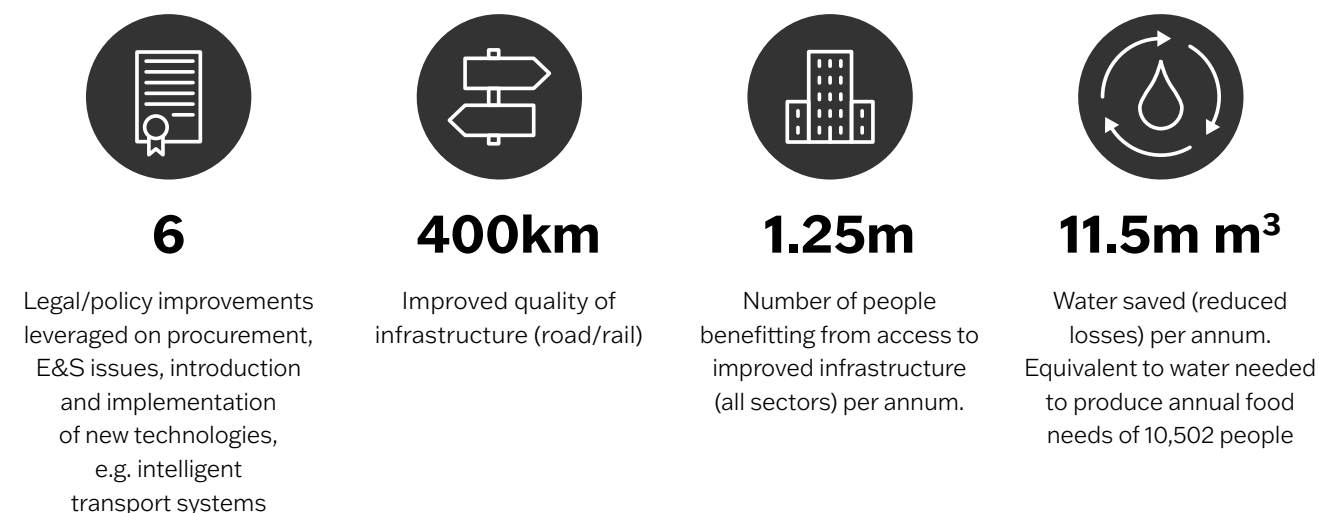
Going forward, the work on gender equality will be complemented by an initiative to establish new learning programmes on green transport skills, targeting at least 400 young women and men. This is expected to further spread the benefits of this innovative collaboration to the wider sector, addressing green skills gaps across the industry and creating a strong future talent pool.



INTEGRATED

Integration consists of two elements: a trade dimension focused on cross-border exchanges, which have experienced particular challenges during Covid-19 and more recently with the ramifications of the war on Ukraine, and an internal one focused on the development of in-country and cross-border infrastructure. Donor and SSF funds have been critical for supporting results under this transition quality in 2022.

Chart 11: Overall expected results for active donor-funded projects in 2022



Trade Facilitation Programme (TFP)

The donor-funded TFP helps firms to trade more, and more effectively. This was particularly important in 2022 as many economies in the regions where the EBRD operates continued to recover from the impact of the pandemic. In 2022, the TFP supported 1,768 transactions with a turnover of €3.6bn, involving 91 issuing banks in 29 economies, which helped to sustain trade flows as countries recover from the disruption from the pandemic and the

establishment of new trade routes for those who had traditionally traded with Russia and Belarus. Furthermore, over 1,300 bankers were trained on trade finance-related topics. Three new issuing banks from Egypt, Kosovo and Montenegro joined the programme in 2022, where the Early Transition Countries (ETC) region accounted for 30% of transactions.

Donor and SSF support is crucial for the delivery of integrated projects in the transport sector. In particular, donor support helps clients with project preparation, including feasibility studies, due diligence reports, advance procurement, and Public Private Partnerships (PPPs) support. Donor-funded project implementation support has enabled clients to comply with the EBRD's policies and procedures, and helped develop and implement environmental and social action plans. Thematic advice supported the development of Corporate Development Plans, design of Sustainable Urban Mobility Plans, benchmarking and asset management reviews, while capacity building activities in this area included support with international procurement certification and road safety initiatives.

An example of donor and SSF funds enabling and enhancing a key investment is the Bank's financing of up to €210m for a new 14-km-long motorway section of Corridor Vc in BH. This is the largest infrastructure project in BH and the most important as per the BH Transport Sector Strategy. The construction will support the country's internal and regional integration through the development of its main international road corridor around which an estimated 50% of the population lives, contributing more than 60% to the country's GDP.

Donor and SSF funding are key to delivery of the project through critical investment co-financing, as well as TC support, to enable delivery of capacity building focused on asset and inventory management – that were active this year – as well as to promote equal opportunities for men and women in the workforce, enhancing women's roles on corporate boards and increasing female participation in the construction sector. Furthermore, the project is situated in a highly climate-vulnerable region, and is exposed to extreme weather events, particularly flooding and landslides. Based on a climate change adaptation assessment, the project will integrate major structural design improvements that will reduce weather-related damage and disruption.



Donor and SSF support have also been crucial for developing PPPs, which are vital for infrastructure development in economies where the Bank operates, both in helping create the legal framework for their structuring as well as facilitating realisation at the project level.

Legal framework

SSF funding supported the Bank to finalise an assessment of the PPP regime in Georgia, developing a set of recommendations for improvements of the PPP legal and regulatory framework as well as two template PPP agreements, all of which have been accepted by the PPP Agency.

Project level

As a country with a growing population and economy, Egypt needs urgent investment in its infrastructure capacity to alleviate the pressure on existing ports, shipment points and trade centres. A key element in this chain are dry ports, from where sea cargo is transported to inland destinations by road or rail. The country's latest transport master plan calls for the development of nine dry port and logistics centres under PPP structures. To support this objective and thanks to donor and SSF funding, the Bank is providing TC support for project preparation and procurement of a dry port and logistics centre in 10th of Ramadan city. They are expected to improve the efficiency of transport infrastructure by reducing congestion at seaports and creating the conditions for accelerated customs processes and procedures. Facilitating trade will contribute to an increase in the competitiveness of local producers, helping to accelerate sustainable economic growth and create employment opportunities.



SUCCESS STORY

Polish and Armenian stock exchanges join forces in Davos

In 2020, the Warsaw Stock Exchange (GPW) approached the Armenia Securities Exchange (AMX) and the Central Bank of Armenia (CBA), as majority shareholder, to express an interest in acquiring a majority stake in the Armenian capital market infrastructure – both the securities exchange and its subsidiary – Central Depository of Armenia. The parties signed a memorandum of understanding (MOU) and, in parallel, requested technical assistance from the EBRD. The objectives of the resulting donor-funded project were to **(a)** review the current status of the capital market infrastructure and identify barriers to the further development of the trading and post-trading infrastructure and the Armenian securities market and **(b)** devise a market development strategy focusing on developing the markets of exchange-traded instruments and a business plan for the AMX Group.

Fast forward an intense and eventful year and a half, and their shared vision became a reality: on 24 May 2022, at the World Economic Forum in Davos, in the presence of the Presidents of Poland and Armenia, the CEOs of the two exchanges signed a memorandum and a Share Purchase Agreement setting out the terms of the acquisition of a majority stake in AMX by GPW.

The proposed strategy developed by the project contained several time-bound measures and actions to be taken by all involved stakeholders and formed an annex to the share purchase agreement and is centred around:

- Becoming a market leader and a pool of liquidity for debt instruments.
- Accelerating the transformation of the post-trade infrastructure to a modern model of settlement with developed risk management services.
- Creating an appropriate regulatory environment in order to improve the transparency of the market.
- Developing a supportive environment for equity issuance and investment by promoting the benefits of equity issuance.

This agreement marks a major milestone in the process of regional consolidation of financial market infrastructure across the EBRD regions, with the two stock exchanges and the CBA adopting a market development strategy for AMX and endorsing the business case for the acquisition. The fact this took place at a time of unprecedented market uncertainty is also symbolic: a sign of the strong commitment to EU market integration by EBRD countries in the EEC region, and of the determination of more advanced economies like Poland to transfer their knowledge and market-development experience to their partners in other EBRD regions.

In another milestone of regional consolidation of capital market infrastructure providers, donor funds supported the development of the mid-term expansion strategy of the Zagreb Stock Exchange (ZSE), which identified several areas for product development, organic growth and horizontal expansion. Based on the resulting strategy, ZSE increased its stake in the Macedonian Stock Exchange to 30% and plans to take majority ownership.





RESILIENT

Donors and SSF support the Bank's vital work in assisting markets and companies to develop capabilities to resist shocks, and to develop balance and sustainability in financial and economic structures. Importantly, this entails financial system stability and includes areas such as food security and energy sector resilience. Covid-19 and Russia's invasion of Ukraine has highlighted the particular importance of this transition quality.

4 Countries

Bulgaria, Croatia, Georgia, and Lithuania passed new and reformed covered bond frameworks into law.

400

Moroccan officials and financial sector staff improved their knowledge on Capital Market topics. Of the learners, 44% are female, 63% of users are in junior or middle-level roles and 30% of learners are located outside of the big cities.

61%

of the Bank's local currency investments supported by donor funds.

Local Currency Programme

The Bank's local currency investments help ensure that borrowers are insulated from adverse foreign currency fluctuations. They also contribute to the development of local capital markets, supporting improved access to finance that in turn creates more resilient economies. Donor funds played a pivotal role in the Bank's ability to undertake this work in 2022: 55 out of 90 (61%) local currency investments included in the Bank's ABI were supported with donor funds.



Well-functioning public capital markets boost economic growth and create jobs and wealth for economies. Donor and SSF funds have played an important role in promoting such aims, whether in building knowledge, creating legal frameworks, or supporting institutional development.

Building Knowledge

The Regional Research Coverage Programme provides free, publicly available, high quality research reports on more than 20 companies listed on the stock exchanges of 10 markets in Central Europe (Bulgaria, Czech Republic, Croatia, Estonia, Latvia, Lithuania, North Macedonia, Romania, Serbia and Slovenia). This helps to overcome information barriers and increases the availability of market financing opportunities for SMEs by increasing transparency for investors and creating success stories. After the first year of this two-year project, the secondary market trading value of the covered companies increased by 19% on average while total market trading value decreased by 16% on the relevant exchanges. Moreover, some exchanges participating in the programme launched their own research coverage programmes and donor funds are also supporting the ZSE in starting work on disruptive new digital solutions to provide research coverage.

Legal frameworks for enhanced risk management and market development

Donor and SSF funds helped Kazakhstan realise two major developments in 2022 with:

- 1) The adoption of a donor-supported new legal framework for derivatives that was four years in the works is a milestone for the local capital markets and it should allow businesses, among other things, to hedge foreign exchange and interest rate risks safely and efficiently.
- 2) SSF funding supported advice to the Agency for Financial Regulation on a package of EU-aligned legislative amendments on non-performing loans that came into force in September 2022. This will enable banks to manage their non-performing exposures better by allowing them to delegate their management to authorised credit servicers.

The EBRD has invested about €1bn in covered bond issuances across its regions. A robust covered bond legal and regulatory framework is a pre-requisite for this, and the Bank has implemented its successful business model of linking policy dialogue with support for inaugural issuances, shoring up investor confidence in new covered bond jurisdictions. To this end, donor and SSF funding have supported the Bank's activities on developing legal and regulatory frameworks for covered bonds, making 2022 a milestone year in this regard.

Covered bond laws came into effect in the Baltic countries, with Lithuania completing its regulatory framework in July. This marks the completion of the initiative led by the EBRD on establishing a pan-Baltic legal and regulatory framework for covered bonds, including Latvia and Estonia. Since then, a local bank domiciled in Estonia issued the first pan-Baltic covered bond, supported by investment by EBRD. Also, the Bulgarian, Croatian and Georgian parliaments voted new and reformed covered bond frameworks into law in 2022. This is vital for financial stability and economic development as covered bonds provide an additional, long and fixed-term funding tool for credit institutions, allowing them to match their assets and liabilities better to strengthen resilience to shocks and to offer affordable mortgages to their clients. It further supports lending more broadly by channelling funds to the property market.



SUCCESS STORY

Design and implementation of the support mechanism for capital markets in Georgia

Developing financial intermediation and deepening local currency capital markets to increase access to finance has been the Bank's priority in many of its regions. Broadening the use of local currency and expanding the range of capital market products enables small, open economies to boost economic growth and build a more sustainable financial environment. Moreover, challenges caused by high dollarization and lack of liquidity in such economies often hinder progress as the markets remain shallow, requiring measures to support more long-term financing for local corporates.

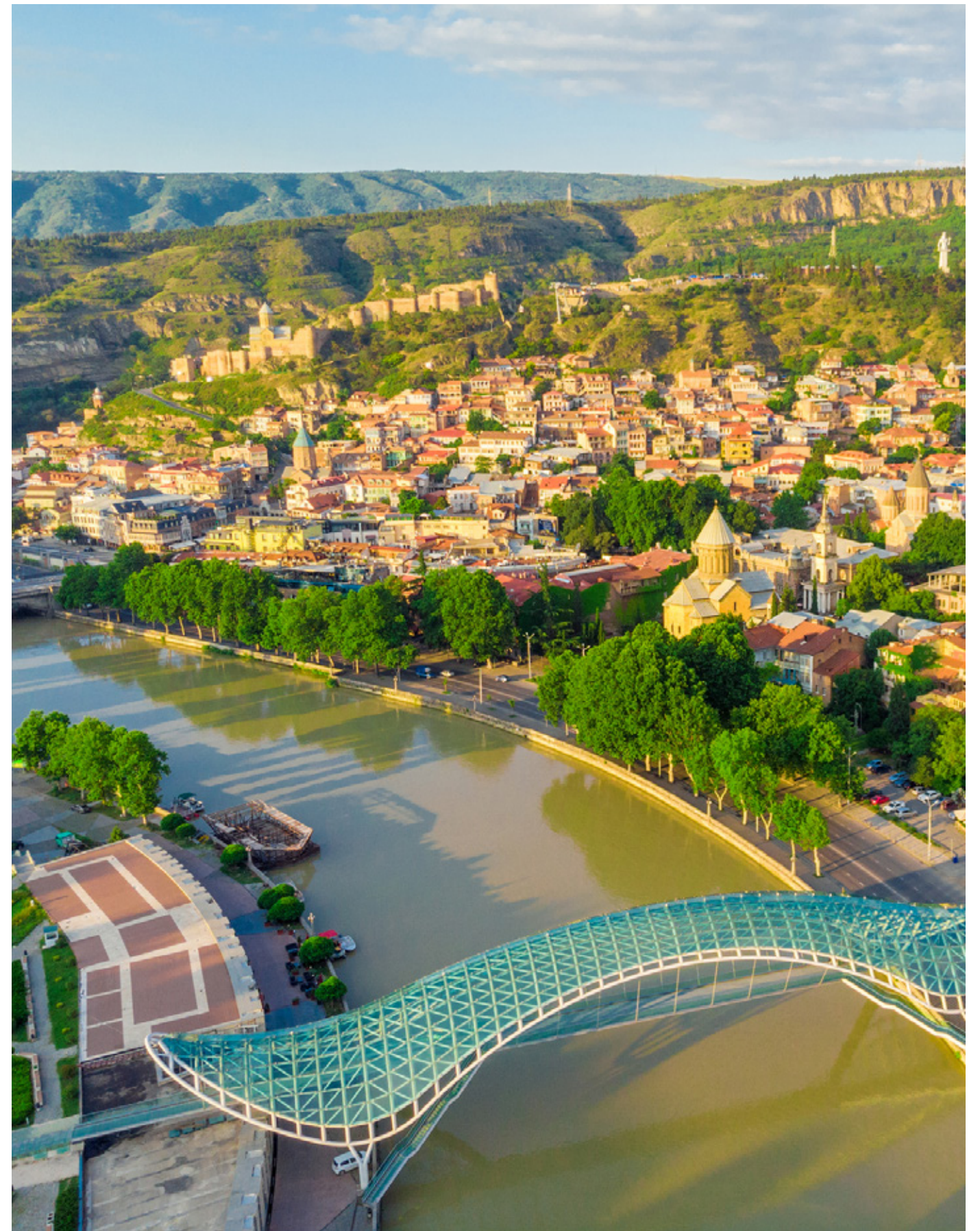
The EBRD, within the framework of an ongoing donor-funded policy dialogue with the National Bank of Georgia, has been implementing the Capital Market Support programme. Its aim is to build knowledge and capacity of local corporates regarding capital markets and supports objectively selected companies by reimbursing part of their issuance-related fees if placement is successful.

Addressing one of the most prominent barriers identified by the prior desk research of the programme – 'Lack of Knowledge and Awareness Regarding Capital Markets and its Products', more than 110 local corporates benefited from nine various thematic boot camps and webinars in 2022 on topics such as IPOs, credit ratings, the bond issuance process, ESG products and corporate governance.

In addition, the programme has shown unprecedented interest to issue securities on the local capital market with 21 corporates applying for grant financing. Seven companies were selected as winners and will be awarded grants to cover part of the companies' eligible issuance-related expenses in case of successful placement of securities.

Out of those, two companies have already issued bonds – one being an \$80m first-ever green bond on the local capital market where the Bank also invested \$13.8m, and a local SME issuing a GEL15m bond. With five more issuances under way in the first half of 2023, the programme will play a major role in the boosting local corporate bond market (ca. 70% increase).

Discussion is ongoing for a similar project to be implemented in Armenia and Morocco.

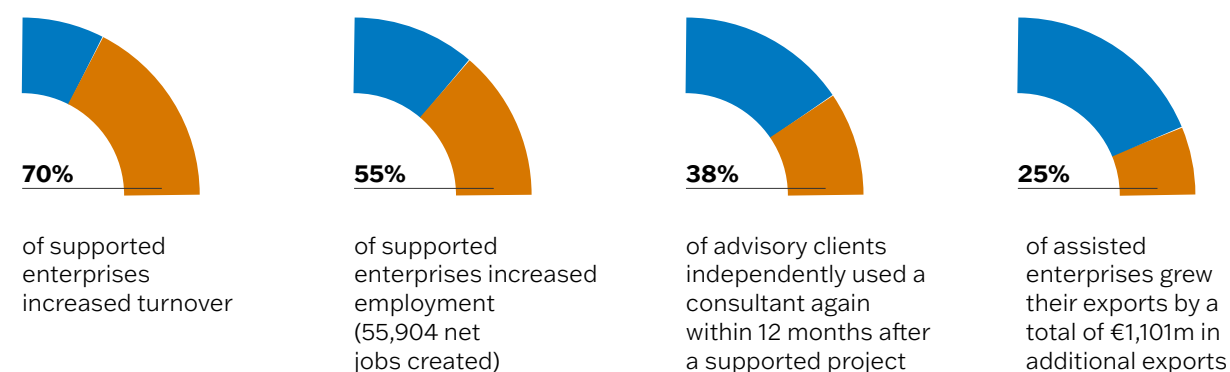




COMPETITIVE

Competition is one of the key drivers of a well-functioning and diversified market economy. EBRD and donor funds promote competitive markets using a range of instruments, including co-investment grants, portfolio risk-sharing guarantees, TCs, incentives and concessional loans.

Chart 12: Key results reported from Advice for Small Businesses (ASB) evaluations 2020-2022



Over 15,000

SMEs and local consultants received training in 2022 to build capacity, including in the area of export, energy efficiency and crisis response.

Over 100

advisory projects and non-project activities have been delivered in Ukraine and affected countries (on the crisis response).

Over 100,000

SMEs and local consultants (digital outreach).

SMEs constitute the backbone of EBRD economies, providing jobs and livelihoods. Supporting SMEs is at the core of the Bank's efforts to achieve impact under the competitive TQ through loans and investments via partner banks and risk-sharing facilities, as well as through grants, supporting advisory, policy and capacity building. The Bank raised over €92m in donor funds towards support to SMEs and over 15,000 SMEs and local consultants received training on export, energy efficiency and crisis response (in Ukraine and affected countries) in 2022.

In Armenia, in an effort to expand knowledge of green growth principles in businesses, a feasibility study on green growth for SMEs and capacity building was conducted where over 400 SMEs were trained on the GET principles. Following this, the Bank supported the development of a roadmap for green growth integration schemes for SMEs in the country and conducted a mapping exercise of donor funds and available green financing instruments. A thorough analysis was also conducted on 10 growth sectors including agriculture, tourism, manufacturing, and so on, to identify green growth objectives for business in these sectors.

In Türkiye, the SME sector includes 3.3 million enterprises providing 72% of total employment and about 25% of foreign trade in the economy. In 2022, the Rapid Advisory Response project initiated under the Covid-19 response framework was successfully completed. The EBRD helped the SME development organisation (KOSGEB) identify eligible SMEs for governmental assistance and establish a framework for assistance. This was through a policy engagement, where EBRD commissioned a team of local and international experts to identify and analyse available data to determine the appropriate indicators to measure the potential financial deterioration of MSME. The data analysis, together with consultations with government officials, provided the foundation for recommendations on public policy for SMEs in Türkiye. Overall, the project team came up with two sets of recommendations, one focused on short-term action and other on long-term action.*

*The recommendations can be viewed here: [Strengthening the SME framework in Türkiye: Strategic guidance to Turkish SME agency KOSGEB \(ebrd.com\)](https://www.ebrd.com/en/projects-and-operations/rapid-advisory-response-project/turkey)



In the Kyrgyz Republic, EBRD and donor funding supported the availability of financing for MSMEs in remote regions through financing and support to Companion Bank. A loan of \$5m was agreed to support market expansion and greater competition in the sector, as well as a grant to provide technical assistance on improving the existing credit scoring model and online lending system. The overall aim of the loan and grant is to facilitate efficiency and better access to financing for MSMEs, thus, contributing to the overall development of the sector in the Kyrgyz Republic.

In Egypt, EBRD and donor funds are supporting the expansion of the Suez Canal Zone (SCZone) and the creation of a competitive business and investment environment. Launched in August 2020, by 2022, the first phase of promoting digitalisation of services to the Suez Canal Economic Zone was successfully completed – the development of a one-stop-shop for digital facilities. The aim of the first phase was to streamline administrative formalities and to fast-track the management of investor services. For example, the number of procedures for the priority re-engineered services (construction permits, operating licences, industrial registers, practice permits, inspection and control) were reduced by 35%, the length of service delivery for the re-engineered service was cut by 52%, while fees and services charges increased by 110%. The second phase will be launched in 2023 and includes the re-engineering of more than 60 services, including land management, project approvals, environmental approvals, company registration and foreign worker permits.

In North Macedonia, donor funds supported the development of a more competitive business environment by reinforcing the capacity of the Commission for the Protection of Competition (CPC) to deliver on its mandate of enabling healthy competition in the market through enhancing competition literacy among key stakeholders and strengthening competition policy enforcement.



SUCCESS STORY

Graduation of fintech start-up accelerator

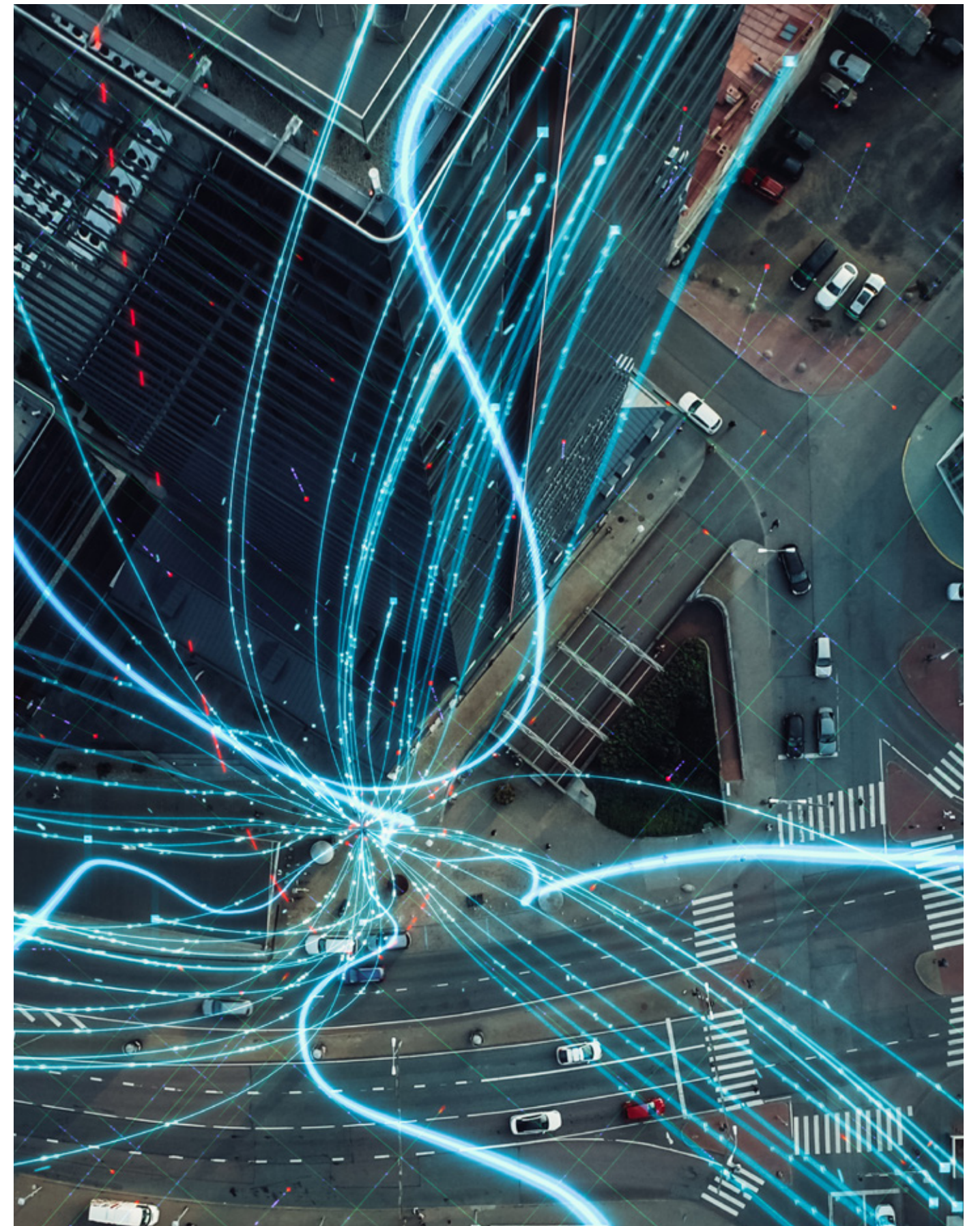
EBRD partnered with Startup Wise Guys – an accelerator based in the Baltics – to work together on ‘Fintech 5’ programme, one of the Bank’s most unique and innovative engagements. The 10 best fintech start-ups from Azerbaijan, Hungary, Latvia, Lebanon, Lithuania, Romania, Türkiye and Ukraine were selected out of over 100 candidates to participate in Fintech 5. Over the duration of five months, these start-ups took part in an intense accelerator programme, participating in over 60 workshops and more than 300 tailored mentoring sessions, covering everything from building their product to pitching and fundraising.

In December 2022, the start-ups travelled to Tallinn to graduate officially from the programme and showcase their progress to potential business partners.

Supported by donor funds, ‘Fintech 5’ is part of an ongoing collaboration with Startup Wise Guys, one of Europe’s leading accelerators. This programme is a part of the Bank’s long-term strategic priority of supporting digital transition, and enables the development of new technologies, driving innovation and growth across the EBRD region. Most importantly, Fintech 5 leverages on the local talent and entrepreneurial spirit, which had already positioned the region on the global map due to its vibrant and diverse start-up ecosystem.

All participating companies were in the financial technology (‘fintech’) sector, as technology plays a central role in disrupting the financial services sector, improving industry competitiveness, resilience and inclusion.

The start-ups include companies in various sub-segments of the fintech space, and in different stages of their start-up journey. For example, Anachron Technologies, which originated in Lebanon, builds a product to help banks and other financial institutions embed customer fintech solutions for financial planning. With a team of six people, they are currently working with a handful of clients in Europe. On the other side of the spectrum, Ukrainian-based Akurateco, which builds a payment platform, has an active team of over 50 people (primarily in Ukraine) and has already been through rounds of fundraising but lacked some sales and marketing skills.





WELL GOVERNED

In 2022, donors and SSF continued to play a crucial role in supporting policy, legal and regulatory reform, and capacity building, which are crucial components of the Bank's business model to support corporate-level governance as well as economic governance at national and subnational levels. As emphasised in the SCF, the quality of governance is a key determinant of differences in economic performance between and within countries. These areas collectively contribute to improving the business climate of economies where we operate, and help to continue mitigating the impact of the pandemic as well as the reverberations of the war on Ukraine by being better able to support economic activity.

Notably, advances under this transition quality includes the vital donor and SSF support for the public-private dialogue activities of EBRD's 11 Investment Councils in Albania, Armenia, Georgia, Kosovo, the Kyrgyz Republic, Moldova, Montenegro, Tajikistan, Tunisia, Ukraine and Uzbekistan.

Also, digital platforms are increasing in prominence in projects, whether in terms of creating and facilitating processes and products to improving the business environment, supporting the SCF theme of acceleration of digital transition.

Chart 13: Selected Well-Governed results

1,400 participants attending Legal Transition Programme training and knowledge-sharing events

covering corporate governance, access to finance, insolvency, climate change and public procurement among other areas.

Over \$2m saved or returned

to businesses through the Business Ombudsman Institution in the Kyrgyz Republic, which also provided **356 recommendations** to government bodies on improving regulatory acts and methodologies.

2x crowdfunding

regulations adopted in Armenia and Morocco facilitating a potential key source of financing for SMEs in the long run, and enhancing access to a broader range of start-up and SME financing opportunities that could also favour female entrepreneurs.

INVESTMENT COUNCILS

EBRD-supported Investment Councils (ICs) play a key role in improving the business environment in the countries where the EBRD invests. Public-private dialogue has proven essential for successfully identifying key challenges for businesses and investors and shaping the necessary reforms to address them. It also provides governments with the necessary support from the private sector to deliver these reforms.



Armenia: Passing of legislative packages on the integration of highly qualified specialists into Armenian businesses – with 20-70% subsidies to businesses that hire highly qualified specialists. A dedicated digital platform was established to facilitate checking eligibility requirements and the application process.

Georgia: Capital Market Development Strategy was adopted, Law on Covered Bonds was approved by the Parliament and The Law on Entrepreneurship entered into force.

Tajikistan: Law 'On the moratorium on inspections of the activities of business entities' was adopted as was the first-ever law on 'e-Commerce'.

Uzbekistan: The first plenary session of the Foreign Investment Council (FIC) was held during which the President of Uzbekistan highlighted priorities and reforms aligned with the FIC's activities. Working groups were launched on banking and financial sector reform, digitalisation, connectivity, and the green economy.

DIGITAL PLATFORMS

The development of online portals or other digital platforms represents a growing aspect of donor and SSF support that helps improve, inter alia, public service delivery, capacity building and knowledge sharing, transparency and traceability, accountability, decision-making, and corporate governance.



Albania: The e-Farmer digital portal was established to support farmers in developing their businesses through the provision of up-to-date information on daily prices of agriproducts in 14 markets, grant schemes, legislation, production advice and government services.

Armenia: A customer relationship management (CRM) tool was developed for the Armenian Investment Support Center, enabling them to manage their interactions with clients successfully from lead generation to supporting the investment and aftercare services.

Moldova: Digitalising the ATA Carnet process (temporary export and import of goods) for the Chamber of Commerce and Industry through the launching of an online application platform.

Mongolia: Supporting the Customs Service with implementation of an e-Commerce package for pre-arrival processing for postal and express consignments and deployment of an electronic National Transit software App to monitor and track cargo.

Montenegro: Developed and launched a SME Single Access Point web portal that offers information on support programmes available for SMEs and applying to them. It also provides information on the regulatory framework, government activities for enhancing the business climate and accelerating SME development.



SUCCESS STORY

Crowdfunding – Regulations work making a market difference

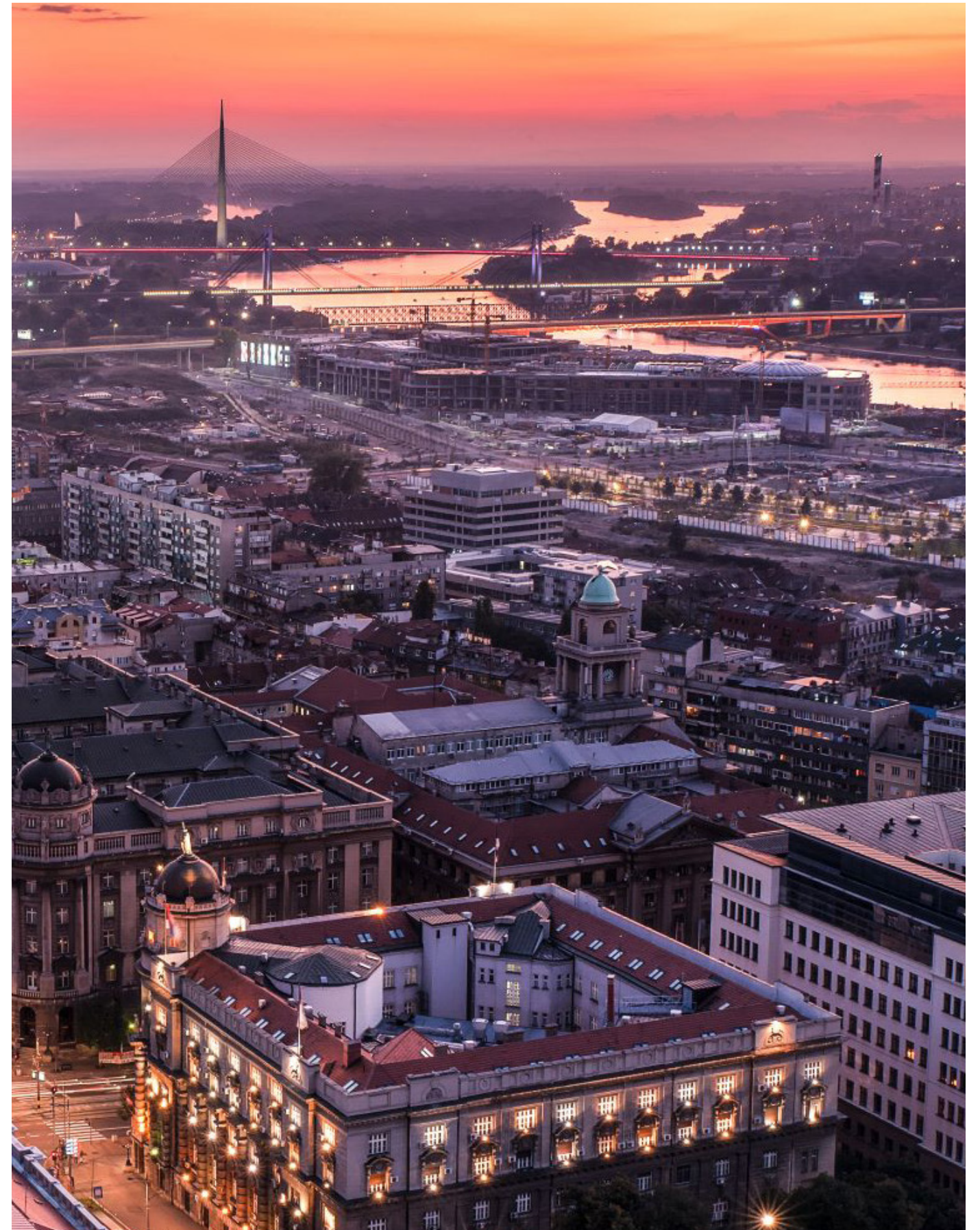
Crowdfunding has the potential to be a key source of financing for SMEs in the long run and enhances access to a broader range of start-up and SME financing opportunities. Crowdfunding could also favour female entrepreneurs based on evidence from other markets that female-led crowdfunding campaigns are more successful at reaching their funding target than male-led campaigns. The Bank has been targeting the passing of laws and essential implementing regulations in economies where it operates to broaden access to finance and capital for businesses, with two notable achievements during 2022.

In February 2022, the Board of the Central Bank of Armenia approved a package of regulations drafted with the assistance of the EBRD and SSF funding for the regulation of investment-based crowdfunding services. The project culminated with a workshop on 'Legal, Regulatory and Practical Aspects of Crowdfunding'. The event brought together the regulator, international financial institutions, local business associations, government ministries and international experts to discuss the regulation of crowdfunding locally and internationally, and practical aspects of operating and supervising crowdfunding platforms. The event was well attended with 40 participants.

The market seems to be reacting positively to the new regulation. The first crowdfunding platform has already been licensed and is expected to start operations in H1 2023. It will aim to attract campaigns from local tech start-ups. In addition to qualified and institutional investors, the vast Armenian diaspora is seen as a potential funding source. There are already many success stories in the Armenian tech-world and crowdfunding would be another financing tool for up-and-coming ideas in this sector.

Relatedly, thanks to donor support, in Morocco three essential implementing regulations related to the Law on Crowdfunding were adopted, which address the activities crowdfunding platforms can be engaged in and the minimum public disclosure requirements. Work is ongoing in Morocco, and the EBRD is assisting the Ministry of Finance with preparing guidance documents for crowdfunding as an alternative finance instrument, as well as revising the Moroccan legal and regulatory framework to improve the overall awareness around this new means of financing. It is expected that the authorities will start licensing platforms in accordance with the legislation and implementing regulations in 2023.

It takes time for some of these reforms to bear fruit and show tangible impact. For example, between 2018-2019 the Bank assisted the Capital Markets Board of Türkiye (CMB) with drafting a Communique on Equity-Based Crowdfunding. Since the introduction of the Communique (2019), the CMB licensed eight platforms and, based on information from local SME associations, it is estimated that – as of February 2023 – equity-based crowdfunding platforms have raised around €13m.



A photograph of two women sitting at a small table in a modern office, working on laptops. They are positioned in front of a large window that offers a view of a city skyline. The woman on the left is wearing a purple top and black boots, while the woman on the right is wearing a black top and blue jeans. The office has a clean, minimalist aesthetic with green chairs and a reflective floor.

NEW WAYS OF WORKING

In line with the EBRD's SCF 2021-25 and the accompanying Donor Strategy, the Bank has sought to foster its partnerships with donors and enhance its donor business, including through a comprehensive reform programme. Over the five year strategic period, the EBRD endeavours to be **the preferred partner for donors in the development of sustainable and inclusive market economies, in line with the Bank's transition mandate.**

The Donor Strategy's five objectives are for the Bank to be:

- 1:** **An innovative partner operating in line with emerging best practice**
- 2:** **An effective mobiliser of donor funding and private sector finance**
- 3:** **A provider of high-quality services to its donors**
- 4:** **An impactful delivery partner offering high-quality knowledge and skilled staff**
- 5:** **An efficient operator running a sustainable fit-for-purpose operating model**

Improving the EBRD's donor funds business

As part of the Donor Strategy, 2022 saw further reforms, new products, and more training:

- EBRD's ongoing **Donor Funds Programme** aims at re-designing the Bank's end-to-end processes and IT systems for managing donor funds, to ensure more efficiency. It feeds into the **Multi-Year Investment Plan (MYIP)**, the Bank's progressive five-year investment in the Bank's people, processes and technology.
- As part of MYIP, efforts are also underway to align the Bank's donor agenda with a new **Data Model** to enhance its data management capabilities
- The Bank's first **Donor Manual** will be launched in 2023 and consolidate all key principles, processes and responsibilities that underpin the Bank's use of donor funds into one single source for guiding EBRD bankers and policy specialists
- A **Donor Library** is under design, providing operational and support teams with easy access to key donor information, and in particular specific donor requirements for fund usage
- A first **Donor Funds Availability Tracker** is now available in the form of an interactive dashboard which acts as a matchmaking tool to enable greater utilisation and visibility of donor funds across the Bank.
- **Donor Dynamics** – a Client Relationship Management system introduced throughout the Bank – will also be extended to donors and enable donor-facing teams to manage relationships more effectively
- To further improve the Bank's donor reports in terms of content and timeliness, a dedicated **Donor Reporting Training curriculum** has been rolled out to user teams at HQ and in Resident Offices. Donor reporting is also a key feature in the new Donor Funds Programme where better systems and processes aims at further strengthening the Bank's reporting capacities
- **Donor Network Training sessions** – in total **986 participants** attended training sessions in 2022 which covered a wide range of topics provided over the course of the year.



EBRD – Blended
Concessional Finance (BCF)

The use of blended concessional finance (BCF) grew significantly across the Bank in 2022. BCF enables the Bank to offer donors good value for money on their contributions, by better redeploying donor resources across multiple operations using BCF structures.

To further strengthen its growing use of BCF, ensuring it is in line with its mandate to build and strengthen markets using minimal concessionality, EBRD approved revised Staff Guidelines for BCF, aligned with international best practice of the DFI BCF Principles, and its commitments as a member of the DFI Working Group on Blended Concessional Finance. These Staff Guidelines reinforce EBRD's credibility as one of the largest global providers of BCF.

The EBRD can demonstrate value for money to its donors, by using concessional finance in a manner that is efficient and focused on delivering additional impact. To this end, it also developed a Grant Equivalent Calculator and has integrated this tool with the Bank's data systems to be able to calculate BCF at project level more accurately. To enable a better and Bank-wide understanding on the use of BCF and all possible its instruments, corresponding BCF training was developed and rolled out to all staff across the Bank.

The Bank’s use of BCF in
the Ukraine crisis response

In the context of the war on Ukraine, it has been widely acknowledged that BCF funds were required at scale to ensure the success of EBRD's response. For Ukraine, the purpose of the Bank's blending with concessional finance is therefore not to build markets but instead to deploy financial structures that absorb substantially increased risk and mitigate the impact of the crisis - the first time this has been done by any MDB in an active conflict.

Clearly the war on Ukraine is an unprecedented incident, and its severe socioeconomic consequences for the wider EBRD region mean that BCF structures are critical, and one of the most valuable tools EBRD can deploy to absorb higher risk and achieve results quickly.

EBRD’s EU unfunded
guarantee programmes

The European Fund for Sustainable Development (EFSD) is a €1.5 billion unfunded guarantee programme established by the European Union (EU) to cover projects in the EU Neighbourhood Regions (EBRD's SEMED and EEC regions) and Sub-Saharan Africa. EBRD has contracted €300 million in unfunded guarantees under the EFSD across four programmes which offer different first-loss guarantee structures for several sectors:

- EFSD Renewable Energy Programme
- EFSD Municipal, Infrastructure & Industrial
- Resilience programme
- Financial Inclusion
- Digital Transformation Platform

The European Fund for Sustainable Development plus (EFSD+) was formally launched in 2022 and expands the geographical scope of the EFSD guarantee instrument to all of the EBRD's countries outside Europe. The two new programmes under the EFSD+ are:

- Risk Sharing Framework for ESG Projects
- Credit Enhancement of Green Bonds

InvestEU is the EU's main financing instrument targeting private investments in EU member states. Under this instrument, the EBRD has received a total allocation of **€591 million** in unfunded first loss guarantees, which is expected to unlock EBRD finance of up to €2.1 billion for investments in the EU.

Case studies on projects utilising
unfunded guarantees in 2022.

CASE STUDY 1 – Ukraine

EFSD support in Ukraine has enabled loans totalling €142m, including several with heightened levels of first-loss guarantee cover, which were agreed on a case-by-case basis with the EU following the onset of the war on Ukraine. This includes the provision of emergency liquidity to a pharmaceutical producer affected by the war. The liquidity loan is backed by the EFSD Resilience Guarantee and covers the company's working capital needs, including payment of salaries, purchases of raw materials and transportation of finished goods. The EBRD has also provided emergency liquidity loans to Ukrainian Railways and Ukrenergo, the transmission grid operator, covered by the EFSD Resilience Guarantee. These loans helped in maintaining everyday access to vital services for citizens, including power supplies to industries and households, and have enabled the stable functioning of the Ukrainian electricity grid.

CASE STUDY 2 – Azerbaijan

In Azerbaijan, the Bank signed a loan agreement to finance the roll-out of broadband infrastructure in rural regions of Azerbaijan, replacing outdated technology with modern multi-service platforms in areas where fast-speed fixed broadband coverage lags significantly. The project is estimated to connect approximately 280,000 homes, improving speed, capacity and bandwidth to subscribers and bridging the digital divide between the capital and rural areas. This loan is backed by the EFSD Digital Transformation Guarantee.



HIGHLIGHTS

- Over **55 donor-related feature stories** published on **ebrd.com**
- Over **25 donor-related videos** produced, both in local languages and in English.
- Amongst the most viewed donor videos were:
 - **#SupportingUkraine** with our donors, working to maintain trade for critical goods, keeping the lights on, helping farmers and small businesses, and enabling refugees to organise their lives in neighbouring countries. The video had over 1.2 million views.
 - Making **farming greener in Tajikistan** (supported by the EU and Switzerland). The video had over **1 million** views.
 - Accelerating the transition to a climate-neutral economy with the **Green Finance Academy** (supported by Austria and the GEF). The video had over **500k views**.
- Average of **three donor posts** published per day across all social media platforms.
- Tagging and engaging in dialogue with donors across five social media platforms with a total number of almost **360,000 effective followers** (an increase of almost **17%** from 2021). Donor support is mentioned in nearly half of all EBRD press releases.
- Over **180 press releases** translated into languages including Albanian, Arabic, French, Greek, Kazakh, Lithuanian, Macedonian, Russian, Serbian, Tajik, Turkish and Ukrainian, reaching local and international media through over **5,000 journalists globally**.



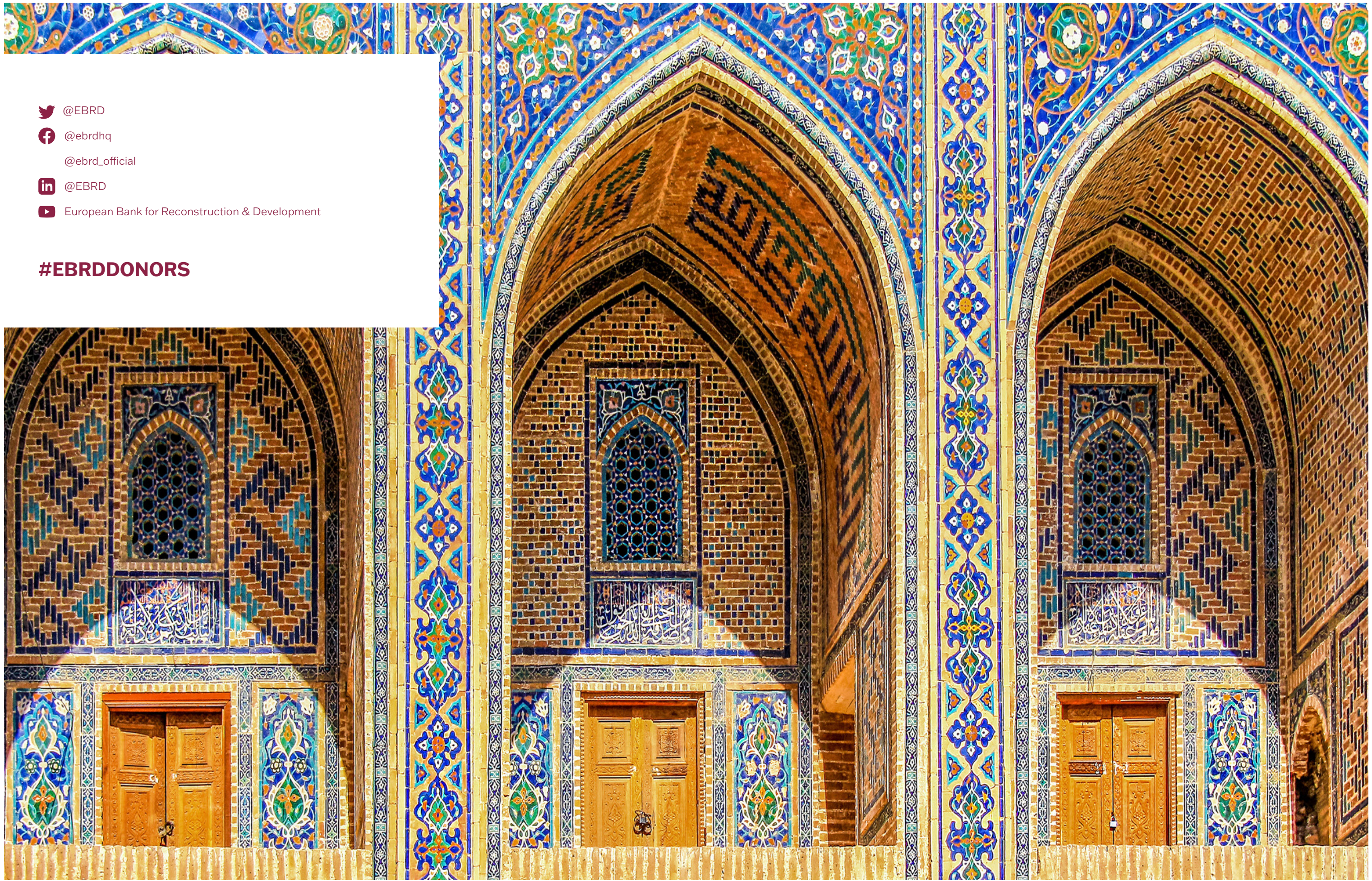
Annex 1. EBRD abbreviations and acronyms





A4EG	Action for Equality and Gender Fund	EFSD	European Fund for Sustainable Development	KTCO2	Kilotonnes of Carbon Dioxide	SCZone	Suez Canal Zone
AASF	Albania Agribusiness Support Facility	ENI	European Neighbourhood Instrument	KTJ	Kyrgyz Temir Jolu	SDD	Sex-Disaggregated Data
ABI	Annual Bank Investment	ESD	Environmental Sustainable Development	KyrSEFF	Kyrgyz Republic Sustainable Energy Financing Facility	SDGs	Sustainable Development Goals
ADM	Annual Donor Meeting	ESG	Environment Social and Governance	LTP	Legal Transition Programme	SEMED	Southern and Eastern Mediterranean countries
AIIB	Asian Infrastructure Investment Bank	ESP	Environmental and Social Policy	M³	Cubic Meters	SI	Sustainable Infrastructure
AM	Annual Meeting	ESAP	Environmental and Social Action Plans	MDB	Multilateral Development Bank	SIG	Sustainable Infrastructure Group
AMX	Armenia Securities Exchange	ETC	Early Transition Countries	MR3	Municipal Refugee Resilience Framework	SME	Small and Medium Enterprise
ASB	Advice for Small Businesses	EU	European Union	MOU	Memorandum of understanding	SMEC	Small and Medium Enterprise Competitiveness
ATA	Admission Temporaire	EWBJF	European Western Balkans Joint Fund	MSMEs	Micro, Small and Medium Enterprises	SSF	Shareholder Special Fund
ATQ	Assessments of Transition Qualities	FAO	Food and Agriculture Organization	MW	Megawatt	TC	Technical Cooperation
BCF	Blended Concessional Finance	FBH	Federation of Bosnia and Herzegovina	MYIP	Multi-Year Investment Plan	TFP	Trade Facilitation Programme
BH	Bosnia and Herzegovina	FI	Financial Institution	NAK	Naftogaz	TQ	Transition Quality
BMCE	Bank of Africa	FIF	Financial Intermediaries Framework	NDICI	GE Neighbourhood, Development and International Cooperation instrument – Global Europe	TSKB	Türkiye Sinai Kalkınma Bankası
CA	Central Asia	FIC	Foreign Investment Council	NDEP	Northern Dimension Environmental Partnership	UCBL	UniCredit Bank Banja Luka
Capex	Capital Expenditure grants for investments	FLRC	First-Loss Risk Cover	NEPCO	National Electric Power Company	UCL	Unicredit Leasing Serbia
CBA	Central Bank of Armenia	FSG	Food Security Guarantee	NGOs	Non-Governmental Organisations	UITP	Union of Public Transport
CCG	Corporate Climate Governance	GAM	Greater Amman Municipalities	NIP	Neighbourhood Investment Platform	UN	United Nations
CDM	Credit du Maroc	GBVH	Gender-Based Violence and Harassment	NSD	Nuclear Safety Department	URA	Ukraine Reform Architecture Programme
CEO	Chief Executive Officer	GCAP	Green City Action Plan	NWFE	Nexus-Water-Food-Energy	VP3	Vice President, Policy and Partnerships
CFMD	Capital and Financial Markets Development	GCF	Green Climate Fund	ODA	Official Development Assistance	WB	Western Balkans
CMB	Capital Markets Board	GDP	Gross Domestic Product	ODC	Office des Cereals	WEPs	Women's Empowerment Principles
CO2	Carbon Dioxide	GEF	Global Environmental Facility	OECD	Organisation for Economic Cooperation and Development	WG	Working Group
COP27	27th Conference of the Parties	GEFF	Green Economy Financing Facility	OTC	Over-The-Counter	WiB	Women in Business
CRM	Customer Relationship Management	GET	Green Economy Transition	OTP	Országos Takarék Pénztár (lit. 'Nationwide Savings Bank')	ZSE	Zagreb Stock Exchange
CRSF	Crisis Response Special Fund	GHG	Greenhouse Gas	PCBA	ProCredit Bank Albania		
CPC	Commission for the Protection of Competition	GJ	Gigajoule	PFI	Partner Financial Institutions		
CSD	Climate Strategy and Delivery	GPW	Warsaw Stock Exchange	PPP	Public Private Partnership		
CSP	Competitiveness Support Programme	GrCF	Green Cities Framework	RACI	Responsible, accountable, consulted and informed		
DFF	Direct Finance Framework	HIPCA	High Impact Partnership on Climate Action	RDO	Reforms Delivery Office		
DFI	Development Finance Institution	HTU	Al-Hussein Technical University	RLF	Resilience and Livelihoods Framework		
DKIB	Demir Kyrgyz International Bank	IC	Investment Council	RLG	Resilience and Livelihoods Guarantee		
DN	Donor Network	IDB	Inter-American Development Bank	RO	Resident Office		
ESP	Eastern Europe Energy Efficiency and Environment Partnership	IFI	International Financial Institutions	RRF	Recovery and Resilience Facility		
E&S	Environmental and Social	IMM	Istanbul Metropolitan Municipality	RSF	Risk-Sharing Framework		
EaP	Eastern Partnership	IPA	Instrument for Pre-Accession Assistance	RST	Reform Support Teams		
EEC	Eastern Europe and Caucasus	IT	Information Technology	SBIF	Small Business Impact fund		
EFAD	European Financial Architecture for Development	KICB	Kyrgyz Investment and Credit Bank	SCF	Strategic and Capital Framework		
		KOSGEB	SME Development Organisation				

Annex 2. Glossary of terms

Annual Bank Investment	Annual Bank investment (ABI) is defined as the volume of commitments made by the Bank during the year.
Blended Finance	Combining concessional finance from donors or third parties alongside DFIs' normal own account finance and/or commercial finance from other investors, to develop private sector markets, address the SDGs and mobilise private resources.
Capital expenditure (Capex) grant	Donor funds used to reduce the capital costs (or capex) of a project. Used to acquire or upgrade physical assets such as property, industrial buildings, infrastructure, equipment, hardware and software. Provided on a non-reimbursable basis.
Concessional Loans	Donor-funded loans provided on a concessional basis; that is, on terms substantially more generous than market loans either through below-market interest rates, extended grace periods or tenors, or a combination of these. Provided on a reimbursable basis.
Donor Co-investment Funds	Funding that donors provide in direct support of an EBRD investment operation, either on a reimbursable or non-reimbursable basis.
Earmark	An earmark signifies donor approval of the use of their funds for a specific programme/ project. Each earmark has a financial limit. Contracts are raised against earmarks.
Equity	A stock or any other security representing an ownership interest.
Fund	A fund can be created in several structures such as s 1) Cooperation fund accounts 2) Special Funds (including the SSF) 3) Trust Funds. All structures are listed in the Donor Manual.
Funding Agreement	A document signed between the donor and the EBRD which sets out the terms and conditions and legal requirements for the receipt and use of donor funds. It includes Contribution Agreements to Special Funds and Agreements of Cooperation for Cooperation Funds.
Guarantee	Donor provided guarantees can be on a funded or unfunded basis and are used to provide credit protection for lending or risk-sharing operations to a diverse range of clients. Guarantees can also be used to protect EBRD's own exposure as a FLRC or pari passu instrument. The EBRD also provides guarantees as a product to its clients.
Incentives	Grants provided to incentivise a client or sub-borrower to make an investment. These represent payments to the beneficiary that are made following evidence of compliance with agreed terms. Provided on a non-reimbursable basis.
Investment Project	An EBRD investment, which could be a loan, equity or guarantee transaction.
Operation Teams	Banking and Policy Teams responsible for donor-funded projects and programmes (or bank funded TC programmes).
Parallel loan	EBRD-administered donor-funded loans provided on commercial terms. Provided on a reimbursable basis.
Risk-sharing instruments	Donor funds used to provide credit protection to the borrower or to the EBRD's exposure to the borrower.
Special Fund	Special Funds are established in accordance with Article 18 of the Agreement Establishing the Bank and are administered under the terms of the rules and regulations for each such Special Fund. The Bank acts as manager and administrator of the Special Funds for which it receives management and cost recovery fees.
TC Project	Funding that donors provide for a particular project or programme/framework on a non-reimbursable basis. Funds can be related to an EBRD investment or stand-alone, in support of project preparation and implementation, training, legal and regulatory reform, research and analysis, client capacity building, policy dialogue and other forms of assistance.





-  @EBRD
-  @ebrdhq
-  @ebrd_official
-  @EBRD
-  European Bank for Reconstruction & Development

#EBRDDONORS