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European Bank
for Reconstruction and Development

IEvD
Independent Evaluation
Department

CORPORATE EVALUATION

Mid-term Evaluation of EBRD Strategic and Capital Framework 2021-25

Technical Report: Mobilisation of Private Capital

IEvD ID: SS24-180

EBRD INDEPENDENT EVALUATION DEPARTMENT • January 2025

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This report was prepared by IEvD independently and is circulated under the authority of the Chief Evaluator, Véronique Salze-Lozac'h. It was prepared under the supervision of Gabriele Fattorelli, Director of Corporate, thematic and knowledge products division of IEvD, by Bilgehan Kayalar, Principal Evaluation Manager, Olga Mrinska, Associate Director, Senior Evaluation Manager, Nikolina Balta, Analyst of IEvD and Samantha Attridge, Consultant with the support of Sofia Keenan, Analyst. The Internal Peer Reviewer was Regina Husakova, Senior Evaluation Manager of IEvD.

Visual design by Keisuke Taketani

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Abbreviations

ABI	Annual Bank Investment
AFD	French Development Agency
AfDB	African Development Bank
AMI	Annual Mobilised Investment
AUM	Assets Under Management
ATCs	Advanced Transition Countries
BDS	Board Document Submission
CIO	Chief Information Officer
CIVs	Collective Investment Vehicles
CoO	Country of Operations
CSP	Climate Syndication Platform
DFIs	Development Finance Institutions
EBRD	European Bank for Reconstruction and Development
EFSD	European Fund for Sustainable Development
EM	Emerging Markets
ESFD+	European Fund for Sustainable Development Plus
ETCs	Early Transition Countries
ETI	Expected Transition Impact
€	Euro
FI	Financial Institutions
FTEs	Full-Time Equivalents
GCI	General Capital Increase
GEM	Global Emerging Markets
G20	Group of Twenty
GET	Green Economy Transition
IDB	Inter-American Development Bank
ICA	Industry, Commerce, and Agribusiness
IEvD	Independent Evaluation Department
IEG	Independent Expert Group
IFC	International Finance Corporation
IPPF	Infrastructure Project Preparation Facility
JBIC	Japan Bank for International Cooperation
LCY	Local Currency
MAP	Management Action Plan
MCPP	Managed Co-Lending Portfolio Program
MFA	Master Framework Agreement
MDBs	Multilateral Development Banks
MoUs	Memoranda of Understanding
MRPA	Master Risk Participation Agreements
NPI	Non-payment Insurance
OECD	Organisation for Economic Co-operation and Development
OGC	Office of the General Counsel
OSP	Operational Strategy and Planning
PCM	Private Capital Mobilisation
PDM	Private Direct Mobilisation
PIM	Private Indirect Mobilisation
PPP	Public Private Partnership
RLF	Resilience and Livelihoods Framework
RSF	Risk Sharing Facility
SCF	Strategic and Capital Framework
SDGs	Sustainable Development Goals
SEMED	Southern and Eastern Mediterranean
SIG	Sustainable Infrastructure Group
SIP	Strategy Implementation Plan
SI3P	Sustainable Infrastructure Policy and Project Preparation (EBRD)
SPVs	Special Purpose Vehicles
TC	Technical Cooperation
TFP	Trade Facilitation Programme
TI	Transition Impact
TM	Total Mobilisation
URP	Unfunded Risk Participation
WBG	World Bank Group
WESP	Warehouse-Enabled Securitisation Program

Technical Report Summary

A. Results achieved over the period 2021-23

Key evaluation insights

- **With €2.8 billion in investments mobilised in 2023, the EBRD is on track of achieving and overachieving its mobilisation target**, despite recent geopolitical and geoeconomic challenges in many regions of operation.
- **However, the current mobilisation target of €2.5 billion is not ambitious enough considering that EBRD mobilised €2.3 billion in 2015. Although the composition of tools that enable mobilisation differs significantly.** This modest dynamic reflects challenge to mobilise private finance at scale required for meaningful transition.
- **Significant factors limit the Bank's ability to mobilise more private capital.** The EBRD is aware of those and is working on expanding its toolkit of mobilisation instruments in its countries of operations.
- **The EBRD has undertaken a major overhaul of its mobilisation efforts with the issuance of its first Mobilisation Approach in 2021.** It also actively participates in international coordination with Multilateral Development Banks (MDBs) and Development Finance Institutions (DFIs) on mobilisation issues and keeps pace with emerging trends and innovations in this area.
- **Despite a comprehensive review of mobilisation instruments, most remain transactional in nature and have limited scope for pooled portfolio mobilisation.** This restricts the Bank's ability to engage at scale with institutional investors —such as pension funds and insurers— who prefer portfolio-based mobilisation. In this regard, the EBRD lags some of its MDB and DFI peers, although it is progressing with some actions in this area.
- **There are insufficient internal capacities for reaching new investors and establishing new instruments**, despite recent increases in full-time equivalents (FTEs) and budget allocations for the debt mobilisation department.
- **The mobilisation target lacks specificity.** It needs greater granularity to reflect the scope of private sector financing mobilised by the Bank across geographies (e.g., Early Transition Countries (ETCs) and Advanced Transition Countries (ATCs)), domains (green, inclusive, etc.), and categories (direct, indirect, catalysation).
- **Recent increases in mobilisation volumes (2021-23) largely reflect an expanded definition of mobilisation products, rather than actual increase in the volume of the like-for-like**

Key evaluation insights
products. Moreover, the volume of "core mobilisation" products has declined in both absolute and relative terms. • **The current metrics for assessing the Bank's mobilisation performance are multiple and often unclear** and do not provide sufficient insights, for the Board or for potential institutional investors**.**

B. Suggestions for improvement

- **The EBRD should rename "Annual Mobilised Investment" as "Total Mobilisation" and add separate metrics for "Private co-financing" and "Public co-financing".**
- **It should disaggregate private capital mobilisation from other forms of capital "enabled/ catalysed" by policy or sovereign operations to avoid inflating mobilisation figures.**
- **The EBRD should better reflect its ambition on attracting private finance by ensuring its mobilisation strategy places a greater emphasis on attracting private sector capital, and reconsider its mobilisation targets to align itself more competitively with other MDBs.**
- **The Bank should shift focus from transaction-based mobilisation to portfolio approaches that can attract institutional investors (pension funds, insurers).** Any innovations in private capital mobilisation and catalysation should be carefully considered in relation to the Bank's balance sheet, as they might have negative effects, among others.
- **The Bank should set disaggregated targets for ETC and non-ETC regions to incentivise focus on more challenging markets.** Country strategies should include mobilisation targets to guide investments to high value areas.
- **Building on recent progress in publishing mobilisation data, the EBRD should develop a more systematic, proactive investor engagement plan tailored to institutional investors,** entailing the followings:
    - Track and analyse investor mobilisation data to better understand what work and adjust engagement tactics accordingly.
    - Publish more disaggregated data on loan performance and defaults, as other MDBs like IDB and the IFC have done.
    - Engage with investors on transparency and provide them with the data needed to improve risk modelling for investment in emerging markets.
- **The EBRD should recognise the significance of upstream efforts through appropriate incentivisation.** These elements should be reflected in operational objectives, in the transition narrative of individual transactions, and in connected technical cooperation (TC) projects.

1. Introduction

1. This technical paper on mobilisation by the EBRD (Box 1) is one of five prepared as input for the Independent Evaluation Department's (IEvD) Mid-term Evaluation of the EBRD Strategic and Capital Framework (SCF) 2021-23.

Box 1: Mobilisation of Private Capital

Since the 2015 Addis Ababa conference on financing for development, Multilateral Development Banks (MDBs) and Development Finance Institutions (DFIs) have responded to the need for development finance to meet the Sustainable Development Goals (SDGs). They have done so by leveraging their own resources and mobilising funds from the private sector.

In 2023, the G20 nations urged MDBs to intensify their efforts to achieve the SDGs. The G20 Independent Expert Group (IEG) highlighted the need for MDBs to take a central role in supporting transformative development, recommending that they "quintuple mobilisation and catalysation."

In response, MDBs have launched several initiatives aimed at promoting large-scale private investment, including:

- Encouraging private sector activities and investments through policy and regulatory reforms.
- Assisting client governments and the private sector in evaluating and structuring more viable investment projects.
- Employing blended concessional finance to reduce the real and perceived risks of investments with positive development impacts.
- Actively engaging with both traditional investors and new sources of commercial financing for development, such as insurance companies and other risk-sharing entities.
- Creating innovative financial products to attract new classes of investors.

The EBRD is dedicated to increasing private capital mobilisation in line with the Addis Ababa Action Agenda and the 2016 Hamburg Principles.

Mobilisation is fundamental to the Bank's work, as SCF 2021-2025 Section 2.5.2 highlights.

Source: Mobilisation of Private Finance, Joint Report Published, April 2024

2. Increased mobilisation is one of the 13 SCF 2021-25 strategic objectives and one of the key enablers identified for the next strategic period.

3. **This technical paper is organised as follows:**

- **Section 2: Context and Background** describes how the current SCF features mobilisation and its historical significance for the Bank. It discusses the integration of the mobilisation priority through the Bank's key strategic documents, including the strategy implementation plans (SIPs), general capital increase, and sector and country strategies, and examines how the Bank incorporates mobilisation in agreements with international stakeholders and key coordination mechanisms. It details the IEvD's 2020 Evaluation of the Mobilisation of

Private Finance[1] and the progress made on delivering its recommendations through the Management Action Plan (MAP).

- **Section 3: Progress in achieving strategic goals and key results in the mobilisation of private capital under the SCF 2021-25**, assesses the extent to which achievements in mobilisation align with its commitments.

- **Section 4: Insights and Suggestions.**

4. The evaluation team is using a four-category traffic light system to assess the progress achieved in mobilisation. As the SCF was prepared prior to the approval of the Mobilisation Approach, the team used the latter's performance matrix to reflect on the changes. It also assessed the progress in implementing recommendations from IEvD's 2020 report.

🟢	Complete *Indicates that the aspect is performing well and is on track to meet or exceed the targets.*	🟠	Some progress *Highlights that the aspect is underperforming and requires significant improvements to meet the targets.*
🟡	Significant progress *Signals that the aspect is progressing, but there are some concerns that may need attention to ensure targets are met.*	🔴	Limited progress *Denotes that the aspect is critically underperforming, and urgent action is needed to address the issues and meet the targets.*

[1] IEvD's Evaluation of the Mobilisation of Private Finance, 2020

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2. Context and Background

2.1. Definition of Mobilisation

5. A methodological alignment of definitions is important to ensure that the matrices and data provided by individual financial institutions are comparable and possible to aggregate. There are currently two primary methodologies for measuring and reporting on private capital mobilisation (PCM). A group of major MDBs and DFIs developed one referred to as the "MDB approach;" the other comes from the OECD, and is known as the "OECD approach". EBRD is aligned with the MDB approach, although it's definition of Annual Mobilised Investment (AMI) differs (see chapter 3.1 for more details).

6. The MDB approach distinguishes between two types of private capital mobilisation:

a. **Private Direct Mobilisation (PDM):** financing from a private entity on commercial terms due to the active and direct involvement of an MDB leading to commitment. The evidence of active and direct involvement includes mandate letters, fees linked to financial commitment or other validated or auditable evidence of a MDB's active and direct role leading to other private financiers' commitment. Private direct mobilisation does not include sponsor financing.[2]

b. **Private Indirect Mobilisation (PIM):** financing from private entities provided in connection with a specific activity for which an MDB is providing financing; no MDB plays an active or direct role that leads to the commitment of the private entity's finance. Private indirect mobilisation includes sponsor financing, if the sponsor qualifies as a private entity.[2]

7. **The OECD approach to measuring mobilisation is rooted in the demonstrated causal links between official and private investment, and is instrument-specific**, focusing on i) guarantees, ii) syndicated loans, iii) shares in collective investment vehicles (CIVs), iv) credit lines, v) direct investment in companies.

2.2. What the Strategic Capital Framework 2021-25 says about mobilisation

8. **The agreement establishing the Bank outlines critical operational guidelines and core functions aimed at fostering financial collaboration and capital mobilisation (Article 2.1. ii. Agreement Establishing the Bank).** Article 11.1 "(i) states that the Bank shall carry out its operations by "co-financing together with multilateral institutions, commercial banks or other interested sources [...] to facilitate [...] the participation of private and/or foreign capital", sets capital mobilisation as one of the Bank's core functions.

[2] MDB Task Force, 2018. Reference Guide

9. **Mobilisation of private capital features prominently in the current SCF 2021-25[3] and is one of the 13 strategic directions (Box 2).**

Box 2: Key points on SCF 2021-25 coverage of mobilisation of private finance

- Expanding Existing Programmes: "Extending the depth and geographic reach of its existing programmes including B Loan syndication, Unfunded Risk Participations, and secondary sales.
- To deepen and geographically extend its programmes, EBRD plans to enhance B Loan syndication, Unfunded Risk Participations, and secondary sales, setting ambitious targets in the Mobilisation Approach.
- Innovative Treasury Operations: Innovation is key, with plans to issue green and social bonds. This not only attracts investment but also supports sustainable projects.
- Creating Conditions for Inward Investment: By supporting market reforms, developing local currency and capital markets, reforming investment climates, and offering technical assistance, EBRD aims to create a conducive environment for inward investment.
- Educational Role and Risk Awareness: The EBRD seeks to educate potential investors about the risk/return profiles of opportunities in its regions. Leveraging the strength of the EBRD 'brand' helps reduce perceived risks, especially in the private debt market, and highlights opportunities among new investors.
- Playing an educational role by raising awareness of the risk/return profile of opportunities in EBRD regions, bringing the strength of the EBRD "brand" to reduce the perception of risk, especially in the private debt market and to highlight opportunities amongst new investors.

SCF also includes a commitment for the Bank to explore several possible innovation areas:

- Exploring blended finance: to support market transactions. By combining public and private investment, EBRD can enhance the impact of its investments.
- Expanding the Bank's reach amongst impact investors building on the adoption of the April 2019 Operating Principles for Impact Management.
- Developing mutualised Instruments: Tailored debt, equity, or guarantee funds could be developed to meet investors' needs in various ways, managed either internally or in collaboration with other DFIs or asset managers.
- Need for experimentation and areas of innovation: Given ever-changing markets, the EBRD acknowledges the need for experimentation and notes several areas for possible innovation:
    - Looking systematically at innovative instruments including the role of blended finance in supporting market transactions and how equity, quasi-equity, and other capital relief

[3] EBRD Strategic and Capital Framework 2021-2025

Box 2: Key points on SCF 2021-25 coverage of mobilisation of private finance
instruments, such as guarantees, can multiply the impact of EBRD investments through financial intermediaries. ○ New approaches to secondary sales and risk participations: The Bank plans to gain experience with new programmatic approaches to secondary sales and risk participations, leveraging additional private finance.

10. To achieve increased levels of mobilisation through deeper and wider scope of activities, the SCF outlines the delivery of a Mobilisation Approach early in the period, defining instruments, incentives, and capabilities required to meet the mobilisation goals. The following activities are to drive this strategic priority:

- Extending the depth and geographic reach of existing mobilisation programmes (syndication, URPs, secondary sales).
- Continue innovating through treasury operations (e.g., green bonds).
- Creating conditions for inward investment.
- Playing an educational role for investors.

11. SCF further notes the ongoing Annual Mobilised Investment (AMI) revision and the need to continue strengthening measurement and reporting of results. **SCF emphasises that mobilising private finance in a dynamic market requires experimentation.** Possible innovations include: i) targeting impact investors, ii), developing mutualised instruments, iii) systematically exploring innovative instruments, and iv) experimenting with new approaches to secondary sales and risk participations.

12. The first ever EBRD Mobilisation Approach 2021-25[4] approved by the Board of Directors on December 2021, articulated the operational modalities underpinning the delivery of these objectives.

13. **It is important to highlight that the SCF's mobilisation ambition is defined in light of the Bank's other ambitions, including to retain its AAA credit rating.** Different mobilisation tools and sources of blended private sector finance have different effects on the Bank's balance sheet, which is crucial for defining its credit rating.

2.3. Cascading of SCF mobilisation priorities into SIPs, sector and country strategies, and international collaboration

14. This section examines how effectively the Bank's strategic planning framework has integrated the mobilisation ambition outlined in the SCF 2021-25. The strategic documents approved

[4] EBRD Mobilisation Approach. 2021-25

between 2021 and 2023 include four SIPs, three sector strategies, and sixteen country strategies, as illustrated in Annex 1.

2.3.1. Cascading of SCF Mobilisation priorities into SIPs

15. **The SCF 2021-25 mobilisation ambitions are thoroughly integrated and reflected in the SIPs for 2021-23, 2022-24, 2023-25, and 2024-26.** This integration highlights the Bank's steady progress towards its strategic goal. While the SIP 2021-23 initially concentrated on launching the Mobilisation Approach, subsequent SIPs significantly expanded the focus on mobilisation, systematically reporting on progress. This demonstrates a more structured and resource-backed effort to enhance mobilisation and achieve the established targets. The progression of actions and targets across the SIPs underscores a robust commitment to the SCF 2021-25' strategic direction on private finance mobilisation. As detailed in Annex 1, mobilisation-related activities outlined in the SCF 2021-25 are incorporated to varying degrees in at least one of the SIPs.

16. Reflecting the SCF's commitment to deliver the Mobilisation Approach, a crucial strategic document, the SIP 2021-23, highlights its expected delivery in the early years of the SCF. The initial SIP budget for mobilisation is managed within the current resource envelope, indicating a strategic integration of this SCF objective without immediate additional financial resources.

17. **Building on its predecessor, SIP 2022-24 announces an increased AMI target, the completion of the Mobilisation Approach, and outlines its various activities aimed at achieving the mobilisation ambition by 2025.** The budget allocation of £0.8 million and approximately eight FTEs demonstrates a more concrete financial commitment to the SCF mobilisation goals.

18. **Despite an unfavourable investment climate outlook, the 2023 AMI target remains unchanged and aligned with reaching an AMI of €2 billion by 2025.** This SIP highlights the revision of the AMI definition to better capture mobilisation efforts across the Bank, marking another milestone in the SCF. It also details progress in cooperation with institutional investors, integration of mobilisation across Bank processes (i.e., progress on GET AMI metric and TI assessment), and new product development, reflecting the SCF's emphasis on the need for experimentation. It also introduced green mobilisation metrics).

19. **Building on previous efforts, SIP 2024-26 announces an increase in the AMI target, as well as the overall AMI target rise by 2025 from €2-2.5 billion.** It reports on progress, highlighting achievements related to new products, the introduction of a green mobilisation metric (i.e., GET AMI), and ongoing improvements in internal and external communication strategies.

2.3.2. Cascading SCF mobilisation priorities into country and sector strategies

20. **While SIPs have mobilisation ambitions, this integration is limited in sector and country strategies.** Additionally, these documents lack specific mobilisation targets and do not allocate space for outlining mobilisation objectives and the corresponding methods to achieve them

(Table 1). IEvD's 2020 evaluation on mobilisation already recommended the inclusion of mobilisation objectives and means in all corporate, sector and country strategies.[5]

Table 1: Mobilisation Integration in Country and Sector Strategies Approved in 2021-23

Sector Strategies	Country Strategies
• The sector strategies for energy (BDS23-180), mining (BDS23-148), and financial sectors (BDS21-178), approved between 2021 and 2023, do not explicitly address the Bank's ambitions related to the mobilisation of finance. No mobilisation-related targets are set at the sectoral level. • Nevertheless, mobilisation, especially of private-sector capital, is acknowledged as one of the instruments at the Bank's disposal to achieve sectoral strategic priorities. The documents refer to past projects and articulate strategic objectives and activities that potentially qualify as mobilisation efforts.	• Similarly to the sector strategies, the 16 country strategies[6] approved between 2021 and 2023 do not explicitly mention the Bank's mobilisation ambitions. No AMI target is set at the country-level. • Country strategies sporadically mention mobilisation elements in past projects, in the context of the implementation of the previous country strategy. Moreover, strategic priorities outline activities that could potentially be considered as mobilisation efforts.

2.3.3. Agreements with international stakeholders: MDBs and key co-ordination mechanisms

21. This section examines whether mobilisation ambitions set up in the SCF 2021-25 have been transposed into the EBRD's international cooperation agreements and subsequent actions and results.

22. As mentioned above (Box 1), the mobilisation of private capital is a global challenge that requires a considerable effort of co-ordination and collaboration across a range of international stakeholders –MDBs, DFIs, private sector financiers, etc.

23. **Between 2021-23, the Bank signed 27 memoranda of understanding (MoUs) and one memorandum of intent (MoI) with various bilateral and multilateral partners.** These documents are not legally binding, but they establish frameworks for cooperation and inter-institutional coordination. Most agreements focus on initiatives in specific countries, particularly in areas such as gender equality and green transition.

[5] As an example, the current WBG scorecard for Total Private Capital Mobilised further disaggregates the expected private capital mobilised by countries and economies. This approach allows for a more detailed and nuanced understanding of how private capital is being mobilised across different regions and economic contexts

[6] BDS/BH/22-01; BDS/CR/22-01; BDS/CZ/21-01; BDS/EG/21-01; BDS/ES/21-01; BDS/GE/21-01; BDS/HU/20-01; BDS/KA/21-01; BDS/KO/21-01; BDS/LA/21-01; BDS/LI/21-01; BDS/MO/22-01; BDS/MN/22-01; BDS/MT/21-01; BDS/SB/23-01; BDS/SK/23-01.

24. **Additionally, MoUs with international partners, address crisis response, digitalisation and cyber-security, and broader issues related to the sustainable development agenda in the EBRD's countries of operation** (see Annex 2 for a complete list of MoUs and MoIs).

25. **Out of the 28 memoranda signed between 2021-23, only some refer direct reference to the mobilisation of private finance (Box 3).** Two cooperation documents outside the current SCF are also relevant to this analysis.

Box 3: Agreements including references to mobilisation

- 2020 MoU between the OECD and the EBRD to promote co-operation and facilitate collaboration between the Parties, on a non-exclusive basis, in areas of common interest.
- 2021 MoU between the **African Development Bank Group** (AfDB) and the EBRD to promote sustainable private-sector development in Africa[7].
- 2021 MoU between the EBRD and the **French Development Agency** (AFD) to support enhanced cooperation and a stronger partnership.
- 2022 MoU between the **Japan Bank for International Cooperation** (JBIC) and the EBRD to support the economic development and energy transition of regions of common interest.
- 2023 MoU between the EBRD, **Development-G7, and the European Development Finance Institutions** for the EBRD-G7 DFI-EDFI Ukraine Investment Platform.
- 2024 MoU between the EBRD and the **World Bank Group** (WBG) to promote collaboration and cooperation between the parties.

26. **These agreements refer to mobilisation efforts to varying degrees and in differing contexts.** For instance, the 2022 MoU with the JBIC highlights developing co-financing opportunities for projects related to energy transition, digital transformation, and inclusion.

27. Similarly, the EBRD's 2021 MoU with the AFD spans five years and aims to promote their partnership, by increasing collaboration and coordination, sharing knowledge and communication, establishing staff exchanges, and seeking co-financing and mobilising financing and investment opportunities. Its focus includes climate change and transition to a green, low carbon economy, equality of opportunity, sustainable cities, and public sector infrastructure, and accelerating digital transition.

28. **The 2024 MoU with the WBG establishes a non-exclusive framework for co-operation and collaboration, concentrating on four priority areas: climate, energy and transport connectivity, economic resilience and recovery in Ukraine, and co-financing private sector projects.** The cooperation methods are comprehensive, including upstream and advisory projects; developing risk mitigation, guarantees and financing solutions; organisation of workshops, conferences,

[7] MoU inaccessible through Pegasus.

training seminars, and research; promote staff exchanges; and importantly, to cooperate under the MDB taskforce on mobilisation methodology. The mobilisation of private finance is further highlighted as a beneficial outcome of joint activities in the climate area and as a potential topic for information and knowledge exchange across focus areas.

29. **While the MoUs with JBIC, AFD, and the WBG mention mobilising financing as a method of cooperation, those with the AfDB, OECD, and Development-G7and European Development Finance Institutions emphasise it as a focus area.** The ambition to mobilise finance is more concretely reflected in the 2021 MoU with the AfDB emphasising mobilising private sector investment as one of the key focus areas. Designed to foster inter-institutional cooperation by leveraging partners' respective expertise and experience, this MoU also targets climate change, green and resilient infrastructure, capital market development, and the business environment.

30. Similarly, the 2020 MoU with the OECD specifies that one of its 21 areas of cooperation concerns blended finance approaches and the mobilisation of private capital for sustainable development. Effective for ten years unless terminated earlier, this MoU outlines various forms of cooperation, including i) sharing information about strategic priorities, needs, and opportunities, ii) sharing knowledge, expertise, and ideas, iii) utilising and leveraging global and regional networks and the parties' presence on the ground, iv) coordinating policy messages, v) inviting each other to meetings and conferences, vi) undertaking mutually agreed initiatives, with the potential to develop, organise, finance capacity building and policy dialogue at local, regional, country levels.

31. **The 2023 MoU on the EBRD-G7 DFI-EDFI Ukraine Investment Platform does not explicitly mention the mobilisation of finance but does highlight facilitating the design and development of financial products as a key area of cooperation.** These products, including risk insurance and credit guarantees, aim to enhance access to finance and promote investments, effectively contributing to the mobilisation of finance.

2.4. Progress Review in Delivering Recommendations from IEvD's 2020 Mobilisation Evaluation

32. **The IEvD's 2020 Evaluation of the Mobilisation of Private Capital[8] underscored the need for a more strategic, structured, and comprehensive approach to mobilisation within the EBRD.** At the time of the evaluation, the EBRD lacked a formal definition of mobilisation and an operational strategy to guide these efforts. The evaluation proposed four recommendations that were operationalised through a MAP. A detailed analysis is presented in Annex 3. Key progress on individual recommendations is as follows:

- **As recommended, the Bank prepared a detailed Mobilisation Approach in 2021,** which covers markets and associated instruments, including advisory services and guarantees, review existing MDB/DFI practices, and sets out clear objectives and institutional responsibilities.

[8] IEvD's Evaluation of the Mobilisation of Private Finance, 2020

- **Despite the recommendation, corporate, country and sector strategies do not include mobilisation objectives and means,** thus precluding the Bank from more targeted mobilisation efforts across geographies, sectors and domains.

- As **recommended, mobilisation targets were included in the SCF and associated with SIPs developed in accordance with the financially sustainable yield on capital criteria in corporate and departmental scorecards.**

- **The recommendation to upgrade the MIS treatment of data on the mobilisation and use of blended finance, to review policies for provisioning allocating capital and measuring project and corporate performance to ensure the yield on capital calculations and to provide an accurate measure of performance across instruments and types of investments was partly implemented.** By Q4 2024 gradual improvements in data management for new products and instruments for mobilisation are observable, enhancing the ability to assess the full volume of mobilisation activities.

3. Progress in achieving strategic goals and key mobilisation results under the SCF 2021-25

(Certain content under section 3 has been redacted in accordance with EBRD's Access to Information and Evaluation Policy.)

3.1. Performance framework for the Mobilisation Approach

33. **In 2021, the inaugural EBRD Mobilisation Approach, 2021-25[9] was introduced, outlining its ambitions for the period of the current SCF up to 2025.** It aims to "*maximise the Bank's impact through high-quality, predominantly private sector mobilisation, broadening the sources of financing for the EBRD's COOs, and catalysing larger volumes of financing in support of the global development agenda*."

34. **The stated goal is to double AMI to at least €2 billion by 2025, with a targeted GET AMI of at least €1 billion annually by the same year that is not disaggregated by geography or type of mobilisation (direct, indirect, catalysation).** The approach encompasses a comprehensive framework of instruments, incentives, and capabilities required to achieve these targets (Box 4).

Box 4. Roadmap for Achieving 2025 Targets in the Mobilisation Approach

1. Ensuring substantial growth in the use of existing products such as B loan and parallel loan towards the end of the SCF period.
2. Growing unfunded mobilisation through URP and NPI by the end of the SCF period.
3. Examining and if appropriate, setting up a debt fund with a minimum size of €500m by the end of the SCF period.
4. Continuing to foster investor engagement through mobilisation-enabling initiatives such as Sustainable Infrastructure Policy & Project Preparation team (SI3P) advisory programme, Financial Institutions' (FI) Risk Sharing Facility (RSF) and Trade Facilitation Programme (TFP) activities with third parties.
5. Communicating more holistically, proactively, and consistently with all external stakeholders, especially potential investors, the Bank's investment performance and direct and indirect mobilisation achievements, with the support of dedicated specialised resources and expert advisory panel.

35. For monitoring and reporting purposes, the Mobilisation Approach introduces the performance framework delineating expected results and respective tracking indicators (Table 2).

[9] EBRD's Mobilisation Approach, 2021-2025 (BDS21-121 (Rev 3))

Table 2: Mobilisation Approach - Performance Framework (Redacted Version[10]).

Performance and Results	Tracking Indicators	Expected in 2025	2021 (Achieved)	2022 (Achieved)	2023 (Achieved)	Status as of November 2024
Internal Enablers						
Strengthened internal EBRD capabilities and culture	Internal reach-out programme developed and implemented					
	Mobilisation Solutions function established					
Enhanced incentives	Appropriately revised Scorecard incentives at Board and Corporate level					In progress
	ETI revised to provide incentives for mobilisation					In progress
	AMI definition revised to reflect market practices					
Inputs and Activities						
Existing activities maintained	Levels of mobilisation with existing instruments (B loans, parallel loans, URPs)					
New products developed and introduced	Debt Fund implementation					In progress
	Non-Payment Insurance*					
	Climate Syndication Platform*					In progress
	EFSD/+ for B loans*					In progress
	Significant Risk Transfer*					In progress
	Programmatic insurer mobilisation framework*					In progress
Outputs						

[10] Redacted in accordance with EBRD's Access to Information and Evaluation Policy.

Mobilised amounts increased	Overall mobilisation (€2.5 billion annually at least) ** achieved including:	Amounts mobilised through B loans and parallel loans					
		Amounts mobilised via the Insurer Mobilisation Programme (unfunded basis)					
		Amounts mobilised through SI3P advisory activities					
		Amount of TFP insurance cover					
		Amounts mobilised through RSF/RLF					No target to compare
		Amounts mobilised through bonds/on-lending multiples					No target to compare
		Amount of climate finance mobilisation (Estimated GET AMI)					
		Amounts deployed through Debt Fund					In progress
Investor knowledge increased	Institutional and impact investors' participation in EBRD transactions						
Geographical Scope increased	Number of CoOs where mobilisation takes place						

* Revised as part of the enhanced performance monitoring framework outlined in the Mobilisation Approach Update Report (2024).
** Baseline AMI delivery target of €2.5 billion by 2025, established as part of the policy commitments made during the GCI approval in late 2023.

3.1.1. Expansion of AMI Definition and Introduction of New Products

36. **The definition of mobilisation was revised and approved by the Board in October 2020[11] and reflected in the AMI scorecard target in SIP 2021-23. This precedes the Mobilisation Approach approved by the Board in 2021.**

37. The new definition of AMI brought the Bank's approach closer to the harmonised definition of private direct mobilisation, **although AMI remains broader.**

38. **Additionally, in alignment with the focus on private mobilisation in the SCF 2021-25, the new definition excluded all other forms of public mobilisation that were part of the previous definition,** such as contributions from the Green Climate Fund and the Clean Technology Fund. The SIP 2021-23 also reflects this shift toward a narrower definition, specifying that AMI is set at €1.2 billion. This reflects both the revised – and more focused – approach to AMI centred on private sector mobilisation, with a slight increase in line with progressive efforts to step up mobilisation activity

39. At the time of the approval of Mobilisation Approach in 2021, AMI encompassed B loans, certain parallel loans, secondary mobilisation through loan sell-downs and securitisation over portfolio, the unfunded risk participations (URPs) and pilot non-payment insurance (NPI), risk sharing facilities (RSF), and on a case-by-case basis, bond issuances, certain equity investments, private co-investment triggered by unfunded donor guarantees, and EBRD's SI3P PPP and auction advisory services. This is a substantial expansion of original mobilisation products (Table 3).

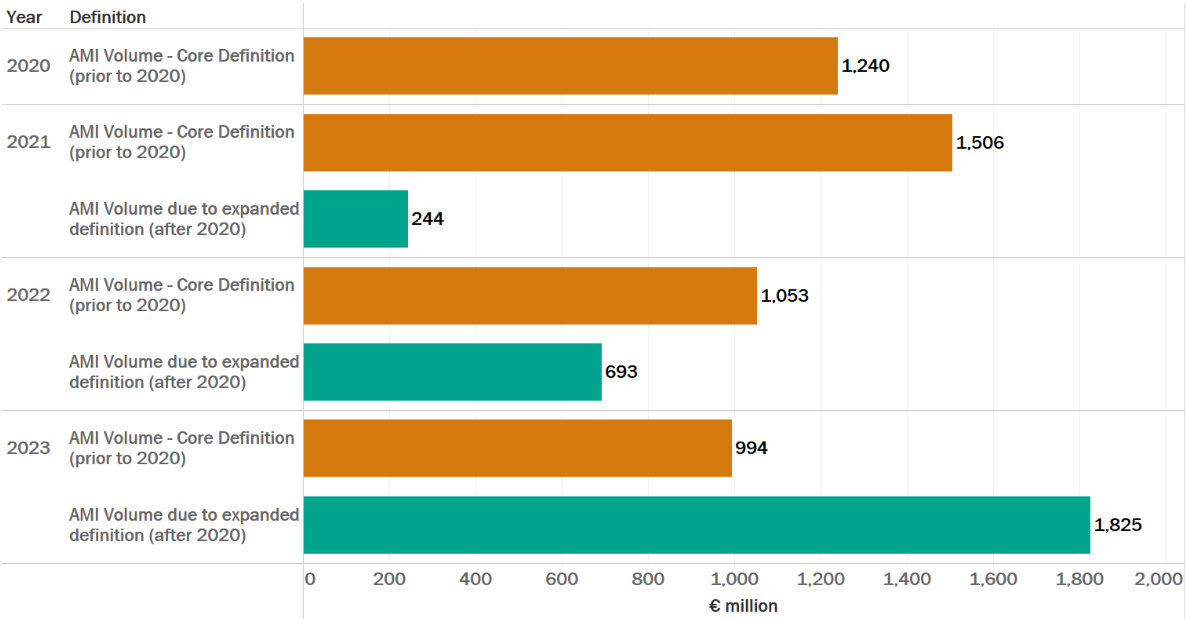
Table 3: Mobilisation products

Core Mobilisation Products (pre-2020)	• A/B loans • Parallel loans • Unfunded Risk Participations (URP)
New Mobilisation Products (since 2020)	• On-lending multiples • PPP and Renewable Energy Auctions Advisory • Risk Sharing Framework (RSF) and Resilience and Livelihoods Framework (RLF) programmes • Trade Facilitation Programme (TFP) • Some bonds and equity investments • Non-Payment Insurance (NPI) • Climate Syndication Platform (CSP) • European Fund for Sustainable Development and European Fund for Sustainable Development Plus (EFSD/+) for B loans

40. Figure 1 provides the dynamics of annual mobilised investment volumes split into "core" and "new" mobilisation products.

[11] Review of Corporate Scorecard, 2020 (BDS20-147(Final)

Figure 1: AMI volume, comparison between existing products and expanded products, € million, 2020-23.



Source: IEvD Based on AMI Data.

41. The Mobilisation Approach also calls for an expanded range of mobilisation activities and products, with potential future AMI categories including (Annex 5):

- EBRD debt or equity co-investment fund,
- Other on-lending frameworks beyond RSF
- Policy work/transaction advisory services
- First-loss structures
- TFP activities with third-party partners resulting in increased utilisation.

42. Various mobilisation instruments can be grouped in three categories: (i) funded mobilisation, (ii) insurance mobilisation, and (iii) mobilisation by structuring with TFP (Table 4).

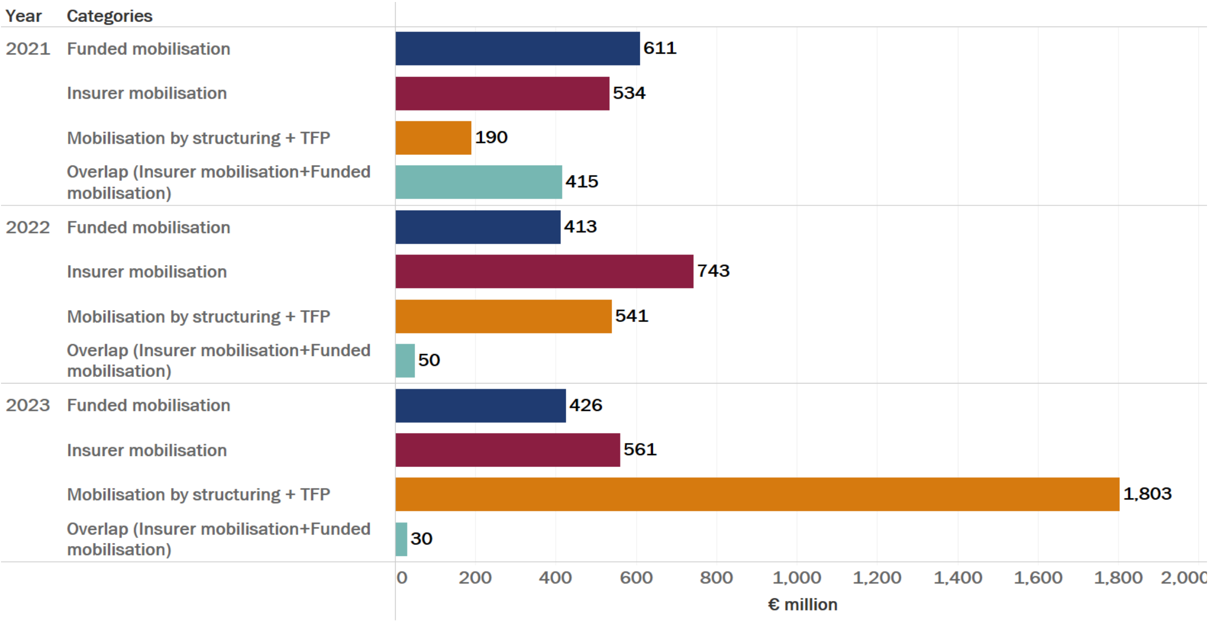
Table 4: EBRD's Current Mobilisation products

Funded Mobilisation	• A/B loans • Parallel loans
Insurance Mobilisation	• Unfunded Risk Participations (URP) • Non-Payment Insurance (NPI)

Mobilisation by structuring + TFP	• On-lending multiples • PPP and Renewable Energy Auctions Advisory • Risk Sharing Framework (RSF) and Resilience and Livelihoods Framework (RLF) programmes • Trade Facilitation Programme (TFP) • Some bonds and equity investments

43. Figure 2 illustrates the changes in the flows of these three categories from 2021 (base year) to 2023.

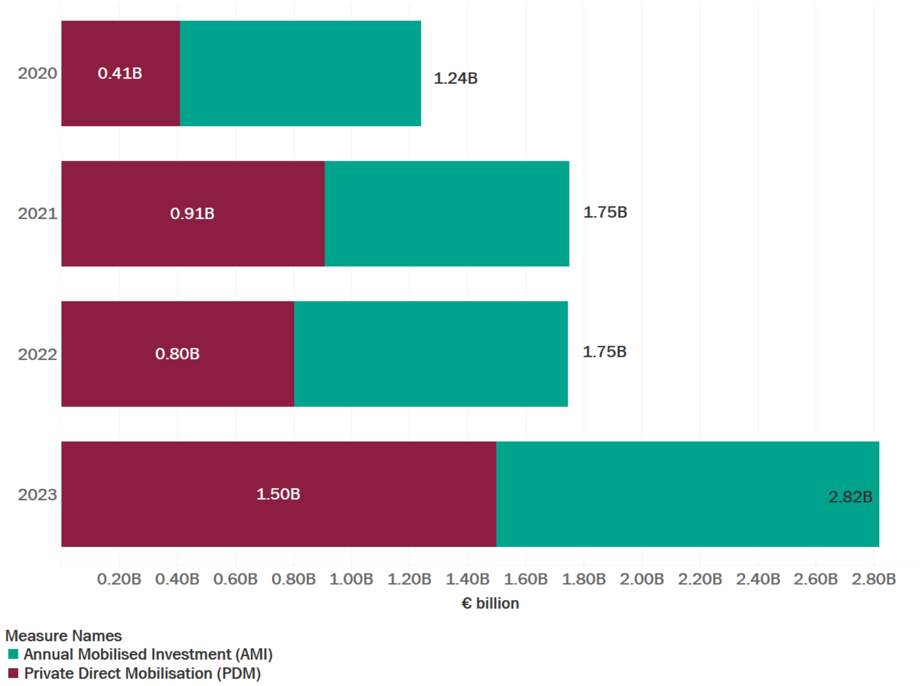
Figure 2: AMI volume by product type, € million, 2021-23.



Source: IEvD Based on DW Banking Operational Data.

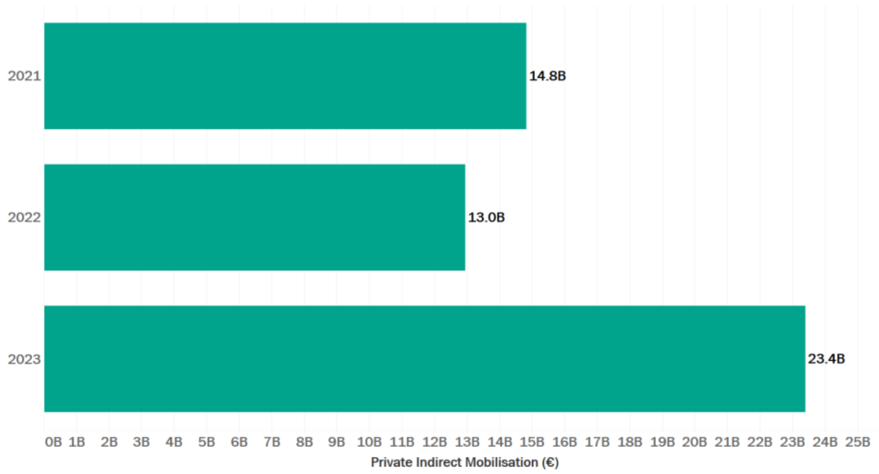
44. **The volume of PDM within the Bank's mobilisation indicator of AMI has increased significantly since 2020,** from €0.41 billion in 2020 (representing 33 per cent of AMI) to €1.50 billion in 2023 (53 per cent of AMI) (Figure 3). The volume of Private Indirect Mobilisation has shown annual variation but has generally trended upwards, rising from €14.8 billion in 2021 to €23.4 billion in 2023 (Figure 4).

Figure 3: Private Direct Mobilisation as a share of AMI, € billion, 2020-23



Source: IEvD Based on AMI – PDM Listing

Figure 4: Private Indirect Mobilisation, € billion, 2021-23



Source: IEvD Based on AMI – PDM Listing

45. **The definition of AMI differs from the MDB approach but fits with it.** AMI differs from PDM in including syndication on commercial terms by the EBRD to public entities (specifically bilateral DFIs, secondary sales more than a year after the loan agreement is signed, and handling of URPs), the composition of instruments both in the core definition (prior to 2020) and revised definition (with expansion after 2020). The recent report on the approach for measuring and

disclosing private capital mobilisation by Publish What You Fund[12] proposes to expand the current narrow conceptualisation of what counts as private capital mobilisation.

46. **The Mobilisation Approach aims to increase the total mobilisation amount by 2025 through Sustainable Infrastructure Policy and Project Preparation (SI3P) advisory activities, particularly in developing markets for PPPs and energy auctions, which are categorised under private capital catalysation and currently contribute to the AMI.** This advisory work helps create legal and structural environments that may make transactions investable and bankable. Depending on other contextual conditions, this may lead to increased private mobilisation and/or direct private investment. This element of mobilisation is extremely difficult to measure, although some attempts are being made (the World Bank Group is developing the concept "private capital enabled")The 2016 MDB Joint Report on Mobilisation pledged to "*continue exploring ways to measure and report on this broader private investment catalysation*." Despite this commitment, progress has been limited. A recent report by Publish What You Fund on measuring and disclosing private capital mobilisation emphasises that institutions tracking private capital catalysation should not combine it with mobilisation metrics. **Given the complexity of attributing private capital catalysation and mobilisation simultaneously, the report suggests treated them as distinct mechanisms.**

3.1.2. Tracking progress through a performance matrix: is it fit for purpose?

47. **The Mobilisation Approach and its performance matrix emphasises increasing mobilised amounts but lack indicators to fully assess outcomes and activities (effectiveness).** In the context of results measurement under challenging conditions with high uncertainty, performance frameworks must incorporate measurable indicators directly aligned with specific activities. When the expected results are uncertain, measurement should focus initially on what is certain and measurable—specifically, the activities proposed by the Bank.

48. **The Mobilisation Approach Performance Monitoring Framework identifies the increased mobilised amount as its primary intended output (Table 2 above).** The main tracking indicator for this output is the "overall mobilisation achieved," with a minimum target of €2 billion per annum by 2025. This indicator is further broken down into specific targets by mobilisation instrument type. The inclusion of these targets in the high-level roadmap of the Mobilisation Approach, as immediate activities to be pursued, underscores the ambition behind this output. The scorecard can reflect this granularity to incentivise the most pertinent mobilisation instruments.

49. **The dynamic market conditions affecting the mobilisation ambitions, and the consequential adaptability of the Mobilisation Approach are illustrated by the updated performance monitoring framework in the Mobilisation Approach Update Report (2024).** In particular, the updated performance monitoring framework introduces new tracking indicators for amounts mobilised through RSF/RLF and bonds/on-lending multiples. However, no specific targets for 2025 have been set for these new indicators. Compared to the initial Mobilisation Approach, the updated framework removes the target for amounts deployed through the debt fund and expands the tracking of amounts mobilised through SI3P advisory to include broader advisory activities. The

[12] An advanced approach for measuring and disclosing private capital mobilisation, 2024. Publish What You Fund

initial target of the Mobilisation Approach was to double the baseline level of AMI delivery to at least €2 billion by the end of the current SCF period in 2025. Following the Bank's General Capital Increase (GCI) approved in 2023, the AMI target was adjusted to €2 billion for 2024. Meanwhile, the baseline AMI delivery target of €2.5 billion by 2025, established as part of the policy commitments made during the GCI approval in late 2023, remains unchanged. While the overall target for mobilisation achieved increases to €2.5 billion by 2025, the original 2025 targets for granular tracking indicators remain unchanged. Furthermore, the "investor knowledge increased" is no longer an output, nor is the number of institutional and impact investors participating in EBRD transactions a tracking indicator.

50. **A robust performance management framework, like those used in sector strategies, should measure progress at each stage of the impact pathway to ensure a clear understanding of attribution. However, the current framework has many gaps in this regard.** The proposed indicators are notably incomplete, as they include output indicators but lack corresponding outcome and activity indicators.

51. **Initially, the focus of the results framework from Mobilisation Approach was solely on the debt fund implementation.** However, the Mobilisation Approach Update Report (2024) presented to the board highlighted several additional indicators for newly developed and introduced mobilisation products. These include blended finance instruments for B loans (i.e., Climate Syndication Platform, ESFD/+ for B loans), Significant Risk Transfer, and the Programmatic Insurer Mobilisation Framework. Some of these have already been approved and have entered the pilot phase, while a significant portion remains under development or is scheduled to commence in 2024.

52. **Several transactions under the non-payment insurance (NPI) pilot were successfully signed throughout 2023.** NPI complements the Insurer Mobilisation Programme and adds to the successful URP product deployed since 2015. EBRD's dialogue with institutional investors on a potential debt co-investment fund continues, awaiting conducive market conditions.

53. **In collaboration with several donors, the EBRD is progressing in using blended finance to mobilise funds, broadening the scope for mobilisation to include transactions otherwise unattractive to private investors**. Structuring new banking products focuses on leveraging EBRD's investment amounts, particularly for intermediated products, by setting private on-lending multiples in bond and loan transactions.

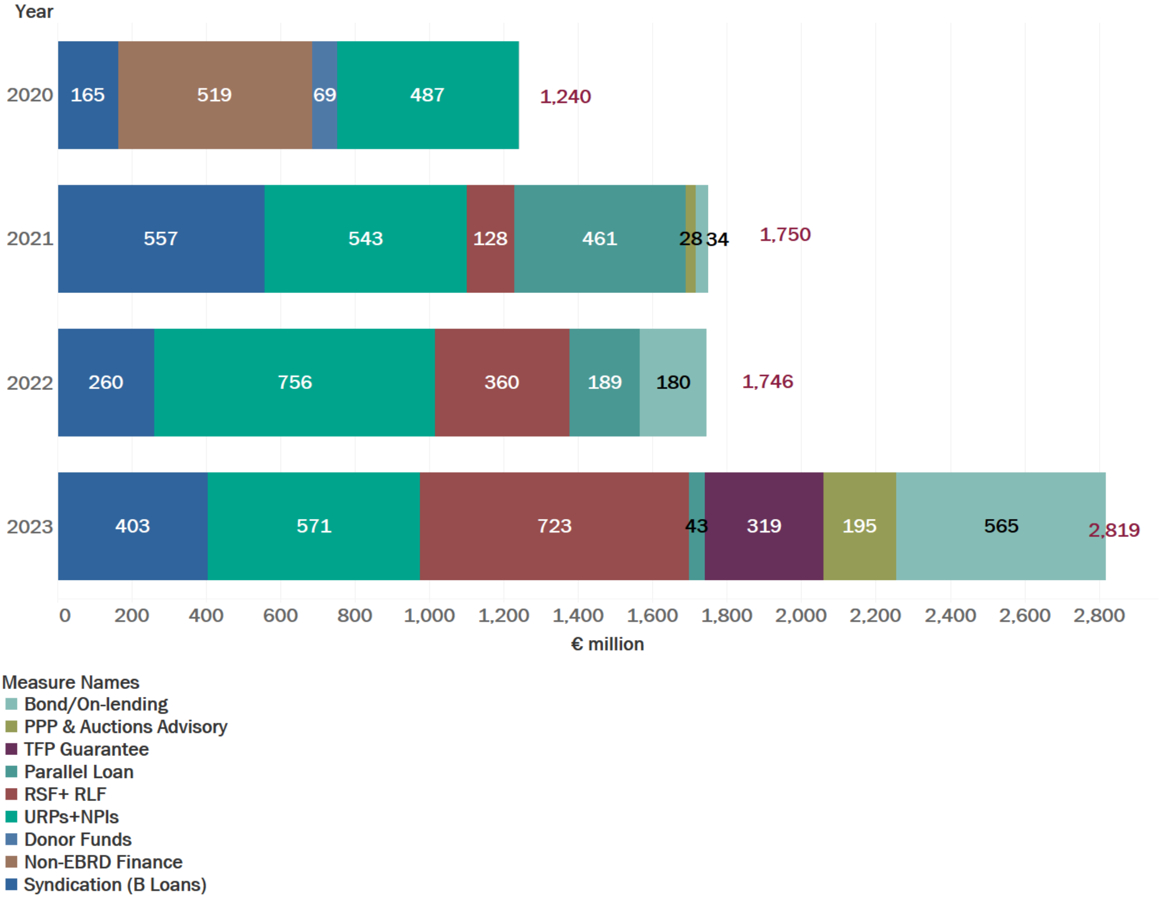
54. **The Mobilisation Approach identified mobilisation through SI3P advisory activities as a means to increase the total mobilisation amount by 2025.** An example of mobilisation by structuring, it aims to facilitate both EBRD and other private sector investments by supporting the development of an enabling environment with the necessary regulatory and institutional frameworks in infrastructure and energy projects. This ambition is illustrated in the high-level roadmap of the Mobilisation Approach, which includes an immediate focus on expanding the number of investable projects through initiatives such as SI3P's advisory work on PPPs and renewable energy auctions, among others. The Mobilisation Approach Update Report rephrases this target as "*amounts mobilised through advisory activities*" without revising the target itself. These

advisory activities still seem to encompass only the Bank's PPP Advisory and Renewable Energy Auction Advisory programmes.

55. **The amounts mobilised through advisory activities constitute a minor share of the total AMI. In 2020 and 2022, no amounts were mobilised through advisory activities.** In 2021, the Bank mobilised €27.9 million through a PPP Advisory project, and in 2023, a record €195.1 million was mobilised through two auction advisory projects. In 2023, the amount mobilised through advisory activities represented only 7 per cent of the total AMI. Despite this progress, the Bank appears to be far from achieving its target by 2025. (Figure 5)

56. **The Mobilisation Approach stipulates that the Bank will seek mobilisation credits for TFP activities over for which private risk mitigation insurance is taken.** Like advisory activities, mobilisation through TFP's activities with third parties is highlighted as one of the activities to be immediately undertaken. The amounts mobilised through TFP delivered €319.3 million in 2023, representing 11 per cent of the total AMI. In 2021 and 2022, no funds were mobilised using the TFP guarantee (Figure 5).

Figure 5: **AMI from different products, EUR million, 2020-2023.**



Source: IEvD Based on AMI Data.

57. **The Mobilisation Approach identified the deployment of a debt co-investment fund as one of the means to increased mobilisation by 2025.**Although market conditions have so far not been conducive to the launch of the fund, the Bank remains committed to this objective potentially incorporating a blended element.

58. **The A/B loans primarily target commercial banks, but their transaction-based nature limits the involvement of institutional investors such as pension funds and insurance companies.** These investors tend to prefer large-scale pooled investments over individual transactions. Although URP and NPI products are designed for insurers, their contribution to overall mobilization has been modest, with a declining trend in the effectiveness of core products like A/B and parallel loans. This decline raises concerns about whether it is still relevant to rely on a transactional approach as the main contributor to achieving the AMI target.

59. **This trend indicates that the EBRD is on right track of currently developing several new products and should consider developing more products and strategies that appeal to a broader range of investors, such as pension funds and insurance companies, by using pooled portfolio models.** This approach would reduce reliance on commercial banks and individual transactions.

60. **Other MDBs, including the IFC's Managed Co-Lending Portfolio Program (MCPP), and the IDB's Invest B Bond Program have adopted or are in the process of adopting more innovative approaches.** These models involve asset pooling and securitisation programs, such as IFC's Warehouse-Enabled Securitisation Program (WESP), which aims to securitise $US 1-2 billion of private sector loans annually. The envisaged debt fund could align with such models but is progressing slowly, limiting EBRD's ability to target large institutional investors effectively.

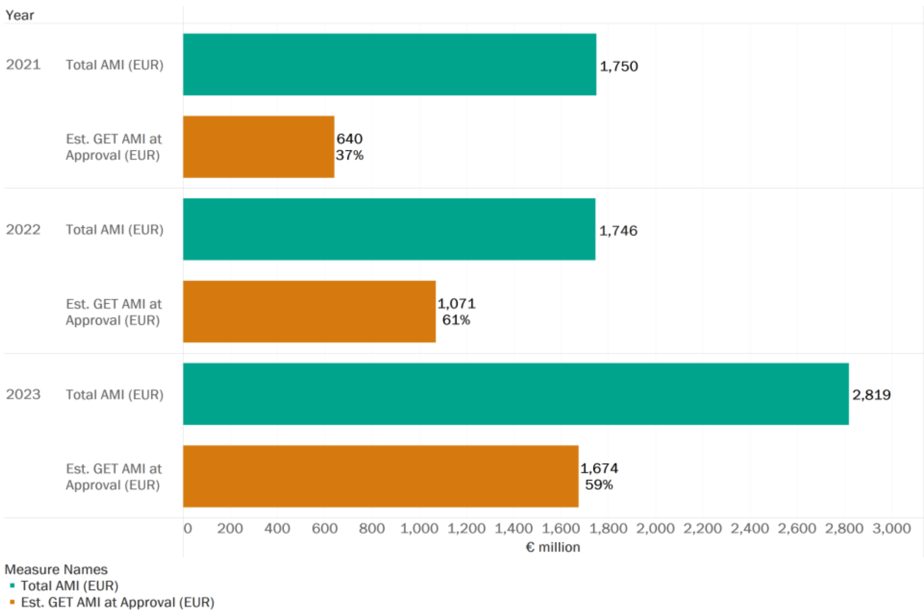
3.2. Dynamic of AMI Growth

3.2.1. Record levels of GET AMI exceed the 2025 target ahead of schedule

61. **According to the Mobilisation Approach, the goal is to mobilise at least €1 billion per year in private climate finance by 2025.** The high-level roadmap shows that this target will be achieved through other enabling measures, particularly by increasing the supply of finance for low-carbon projects and ensuring more projects are bankable by improving regulations and removing cost barriers. To measure the mobilisation of private climate finance, the Bank introduces the GET AMI as an internal proxy. GET AMI is calculated by pro-rating AMI by the share of GET components in the relevant projects. The ratio of GET AMI to total AMI is expected to align with the ratio of GET ABI to total ABI, i.e., reaching at least 50 per cent of the ABI value.

62. **The Mobilisation Approach Update Report rephrases this indicator as the "Amount of Green mobilisation" and emphasises the target's dynamic nature, which is explicitly set to "50% of AMI" by 2025.** In 2023, the Bank achieved a record GET AMI of €1.674 billion or 59 per cent of the total AMI, surpassing the 2025 target (Figure 6). This result is driven by EBRD's green project origination, with 42 per cent of GET AMI emerging from mobilisation by structuring, and by the co-financing partners' interest in green projects (see Annex 4).

Figure 6: The volume GET AMI, € million, 2021-23.

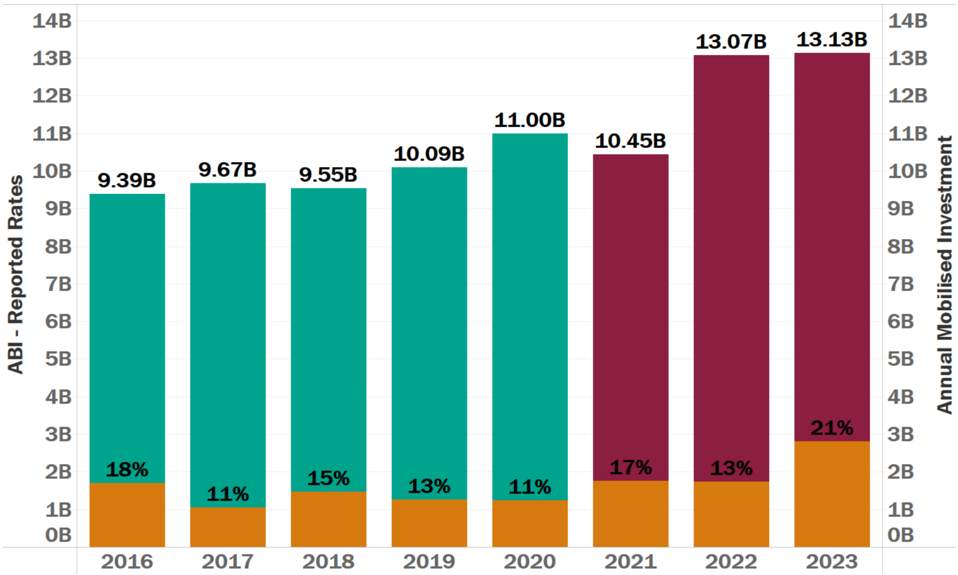


Source: IEvD Based on DW Banking Operational Data.

3.2.2. Dynamic of AMI growth relative to ABI in 2021-23 was higher than in the previous SCF period (2016-20)

63. **The total approved AMI for projects in the 2021-23 period was €6.32 billion.** While stagnant in 2022, the AMI demonstrated a significant increase of €1.07billion in 2023 (Figure 7). The AMI has been increasing more rapidly since 2016 relative to ABI volumes, reaching an average share of 17.2 per cent in 2021-23 compared to 13.6 per cent relative to the average ABI in the previous SCF period (2016-20) (see Annex 4).

Figure 7: AMI relative to ABI, % and € billion, 2016-23



Source: IEvD Based on DW Banking Operational Data.

3.2.3. The volume of AMI from B loans has declined significantly

64. **The volume of AMI from B loans declined dramatically from €1.58 billion in 2015 to €260 million in 2022 and €403 million in 2023 –the lowest level in the past decade (Annex 4).** This decline in funded mobilisation is attributed to market developments affecting both supply and demand. Key factors include generally low investor interest in EBRD CoOs and long tenors, fewer large-scale projects suitable for MDBs and DFIs, and weak local economies and regulatory frameworks in EBRD's less advanced economies, or ETCs.

65. **In response, the Bank is operationalising new instruments to encourage funded mobilisation.** The Mobilisation Approach Update Report (2024) highlights that reaching the target for mobilised amounts through B loans and parallel loans will depend largely on external market conditions and investor appetite. In response, the Bank is operationalising new instruments to encourage funded mobilisation, including the debt co-fund and blended finance instruments for B loans (i.e., Climate Syndication Platform - CSP and the European Fund for Sustainable Development Plus- EFSD/+). This will signify a positive shift from transaction-based mobilisation to pooled portfolio mobilisation, which large institutional investors favour.

66. **The EBRD is still far from achieving its intended level of AMI through parallel and B-loans combined.** The Mobilisation Approach aims to significantly increase mobilisation through B loans and parallel loans by 2025. Combined, the AMI volume emerging from B loans and parallel loans has decreased from €2 billion in 2015 to €446 million in 2023, the lowest volume in the last decade. This represents 16 per cent of the total 2023 AMI volume. It is evident that the Bank is still far from achieving its stated ambition. This downward trend in funded mobilisation appears to result from market developments impacting both supply and demand. Constraining factors

include generally weak investor appetite for EBRD CoOs and long tenors, a reduced number of large-scale projects where MDBs and DFIs can be most additional, and weak local economies and regulatory framework in EBRD's less advanced economies or ETCs.

67. **Excess market liquidity and reduced risk appetite represent a challenging market for mobilisation.** Semi-structured interviews with stakeholders, including DFIs and pension funds, highlight the challenging current market conditions. The excess liquidity in the markets has led to a significantly reduced risk appetite among investors, especially for longer-term financing options like B-loans and parallel loans. This cautious investment climate makes it difficult to attract interest in these types of instruments. These persistent external factors undermining EBRD's ability to mobilise B loans and parallel loans are pushing Bank thinking on mobilisation towards more innovative and portfolio-based instruments. In fact it should push this thinking, and most importantly action, further.

3.2.4. The Bank's mobilised amount through Insurer Mobilisation has fluctuated significantly each year

68. **One of the instruments to achieve the targeted mobilisation amount by 2025 is unfunded mobilisation.** While the target remains unchanged, the Mobilisation Approach Update Report 2024 refers to this indicator as the "amounts mobilised via the Insurer Mobilisation Programme". This programme involves mobilising private insurance companies by sharing project risk through unfunded risk participations (URPs) and non-payment insurance (NPIs).

69. **The Bank's mobilised amount through Insurer Mobilisation (URPs and NPI) has varied considerably annually but has generally trended upwards, rising from €487 million in 2020 to €571 million in 2023 (Annex 4).**

70. **Despite falling short of its target currently, the Bank remains optimistic, believing that insurer mobilisation can be scaled up.** Factors supporting this effort include a generally broad insurer appetite – particularly valuable in some ETCs – for long tenors, or LCY loans, the perception of MDBs as valuable partners given their market experience and on-the-ground project involvement, and increased internal demand for insurer mobilisation, driven by a streamlined process and the silent nature of cover, where borrowers are not notified when cover is sought.

71. **The Bank's systems do not yet accurately show AMI products.** For instance, the URP category in DW Banking Operational Data includes amounts mobilised through TFPs and NPIs, not exclusively URPs. Additionally, while the debt mobilisation's internal reports specify the correct insurer mobilisation value, they do not differentiate between the URPs and NPIs. According to the Mobilisation Approach Update Report 2024, the NPIs are still in a pilot phase: several insurers have signed up to the Bank's NPI Master Framework Agreement (MFA) in 2023. Overall, the mobilisation through URPs and NPIs in 2023 represented 20 per cent of total AMI.

3.3. Current approach to Investor Engagement and Geographic Concentration

3.3.1. The EBRD's current approach to investor engagement lacks vision and holistic plan

72. **Achieving the mobilisation objectives will depend on market conditions and adequate resourcing.** Hence, the Mobilisation Approach is designed to be dynamic and scalable, driven by three key factors i) positive market developments, ii) the evolution of investor knowledge, and iii) enhancements to EBRD's mobilisation product toolkit and incentives.

73. **A thorough assessment of market conditions confirmed the necessity for the Bank to communicate its strong track record of impact, risk, returns, low volatility and shareholder support.**

74. **There is significant untapped co-financing potential with institutional investors who have large assets under management (AUM) but limited emerging market (EM) allocation and minimal focus on EBRD CoOs.** To unlock this potential, the EBRD acknowledges the need for investor education through deeper engagement and the collection, processing, and sharing of impact and portfolio performance data. The initial focus is on European pension funds and insurance companies due to their pre-existing exposure or geographical links to EBRD CoOs. EBRD regions with high mobilisation growth potential include Türkiye and Kazakhstan, while EU countries, Egypt, Ukraine, and Uzbekistan have medium growth potential.

75. **The Mobilisation Approach emphasises increasing investor knowledge as one of the intended outputs,** to be gauged by the number of institutional and impact investors participating in EBRD transactions. Although no specific target is set, this metric is to be tracked and reported by 2025. The high-level roadmap reflects this ambition, including an immediate action to "communicate more holistically, proactively, and consistently with all external stakeholders, especially potential investors."

76. **The Mobilisation Approach also stresses the importance of developing a mobilisation communication strategy,** aiming for more systematic, proactive, and consistent external communication of the Bank's investment performance, its role as an impact investor, and its mobilisation achievements. To achieve this, the approach outlines several concrete actions:

Key Actions for the Mobilisation Communication Strategy:
• Sharing the Bank's historic portfolio performance data with investors on a confidential basis, a task being addressed by Management. • Quantifying, reporting, and systematically communicating all activities, including legal transition, advisory based mobilisation, donor co-financing, and blended finance supported activities, that yield any form of investor engagement such as direct or indirect mobilisation. • Increasing the Bank's engagement with think tanks, academia and other stakeholders through the External Relations and Partnerships unit to support market building and investor education. • Particularly targeting institutional investors by showcasing the Bank as a key provider of well performing, market- priced, commercially structured ESG assets. • Potentially involving an external advisory committee at a senior (CIO) level with a small number of potential investors to gain insight into market trends and investor requirements, and to raise investor awareness of EBRD origination patterns, key portfolio performance, transition assessment, and monitoring systems. • Enhancing communication of the Bank's substantial PIM delivery.

77. **The Mobilisation Approach Update Report (2024) prepared by management shows significant mid-term achievements.** These include that "investor knowledge increased" is no longer an output, nor is the number of institutional and impact investors participating in EBRD transactions a tracking indicator. Reflecting the dynamic and adaptable vision of the approach, the results framework has been revised. "Increased investor knowledge" has been replaced by two new outputs: "investor participation" with "institutional investor participation" as the sole tracking indicator, and "investor engagements and communications" with "increased activities and touchpoints" as the only tracking indicator. While institutional investor participation is tracked and reported, with three institutional investors involved in 2022 and the one in 2023, increased activities and touchpoints with investors are reported only as "planned and executed". Neither of these indicators has specific targets set for 2025.

78. **Management Report further highlights that the Bank established new co-financing relationships in 2023,** including commercial banks to participate as B lenders, (re)insurance companies, who signed Master Risk Participation Agreements (MRPA) to increase URP cooperation, and new insurance counterparties on NPI products.

79. **Management report showcases how the Bank has actively engaged with investors on several occasions.** Notable events include the Insurer Day for URP partners in Q4 2023, where case studies were shared, trends discussed, and economic updates on key CoOs provided.

80. **Additionally, the Bank hosted investors at other significant events,** such as the Annual Meeting in Samarkand, the Pathways to Paris conference in Vienna, and EBRD-side events at COP28, featuring them as guest speakers. In 2023, the Bank also launched the investor educational series 'Mobilisation Matters', designed to regularly engage the investor community on topics supporting or enabling mobilisation. Focusing on impact, the first event of this series was held in February 2024.

81. **According to Management Report in 2023, the Bank's marketing and outreach activities included approaching over 70 co-financiers.** Several targeted outreach trips also took place. In the Gulf Cooperation Council (GCC), the Bank held over ten meetings with banks active in the Gulf region. In the Netherlands, discussions were conducted with two existing fund B lenders and numerous other Dutch impact investing asset managers. In Egypt, the Bank met with major regional banks to discuss the Egyptian market and co-financing prospects.

82. **Evidence gathered by this evaluation illustrates that to date, there have been limited systematic data-sharing mechanism with investors.** Data sharing has been conducted on an ad-hoc basis with specific co-financing partners. These efforts included targeted calls with CSD and Gender teams regarding their methodologies and the preparation and sharing of specific data sets for investment considerations. Discussions with the Data Management, Risk Management, Operational Strategy and Planning (OSP) and the Office of the General Counsel (OGC), along with other MDBs and DFIs have explored the viability of sharing portfolio data through the Global Emerging Markets (GEMs) database[13] or through bilateral arrangements.

83. **To address this matter, a data working group was established,** separate from Risk Management's initiative to share more data publicly at the Bank level. For the 2024 Annual Meeting, the Bank published a default and recovery rate report alongside its Annual Report and Accounts for 2023.

84. **Transparency and accessibility of data on credit risks of lending to emerging markets and developing economies has recently improved.** The GEMs Consortium October 2024 publication includes historical data on default rates and recovery rates by sector and by country for the last 30 years.[14] This is a welcome step in the right direction, with further granularity of available data by year, sector and country being a welcome next step.

85. **Reflecting on the other concrete actions outlined in the Mobilisation Approach, it is evident that the Bank has taken some steps to enhance the visibility of its substantial indirect mobilisation.** This has been achieved by integrating the PIM with AMI into the new metric of Total Mobilisation (TM). TM has been adopted as a key metric for external reporting to capture and communicate the Bank's mobilisation activities more holistically. In relation to the metrics, the Bank has also extended the range of activities counted as AMI. These now includes the private funds raised through new mobilisation products, dedicated funds, on-lending multiples, and private risk capacity in TFP, as well as subject to Board approval, the private co-financing

[13] The Global Emerging Markets (GEMs) Risk Database Consortium is one of the world's largest EM credit risk databases depicting the performance of MDBs and DFIs portfolios on an anonymised basis by pooling credit default data, the migrations client credit ratings and the recoveries on defaulted projects.
[14] GEMs Default and Recovery Statistics, Private and Public Lending 1994-2023, www.gemsriskdatabase.org

triggered by EBRD-administered concessional finance instruments and co-investment resulting from the IPPF and the Renewable Auctions Programme.

86. **Internally, significant challenge to achieving the mobilisation ambition lies in the Bank's incentive structure.** For joint reporting on mobilisation actions, the MDBs have agreed on common definitions, including for PDM and PIM. However, for the internal scorecard and its own external reporting, the Bank uses the AMI as its measure of direct mobilisation. While PDM is closely related to AMI, AMI includes the syndication on commercial terms by the EBRD to public entities (specifically bilateral DFIs), secondary sales more than a year after the loan agreement is signed, and handling of URPs.

3.3.2. Geographic concentration: five countries are responsible for almost two-thirds of the cumulative AMI

87. **The final output of the Mobilisation Approach pertains to the expansion of geographical scope as measured by the number of CoOs where mobilisation takes place.** Although no specific target has been established, monitoring and reporting on this indicator are anticipated. This output does not arise explicitly from any activities outlined in the high-level roadmap, but appears to be expected to result from the Bank's overall mobilisation efforts. Unlike the increased investor knowledge output, the increased geographical scope result and its tracking indicator have remained unchanged to date.

88. **More than half of the cumulative AMI or 63.4 per cent has been concentrated in Türkiye, Uzbekistan Ukraine, Egypt, and Poland, while the remaining twenty-eight CoOs account for only 36.6 per cent of the total AMI. (Annex 4)The AMI concentration in these five countries for 2021-23 partially mirrors the trends in the global syndicated loan market, even if the EBRD CoOs represent only a marginal fraction of the global volume (i.e., around 1.7 per cent on average between 2018-23).** In 2023, Poland and Türkiye accounted for slightly more than half of the total loan syndicated volume in EBRD CoOs, followed by Czech Republic (13 per cent), Greece (6 per cent), Egypt (5 per cent), Croatia (4 per cent), Uzbekistan, Hungary, and Romania (3 per cent each), and Kazakhstan and Cyprus (2 per cent each). The remaining EBRD CoOs possess below 2 per cent of the total loan syndicated volume in 2023.

89. For the 2023 AMI, nearly all top-ranking CoOs from 2021-23 remained at the top, except for Egypt, which faced economic instability and rating downgrades that deterred co-financiers. Among the top five countries in 2023, Ukraine dominated the total AMI volume with 19 per cent or €537 million. In an environment unappealing for cross-border private investors, its AMI was mostly driven by Resilience and Livelihoods Framework (RLF) and (Risk Sharing Framework) RSF transactions, which mobilised local Private Finance Initiatives (PFIs).

4. Insights and Suggestions

4.1. Key Insights

90. **The Bank's internal incentive structures hinder it from achieving its mobilisation ambitions.** While common definitions have been agreed upon for joint reporting with MDBs, discrepancies remain in internal metrics such as AMI and PDM. Addressing these inconsistencies is crucial for aligning internal and external reporting mechanisms.

91. **The stated goal of doubling AMI to at least €2 billion by 2025, with a targeted GET AMI of at least €1 billion annually by the same year**. The goal is not disaggregated by geography or mobilisation type (direct, indirect, catalysation).

92. **The Bank has integrated PIM with AMI into a new metric called Total Mobilisation (TM).** This holistic approach enhances the visibility of the Bank's mobilisation activities and improves external reporting. For instance, TM now includes private funds raised through new mobilisation products and co-financing triggered by EBRD-administered concessional finance instruments.

93. **The concentration of AMI in five countries—Türkiye, Uzbekistan, Ukraine, Egypt, and Poland—accounts for 63.4 per cent of the total.** This trend partially mirrors the global syndicated loan market, underscoring the need for diversification to mitigate risks and enhance mobilisation efforts in other CoOs.

94. **Economic instability, as observed in Egypt in 2023, can significantly impact AMI volumes.** Future projects should factor in economic conditions and potential rating changes when planning mobilisation strategies. For example, despite economic challenges, Ukraine dominated the AMI volume in 2023, demonstrating resilience through local PFIs that have benefited from new banking products offered by the EBRD.

95. The GEMs Consortium publication in October 2024 has significantly improved the transparency and accessibility of data on credit risks in emerging markets and developing economies. This includes historical data on default and recovery rates by sector and country over the past 30 years, providing a robust foundation for informed decision-making. This complements Bank's own first publication of a default and recovery rate report before 2024 Annual meeting.

4.2. Suggestions

Suggestion 1. Enhance transparency and clarity in mobilisation metrics

96. **The definition of mobilisation established in 2020 differs from MDB approach, but fits within its concept.** There are increasing calls from MDBs, the private sector, and watchdogs for expanding the currently narrow definition of what counts as private capital mobilisation.

97. The Mobilisation Approach aims to increase the amount of total mobilisation by 2025 through SI3P advisory activities, which are categorised under private capital catalysation and currently contributing to the AMI. Attributing private capital catalysation and mobilisation simultaneously is complex, suggesting a need to treat them as distinct mechanisms going forward, despite current difficulties of reporting catalysation numbers.

98. **Management should be more transparent about the composition and dynamics of mobilisation volumes and should present disaggregated data by types, highlighting new additions annually.**

Issue – why it needs to be changed	Suggestion – what needs to be changed
• EBRD's AMI metric differs from the MDB harmonised approach and includes distinctive categories defined as catalysation.	**The EBRD should rename "Annual Mobilised Investment" as "Total Mobilisation" with simultaneous introduction of distinct metrics for "Private co-financing" and "Public co-financing".** It should disaggregate private capital mobilisation from other forms of capital "enabled/ catalysed" by policy or sovereign operations to avoid inflating mobilisation figures.

Suggestion 2. Increase the target

99. **EBRD has historically reported some of the lowest levels of mobilisation among MDBs and DFIs, and the target remains modest in comparison to the scale and strategies adopted by other MDBs.** The recent increase in AMI (2021-23) was due mostly to the expansion of the range of products included in the definition where the "core mobilisation" products volume was consistently declining in absolute and relative terms.

Issue – why it needs to be changed	Suggestion – what needs to be changed
• Despite a comprehensive review of mobilisation instruments, most remain transactional in nature, with limited scope for pooled portfolio mobilisation. • This restricts the Bank's ability to engage with institutional investors at scale—such as pension funds and insurers—who prefer portfolio-based mobilisation. In this regard, the EBRD lags behind some of its MDB and DFI peers.	**The EBRD should better reflect its ambitions on attracting private finance by ensuring its mobilisation strategy places a greater emphasis on attracting private sector capital, and reconsider its mobilisation targets to align more competitively with other MDBs.** The Bank should shift its focus from transaction-based mobilisation to portfolio approaches that can attract institutional investors (pension funds, insurers). Any innovations should be carefully considered in relation to the Bank's balance sheet, due to their different effects, including negative.

Suggestion 3. EBRD should develop and implement more granular targets for countries with the greatest transition gaps

100. This would help mitigate the risk of focusing on easier mobilisation targets in more advanced markets, ensuring that support is strategically directed to regions where it is most needed. This will be on par with the similar trend of granular targets used by other MDBs, for example World Bank Group

101. **The concentration of almost two-thirds of the cumulative AMI in just 5 countries, with the rest distributed among remaining twenty-eight CoOs, highlights a significant imbalance in mobilisation distribution.** This disparity emphasises the importance of setting more granular and disaggregated targets, such as differentiating between ETCs and non-ETCs.

102. **In more developed markets, the EBRD must clearly demonstrate its additionality, particularly given the maturity of capital markets in these regions.** This observation further underscores the need for disaggregated targets, enabling the EBRD to better identify where it can offer the most added value in non-ETC markets and set focused mobilisation priorities accordingly.

Issue – why it needs to be changed	Suggestion – what needs to be changed
• Relying on a single high-level target tends to prioritise regions where mobilisation is easier, potentially neglecting regions requiring more strategic support.	**The EBRD should set disaggregated targets for ETC and non-ETC regions to incentivise a focus on more challenging markets.** Country strategies should include mobilisation ambition to guide investments to high value areas.

Suggestion 4. It is suggested that the EBRD provide greater clarity in its current approach to investor engagement

103. **The EBRD should enhance its performance assessment framework to better meet the needs of institutional investors, such as pension funds.**

104. **One critical area of improvement for the EBRD is the systematic tracking and sharing of performance data with investors.** Currently, data sharing occurs on an ad-hoc basis, without consistency and detail. This includes the absence of disaggregated loan default and recovery data, which is crucial when considering investments in emerging markets.

105. Other MDBs like IDB and the IFC have made strides in this area by offering more comprehensive and transparent portfolio analyses. These institutions have shared detailed data, thus supporting investors' needs for more sophisticated risk assessments. **EBRD should adopt a similar approach. Building on the 2024 advance in data release through the GEMs platform, it should publish its robust track record in emerging economies.**

106. By developing products tailored for this audience and adopting a more systematic approach to data sharing, the EBRD can improve investor confidence and strengthen its ability to mobilise new types of capital.

107. **The changes would make the EBRD more competitive among MDBs, better fulfilling its role in supporting sustainable economic development.**

Issue – why it needs to be changed	Suggestion – what needs to be changed
• The lack of a clear vision and a systematic plan for investor engagement is evident in the underdevelopment of investment products that would appeal to large institutional investors.	**Building on recent progress in publishing mobilisation data, the EBRD should develop a more systematic, proactive investor engagement plan tailored to institutional investors** that entail the followings:

Issue – why it needs to be changed	Suggestion – what needs to be changed
• The Bank's capacity to attract new investors remains constrained.	• Track and analyse investor mobilisation data to better understand what works and adjust engagement tactics accordingly. • Publish more disaggregated data on loan performance and defaults, as other MDBs such as the IDB and IFC have done. • Engage with investors on transparency and provide them with the data needed to improve risk modelling for investment in emerging markets.

Suggestion 5. Incentives for upstream mobilisation activities

108. **Many of EBRD's CoOs have challenging investment climates and deficient regulatory frameworks, which limits the availability of liquidity and appetite for investments from private sector.**

Issue – why it needs to be changed	Suggestion – what needs to be changed
• Scaling up private sector mobilisation meaningfully requires improving the investment climate in CoOs, market creation, and building a project pipeline.	**The EBRD should recognise the significance of upstream efforts through appropriate incentivisation.** These elements should be reflected in the operational objectives, in the transition narrative of individual transactions, and connected Technical Cooperation (TC) projects.

ANNEXES

Annex 1. Mobilisation Integration in SIPs in the 2021-23 period

Strategy Implementation Plan 2021-23	Strategy Implementation Plan 2022-24	Strategy Implementation Plan 2023-25	Strategy Implementation Plan 2024-2026
Target: 2021 AMI set at €1.2 billion in the Corporate Scorecard. **Actions:** The Mobilisation Approach to be delivered in the first SIP of the SCF. Budget: Mobilisation to use the current resource envelope, with in-year savings and reallocations; Incremental additional resources expected in later SIPs.	**Target:** AMI and GET AMI targets €2 billion and €1 billion by 2025, resp.; 2022 AMI target set at €1.4 billion. **Actions:** The Mobilisation Approach is developed through deepening existing products use (B and parallel loans, and URPs), introducing new products (non-payment insurance, a new unfunded mobilisation tool), the Bank's PPP and renewables auction advisory activities, potential creation of a debt fund, actions designed to spur on demand, and improving investor interest.	**Target:** 2023 AMI target of €1.4 billion, due to unfavourable investment climate outlook. -AMI Definition updated to include all private funds raised through new mobilisation products, dedicated funds, on-lending multiples, and private risk capacity in TFP. Subject to Board approval, private co-financing triggered by EBRD-administered concessional finance instruments and co-investment resulting from the IPPF and renewable energy auctions feature in AMI. **Actions:** A number of ongoing actions outlined:	**Target:** 2024 AMI set at €2.0 billion (at least 50% for GET projects); AMI target by 2025 raised to €2.5 billion. **Actions:** Number of actions outlined: 1. Green mobilisation metric introduced in 2023, 2. Ongoing improvement of internal and external communication 3. Ongoing work to capture private mobilisation comprehensively across all EBRD products. 4. Some progress related to new products (e.g., NPI pilot, debt co-

Strategy Implementation Plan 2021-23	Strategy Implementation Plan 2022-24	Strategy Implementation Plan 2023-25	Strategy Implementation Plan 2024-2026
	Budget: £0.8 million and c. eight FTEs to support the mobilisation efforts, setup of a Debt Co-investment Fund and a Mobilisation Solutions unit.	1. Institutional Investors (An MoU signed with Dutch private debt fund for a €500 million investment over 3-5 years; Preliminary legal and market due diligence for establishment of an EBRD debt fund underway). 2. New Product Development (Non-payment insurance product pilot launched; Discussions held with insurers to assess the potential establishment of an unfunded risk participation co-investment programme) 3. Other enabling factors (Devising the GET AMI tracking methodology and considering the potential inclusion of mobilisation in TI assessments). Budget: No mention of the mobilisation budget.	investment fund, blended finance, advisory work) Budget: No mention of the mobilisation budget.

Annex 2. EBRD strategies approved and MoUs signed in 2021-23

Strategy/Memorandum of Understanding (MoU)	2021	2022	2023
Sector Strategy	1. Financial Sector Strategy (2021-2025)		1. Energy Sector Strategy (2024-2028) 2. Mining Sector Strategy (2024-2028)
Country Strategy	1. Hungary Country Strategy (2021-2026) 2. Latvia Country Strategy (2021-2026) 3. Lithuania Country Strategy (2021-2026) 4. Montenegro Country Strategy (2021-2026) 5. Georgia Country Strategy (2021-2026) 6. Estonia Country Strategy (2021-2026) 7. Czech Republic Country Strategy (2021-2026)	1. Bosnia and Herzegovina Country Strategy (2022-2027) 2. Kazakhstan Country Strategy (2022-2027) 3. Kosovo Country Strategy (2022-2027) 4. Mongolia Country Strategy (2022-2027) 5. Egypt Country Strategy (2022-2027)	1. Croatia Country Strategy (2023-2028) 2. Slovak Republic Country Strategy (2023-2028) 3. Moldova Country Strategy (2023-2028) 4. Serbia Country Strategy (2023-2028)
Strategic Approach	1. Approach to Accelerating the Digital Transition (2021-2025) 2. Equality of Opportunity Strategy (2021-2025) 3. Post-Graduation Operational Approach		

	4. Mobilisation Approach (2021-2025) 5. Strategy for the Promotion of Gender Equality (2021-2025)		
Memorandum of Understanding (MoU)	1. MoU with the Association of European Development Finance Institutions 2. MoU with the Ministry of Energy of Kazakhstan 3. MoU with the Ministry of Finance of Greece 4. MoU with the UNDP 5. MoU with the New Urban Communities Authority (NUCA) 6. MoU with the ADF Group 7. MoU with the Moroccan Research Institute for Solar Energy and New Energies (IRSEN) 8. MoU with the Ministry of Local Development and the Governorate of Cairo 9. MoU with the Ministry of Local Development and the Governorate of Cairo 10. MoU with the United Nations 11. MoU with the UN Women	1. MoU with the Ministry of Investments and Foreign Trade and Ministry of Water Resources of the Republic of Uzbekistan 2. MoU with the SNGFE 3. MoU with the Bank Al Maghrib and GBPM 4. MoU with the International Organization for Migration 5. MoU with the Ministry of Energy of the Republic of Azerbaijan 6. MoU with the Japan Bank for International Cooperation 7. Financial Framework Partnership Agreement with the EU	1. MoU with the International Trade Centre 2. MoU with the National Securities and Stock Market Commission and Warsaw Stock Exchange 3. MoU with Development-G7 DFI-EDFI Ukraine Investment Platform 4. MoU with the Administration for Digital Industries of the Taiwanese Ministry of Digital Affairs 5. MoU with the MasterCard 6. MoU with the Ministry of Energy Transition and Sustainable Development of Morocco 7. Memorandum of Intent with WB, EIB and CEB on harmonizing procurement practices for public sector investment financed by the MDBs in Ukraine.

	12. MoU with the African Development Bank 13. MoU with the ILO and Union of Municipalities of Türkiye 14. MoU with the Jordan Securities Commission		

Annex 3. Status of the recommendations made to management in the IEvD's 2020 Evaluation of the Mobilisation of Private Finance, and associated Management Action Plan

Recommendation in the 2020 Mobilisation evaluation	Management Response	IEvD Assessment of the progress in implementing the Mobilisation evaluation recommendations as of this evaluation (2024)	Status
1. Prepare a detailed Mobilisation Approach or Initiative for discussion with the Board, assessing where mobilisation can be used to support the attainment of TI and return on capital objectives. It should cover markets and associated instruments, including advisory services and guarantees, review existing MDB/DFI practices, and set out clear objectives and institutional responsibilities.	PARTLY AGREEED WITH ACTIONS: The Bank will prepare a Mobilisation Approach paper in 2021 that will cover the instruments, incentives and internal capabilities needed to deliver on its mobilisation ambitions. Loan Syndications (Debt Mobilisation) will hold the pen on the Approach paper, working in close cooperation with all relevant parts of the Bank including Corporate Strategy and Client Services Group.	In October 2020, the definition of Annual Mobilisation was revised and approved by the Board. An Approach to Mobilisation was approved on December 8, 2021, with management providing annual reports on its implementation status.	
2. Include mobilisation objectives and means in all corporate, country and sector strategies, with details on baselines, target ranges and new metrics for mobilisation, types of instruments, expected volumes of blended finance and EBRD investment, and underlying levels of subsidisation and leverage.	PARTLY AGREEED WITH NO ACTIONS: Management committed to discuss opportunities and challenges for mobilisation in country and sector strategies as relevant, though targets will not be set as country or sector priorities.	The sector strategies for Energy (BDS23-180), Mining (BDS23-148), and financial sectors (BDS21-178), approved between 2021 and 2023, do not explicitly address the Bank's ambitions related to the mobilisation of finance. No mobilisation-related targets are set at the sectoral level.	

Recommendation in the 2020 Mobilisation evaluation	Management Response	IEvD Assessment of the progress in implementing the Mobilisation evaluation recommendations as of this evaluation (2024)	Status
		Similarly to sector strategies, the 16 country strategies[15] approved between 2021 and 2023 do not explicitly mention the Bank's mobilisation ambitions, and no AMI is set at the country-level.	
3. Include mobilisation target ranges in the Strategic and Capital Framework (SCF) and associated SIPs developed in accordance with financially sustainable yield on capital criteria in corporate and departmental scorecards. Quarterly reports to the Board, funding to ensure staff skills and an effective MIS should provide support.	FULLY AGREEED WITH ACTIONS: Set incentives to deliver on the SCF aspirations with respect to strengthening the focus on mobilisation, in particular private mobilisation, will be reflected in the Corporate Scorecard review. The Corporate Scorecard for 2021 to be considered in the context of	The definition of Annual Mobilisation has been revised and approved by the Board in October 2020, with AMI scorecard target in SIP 2021-2023 reflecting the new definition. SIP 2022-2024 noted "The SCF aim is to double the annual mobilisation goal to €2 billion by 2025. This SIP puts flesh on the bones of this ambition. New products, commitment to green mobilisation and a more than 15 per cent higher AMI target for 2022-mark important steps along this road." It	⬢

[15] BDS/BH/22-01; BDS/CR/22-01; BDS/CZ/21-01; BDS/EG/21-01; BDS/ES/21-01; BDS/GE/21-01; BDS/HU/20-01; BDS/KA/21-01; BDS/KO/21-01; BDS/LA/21-01; BDS/LI/21-01; BDS/MO/22-01; BDS/MN/22-01; BDS/MT/21-01; BDS/SB/23-01; BDS/SK/23-01.

Recommendation in the 2020 Mobilisation evaluation	Management Response	IEvD Assessment of the progress in implementing the Mobilisation evaluation recommendations as of this evaluation (2024)	Status
		further notes "the Bank aims to achieve GET AMI of at least €1 billion by 2025."	
4. Upgrade MIS treatment of data on mobilisation and use of blended finance, review policies for provisioning allocating capital and measuring project and corporate performance to ensure yield on capital calculations and to provide an accurate measure of performance across instruments, and types of investments.	PARTLY AGREEED WITH ACTIONS: The Bank will review the definition of Mobilisation in the context of the Corporate Scorecard review and aim to implement detailed reporting and access to information in support of the definition, as well as undertaking regular data quality monitoring to ensure the completeness of the information. In parallel, it will undertake a review of the gaps and possible avenues for improvements in tracking unfunded mobilisation data including the use of blended finance/ guarantees and in the strengthening of review processes to enhance the accuracy of mobilisation information where possible. In addition, implementation of the capture of partial guarantees in the Bank's systems to properly manage this financial instrument will be undertaken requiring a major system overhaul, dependant on the Bank's IT capacity as well as external vendors.	Partial Guarantees IT Project has been delivered in September 2023. It is now possible to automatically recognise a wider range of guarantee products of which the Bank is the beneficiary. Systems and models can utilise characteristics of the guarantors which includes an improved PD rating which has a positive impact on key metrics such as Required Capital and Expected Credit Loss.	⬢

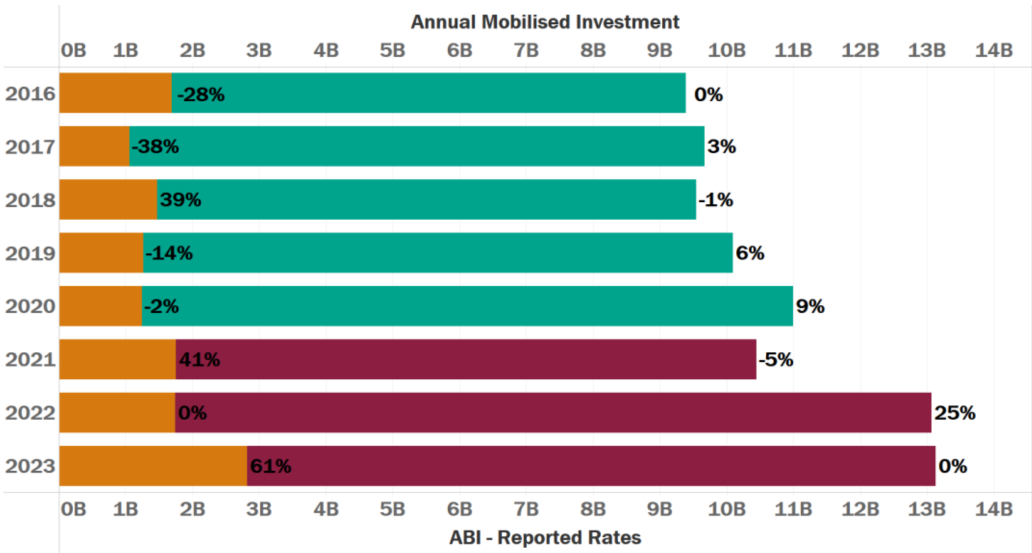
⬢ = largely complete; ⬢ = significant progress; ⬢ = some progress; ⬢ = limited progress

Annex 4. Portfolio Analysis

109. The year-on-year average increase of AMI from 2021-23 compared to previous SCF 2016-20 is 34% (baseline -9% in SCF 2016-20). The ABI stood at 9% average year-on-year increase between 2021-23 compared to 3% increase from 2016-20.

110. From 2021 to 2023, the average year-on-year increase in AMI was 34%, a significant rise compared to the previous SCF 2016-20 period's year-on-year average decline of 9%. During the same SCF 2021-23 period, the Annual Business Investment recorded an average year-on-year increase of 9%, up from a 3% average annual increase in the SCF 2016-20 period (Figure 8).

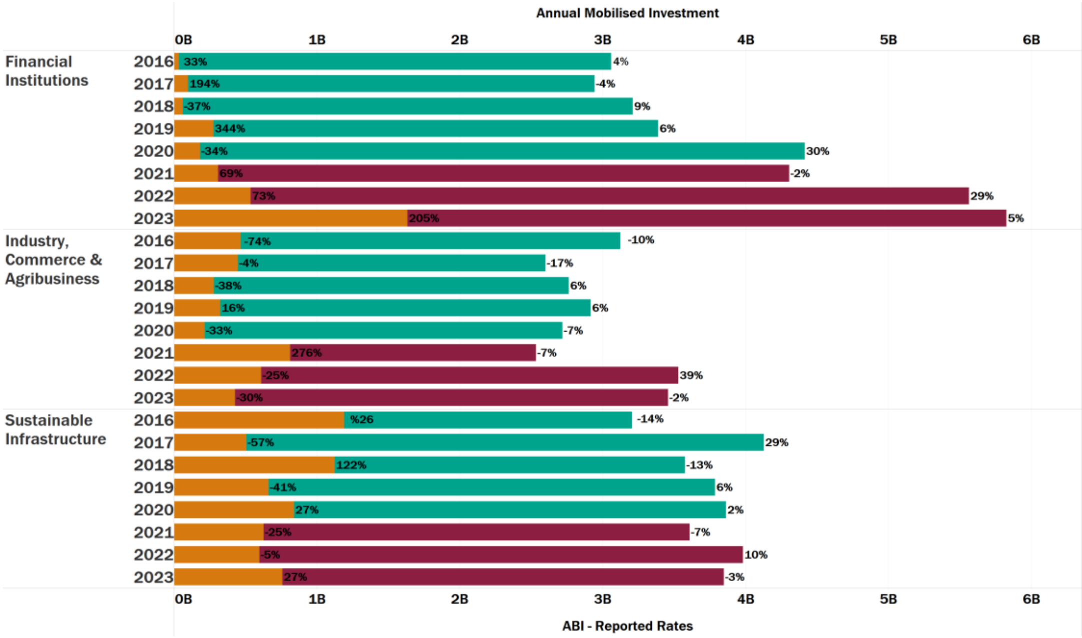
Figure 8: **AMI relative to ABI, % Year on Year increase, 2016-23**



Source: IEvD Based on DW Banking Operational Data.

111. Between 2021-23, the highest volume of AMI was generated by projects from the Financial Institutions (FI) sector (€2.48 billion), followed by the Sustainable Infrastructure (SIG) sector (€1.99 billion), and the Industry, Commerce & Agribusiness (ICA) sector (€1.85 billion). In the previous SCF period (2016-20), the highest volume of AMI was generated by Sustainable Infrastructure (€4.33 billion). When compared to ABI, the highest volume of ABI between 2021 and 2023 was generated by projects from Financial Institutions (€15.69 billion), followed by Sustainable Infrastructure (€11.44 billion). In the previous SCF period (2016-20), the highest volume of ABI was generated by projects from Sustainable Infrastructure (€18.56 billion), followed by Financial Institutions (€17.01 billion). When comparing the relative average year-on-year increase of AMI to ABI for the period 2021-23, the highest growth was from Financial Institutions, with 116% for AMI and 11% for ABI. In the previous SCF period (2016-20), the relative average year-on-year increase of AMI and ABI was again highest in projects generated from Financial Institutions, with 100% and 9% increases, respectively (Figure 9).

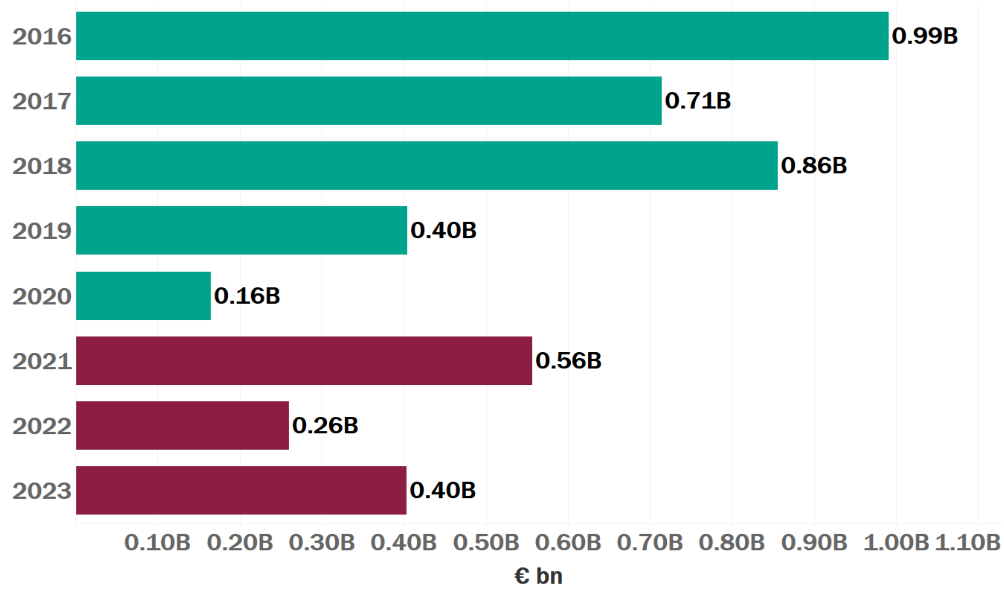
Figure 9: **AMI relative to ABI share by sector team group, % Year on Year increase, 2016-2023.**



Source: IEvD Based on DW Banking Operational Data.

112. The amount of B loans mobilised has fluctuated significantly since 2021, dropping from €556.8 million in 2021 to €260 million in 2022, before rising to €403.3 million in 2023. This averages around €406.7 million in the current SCF period, significantly lower than the average of €626.2 million mobilised between 2016 and 2020. The AMI volume via B loans has nearly consistently declined from €1,584 million in 2015 to 403.3 million in 2023. Parallel loans, reported by the Bank alongside other non-EBRD finance, show a similar downward trend. The mobilised amount for parallel loans fell from around €461 million in 2021 to €189 million in 2022, reaching a minimum of €43 million in 2023 (Figure 10).

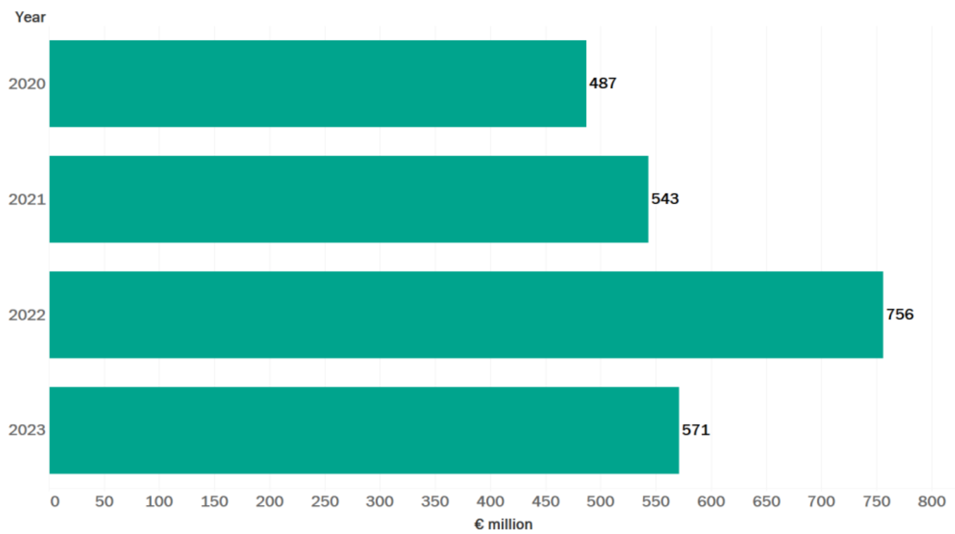
Figure 10: AMI from B loans, € billion, 2015-23



Source: IEvD Based on DW Banking Operational Data.

113. The Bank's mobilised amount through Insurer Mobilisation increased from €543 million in 2021 to €756 million in 2022, before falling by 32.4% to €571 million in 2023 (Figure 11).

Figure 11: AMI from URPs and NPIs, € million, 2020-23.

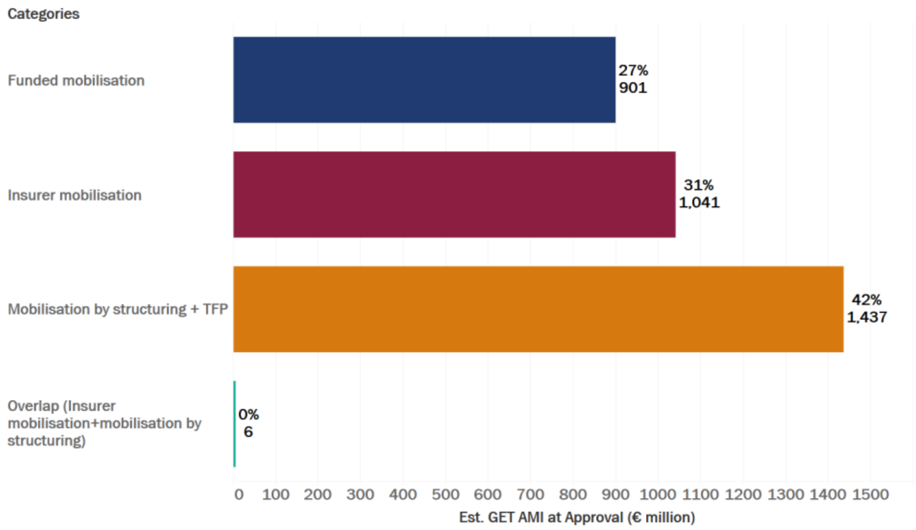


Source: IEvD Based on DW Banking Operational Data.

114. In 2023, the Bank achieved a record GET AMI of €1,674 million or 59% of the total AMI, thus surpassing the 2025 target. This result is driven by both the EBRD's green project

origination, with 42% of GET AMI emerging from mobilisation by structuring, and by the co-financing partners' interest in green projects, with 27% and 31% of funded and insurer mobilisation, respectively, classified as GET AMI. The rapid growth in GET AMI is evident throughout the current SCF period, as the GET AMI has risen from €640 million in 2021 (37% of AMI) to €1,071 million in 2022 (61% of AMI), before reaching €1,674 million in 2023 (59% of AMI). These figures are considerably higher when compared with the GET AMI figures produced for 2018 and 2019, €559 million (44.3% of AMI) and €554 million (44.7% of AMI), respectively. (Figure 12)

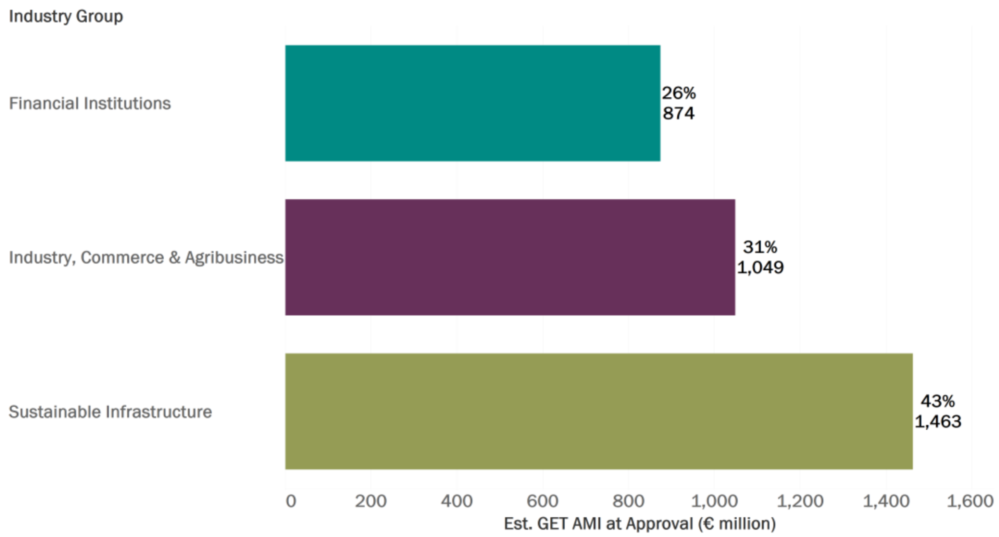
Figure 12: The volume GET AMI, 2021-23.



Source: IEvD Based on AMI Data.

115. The highest volume of GET AMI was generated by projects from the Sustainable Infrastructure sector (43%), followed by the Industry, Commerce & Agribusiness (31%), and the Financial Institutions sectors (26%) (Figure 13).

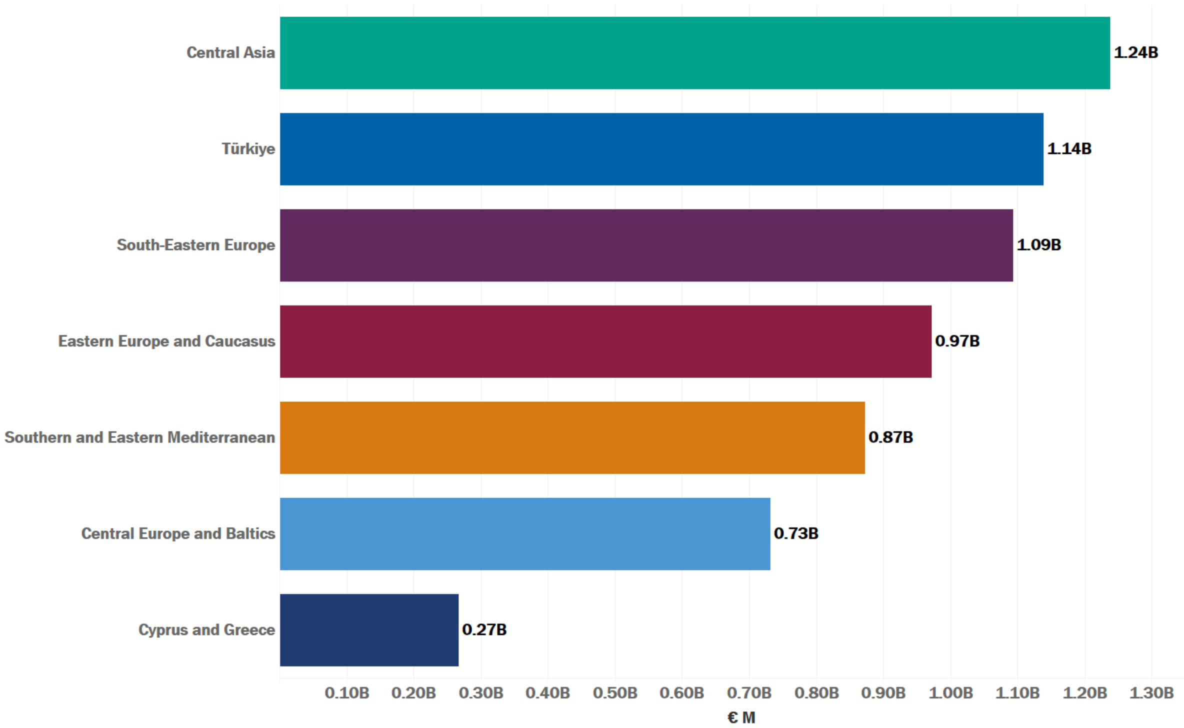
Figure 13: The volume GET AMI, € million, 2021-23.



Source: IEvD Based on AMI Data.

116. Examining the Bank's investments in the 2021-23 period, the largest share of AMI was recorded in the Central Asia (19.6% or €1.24 billion), followed closely by Türkiye (18.0% or €1.14 billion) and the South-Eastern Europe regions (17.2% or €1.09 billion). The remaining regions achieved the following amounts of AMI: Eastern Europe and Caucasus (€0.97 billion), SEMED (€0.87 billion), Central Europe and Baltics (€0.73 billion), and Cyprus and Greece (€0.27 billion) (Figure 14). In this period, 81.8% of the AMI was recorded in the non-ETC countries, while only 18.2% took place in the ETC countries (Figure 14).

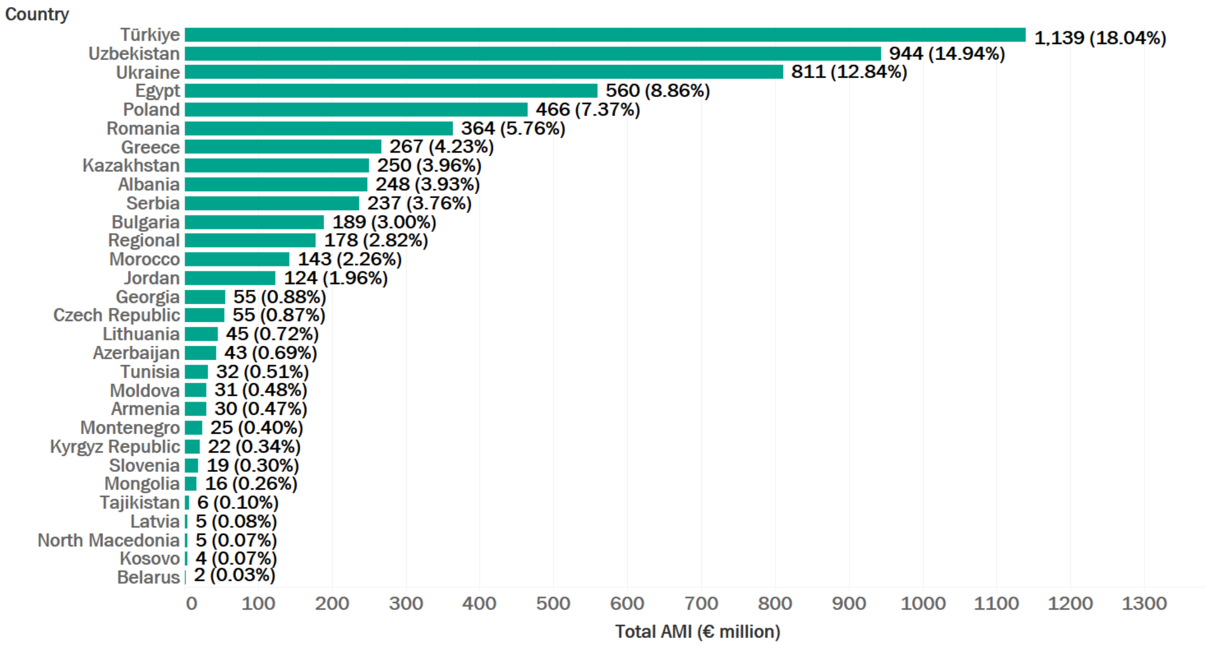
Figure 14: **Cumulative AMI by country groups, € million, 2021-23**



Source: IEvD Based on DW Banking Operational Data.

117. At the level of the CoOs, the highest AMI was achieved in Türkiye (€1.14 billion or 18%), followed by Uzbekistan (€0.94 billion or 14.9%), Ukraine (€0.81 billion or 12.8%), Egypt (€0.56 billion or 8.86%), and Poland (€0.47 billion or 7.37%) (Figure 15).

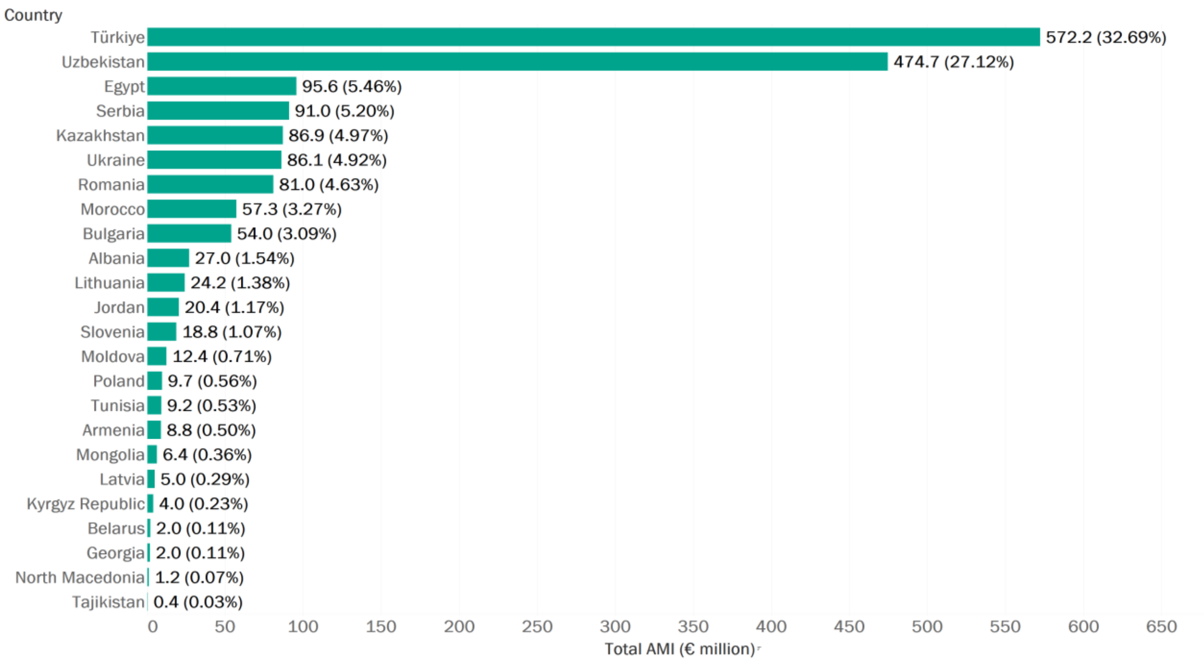
Figure 15: Cumulative Annual Mobilised Investment by Country of Operation, 2021-23



Source: IEvD Based on DW Banking Operational Data.

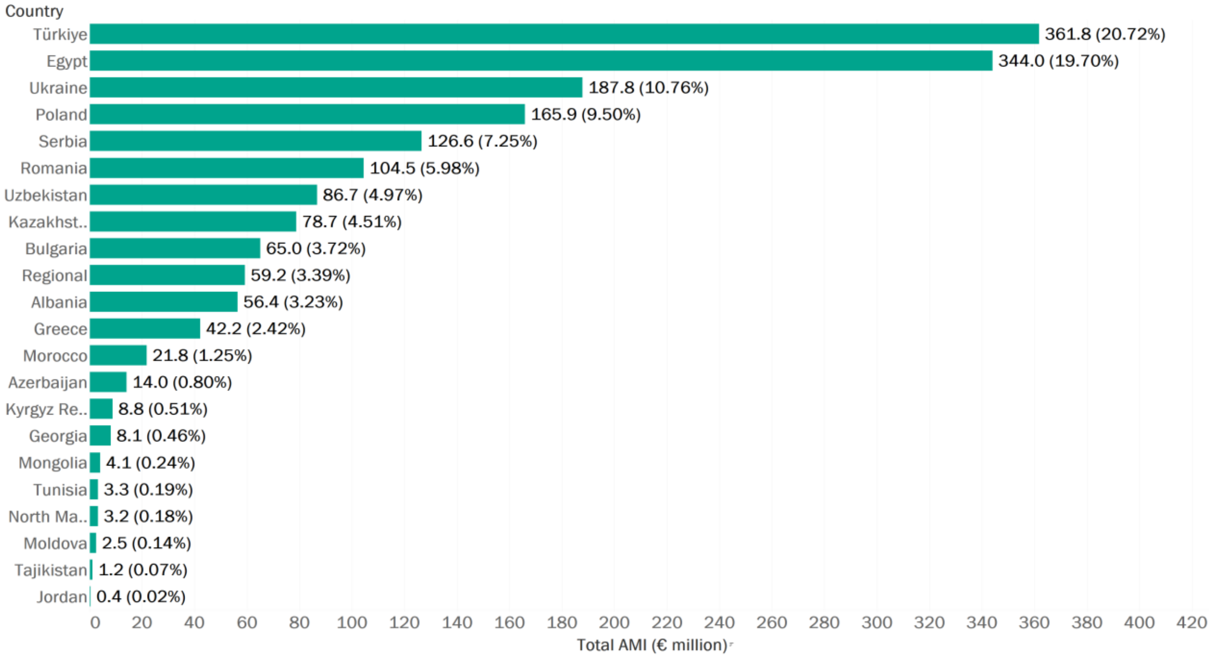
118. Since 2021, the Bank has expanded the number of CoOs where mobilisation occurs. While 24 and 23 CoOs recorded AMI in 2021 and 2022, respectively, a record 28 countries recorded an AMI in 2023, as illustrated in the Figure 16,17, and 18. For comparison, the average number of CoO with mobilisation activity was 22 from 2017 to 2020, though this period showed a certain level of volatility (2017: 21 CoOs; 2018: 24; 2019: 21; 2020: 24).

Figure 16: Annual Mobilised Investment by Country of Operation, 2021



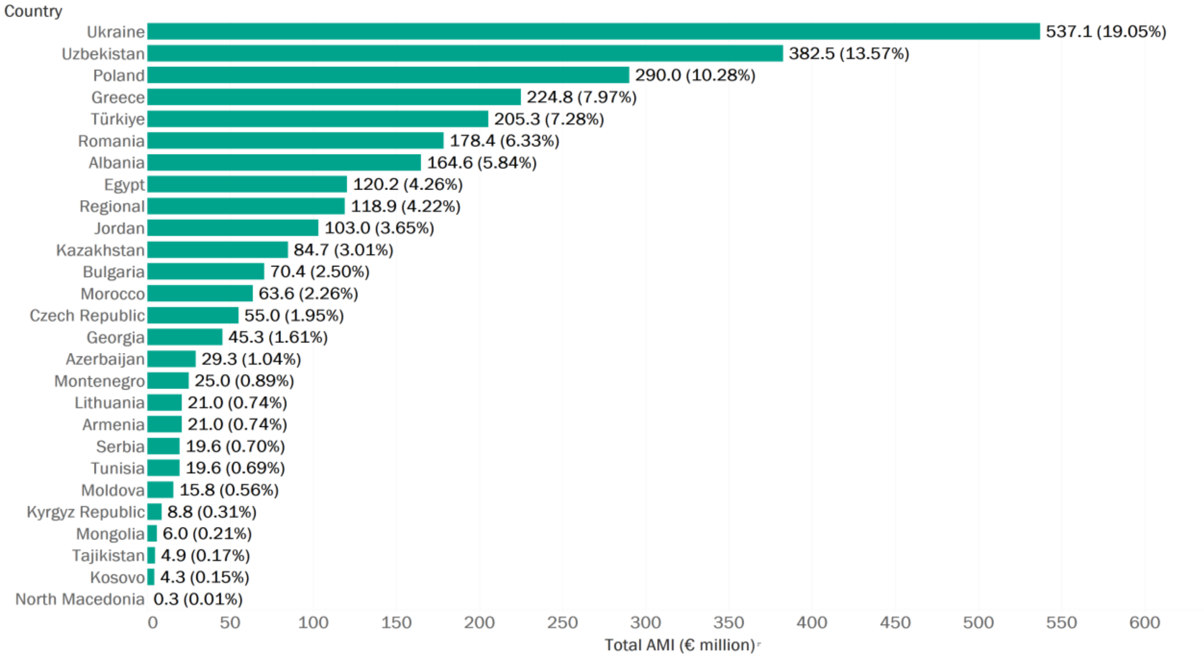
Source: IEvD Based on DW Banking Operational Data.

Figure 17: Annual Mobilised Investment by Country of Operation, 2022



Source: IEvD Based on DW Banking Operational Data.

Figure 18: Annual Mobilised Investment by Country of Operation, 2023



Source: IEvD Based on DW Banking Operational Data.

Annex 5. Annual Mobilised Investment (AMI) composition over time