European Bank
for Reconstruction and Development






Green Economy Transition Strategy 2026-30

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Executive summary

Executive summary

The green economy transition imperative for the EBRD regions

The European Bank for Reconstruction and Development's (EBRD) goal is to foster the transition of its countries of operation to sustainable market economies that are competitive, well governed, green, inclusive, resilient and integrated. The Strategic and Capital Framework (SCF) 2026-30 approved by the Board of Governors in May 2025 sets out how the Bank intends to deliver on that transition mandate in the medium term, including the provision of exceptional support to Ukraine. To advance transition, the SCF identified three strategic themes – green transition, stronger economic governance, and strengthened human capital and equality of opportunity for all – alongside two enablers – deploying digital technology and boosting private-sector mobilisation.

This Green Economy Transition (GET) Strategy details the Bank's objectives to support the green transition in the EBRD regions from 2026 to 2030. Grounded in its response to the needs and requirements of its countries of operation and clients, the Bank will support a market transition that takes into account environmental sustainability while simultaneously fostering competitiveness and resilience – a green economy transition.

The strategy is rooted in the Agreement Establishing the EBRD, which states that the Bank should "promote in the full range of its activities environmentally sound and sustainable development".[1] It builds on the EBRD's 35 years of experience in implementing this mandate and refining it into what is now a mature business model, particularly over the last five years, when green transition considerations have been fully mainstreamed into all activities. This has made the EBRD the leading green finance provider in its regions, underpinned by its intimate knowledge of their investment needs, and policy and market environments.

Advancing the green transition is an imperative for the Bank's countries of operation – their firms, their communities and their people. The EBRD regions remain more emissions intensive than the global average, with many of its countries of operation experiencing climate change, air and water pollution, and degradation of nature at increasing rates. Many also rely on energy and food imports that are exposed to market volatility and supply-chain disruptions. These characteristics and vulnerabilities, which underscore the cost of inaction on the green transition, contribute to energy and food insecurity, less competitive firms that are more exposed to economic shocks, and the potential for macroeconomic and financial-market instability.

Realising opportunities from the green transition requires substantial investment. The EBRD regions' green-related financial needs are projected to rise to more than €500 billion in 2030, five times the current level. Reaching this level of investment can only be achieved by creating policy frameworks that take a long-term view and by fostering innovation, greater country-level collaboration and improved coordination between development partners. There is already a degree of momentum that provides impetus for action. For example, renewable energy technologies are price competitive with incumbent technologies, there is a strong commercial case for energy and water efficiency, and the EBRD regions are abundant in certain strategic natural resources.

The Bank has the high-level objective of supporting open, market-orientated and private sector-led economies that deliver a green transition (by reducing greenhouse gas (GHG) emissions underpinned by energy efficiency, improving their ability to deal with the impacts of climate change, and restoring nature), build competitive markets (by strengthening private-sector competition, the role of small and medium-sized enterprises (SMEs), and innovation) and enhance economic resilience (by preparing for future shocks, improving crisis response and enhancing energy and food security).

1 See EBRD (1990).

The Bank will achieve this high-level objective by taking a significant step up in its ambition in two mutually reinforcing areas aimed at facilitating systemic change. These areas seek to address fundamental and pervasive market failures (distortive energy subsidies, a lack of information and capacity to implement cost-effective solutions, network effects and a lack of innovation incentives) that distort markets and hold back market transition in the EBRD regions.

Area 1. Scale market-enabling activities in six core economic systems critical to the green transition: energy, industrial, agrifood, transport, urban and finance

- Energy system. The Bank will target a tripling of the renewable energy capacity it finances or facilitates in 2023-30 relative to cumulative Bank delivery in the 2010-22 period. This would add an additional 35 GW of renewable capacity in 2023-30, accounting for an estimated 10 per cent of the new renewable energy capacity to be installed across the EBRD regions during that period.

  As countries consider their options and priorities for generating new capacity to meet rising energy demand, the Bank will assist countries in evaluating the full suite of technological solutions, including nuclear power, which can be cost-effectively deployed to realise a green transition and provide reliable and affordable energy. The Bank's work will address the regulatory and market hurdles holding back the energy transition. It will also focus on building enabling infrastructure (namely, networks and storage); promoting the demand-side elements of energy efficiency and electrification; tackling short-lived climate pollutants by reducing methane emissions in all sectors in light of its links to health outcomes and economic growth; and exploring the role of nuclear energy in the green transition.

- Industrial system. The Bank will target a doubling of its policy activities relative to 2021-25 and create more than 20 national or sectoral low-carbon and climate-resilient pathways. These pathways will seek to cover an additional 40 million tonnes of annual GHG emissions and identify investment and policy reform needs to transform industrial systems.

  The Bank will support hard-to-abate industries in integrating new technologies and circular economy principles that deliver efficiencies and address high-production costs, helping them to remain competitive in global markets. The Bank will also engage with emerging innovative sectors and producers of critical raw materials where the green transition will bring commercial opportunities by entering new markets.

- Agriculture and food (agrifood) system. The Bank will scale up its efforts to deliver 30 national and value chain-focused green transition plans and strategies. These plans will seek to cover an additional 10 million tonnes of GHG emissions.

  The Bank will take a holistic, sector-level approach, with a focus on critical food value chains, identifying actions that are "climate smart" and protect nature, while also improving operational efficiency (particularly for processing and logistics) and reducing food loss (to safeguard food security).

- Transport system. The Bank will target a doubling of its activities relative to 2021-25 to create 20 green transition strategies and plans for transport operators. These will seek to cover an additional 8 million people and 80 million tonnes of freight, to reduce their environmental impact while creating jobs and promoting regional integration and new market opportunities.

  Focused on the road, rail, air and water transport networks, the Bank will identify the investment and policy reforms required to support a green transition while also enhancing the integration and efficiency of the network to move goods and people and supporting the greening of transport systems by electrifying vehicles.

- Urban system. The Bank will target 40 urban-related green transition strategies and plans, increasing delivery by 25 per cent relative to 2016-25 (a period of substantial activity primarily through the Bank's flagship Green Cities programme). These activities will seek to increase the urban population covered by 20 million people, resulting in a total of 100 million people being covered by Bank-supported plans and strategies.

  Anchored in the political and economic realities of each city, these strategies and plans identify, benchmark and prioritise investment and policy reform actions in areas such as energy, urban transport, buildings, industry, water, solid waste and land use. While recognising that urbanisation patterns, economic structures and policy contexts differ significantly across the EBRD regions, some commonalities will be tackled, including the need for integrated urban planning and improved economic governance.

- Financial system. The Bank will work to facilitate transition-plan adoption by the banks it finances, aiming to triple coverage by 2030. This would mean more than 60 per cent of client banks having and disclosing the core elements of a transition plan, up from around 20 per cent in 2025. This would leverage the full financing ability of the EBRD's client banks, representing capital assets of around €2 trillion in today's value. EBRD support will be based on client demand, in line with market trends, regulatory requirements and investor expectations.

  Using transition plans as a tool to integrate green transition considerations into business practices, and through the transition-planning support activities the Bank will develop to improve risk management and identify investment opportunities for its partners, the EBRD will focus on building green financing capacity, including by deepening and expanding capital markets and blended financing, to provide the green finance needed in the other five systems.

Area 2. Deliver cumulative green financing of at least €150 billion in 2026-30

The EBRD's financing goal – a floor it will seek to exceed – comprises the Bank's own account and the funds it mobilises both directly and indirectly from the private sector. Where its own account is concerned, the Bank will direct its resources by way of two targets. First, it will continue to invest at least 50 per cent of its own financing for green purposes. Second, by proactively identifying business opportunities to build climate resilience and address fragility, the Bank will increase the number of projects with an adaptation finance component by at least 50 per cent relative to what it delivered in 2021-25.

This cumulative financing target corresponds to growth of around one-third over five years relative to expected commitments for 2021-25 and amounts to around 6 per cent of the green financing needs of the EBRD regions in 2030.

How the EBRD will deliver

The Bank will deliver on its goals through a combination of investment, advisory activity and policy engagement. Products will be deployed to deepen impact and focus on agility and aggregation, standardisation and scalability, and building long-term capability beyond the Bank's engagement.

The suite of products the Bank will deploy will include country platforms (country-led approaches that coordinate actions by development partners, based on a shared strategic vision) and an enhanced approach to nature conservation and recovery (where the Bank will revise its current operational framework to scale up delivery guided by the objectives of the Kunming-Montreal Global Biodiversity Framework).[2] The EBRD will also maximise synergies with the digital and mobilisation approaches currently being developed to implement the Bank's SCF priorities.

In maximising its effectiveness by focusing on its comparative advantage, the Bank will deepen operational partnerships to address complex delivery challenges, particularly with the other multilateral development banks (MDBs), to work as a system through the harmonisation of approaches and deep collaboration, the European Commission and civil society.

The implementation enablers of this strategy are internal to the EBRD and predicated on both internal and external factors. Internally, work is needed to further simplify internal processes, take a "risk-based approach" to due diligence and to enhance clients' experience of engaging with the Bank. Externally, the economic conditions that support cost-effective market development and access are important. Policies that restrict trade in green technology, technology transfer and access to critical raw materials could hamper the Bank's ability to deliver the green transition at scale.

To measure performance, the EBRD has established a new green transition monitoring framework. It builds on ongoing work to harmonise the results measurement approaches of MDBs and track both expected and delivered results. The Bank will report against this monitoring framework annually in its *Impact Report*.

2 See Convention on Biological Biodiversity (2022).

Green Economy Transition Strategy 2026-30

European Bank for Reconstruction and Development

A strategy for green transition to deliver competitiveness and resilience

WHY

Leveraging the deep connection between a green transition and economic development will lead to:

Greener countries and clients

- a reduction in GHGs, underpinned by energy efficiency
- improved climate resilience
- restored nature

More competitive markets

- strengthened private-sector competition
- increased role of small and medium-sized enterprises
- supported innovation

Greater economic resilience

- increased resilience to economic shocks
- improved crisis response
- strengthened energy and food security

FINANCE

Targeting total cumulative green financing

at least **€150** billion

- at least 50 per cent of the EBRD's own financing will be green
- Paris Agreement alignment of all new projects
- 50 per cent increase in projects with a climate resilience component
- integrating nature considerations in all the Bank's activities

WHAT

We will deepen our impact by scaling up in six core economic systems:

Energy

Scale up renewables

Energy efficiency

Electrification

Clean energy technologies

Building network and storage

Our target

Triple the cumulative renewable energy capacity delivered (additional 35 gigawatt)

Market effect

At least 10 per cent of total installed capacity is renewable

Industrial

Tackling hard-to-abate sectors

Focus on circular economy

New green industries

Critical raw materials

Our target

Double the number of **national/sectoral** low-carbon and climate-resilient pathways (22)

Market effect

To cover an additional **40 $MtCO_2e$**

Agrifood

Climate-smart supply chains

Resilient processing and logistics

Reduced food loss

Our target

Scale up the delivery of national and value chain-level green transition strategies and plans (30)

Market effect

To cover **10 $MtCO_2e$**

Transport

Electrification of vehicles

Modal shifts

Integration and efficiency to move goods and people

Our target

Double the number of green transition strategies and plans for transport operators relative to 2021-25 (20)

Market effect

To support an additional **8 million people**

and to facilitate the handling of **80 million tonnes** of freight by lower-carbon means

Urban

Greening existing infrastructure (such as, buildings, water, waste)

Quality urban planning

Our target

Increase by 25 per cent the delivery of urban-related green transition strategies and plans (40)

Market effect

To benefit **100 million people** in the cities of the EBRD regions

Financial

Expanding green capital markets

Blending public and private finance

Improving access to green finance

Our target

Triple the coverage of EBRD bank clients with a transition plan (to more than 60 per cent)

Market effect

Around **€2 trillion**

1. The green economy transition imperative for the EBRD regions

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The economic rationale for a green transition

A new market transition paradigm

1.1. This strategy is being adopted at a time of profound change in a global economy reliant on an endangered planetary ecosystem. The world is in the midst of a digital revolution, amid heightened geopolitical and economic uncertainties that are being compounded by rising inequality and growing fragility. Furthermore, the demands and behaviours of a growing consumer base are changing rapidly. This calls for urgent multilateral, national and local responses that aim to enhance the overall competitiveness and resilience of economies and that improve people's overall living conditions through more holistic and integrated actions for greening economic systems.

1.2. Major global shifts that will shape the period to 2030 include:

a. The need to strengthen energy security, triggered by more frequent disruptions to energy supply routes, a rise in national debt levels and growing demand for electricity. Energy security can be achieved by increasing self-sufficiency and the diversification of the energy mix to reduce reliance on energy imports, particularly fossil fuels, which often negatively affect countries' borrowing capacity and their scope to invest in other development priorities. A quarter of the world spends more than 5 per cent of gross domestic product (GDP) annually on fossil-fuel imports.[3] These imports have increased 12-fold since 1960 and, globally, 52 countries import more than half of their primary energy in the form of fossil fuels, many of them in the EBRD regions. Only seven EBRD countries of operation are net exporters of fossil fuel. At the same time, demand for electricity will continue to grow with the rapid economic development of emerging markets; the electrification of transport, industrial processes, and heating and cooling (for example, electric vehicles, heat pumps and air conditioning); and the construction of data centres.

b. Demographic trends and behavioural changes that intersect with a range of affordability, accessibility and security issues. The global population is still growing and projected to reach 10 billion by 2050, with 70 per cent expected to live in urban areas.[4] Regional trends differ, however. Populations in developed economies and eastern Europe are ageing and declining, while urban populations in many other developing economies, especially in Africa, are expanding rapidly and largely young, but with worse job prospects and social security. Rapid urbanisation and overcrowding also lead to environmental pollution, a deterioration in the quality of air, water and soil, and burgeoning urban populations. Populations that are exposed to climate vulnerability and other environmentally destabilising factors are increasingly forced to migrate and compete for resources such as water and arable land, with a disproportionate impact on disadvantaged groups, including woman and girls. This has consequences for public health, including an increased risk of pandemic outbreaks. Furthermore, global food demand in 2050 is expected to be 56 per cent higher than 2010 levels, with demand for food calories seen rising 70 per cent. Meanwhile, GHG emissions from agrifood systems have been growing fastest in low- and middle-income countries.[5]

c. An increasing need for infrastructure investments globally. This current investment shortfall, unless addressed, will continue to negatively impact economic productivity, job creation, access to public goods and services, social equity and welfare. While global infrastructure investment needs are estimated to exceed US$

3 See Ember (2025).

4 See UN DESA (2023).

5 See World Bank Group (2024).

5 trillion (€4.3 trillion) a year,[6] infrastructure assets account for less than 1 per cent of global assets under management and institutional investors allocate, on average, just 5 per cent of their portfolios to the sector.[7]

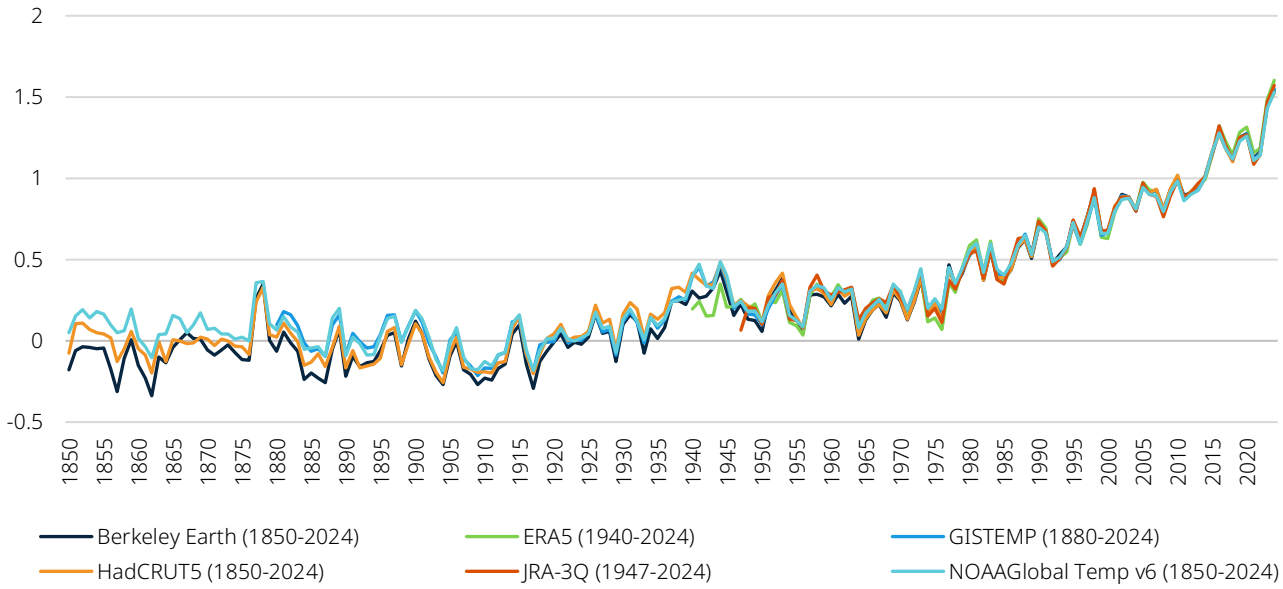
d. Rapid digitalisation, automation, and the deployment of artificial intelligence (AI) and machine learning changing traditional economic structures. Thanks to these technologies, productivity gains and innovation have become more feasible, facilitating more mobile and geographically spread workforces. This new wave of technological transformation also creates novel opportunities for developing countries to leapfrog certain stages of infrastructure development into digital and online-based service economies, as seen in some African countries.[8] However, technological disruptions bring challenges: the speed of change is outpacing the rate at which new skills can be acquired, and labour forces are struggling to convert obsolete jobs into new ones. This is an underlying driver of the growing sense of inequality and injustice that feeds societal fragmentation and polarisation.

e. Structural economic changes from manufacturing-based to service-based economies. Many of the legacy technologies and infrastructural assets of carbon-intensive industries are increasingly less competitive, especially with the emergence of "smart manufacturing".[9] Remaining competitive will require more capital and technology-intense manufacturing. Conversely, service sectors are increasingly important in driving economic development in low- and middle-income countries and are estimated to add annual revenue of US$ 1.1 trillion (€1 trillion) to those economies by 2030.[10]

Green transition urgency and relevance

1.3. The earth's ecosystem is on red alert. Six of the nine planetary boundaries have been breached, creating immense risk to global stability.[11] For example, 2024 was the first calendar year to register an annual temperature increase of more than 1.5°C above pre-industrial levels, while the two-year average for 2023-24 also exceeded that threshold (see Figure 1).[12]

Figure 1. Global mean temperature rise relative to the 1850-1900 average (1850-2024)



Source: World Meteorological Organization (2025a).

6 All euro equivalents of US dollar values are calculated using the US Treasury exchange rate for September 2025.
7 See S&P Global (2023) and World Economic Forum (2025).
8 See African Futures and Innovation Programme (2025).
9 Also known as the Fourth Industrial Revolution.
10 See McKinsey & Company (2025).
11 See Richardson et al. (2023).
12 See Copernicus (2025).

Note: The WMO provides a temperature assessment based on multiple sources of data to support international climate monitoring and to provide authoritative information for the UN Climate Change negotiating process. The historical datasets are from the European Centre for Medium Range Weather Forecasts (ECMWF), the Japan Meteorological Agency, the US National Aeronautics and Space Administration (NASA), the US National Oceanic and Atmospheric Administration (NOAA), the UK Meteorological Office in collaboration with the Climatic Research Unit at the University of East Anglia (HadCRUT), and Berkeley Earth. The time series for climate models ERA5 and JRA-3Q start in 1940 and 1947, respectively.

1.4. The Intergovernmental Panel on Climate Change has warned that global warming of more than 2°C will not only be dangerous, but also highly unpredictable as "climate tipping points" are crossed.[13] Between 500 million and 2 billion people are estimated to be at risk of displacement at 2°C warming, with around three-quarters of those in the globe's hottest areas likely being forced to migrate. [14] Impacts include increased frequency and intensity of heatwaves, wildfires, flooding and accelerated loss of biodiversity. Sea levels will continue to rise, with coastal areas at risk of flooding and submersion, meaning they become inhabitable, while arable land will decrease, and water and food will become scarce. There is also an expectation of increased extreme winter storms triggered by the melting of Arctic ice, accelerating the warming of the North Pole and weakening the jet streams that act as a barrier against cold air travelling further south. Without climate mitigation and climate adaptation, countries could find themselves at risk of being unable to meet dietary energy requirements or minimum per capita calorie intake due to changing agricultural yields, underscoring the need for preparedness for food security risks.[15]

1.5. Environmental impacts translate into cascading and devastating economic impacts. The EBRD regions experienced more than 150 extreme weather events in 2024, the highest number recorded.[16] Nearly 4,000 acute current events across six continents between 2014 and 2023 generated economic losses of an estimated US$ 2 trillion (€1.7 trillion) in 2023 prices, directly affecting 1.6 billion people.[17] Every year, the impact of natural disasters on infrastructure causes US$ 700 billion (€596 billion) of economic losses.[18] In 2024, natural catastrophes globally caused estimated economic losses of US$ 242 billion to US$ 417 billion (€206 billion to €355 billion), with estimated insured losses of US$ 135 billion to US$ 154 billion (€115 billion to €131 billion). More assets will become uninsurable,[19] and some forecasters are already warning that insurance costs will become increasingly unaffordable or cease to be available.[20] Increasingly higher temperatures and longer heatwaves will also affect economic outcomes by reducing labour productivity.[21] In the Organisation for Economic Co-operation and Development's (OECD) median climate damage curve scenario, global potential output growth is expected to decline from about 2.9 per cent currently to around 1.3 per cent by the end of the century, driven mainly by slower productivity growth in emerging economies and a shrinking working-age population.[22]

1.6. Fundamentally, because of the criticality of natural systems to economic prosperity, there is a strong economic case for acting without delay. For example, while the upfront costs of investing in actions to limit the global temperature rise to 1.5°C are higher than under a 2°C scenario, the long-term costs of economic damage caused by climate change are significantly higher in the latter. In short, the cost of action to manage the immense risks from climate change are much less than the costs of inaction on climate change.[23]

13 The IPCC Sixth Assessment Report (AR6) defines tipping points as critical thresholds beyond which a system reorganises abruptly and often irreversibly. See IPCC (2023).

14 See World Economic Forum (2021) and Xu et al. (2020).

15 See Li et al. (2025).

16 See World Meteorological Organization (2025b).

17 See Oxera (2024).

18 See UNDRR (2024).

19 Estimates of the proportion of uninsurable properties vary by country, but typically average around 8 per cent. Depending on the level of damage, however, the value of certain properties can be completely wiped out. See Gourevitch et al. (2023) and Bayes Business School Real Estate Research Centre (2023).

20 See, for example, European Council for an Energy Efficient Economy (2025).

21 See OECD (2024a).

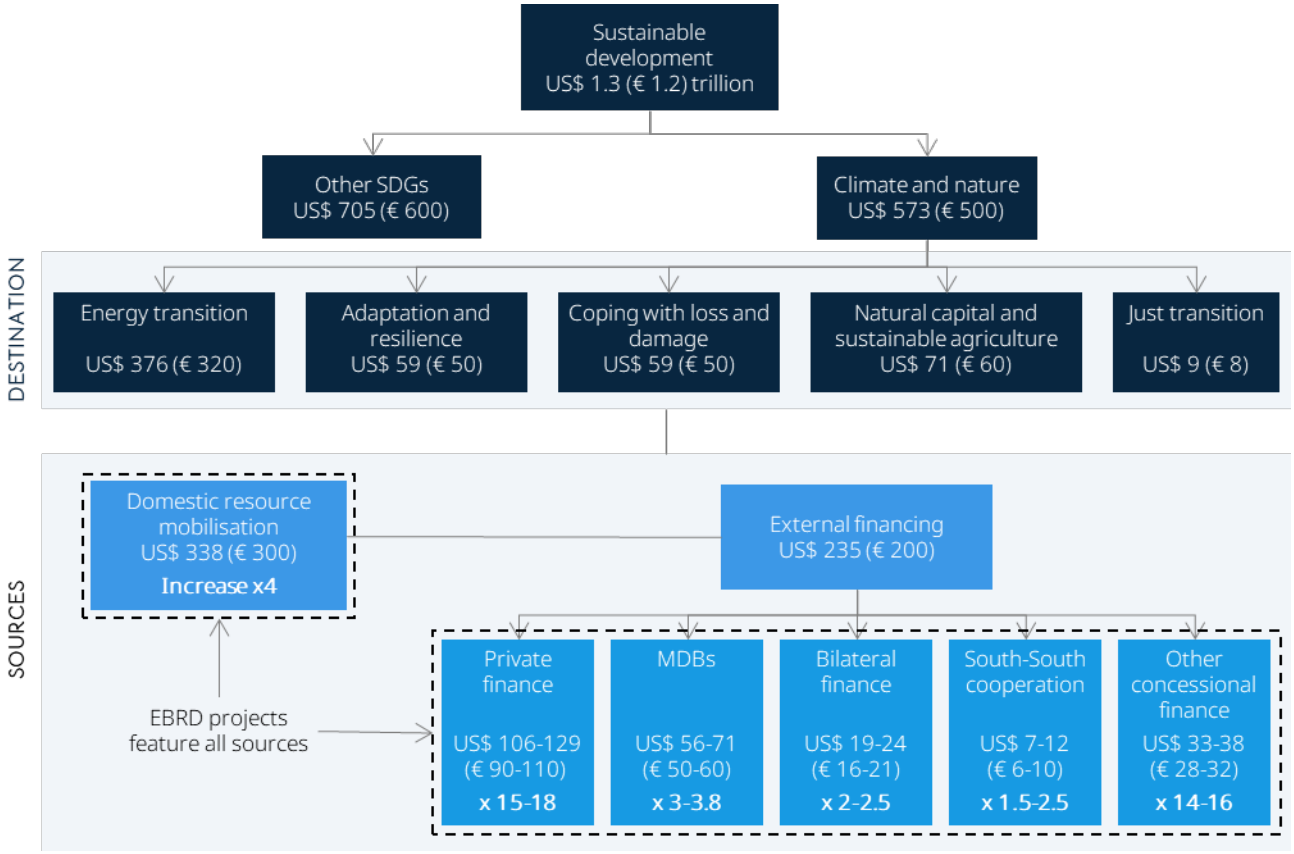
22 See OECD (2025).

23 IPCC Six Assessment Report (AR6) (2023).

The investment need and role of international development finance

1.7. Addressing these challenges and realising the opportunities of the green transition will require substantial investment. The annual investment needed to deliver on global climate and nature goals is estimated at US$ 2 trillion to US$4 trillion (€1.7 trillion to €3.4 trillion) by 2030, most of it in developing countries.[24] The approximate gap in annual investment needs to achieve the aims of the Paris Agreement to 2030 is around US$ 1.8 trillion (€1.5 trillion).[25] For the EBRD regions, this translates into more than US$ 560 billion (around €500 billion) by 2030, a fivefold increase from today (see Figure 2). The need goes beyond climate mitigation and includes adaptation and resilience, coping with loss and damage, and investment in natural capital.[26]

Figure 2. Annual financing needs of EBRD countries of operation to 2030 (US$ billion)



Source: Bhattacharya et al. (2024) and EBRD calculations.
Note: (1) Figures estimated based on population and GDP proxies; (2) just transition figures exclude costs specific to the energy transition (early phase-out of coal and just transition-related costs), which are included in estimates of the energy transition; (3) domestic resource mobilisation includes household savings; (4) a significant proportion of private finance would be directly and indirectly catalysed by MDBs, other development finance institutions and bilateral finance; (5) MDBs include multilateral climate funds; (6) South-South cooperation refers to financial flows between emerging markets; (7) estimates of increases in financing sources are based on estimated increases in all emerging market economies excluding China and are not specific to the EBRD regions.

1.8. There have been significant individual and collective efforts to meet these expectations in the form of commitments to scale up MDB financing capacity. It is estimated that by 2030, annual collective MDB climate

24 See Bhattacharya et al. (2024).

25 Based on Bhattacharya et al. (2024) and EBRD calculations.

26 According to World Economic Forum (2024), unprepared companies in a scenario of accelerated climate action "risk significantly higher cost pressure from carbon pricing or comparable regulation, write-downs on their fossil asset base and a much faster-than-expected demand decline for fossil fuels and technologies". Companies surveyed also reported that "their current adaptation and resilience investments could yield between USD 2 and USD 19 for every dollar invested".

financing for low- and middle-income countries will reach US$ 120 billion (€102 billion), including US$ 42 billion (€36 billion) for adaptation and US$ 65 billion (€55 billion) mobilised from the private sector.[27]

1.9. The outcome of the COP29 United Nations climate conference in Baku in 2024 resulted in the adoption of a new collective quantified goal on climate finance of at least US$ 300 billion (€256 billion) per year by 2035 for climate-related investment in developing countries.[28] The statement affirmed the aim of all parties to the Paris Agreement to urgently accelerate the achievement of Article 2 of the Agreement, highlighting the costs to developing countries estimated in their Nationally Determined Contributions (NDCs) and related national climate policies and plans. It also reiterated the importance of reforming the multilateral financial architecture and called for cooperation with other actors to enable the scaling up of finance to developing countries for climate action from all public and private sources to at least US$ 1.3 trillion (€1.1 trillion) per year by 2035.[29]

Building momentum for the green transition

1.10. Despite current geopolitical and economic turbulence, the trajectory of investment in green technologies has momentum, with the economic rationale and business case remaining strong. For example:

a. Businesses recognise the opportunities. A recent EBRD survey found that more than 80 per cent of investment promotion agencies across the EBRD regions regard the reshaping of global value chains as an opportunity for their country.[30] Across the EBRD regions, green jobs accounted for 14 per cent of total paid LinkedIn job postings at the beginning of 2023, up from around 9 per cent in 2018, while in advanced economies, demand for green skills, increased more rapidly. There is also increasing evidence to suggest a positive correlation between having green managerial capacity and the probability of investing in green technologies.[31]

b. Electrification of the economy is happening apace. Global renewable power capacity reached 4.4 terawatt (TW) in 2024 – an addition of 585 gigawatts (GW) of new capacity – marking a record annual growth rate of more than 15 per cent, with renewables accounting for around 93 per cent of all new power generation capacity added worldwide (see Figure 3).[32] Over four-fifths of renewables added in 2023 were cheaper than fossil-fuel alternatives. Battery deployment continues to accelerate as prices fall and demand increases, as illustrated by electric car sales rising by 25 per cent to 17 million units in 2024.[33]

c. The potential for energy efficiency remains huge, underpinned by a strong economic rationale. On average, energy efficiency costs less than half of what it would cost to build new generation capacity and grid infrastructure per unit of energy. In addition, energy-efficiency measures can typically be deployed in less than a year, while generation and transmission projects require much longer.

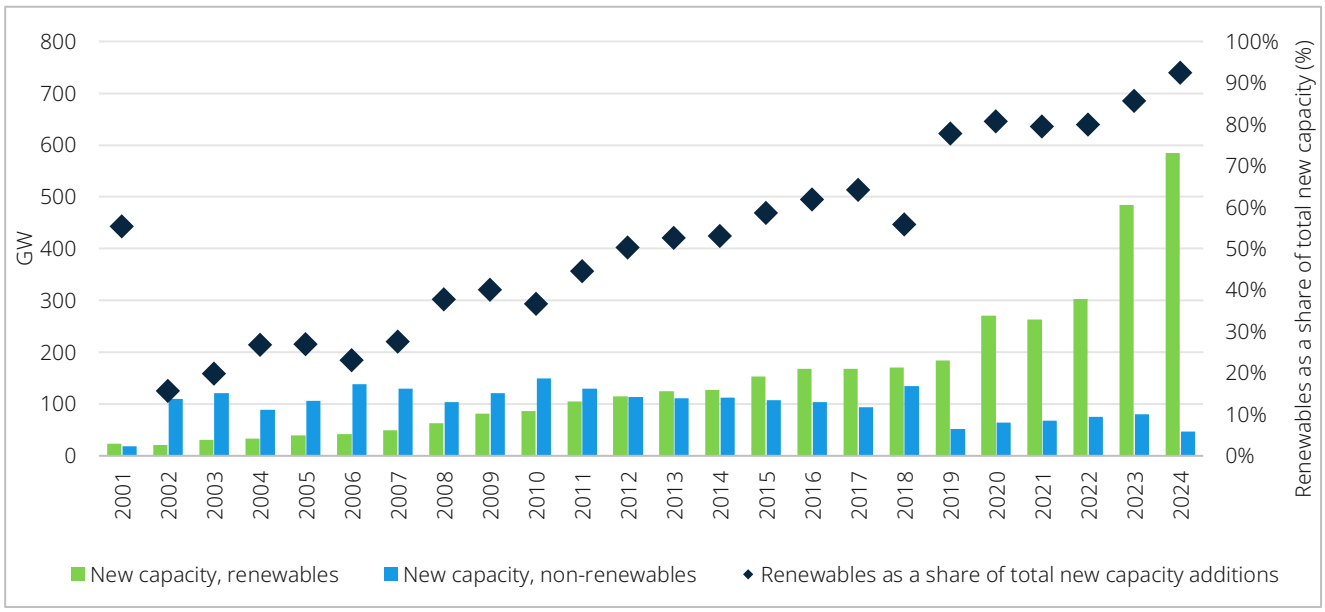
d. The observable progress in terms of behavioural change in the financial sector in the past decade. Businesses, financial institutions and central banks can better assess risks, establishing a foundation for more robust climate- and nature-related data and disclosure. Investors now incorporate environmental risks assessments into their financial operations because of the increased integration of sustainability issues into mainstream international financial reporting standards and continued international efforts to harmonise sustainable finance taxonomies. Thanks to growing voluntary disclosure and regulations, combined with the democratisation of geospatial data and AI tools, the quality of information and the business decisions it supports will improve. This should help to boost corporate and sovereign credit ratings and reduce the

27 See ADB, AIIB, CEB, EBRD, EIB, IDB, IDB Invest, IsDB, NDB and World Bank Group (2024).
28 See UNFCCC (2024).
29 Ibid.
30 See EBRD (2023b).
31 See OECD (2024b).
32 See International Renewable Energy Agency (2025).
33 See IEA (2025a).

perceived risks associated with developing countries, helping them to attract capital from the market and support improvements in legal and financial accountability.[34]

e. The rapid growth of green capital markets, notably the green and sustainability-linked bond market. The sustainable bond market has consistently added around US$ 1 trillion (€852 billion) in issuance every year since reaching that level in 2019, growing 4 per cent on the year to more than US$1 trillion in 2024 (see Figure 4). The market has remained relatively stable despite increased geopolitical conflict, the emergence of an "anti-environmental, social and governance (ESG)" movement and elevated interest rates.[35]

Figure 3. Global annual energy capacity additions (2001-24)



Source: IRENA data and EBRD calculations.

Green transition in the EBRD regions

1.11. Overall, there are persistent and pronounced gaps in all of the EBRD regions when it comes to the Bank's transition qualities. Based on the analysis presented in the Bank's *Transition Report 2024-25*, while the "green" transition quality has been a leading area of progress in the EBRD regions since 2016, most of the Bank's investee economies lag relative to more advanced economies, particularly on vehicle emission standards, the implementation of carbon pricing mechanisms and GHG emissions from industrial activities.[36]

1.12. There is a clear interrelationship between the EBRD regions' development goals and green transition-related policies. For example, many countries of operation have clearly defined priorities in their NDCs and, in some cases, their long-term strategies (LTS), as summarised in Table 1. As at July 2025:

a. Nineteen EBRD countries of operation and the EU had submitted their LTS to the United Nations Framework Convention on Climate Change (UNFCCC).[37]

34 Including through civic environmental monitoring. See European Commission (2023).

35 See Environmental Finance (2025).

36 See EBRD (2024d).

37 Six of 19 countries of operation are EU member states. Eleven of the 12 EU member states have submitted an LTS to the European Commission. Poland has yet to submit its LTS.

b. All EBRD countries of operation had submitted their first NDC to the UNFCCC and some, such as Moldova, Montenegro and Nigeria, had submitted their second NDC, which sets their climate targets for 2035 and is informed by the outcome of the first Global Stocktake.[38]

c. Twelve countries of operation had also officially submitted their national adaptation plans (NAPs), while eight countries had submitted their seventh national biodiversity strategies and action plans (NBSAPs) under the Convention on Biological Diversity.

Table 1. Summary of the NDC and LTS priorities of the EBRD regions (July 2025)

Region - countries	NDC priorities	LTS priorities
Central Asia Kazakhstan, Kyrgyz Republic, Mongolia, Tajikistan, Turkmenistan, Uzbekistan	Energy transition and energy efficiency, water resources management, agriculture, sustainable transport, green cities, disaster resilience, forests and biodiversity, public health	• Decarbonisation of energy system, just transition and job creation, sustainable land use and agricultural development, regional cooperation and integration of climate adaptation (Kazakhstan)
Eastern Europe and the Caucasus Armenia, Azerbaijan, Georgia, Moldova, Ukraine	Energy efficiency and renewable expansion, forestry and land use, water security, ecosystem protection, urban resilience, climate governance	• Climate neutrality by 2050 and the EU climate goals (Ukraine, under development) • Sectoral decarbonisation, renewable energy and energy efficiency, waste management, REDD+ (reducing emissions from deforestation and forest degradation) (Armenia) • Carbon neutrality by 2050, sectoral decarbonisation, technological transformation, innovation (Georgia)
EU member states Bulgaria, Czechia, Croatia, Estonia, Greece, Hungary, Latvia, Lithuania, Poland, Romania, Slovak Republic, Slovenia	Rapid GHG reduction through the "Fit for 55" package, sectoral focus, fair and just transition, EU Emissions Trading System reforms, carbon leakage tools (Carbon Border Adjustment Mechanism, CBAM) (economy-wide scope, covering all sectors and gases, with full inclusion of land use and maritime and aviation coverage)	• Climate neutrality by 2050, EU green deal – decarbonisation, sectoral transformations, circular economy, just transition, innovation in green technologies, EU CBAM, sustainable, resource-efficient, low-carbon and healthy economy (Slovak Republic and Slovenia) • Biomass as renewable energy source, best available technologies, sustainable energy supply for industry and heating (Slovak Republic) • Circular economy, natural solutions and preserving biodiversity/ecosystems as a climate resilience measure (Slovenia) • Research and innovation, comprehensive energy efficiency, sustainable energy, resource-efficient and environmentally friendly transport, land management and agriculture, sustainable consumption and manufacturing, local government and urban environment (Latvia) • GHG reduction and energy system transformation, building and heating, electrification of road transport, nature carbon sink, renewables-based hydrogen, eco-innovation, resilience of ecosystems (Lithuania) • Decarbonised industrial process and energy sector, green building and energy efficiency improvement, transport, agriculture and forestry, waste management (Czechia) • Climate-neutral transition as a means of attracting foreign investment, energy system decarbonisation and sustainable transport, circular economy, industrial processes, agriculture, forestry, land use, land-use change, waste management (Hungary)
Western Balkans Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia	Green transition, sustainable agriculture, bioenergy, hydroelectric production, land use and forestry, tourism lives and livelihoods, adaptation and resilience, district heating, digital and innovation, circular economy and waste management	• Transposing the EU Green Deal for EU accession, compliance with EU standards and integration into the EU Emissions Trading System, electricity generation, building and housing (Bosnia and Herzegovina) • GHG reduction, data-collection system, resilience (North Macedonia) • EU Emissions Trading System, carbon sink, water, agriculture, climate-resilient society (Serbia)

38 See UNFCCC (2023). Also known as NDC 3.0, as some countries initially submitted their intended NDCs before updating them and submitting their official first NDCs, thus creating a second round of NDC submissions. The second official NDCs will, therefore, effectively be the third round of NDC submissions. All EBRD countries of operation have submitted, except for Kosovo, which is not an official party to the UNFCCC, but has a voluntary NDC in place.

Türkiye	Decarbonisation, renewables, electrification, industrial decarbonisation, energy efficiency in buildings and waste management, sustainable mobility, sustainable farming and ecosystem restoration, adaptation, EU Emissions Trading System, monitoring, reporting and verification, and just transition	• Structural transformation and moving towards a resource-efficient and circular economy, sectoral transformations, just transition, climate finance and capacity building
Southern and eastern Mediterranean Egypt, Jordan, Lebanon, Morocco, Tunisia, West Bank and Gaza	Renewable energy, water security, urban resilience, private sector engagement	• Climate-resilient growth, focusing on renewable energy expansion, sustainable farming, low-emission transport, efficient water management and eco-friendly tourism (Lebanon) • Carbon neutrality through sectoral decarbonisation and resilience through scaled-up renewables deployment, green hydrogen, multimodal transport, circular economy, sustainable agrifood systems and digitalisation (Morocco) • Renewables, strengthening resilience across food systems, ecosystems, health, territorial planning and disaster risk reduction (Tunisia)
Iraq	Displacement of high-carbon liquid fuels by natural gas, eliminate gas flaring, renewables power, adaptation and resilience in agriculture, health, water, land use, land-use change, forestry and tourism sectors	• Not applicable – Iraq has not prepared an LTS
Sub-Saharan Africa Benin, Côte d'Ivoire, Nigeria, Kenya, Senegal, Ghana	Green industrialisation, climate resilience and adaptation, energy access and renewables development, sustainable agriculture, private-sector development	• Strengthen resilience and food security, reduce GHG emissions and boost carbon sequestration, disaster risk reduction (Benin) • Climate resilient development, climate-smart agriculture, carbon capture utilisation and storage technologies, renewables development, energy efficiency in buildings and residential sector, reduce gas flaring (Nigeria)

The EBRD's role in supporting the green transition

1.13. The rationale underpinning the Bank's mandate is the view that a well-functioning market economy, set within a political framework of democracy and pluralism, is the most effective means of allocating resources and delivering on people's aspirations. To guide its work, the Bank has set out six transition qualities – competitive, well governed, green, inclusive, resilient and integrated – that interact with and reinforce each other to form a compelling vision, enabling it to deliver its mandate in practice.

1.14. The Bank set out its strategic aspirations for the 2026-30 period in its SCF in May 2025. Its core aim is to maximise the Bank's transition impact in its countries of operation, building on its strengths and experience especially related to private-sector financing.[39] The SCF has three strategic themes – green transition, economic governance, and human capital and equality of opportunity for all – alongside two strategic enablers – deploying digital technology and boosting private-sector mobilisation (see Figure 4).[40]

39 The Bank intends to bolster its commitment to supporting private-sector enterprise and entrepreneurship by investing at least 75 per cent of cumulative Annual Bank Investment (ABI) in the private sector over the 2026-30 SCF period.

40 See EBRD (2025a).

Figure 4: The EBRD's strategic priorities and enablers for 2026-30

Source: EBRD (2025b).

1.15. Achieving the Bank's objectives to 2030 will build on its long-standing delivery model, experience and track record in supporting the green transition. This strategy, therefore, has deep roots, building on the EBRD's 35 years of experience in implementing its mandate. It ties in with the Agreement Establishing the EBRD, which states that the Bank should "promote in the full range of its activities environmentally sound and sustainable development".[41] It is informed by lessons learned during implementation, demand from clients across the EBRD regions and growing market needs, and built on the support of shareholders.

1.16. In 2021-25, the Bank mainstreamed green considerations throughout its activities. Specifically, it:

a. Achieved its target of least 50 per cent of Annual Bank Investment (ABI) being classified as green by 2025. In 2021-24, the Bank's green share of ABI ranged from 50 to 58 per cent, with green finance featuring in around 65 per cent of projects financed. The Bank has historically supported significant green investment, illustrated by it's being the leading contributor of climate finance in its regions between 2017 and 2024.[42]

b. Achieved strong environmental impact through its investments, supporting an expected cumulative net annual GHG emissions reduction of 38 million tCO_2e in 2021-24, against a net emissions reductions target of 25-40 million tCO_2e for the 2021-25 period.

c. Operationally aligned all EBRD activities with the mitigation and adaptation goals of the Paris Agreement, with every new investment project assessed for Paris alignment and an approach established for non-investment activities.

d. Scaled up the activities the Bank has undertaken alongside investment to promote systemic change – at client level (notably significant green governance support) and country and sector level (preparation of a series of country- and sector-specific low-carbon pathways).

1.17. These activities lay the foundations for future work, guided by lessons learned from working with clients, feedback from shareholders and civil society, and reviews by the Bank's Internal Audit function and Independent Evaluation Department.[43] The core lessons include the need to:

a. Set out how the strategic objectives of the Bank's green activities will target systemic change to promote and incentivise more impactful green operations across the core economic systems relevant to the green transition.

41 See EBRD (1990).

42 In 2024, EBRD climate finance totalled €9.4 billion (US$ 11 billion), with €8.4 billion (US$ 9.8 billion) of that for mitigation actions and €1 billion (US$ 1.2 billion) for adaptation. Overall private direct and indirect mobilisation for climate projects was €18 billion (US$ 21.4 billion). Total MDB climate finance in low-and middle-income economies increased 14 per cent from 2023 to total US$ 85.1 billion (€72.5 billion) in 2024, and the EBRD was among the top three MDBs in terms of volume in this category.

43 See EBRD (2025b).

b. Provide clarity on how the Bank's activities and delivery mechanisms will amplify its impact. The Bank will build on its core delivery mechanisms – a mutually reinforcing combination of investment, advisory and policy engagement.

c. Establish partnerships based on how the Bank focuses its efforts, where it adds greatest value and how it partners with others that have different skillsets.

d. Set out a results management framework for how the Bank will measure and report impact, including a comparison of expected impacts, with monitored results.

e. Formulate an effective governance structure to guide implementation and ultimately structure high-quality green activities, including the "implementation enablers" the Bank needs consider in its delivery.

1.18. Building on the successful delivery of the GET Approach for 2021-25,[44] in the period to 2030, the Bank will scale up efforts to create green, resilient and competitive market economies by focusing on six core economic systems:[45] energy, urban, transport, industrial, agriculture and food, and financial.[46] Table 2 sets out the core components of each of these six systems and the "shifts" required for a green transition (see Annex 1 for a detailed description of the evidence underpinning this table, including context in the EBRD regions).

44 See EBRD (2021).

45 See IPCC (2023).

46 According to the Oxford English Dictionary, a system is "a set of things working together as parts of a mechanism or an interconnecting network; a complex whole". Earth is an overarching system made up of various planetary boundaries and sub-systems, such as economic systems. An economy is made-up of its own set of sub-systems that typically interconnect with many sectors at different levels, from transboundary, national to sub-national and local. The systems related to green transition can be defined by areas of interdependency between economic activities, traced by financial flows and manifest in a form of a supply chain; energy and resource flows from generation to consumption, traced by environmental impact and requiring a more holistic approach to achieve sustainability, security and, where possible, circularity; and boundaries within which criticality exists to enable innovation, scaling and strengthening of resilience. See Meadows (2008).

Table 2: Components of economic systems and green transition focus

System	Core components	Green transition focus
Energy	• Electricity and heat production • Renewable fuel production, storage, transmission, distribution and supply to final users • Non-renewable low-carbon fuel production, storage, transmission, distribution and supply to final users • Natural gas storage, transmission, distribution and supply to final users • Oil transformation, covering refining and downstream supply • Manufacturing, supply and servicing of energy-system components • An accelerated phase-out of unabated fossil fuels • Just transition	1. Scaling renewables and clean energy technologies as part of 2. considering the full suite of technological solutions, including nuclear, that can be cost-effectively deployed 3. Expanding the grid network and energy storage 4. Electrification and energy efficiency to help improve energy security
Industrial	• Hard-to-abate sectors (for example, iron and steel, cement, chemicals and petrochemicals) • Oil transformation (that is, refining and downstream supply) • Mining and processing of critical raw materials • On-site green hydrogen and ammonia production • Industrial value chains, including SMEs • Infrastructure systems supporting industrial decarbonisation, including carbon capture technology, industrial zones and logistical hubs • Recycling platforms and circular economy business	1. Promoting green competitiveness in industries 2. Circular economy 3. Electrification of industrial processes
Agriculture and food	• Agriculture, including crop and livestock farming • Forestry • Upstream activities for food system, such as machinery, seed and livestock • Physical and digital infrastructure, such as irrigation, digital infrastructure, field-monitoring assets, networks or solutions • Commodity trading and wholesale distribution, including warehousing and logistics, food and ingredient processing, food-related packaging, food retail and biofuels • Fisheries and aquaculture • Biofuel and non-renewable low-carbon fuel use in the supply chain	1. Climate-smart and sustainable agriculture 2. Greening of processing and logistics 3. Reduction of food loss and waste
Transport	• Passenger and freight mobility solutions, including fleets, enabling infrastructure, value chains and logistics systems	1. Electrification and energy efficiency 2. Modal shift 3. Decarbonisation of air transport and shipping
Urban	• Sustainable clean water provision and wastewater treatment to households and businesses • Buildings that provide shelter and comfort for citizens, minimising operational and embedded emissions incorporating circular economy principles • Urban transportation systems that get people to where they need to be, in line with "avoid, shift and improve" principles • Urban heating and cooling systems to warm homes, for industrial processes and commercial premises • Urban waste systems to tackle waste disposal in environmentally friendly and sustainable ways	1. Greening of cities and sectors 2. Quality urban planning 3. Building local capacity and networks
Financial	• Contributes to all other five core systems by providing finance with a particular emphasis on: - developing and deploying funding from the wider financial system, including capital markets - delivering substantial green transition through the aggregation of smaller interventions - providing finance to harder-to-reach value chains, suppliers and SMEs - maintaining relations across wide geographical areas, including remote locations • improving environmental risk assessments as part of credit assessments to increase allocation of capital to sustainability-focused investments	1. Increasing faster and broader access to green finance via intermediaries 2. Expanding and deepening capital markets 3. Blended financing

2.
The high-level objective for 2030

2. The high-level objective for 2030

The EBRD's high-level green economy transition objective for 2030

2.1. The Bank's 2026-30 high-level objective is to support open, market-orientated and private sector-led economies through activities that deliver a green transition, build competitive markets and enhance economic resilience in the EBRD regions.[47] Grounded in demand from its countries of operation and clients, the Bank will achieve this high-level objective through a significant step-up in its ambition in two mutually reinforcing areas that facilitate systemic change through investment-level interventions, advice focused on the transformation of client business models, and policy reforms.[48]

2.2. The first area focuses on the quality of EBRD investments by scaling up market-enabling activities in the six core economic systems critical to the green transition: energy, industrial, agrifood, transport, urban and finance. These sectors have been identified because of their relevance to the scale of the green investment challenge and the relevance of the Bank's operating model in meeting that challenge.

2.3. The second area focuses on the quantity of finance supported by the Bank's activities. The Bank aims to achieve at least €150 billion in cumulative green financing in the five years from 2026 to 2030. This financing objective – a floor the Bank will seek to exceed – is an aggregate of the two primary channels through which the Bank aims to deliver green investment: its own account and private-sector mobilisation. This represents a significant increase in the amount of finance the Bank channelled in the 2021-25 SCF period.

2.4. The activities the Bank will undertake will address fundamental and pervasive market failures that distort markets and hold back market transition. This includes assessing the extent of distortive, inefficient or regressive energy subsidies, a lack of information on and capacity for implementing cost-effective solutions, network externalities and a lack of innovation incentives.

Area 1. Scaling up market-enabling activities in the six core economic systems critical to the green transition

2.5. The Bank will facilitate the required "shifts" identified for each core economic system with dedicated activities that will create the foundations for private-sector investment. The rationale for selecting and targeting specific activities is that they will:

a. Map directly to the economic systems where the Bank seeks systemic impact because of their criticality to achieving competitiveness and resilience.

b. Build on historical delivery and experience and, where the EBRD's operating model and expertise have proved successful, integrate the Bank's existing strategic objectives at country and sector level.

47 The Bank is beginning to operate in new countries of operation in sub-Saharan Africa and in Iraq in the final months of the SCF 2021-25 period and is expected to begin operations in all eligible countries under this expansion early in the SCF 2026-30 period. As in all countries of operation, the Bank's work in these countries will be underpinned by country strategies developed in cooperation with national authorities, reflecting the country's needs, the enabling environment and the Bank's skills. The EBRD will pay particular attention to adding value to the work of the many development partners active in-country.

48 The priorities are shaped by the Bank's commitments and interface with other EBRD strategies, approaches and policies, including: (1) the Bank's sectoral strategies, including energy, infrastructure, mining, food and agribusiness, real estate, and financial institutions, to guide its activities and set out sector-specific exclusions; (2) sector strategies, which interface with country strategies by outlining the ways in which the Bank will achieve transition impact, reflecting sectoral developments and transition challenges across the economies in which the Bank operates; country strategies tailor sectoral strategic direction to individual country contexts; (3) policies, including the EBRD's Environmental and Social Policy, Procurement Policies and Rules, and Access to Information Policy.

c. Have a market-level impact that provides high-level outcomes. Consequently, each activity is accompanied by a market-level indicator – either economic or outcome orientated – which the Bank will track to demonstrate the scale of potential impact.

d. Allow climate mitigation, climate adaptation, and nature investments and actions to be incentivised and integrated, maximising their co-benefits. This recognises the need to identify common investments and policy actions that reinforce multiple objectives, both relating to the environment and supporting broader transition objectives linked to the Bank's mandate.

e. Be linked to a comprehensive economy-wide, cross-systemic approach, working with the private sector, government agencies and other development partners.

f. Link to clear and strong demand from the Bank's clients and countries of operation.

Energy system

2.6. The Bank will target a tripling of the renewable energy capacity it finances or facilitates by 2030 relative to cumulative Bank delivery in 2010-22. This would add an additional 35 GW of renewable capacity in 2023-30 and account for an estimated 10 per cent of the new renewable energy capacity installed across the EBRD regions in 2030.

2.7. The Bank's work will address the regulatory and market hurdles holding back the green energy transition. As countries consider options and priorities for generating new capacity to meet rising demand, the Bank will assist countries in considering the full suite of technological solutions, including nuclear, that can be cost-effectively deployed to realise a green transition and provide reliable and affordable energy. This will require policymaker support to tackle market failures by setting out a strategic view of the energy sector, address high costs to consumers, remove barriers to investment and deliver innovation in financing models for different technologies. Areas of focus will include the following:

a. Building enabling infrastructure (namely, networks and storage).

b. Addressing the demand-side elements of energy efficiency and electrification.

c. Tackling short-lived climate pollutants that have significant global warming potential by reducing methane emissions across all sectors to create additional economic benefits.[49]

d. The role of nuclear energy in the green transition. The Bank's lending in the energy sector is established in its Energy Sector Strategy 2024-28 and includes consideration of the Bank's support for nuclear energy. [50] We will aim to respond to the needs of our clients and countries of operation by pursuing relevant nuclear opportunities in line with the EBRD's private-sector mandate. Work in this area will build on decades of expertise in nuclear safety, decommissioning and environmental remediation. The Bank will coordinate its activities in the sector with other MDBs and the International Atomic Energy Agency in their engagement with policymakers, clients and countries on early-stage analytical work, capacity building, financing and lifecycle costing in the nuclear sector. The Bank's engagement shall be subject to rigorous assessment to ensure that appropriate safeguards are in place and subject to stable and transparent regulatory environments and institutional frameworks. The Bank will proactively engage with the MDBs to propose the appropriate classification of nuclear financing, recognising the role nuclear plays in the green energy transition.

Industrial system

2.8. The Bank will target a doubling of its policy activities relative to 2021-25 and create more than 20 national or sectoral low-carbon and climate-resilient pathways. These pathways will seek to cover an additional 40 million tonnes of annual GHG emissions and establish investment and policy reform needs to transform industrial systems.

49 See Climate and Clean Air Coalition and UN Environment Programme (2021).

50 See EBRD (2023c).

2.9. The Bank's activities will consider how existing hard-to-abate sectors (such as steel, cement and chemicals) and emerging innovative sectors (such as green vehicle manufacturing) can contribute to the green economy transition and be a continued source of trade and growth. Areas of focus will include:

a. how to integrate new technologies and circular economy principles to deliver efficiencies and address high-production costs to remain competitive in global markets

b. opportunities in the production of critical raw materials, such as graphite, lithium and copper, where the green transition will bring new prospects by entering new markets.

Agrifood system

2.10. The Bank will scale up its efforts to deliver 30 national and value chain-focused green transition plans and strategies. These plans will seek to cover an additional 10 million tonnes of GHG emissions, while promoting climate adaptation and minimising environmental impact.

2.11. Taking a holistic sector-level approach, but with a particular emphasis on critical food value chains, these roadmaps will identify actions that are "climate smart", protect and restore nature while improving operational efficiency (particularly for processing and logistics), and safeguard food security regionally and globally (including by introducing measures to reduce food loss and address the impact of short-lived climate pollutants). The Bank's activities will focus on the adoption of practices, facilitated by sustainability standards, at all levels of primary production, processing and retail. Areas of focus will include:

a. practices for the sustainable use of water to address water scarcity

b. agricultural infrastructure essential for efficient food production, processing and distribution, including irrigation, storage, transportation and market access

c. protecting and improving nature and biodiversity, including food value chains and sustainable forestry, to deliver nature-positive outcomes.

Transport system

2.12. The Bank will target a doubling of its activities relative to 2021-25 to create 20 green transition strategies and plans for transport operators. These activities will seek to influence an additional 8 million people and 80 million tonnes of freight to reduce their environmental impact while supporting job creation, regional integration and new market opportunities.

2.13. Focused on the transport and logistics networks that link road, rail, air and water, the Bank's activities will identify the investment and policy reforms required to support a green transition while also enhancing the integration and efficiency of the network to move goods and people. Areas of focus will include:

a. providing critical connectivity solutions across all major transport modes and developing integrated solutions for regional approaches

b. promoting the greening of transport systems, driven by electrification

c. developing solutions for hard-to-abate subsectors that deliver a green transition while recognising the crucial economic function that transport infrastructure plays.

Urban system

2.14. The Bank will target 40 urban-related green transition strategies and plans, increasing its delivery by 25 per cent relative to 2016-25 (a period of substantial activity, primarily by way of the Bank's flagship Green Cities programme). These activities would seek to increase the urban population covered by 20 million people, resulting in a total of 100 million people covered by Bank-supported plans and strategies.

2.15. Anchored in the political and economic realities of each city, such strategies and plans identify, benchmark and prioritise investment and policy reform actions in areas such as urban energy provision, urban transport, buildings, industry, water, solid waste and land use. Areas of focus will include the following:

a. Better integrated urban planning across all infrastructure types. This includes building local capacity and networks, improving governance models and increasing the financing capacity of municipal governments.

b. Enhancing urban climate resilience to extreme weather events, in particular, extreme heat, flooding and wildfires, which can have substantial negative impacts on urban private-sector development, particularly tourism, SME development and industry.

c. An integrated cross-sectoral approach to buildings, noting that this will cover investments in other systems. This includes defining the suite of complementary instruments that can achieve green buildings, be it through retrofitting or new build; considering resource efficiency, material reuse and circular economy; greening supply chains; and delivering innovative financing models.

Financial system

2.16. The EBRD will assist the banks it finances in developing transition plans, aiming to triple coverage by 2030. This will mean more than 60 percent of partner banks engaging in transition planning, as well as establishing and disclosing the core elements of a transition plan, up from around 20 per cent in 2025. The EBRD will aim to leverage the full financing ability of client banks, representing capital assets of around €2 trillion in today's value. The process will build the economic resilience and competitiveness of the Bank's client banks by strengthening their ability to manage risks, identify business opportunities and enhance their business models. EBRD support will be based on client demand, in line with market trends, regulatory requirements and investor expectations.

2.17. In the context of helping its client banks to integrate green transition considerations into their business models, the Bank's activities in the financial system will focus on:

a. green loan products where partner financial intermediaries on-lend to end borrowers, particularly to SMEs, to finance areas such as energy efficiency, small-scale renewables and adaptation

b. green trade finance, where trade in green products facilitates the transition, including in the areas of scrap steel, renewable energy equipment and energy-efficiency products

c. using capital markets as a catalyst for investment by supporting bond issuers and acting as an anchor investor, enabling the market to grow.

Area 2. Deliver cumulative green financing of at least €150 billion in 2026-30

2.18. In 2026-30, the Bank aims to support a cumulative level of green activity financing of at least €150 billion in its countries of operation. This reflects the amount of green financing the Bank facilitates or is directly involved in, and would account for around 6 per cent of estimated green investment needs across its regions by 2030.

2.19. This total green financing is the sum of:

a. green finance linked to its own account and measured as Annual Bank Investment (ABI) supporting green outcomes; and

b. private finance mobilised for green investments. This is made up of private direct mobilisation (PDM) and private indirect mobilisation (PIM).[51]

2.20. The level of GET ambition through 2030 corresponds to a major scaling up of the Bank's green financing, which averaged €22 billion in 2021-24. The aim of increasing this to at least €150 billion in the 2026-30 period

51 This is defined as "estimated green mobilisation". PDM is financing from private entities on commercial terms due to the active and direct involvement of the EBRD, while PIM is financing from private entities where the EBRD is not playing an active or direct role that leads to the commitment of the private entity's finance. Given the focus on private-sector mobilisation, this excludes external managed resources (that is, funding for technical cooperation activities) and public co-finance (that is, finance from public-sector entities). The EBRD's reporting on private-sector mobilisation is distinct from its tracking of Annual Mobilised Investment, which is made up of PDM plus predominantly insurer mobilisation and any public sources directly mobilised. In joint MDB climate finance reporting, each MDB differentiates at project level (i) its own PDM; (ii) the PDM of other MDBs; and (iii) PIM that is neither (i) nor (ii). To avoid double-counting and to properly assign attribution, PIM is attributed on a pro-rated basis, according to the reporting MDB's share of all commitments attributed to all MDBs in an activity.

corresponds to an increase of around a third relative to expected delivery in 2021-25. Taking into account changes in the composition of the Bank's countries of operation, the increase is over 50 per cent.[52]

2.21. To help achieve this level of finance:

a. The Bank will continue to invest at least 50 per cent of ABI for green purposes annually. It will also use its existing policies to seek green finance opportunities, including the alignment of all new EBRD investments with the mitigation and adaptation goals of the Paris Agreement, and to meet the requirements of the EBRD's Environmental and Social Policy (ESP).[53]

b. The Bank will increase its focus on private-sector mobilisation. The EBRD has been successful in structuring projects that feature the mobilisation of private finance alongside green investments, averaging €2 for every €1 of own-account investment. Delivery has been particularly strong in those countries of operation that are more advanced in their transition, where the ratio has been nearly €5 mobilised for each €1 of own-account investment. In countries that are less advanced in transition (low and middle income), mobilisation volumes have been below the Bank's own investment volumes.

c. The Bank will aim to increase the number of projects with an adaptation finance component by at least 50 per cent relative to the average of 2021-25. The Bank will report its adaptation finance as either "enabling" (where adaptation is a primary objective) or "adapted" (where adaptation is not a primary objective). Because of the Bank's growing emphasis on climate resilience and private-sector focus, its adaptation financing (which is closely linked to its work on Paris alignment) will focus on integrating climate resilience into all of its investment structuring. The Bank will also prepare a dedicated approach to building resilient critical infrastructure to manage significant disruption to service provision in areas such as energy, transport and water. This will address major physical climate impacts, alongside other factors such as natural disasters, cybersecurity threats and rapid technological change.

Links with other 2030 bank priorities and enablers

2.22. The Bank's strategic focus for 2026-30 is rooted in its recognition that systemic impact can only be achieved through mutually reinforcing, integrated approaches. The green transition, economic governance, human capital and equality of opportunity, digitalisation and private-sector mobilisation are not isolated priorities — they are interconnected levers that can reinforce each other in order to achieve the Bank's mandate. The EBRD will deepen its impact by designing targeted operations and leveraging the strong interdependencies of these strategic themes.

2.23. Economic governance will be critical to achieving the Bank's green transition ambition, particularly when it comes to market-enabling activities in the six core economic systems. Concretely, the Bank will focus on:

a. National-level green transition governance, in line with the Bank's mandate to support market transition. The Bank will support the development of policy and strategic frameworks anchored in economic priorities that foster resilience and competitiveness through detailed policy instrument design and subsequent implementation support.

b. Public-sector governance to create an enabling environment for private capital mobilisation and to facilitate delivery that incorporates green considerations.

c. Firm-level governance to enhance capacity, transparency and competitiveness.

52 Performance in the current SCF period does not provide a precise baseline for comparison with the 2026-30 period, primarily due to changes in the composition of the Bank's operating regions. The Bank will cease to operate in Greece – a significant source of green finance activity; without Greece, the same average annual level of total green finance falls from €22 billion to around €19 billion. The Bank's seven new countries of operation in Africa and Iraq are unlikely to compensate for this decline in the short term, considering the scale and nature of start-up operations in the early years of country engagement.

53 See EBRD (2024c).

2.24. In terms of the interrelationship between the green transition and human capital and equality of opportunity, the Bank will seek to address:

a. The identification and promotion of green skills required across the EBRD regions, embedding them in national and sectoral strategies. This includes building client-level capabilities through inclusive workforce planning, governance actions and transition plans that integrate skills development and diversity goals.

b. Supporting a "just transition", already translated into EBRD operations, by focusing on those fossil-fuel industries, communities and workers that stand to lose economically from a green transition. This means targeted support for fossil fuel-exporting countries, carbon-intensive firms and communities whose livelihoods are linked to fossil fuels.

c. Embedding equality of opportunity in green investments by addressing access barriers and integrating gender-specific components. This includes the creation of access pathways for underrepresented groups into science, technology, engineering and maths (STEM), green jobs and entrepreneurship, especially for women and young people.

d. Promoting equal access and participation, including for woman and girls, ensuring that the benefits of the green transition are shared broadly across the EBRD regions.

2.25. Digitalisation plays a pivotal role in unlocking productivity and transparency, improving governance and enabling green innovation. Its benefits span all strategic themes and economic systems. Related to the green transition, the Bank will focus on:

a. the adoption of digital technologies across all economic systems to enhance efficiency, reduce GHG emissions and optimise the operations of infrastructure or businesses

b. investments in digital infrastructure, which deliver green transition-related impact (for example, greater climate resilience)

c. the use of real-time information on climate vulnerabilities to manage climate-related impacts (for example, through early-warning systems)

2.26. enhanced impact measurement for business planning (for example, the use of digital tagging to optimise supply chains and introduce circular economy models).

2.27. Effective mechanisms to mobilise private capital are essential to deliver on the goals of the GET Strategy 2026-30, particularly the role of PIM. In practice, these allow partnerships with several types of investor on a wide range of projects. The specific mobilisation instruments the Bank currently uses to support green investments and which will form the basis of product enhancement in the next SCF period are:

a. A/B loan structures and parallel loans, where the EBRD remains the lender of record for the entire loan, offering co-lenders the benefit of the Bank's preferred creditor status and tax immunity

b. unfunded risk participations and insurance-based products to transfer risk to insurers and reinsurers

c. bond frameworks and on-lending structures that increase leverage beyond the EBRD's own investment

d. blended finance to de-risk investments in challenging markets while preserving market integrity

e. risk-sharing approaches, such as the Bank's Risk Sharing Facility and Resilience and Livelihoods Guarantee, to attract capital in complex sectors and regions.

3.
2030 delivery

3. 2030 delivery

GET Strategy 2026-30 theory of change

3.1. The process by which the Bank's activities will promote the green transition is set out in a theory of change (see Figure 5). The theory of change is structured around the following elements:Using a broad set of inputs (capital, staff, donor financing and partnerships), the Bank's business model focuses on three main activities to promote transition: investments, advisory and policy engagement. These activities produce concrete outputs (for instance, new renewable energy capacity, upgraded public transport systems and strengthened regulations) at client, market and economy level.[54] Advisory and policy engagement typically (but not exclusively) complement investment activities to amplify transition impact by creating the enabling conditions for green investments.

b. The outputs of green-related activities lead to intermediate outcomes at client level, but also have broader effects on the market, with potential systemic impact beyond investment boundaries. These outcomes can be measured using physical indicators specific to various green objectives (for example, increased renewable energy deployment at client level, which facilitates a higher renewable share of energy consumption at market level) and indicators related to finance (increased volume of green financing at partner financial institutions), sustainable business practices, governance and national-level policy commitments.

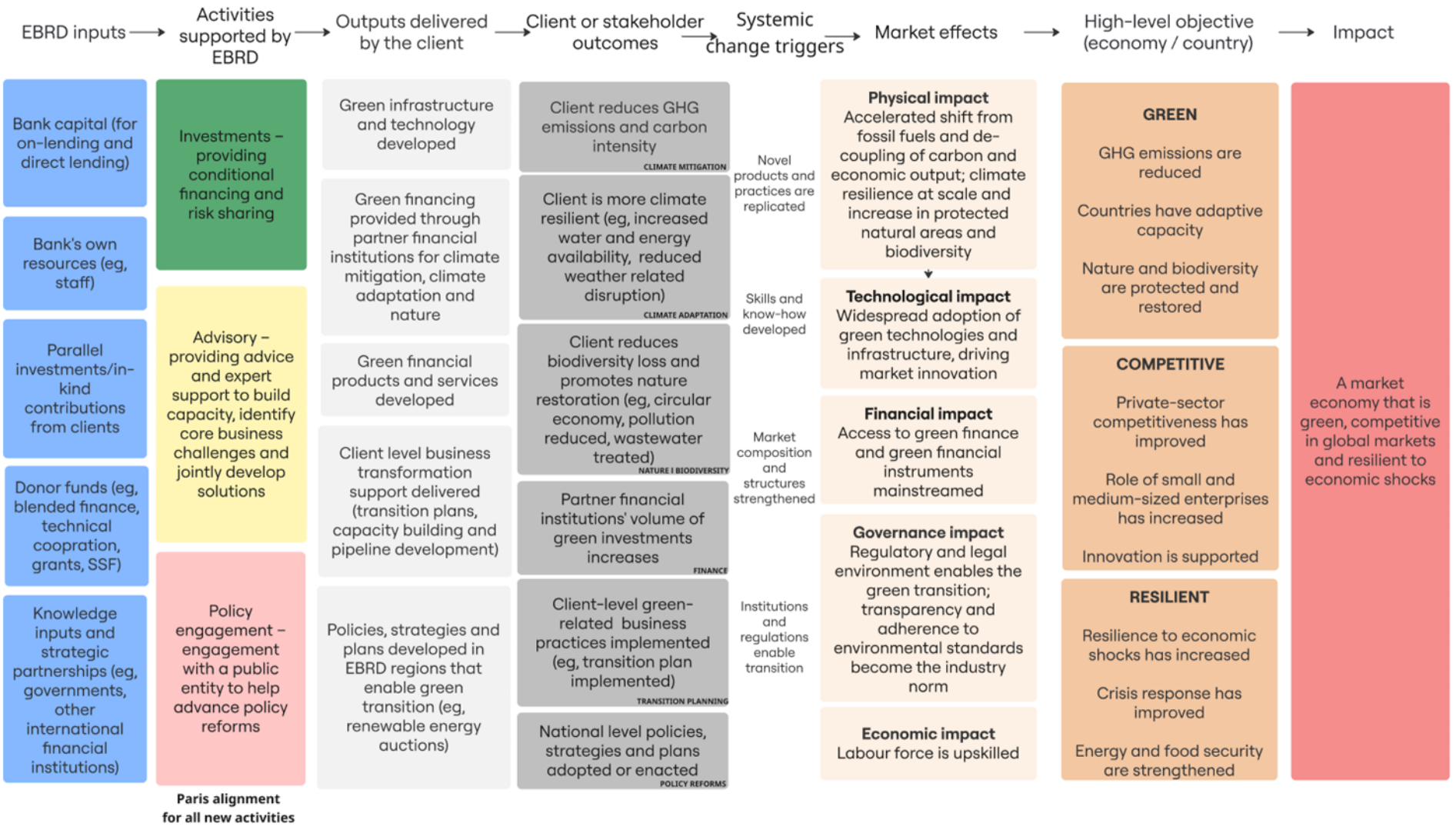
c. Over time, these outcomes amplify and reinforce each other, creating broad market transformation, underscoring the value of the Bank's high-level, economy-wide objectives.

3.2. The Bank's activities will be undertaken in an integrated and mutually reinforcing manner to deliver systemic change (defined as transformational and lasting change in market behaviours, structures or institutions) and will be relevant to all six core economic systems. Both investments on the Bank's own account and investments that the Bank mobilises are direct triggers for private-sector development and have tangible demonstration effects that can catalyse novel products and replicability. To complement these processes, the Bank engages in advisory activities to address needs and gaps in terms of business transformation, strengthening clients' capacity and supporting skills and know-how development and replication across markets. Policy engagement is conducted in parallel and considers country requirements and needs, ensuring that practical experience informs regulatory improvements and national commitments. Over time, lessons learned are fed back into the design of new operations, honing the Bank's instruments and transition impact across the EBRD regions.

3.3. Achieving impact is a function of the Bank's concrete delivery mechanisms, its implementation enablers to facilitate impact, its partnerships and its approach to impact measurement, reporting and transparency. These are each covered in turn.

54 The Bank uses three criteria to assess the viability of investments: sound banking, additionality and transition impact. Sound banking ensures that an investment provides a financial return and that lending is at market interest rates, often in a context where such lending conditions are not available. Additionality means the investment should establish a contribution beyond what is available in the market and should not crowd out the private sector.

Figure 5. GET Strategy 2026-30 theory of change



Delivery mechanisms to maximise impact

3.4. The Bank's inputs and activities define its delivery products. This is fundamentally about combining investment, advisory and policy engagement, based on structuring sound commercial green investment projects and leveraging the digital transition to deliver impact. These delivery mechanisms are enabled by partnerships, including those to attract donor resources, share knowledge and capacity building, and promote collaboration.

3.5. The Bank will seek to create aggregate pools of green investment and develop mechanisms to increase the amount of green finance that is supported in all sectors. Important channels for this purpose include:

a. Lending or risk sharing to financial institutions, where EBRD finance is channelled by other financial market participants to green projects. Such channels expand the reach of EBRD financing, particularly to SMEs.

b. Investment through capital market instruments, such as green bonds, which crowd in other private-sector investors and serve to build self-sustaining markets in the long term.

c. The use of debt and equity funds to crowd in investment. For example, equity funds invest in firms to improve competitiveness, enable growth and foster the private equity sector by creating a critical mass of opportunities, underdeveloped in the EBRD regions.

d. The use of sustainability-linked instruments to aid standardisation and scalability. This approach includes a diverse set of financing mechanisms, whereby a project is structured to ensure the client's achievement of a pre-agreed outcome. Such instruments are often associated with "transition finance" mechanisms designed to support delivery on commitments made in transition plans or green targets. The Bank works to ensure that such standards work for clients in its regions, often with a resulting demonstration effect.

e. Investment structuring to reduce transaction costs, particularly to create and leverage domestic capital sources. This includes lending in local currencies, which is often critical for private-sector firms to remove foreign-exchange risk, and the issuance of bonds in local currency to build local capital markets. Another area is the blending of concessional finance to provide targeted incentives to overcome market failures, to improve bankability or transition impact. The Bank also recognises the potential use of catalytic capital to support the development and deployment of green technologies.

3.6. Because of their link to systemic change and private-sector mobilisation, Bank advisory and policy engagement products that will be particularly important over the next five years include:

a. Energy market creation to support the green transition. In addition to its investment activity, the Bank provides policy support to governments to create enabling conditions for energy markets – for example, support for competitive auctions that aim to drive down energy prices, improve transparency, and provide cost-effective and reliable energy.

b. Supporting countries and sectors in developing green transition plans and strategies. These are comprehensive plans that consider commitments to achieve ambitious climate mitigation targets in line with the Paris Agreement's temperature goals; future climate scenarios and related integration of adaptation measures; and any impact on natural ecosystems. This is relevant to the activity targets in the industry, agrifood, transport and urban systems.

c. Transition plans at corporate level. This typically refers to the strategic process of transition planning to integrate green-related issues into a company's business model. It captures areas of governance, strategy, metrics and targets, risk management and approach to disclosure. This is relevant to the financial systems activity target, as well as the Bank's work with clients in all sectors.

d. Country investment platforms. Country platforms can be a powerful support mechanism for the development and implementation of a country's green strategy and the mobilisation of finance. They are guided by a country-led, coordinated process and partnerships that bring together stakeholders to build a common understanding and concerted way forward.[55] Such efforts provide an economy-wide and cross-sectoral view

55 For further detail, see ADB, AfDB, AIIB, CEB, EBRD, EIB, IDB, IDB Invest, IsDB, NDB and World Bank (2024a).

of a country's green transition and, where appropriate, identify the conditions in which third-party investment is increased through improvements to the business climate and the functioning of local capital and financial markets.

e. Efforts to create market mechanisms that address market failures and deliver a green transition. For example, national, regional and international carbon pricing schemes can provide incentives to promote decarbonisation. Likewise, the international trading of emissions reductions on carbon markets can be an avenue for countries and companies to pursue decarbonisation goals in an efficient and cost-effective manner. The Bank will support its countries of operation and clients in pursuing such market mechanisms in relevant areas (for example, GHG emissions, adaptation, water, preservation of forests and biodiversity).

3.7. There is also a need for further integration of nature considerations into all of the Bank's activities, building on the full mainstreaming of climate issues. Projects that protect nature and achieve environmental objectives have been part of the EBRD's financing since its inception. Historically, these investments have primarily focused on pollution prevention, solid waste management and wastewater treatment linked to a legacy of heavy industrialisation and natural resource extraction in some EBRD regions. Building on this legacy and on the Bank's *Approach to nature*,[56] published in 2024, the Bank will explore new opportunities to generate nature investments over the next five years, recognising the significant co-benefits in areas such as climate resilience, livelihoods and economic growth. It will do so by introducing a systematic assessment of nature and biodiversity considerations in its activities, seeking to mainstream these in core economic systems, taking into account the 2030 Kunming-Montreal Global Biodiversity Framework objectives.[57] It will also proactively make use of a forthcoming financing taxonomy being prepared in the context of the MDB common principles for tracking nature-positive finance announced at the COP26 United Nations climate conference in 2023 (including MDB guidance on nature finance metrics);[58] the integration of nature considerations into the Bank's credit analysis; capacity building for partner banks in its transition planning; and the use of nature-alignment policy pathways.

56 See EBRD (2023a).

57 See Convention on Biological Biodiversity (2022).

58 See ADB, AfDB, AIIB, CDB, EBRD, EIB, IDB, IDB Invest, IsDB and World Bank Group (2023).

Implementation enablers

Internal

3.8. To deliver transition impact at a scale and quality consistent with the ambition of the GET Strategy 2026-30, the Bank needs appropriate levels of budgetary and financial resources, effective and efficient systems and practices, a skilled and motivated workforce, and a culture of learning and continuous improvement.[59] Core internal implementation enablers are:

a. Investment in its staff, its most important and essential asset, to strengthen capabilities, including bringing in external talent as necessary. This includes assessing the optimum location of staff to provide the most value to clients and policymakers. Specific areas of technical expertise the Bank will need to acquire include banking staff to identify and structure green investment; policy expertise focused on green business planning, strategy development, risk management and financial disclosure adaptation, and nature expertise to provide investment preparation support to Banking and further mainstream these issues into advisory and policy activities.

b. A simplification of internal processes, guided by a "risk-based approach", to focus Bank resources and due-diligence activities on interventions that are either associated with environmental risks or have potential for high transition impact. This, in turn, will improve the experience of Bank clients when engaging with the EBRD.

External

3.9. External conditions matter for the delivery of the Bank's goals, not least the economic conditions that the Bank's countries and clients face. Accordingly, core external implementation enablers are as follows:

a. External funds from Bank partners are available. Resources for co-investment, advisory and policy activities remain crucial to ensure the Bank's objectives can be met.

b. Demand for a green transition remains strong, underpinned by countries' political commitment to act. In addition, there are still strong commercial benefits to interventions that deliver a green transition. The EBRD will continue to work rigorously with its clients to identify the costs and benefits of a green transition, in both the short and long term.

c. Economic conditions support cost-effective market development and access. Policies that restrict trade in green technology, technology transfer and access to critical raw materials could hamper the Bank's ability to deliver green finance at scale. This includes an approach to procurement that appropriately addresses the integrity of supply chains, unfair competition, conflicts of interest and anti-competitive practices and the need for countries of operation to access high-quality, value-for-money technology. This is most notable in the renewables sector, where it will be possible to pursue energy security and resilience through procurement practices aimed at fostering diversification of supply.

59 See EBRD (forthcoming) for an overview of the (1) general requirements that will underpin successful delivery of the Bank in the 2026-30 period, including the adequacy of the Bank's capital stock over the SCF period to support shareholders' aspirations while maintaining financial sustainability; (2) the capital, resource and transition impact control parameters that constitute the control framework for the SCF period; and (3) the important institutional factors that will sustain the Bank's successful delivery.

Partnerships

3.10. The EBRD does not act alone, but is part of an international system committed to the achievement of collective goals. It can only accelerate transition impact by working in effective partnership.

Multilateral institutions

3.11. A critical area of collaboration is with other development finance institutions, especially other MDBs. Such cooperations and collaborations enhance impact by financing larger projects than a single institution could finance or by promoting a common reform agenda.

3.12. Areas of specific MDB collaboration relevant to the GET Strategy 2026-30, which inform its strategic direction, include the continued refinement of the way the MDBs define and track green finance, a deepening of work on a harmonised common framework for results measurement, work on country-led platforms, and a variety of other operational areas. The EBRD will continue to position itself to provide support to policymakers on country or thematic platforms by aligning donors, MDBs and co-financiers along shared priorities, building on its successful experience with country platforms in countries such as Egypt, Türkiye and North Macedonia.

3.13. The European Commission and other European Union (EU) organisations are crucial to the Bank's ability to achieve its objectives, not only as the Bank's largest green donor, but also as an implementing partner in supporting private-sector development. This includes investments and activities that advance the objectives of EU initiatives, such as the EU Clean Industrial Deal, in EBRD EU economies and in the EU neighbourhood. Examples of collaboration are the Bank's continued use of EU funding instruments both within the bloc and beyond (for example, InvestEU and the European Fund for Sustainable Development Plus) and the Bank's support for the EU in its development of sustainable finance policy standards (for example, historically through the Platform for Sustainable Finance).

Operational partnerships

3.14. The Bank collaborates widely in implementing its core investment, advisory and policy activities, at both the international and local level, and seeks to anchor its work with others that have similar aims. This allows the Bank to complement the work of others to maximise its impact.

3.15. At the international level, the EBRD has actively engaged with both countries and development partners, including donors, through the Nationally Determined Contribution (NDC) Partnership, the Coalition of Finance Ministers, the Global Matchmaking Platform for Industrial Decarbonisation, and others, particularly to facilitate coordinated and enhanced policy support, capacity building, inclusive stakeholder engagement, knowledge sharing and transparency. The Bank has also been an active contributor to the Network for Greening the Financial System, which focuses on the roles of central banks and financial regulators in supporting effective practices. Taken together, these partnerships allow the Bank to collaborate on leading practice in fiscal and monetary policy to bring these insights to the Bank's regions.

3.16. The Bank also recognises the importance of strong sustainability-related financial disclosures as the backbone of providing investors with relevant information to guide green investment. Accordingly, it is working closely with the International Sustainability Standards Board (ISSB), a standard-setting board under the umbrella of the International Financial Reporting Standards (IFRS) Foundation, tasked with developing a global baseline for sustainability-related financial disclosures. This is particularly important for the Bank's work in the financial sector supporting central banks, financial regulators and financial supervisors in implementing disclosure standards in the EBRD regions.

3.17. The Bank engages with a wide variety of actors at both a regional and national level. This includes the coordination of private sector-led investment councils, which focus on unlocking investments, and working with market makers, capital funds, mutual funds, private and public foundations for crowding in capital, specific technical implementation partnerships, such as that with the International Capital Market Association and the Climate Bonds Initiative, and sector-specific partnerships, such as those with Chapter Zero networks of senior executives.

Donors

3.18. The disciplined and selective use of donor resources is essential if the Bank is to achieve systemic impact and avoid crowding out the private sector. Such resources are used routinely in a variety of different ways to enable investment and to support advisory and policy activity to enhance transition impact, and are vital in any crisis response. A growing number of shareholders, including countries of operation, are becoming bilateral donor partners, displaying their deep commitment to the Bank. Donor support will remain a cornerstone for achieving systemic impact and enhancing crisis response.

3.19. Historically, donors have been crucial in funding resources and strategically co-designing programmes to achieve the Bank's green results and will continue to be vital to fulfilling the GET Strategy 2026-30, as the ambition level and range of activities can only be fully implemented and meaningfully realised with donor support. This support has been wide ranging to date, including co-financing green investments (around half of the Bank's green investments receive donor support); supporting clients in the preparation, implementation and monitoring of projects; delivery of advisory activities, including significant investment in the Bank's work on transition planning; and delivery of the Bank's green policy activities, which are almost exclusively supported by donor funds.

3.20. There are two particularly important sources of funding to highlight. The first is the Bank's work through shareholders' net income allocations to the Shareholder Special Fund, which has been an invaluable source of flexible donor finance over the past two decades and will remain important. The second is the Bank's partnership with the vertical climate and environmental funds, such as the Green Climate Fund, the CIF and the Global Environment Facility.

3.21. The donor landscape continues to evolve in ways that are crucial to meeting the objectives of the GET Strategy 2026-30. The first is the drive for innovation to maximise the impact of donor resources. An observable area here is that grant finance continues to decline, while in seeking to maximise the multiplier effect of increasingly scarce public funds, "returnable" and unfunded instruments are increasing. The second is the Bank's commencement of operations in new countries, opening up new opportunities. The Bank intends to deepen its partnership with new and existing donors (including philanthropies) in the pursuit of shared objectives, moving beyond fundraising for individual projects towards programmatic, multi-year financing frameworks. This will include scaling up existing instruments, such as the High Impact Partnership for Climate Action, and creating new flagship blended finance platforms in response to emerging priorities.

Civil society

3.22. As partners in promoting the principles of multiparty democracy and pluralism, as well as strong contributors to the EBRD's strategic vision and activities, the Bank actively engages with civil society organisations (CSOs) through information exchange, dialogue, consultation, collaboration and partnership. The EBRD's Approach to civil society engagement 2024-29 sets out the ways in which the Bank's partnership with CSOs contributes to its overarching strategic priorities, including by promoting transparency, accountability and good governance.[60]

3.23. The Bank has proactively cooperated with local community groups and CSOs for more than a decade at operational level and shared knowledge and expertise through its Civil Society Capacity Enhancement Framework. In the context of the GET Strategy 2026-30, to support the EBRD's investment, advisory and policy dialogue efforts, the Bank will continue to enhance local CSOs' capacity to promote energy efficiency, climate resilience, sustainable transport and other related issues.

60 See EBRD (2024e).

Impact measurement and reporting

3.24. The Bank will measure the systemic impact of the GET Strategy 2026-30 using a results management framework directly linked to its theory of change, fully incorporating the overall goals, operational targets and indicators underpinning its strategic objectives.

3.25. The chosen results metrics set out indicators to measure the full chain of outputs, client- and market-level outcomes that combine to advance the achievement of the high-level objective of the GET Strategy 2026-30 and the ultimate transition impact the Bank seeks to realise. The framework builds on the existing "performance dashboard" established for the 2021-25 period and relevant indicators from results management frameworks in other Bank strategies. It also considers relevant results management approaches and good practice, such as the MDB Common Approach to Measuring Climate Results and sustainability disclosure requirements under the ISSB.[61]

How results will be assessed

3.26. The EBRD manages the process of green-related impact over the whole lifecycle of activities, including expected results, monitoring while the activities are ongoing, and post-completion evaluation. The process is currently being streamlined into a single information technology (IT) ecosystem through which the entire project assessment and monitoring process will be conducted.

3.27. The assessment architecture consists of three high-level components and a full list of measurement indicators, as shown in Figure 6:

a. Measurement of inputs and activities. These inputs and activities are the Bank's investments, advisory services and policy engagement activities.

b. Monitored results of operations, disaggregated between expected results and those delivered. These measure outputs and outcomes, typically at client level.

c. Global and country context. These measure market- and country-level outcomes and progress indicators, which simultaneously inform the Bank's activities and are ultimately what the Bank seeks to influence.

Monitoring operational impact – expected results

3.28. The monitoring of expected green transition-related results and impact at investment level is conducted through five distinct green-related assessments: compliance with the Bank's ESP, Paris alignment, climate-related financial risk, green finance attribution and transition impact.

a. Compliance with the ESP. The ESP, which gives substance to the Bank's mandate in the Agreement Establishing the EBRD to "promote in the full range of its activities environmentally sound and sustainable development",[62] is the original pillar of the Bank's green agenda. Since its first iteration in 1996, last updated in 2024, the ESP has both provided a floor of minimum standards and driven improved physical outcomes and operational performance.

b. Paris alignment. The Bank takes a specific approach in order to determine whether an investment or technical cooperation project the Bank might finance is "aligned" or "not aligned" with the mitigation and adaptation goals of the Paris Agreement. The detail is set out in the Bank's Methodology to determine the Paris Agreement alignment of EBRD investments.[63] The EBRD's approach is grounded in the joint MDB Paris alignment framework, which guides MDBs in setting out their Paris alignment methodologies, giving them the flexibility to reflect their mandates and business models.[64]

c. Climate-related financial risk. The assessment considers the potential risks from climate change – be they from low-carbon transition ("transition risks") or climate impacts ("physical risks") – that could affect the commercial

61 See ADB, AfDB, AIIB, CEB, EBRD, EIB, IDB, IDB Invest, IsDB, NDB and World Bank (2024b) and ISSB (2023).

62 See EBRD (1990).

63 See EBRD (2024b).

64 See ADB, AfDB, AIIB, CEB, EBRD, EIB, IADB, IsDB, NDB and World Bank Group (2018).

viability of companies or financial institutions, impact broader financial stability and, therefore, affect the Bank's capital. This is guided by leading climate-related financial risk guidance, including from the ISSB, and is captured in the Bank's Risk Appetite Statement.[65] The Bank is also piloting assessments of other potential hazards (such as threats to nature and biodiversity) and plans to report in line with evolving industry standards.

d. Green finance attribution. The assessment provides the substance of how the Bank will tag EBRD financing flows as green. The detail is set out in the Bank's methodology to determine the green finance attribution of EBRD investments.[66] The EBRD's approach to attributing green finance in its investments is drawn from the common principles for climate finance developed by the multilateral development banks (MDBs) and the International Development Finance Club.[67] The EBRD and the other MDBs jointly report climate finance consistent with the MDB approach for climate finance and co-finance tracking, which includes an approach to estimating private capital mobilisation (as measured by PDM and PIM for green projects, on which the Bank will draw for its reporting).[68]

e. Transition impact. The EBRD's assessment of transition impact evaluates the expected transition impact of new investments and the extent to which they are supporting the delivery of the Bank's six transition qualities. Scores are based on a project's transition impact objectives and projected impact, weighted to reflect the context of the country in which the investment is taking place.[69]

Monitoring results of operations – delivered results

3.29. During implementation, a project is subject to monitoring by way of three channels:

a. An environmental and social action plan (ESAP) and an annual environmental and social report (AESR). The extent of monitoring will be commensurate with the environmental and social risks associated with a project, linked to the requirements of the ESP. The EBRD reviews AESRs on the project's environmental and social performance, the implementation of the ESAP and the client's compliance with any environmental and social covenants in the financing agreements.

b. A green project monitoring plan (GPMP). Based on the Bank's assessments of green finance, Paris alignment and climate-related financial risk, GPMPs establish the data to be reported by clients for monitoring, reporting and verification of the project's green outcomes and any requirements relevant for Paris alignment and climate-related financial risk during implementation. The GPMP also defines how the client will provide the information to the EBRD (for example, if there is an overlap of indicators with other channels in the AESR). In addition, it sets out the timeframe and frequency of reporting, along with critical assumptions for assessing the results.

c. The Transition Impact Monitoring System (TIMS). Based on the transition impact assessment, projects are typically monitored once a year until delivery has been completed. The progress of each project is assessed against specific monitoring indicators (a combination of outputs and outcomes) for each transition impact objective. Each project is given a delivery rate depending on how much progress has been made against its targets. The delivery rate feeds into the calculation of a portfolio transition impact score, which reflects the project's progress towards achieving its expected transition goals.

65 See EBRD (2024f).

66 See EBRD (2025c).

67 See ADB, AfDB, AIIB, CEB, EBRD, EIB, IADB, IsDB, NDB, World Bank Group and International Development Finance Club (2023a and 2023b).

68 See ADB, AfDB, AIIB, CEB, EBRD, EIB, IDB, IsDB, NDB and World Bank Group (2022).

69 A project's final expected transition impact (ETI) score is between 0 and 100. The bulk of projects fall between 60 and 69 and are categorised as having "good" ETI scores. Projects between 70 and 79 are categorised as "strong". The most ambitious projects – categorised as "excellent" – are those with scores of 80 and above. The EBRD's 2025-27 Strategy Implementation Plan targets an average ETI score of 63 to 69 for all new signings. See EBRD (2025d). For more on how the EBRD assesses transition impact, see EBRD (1997).

3.30. Monitoring, verifying and reporting project outcomes linked to these three channels during implementation enables the EBRD to assess whether reported results are in line with the assessments made as part of project preparation and to identify the implementation status. Upon project completion, projects generally undergo a final assessment across the requirements of the ESAP, GPMP and TIMS, receiving a sign-off review that provides final data.

3.31. After project completion, projects generally undergo two distinct types of evaluation: a self-evaluation to help draw lessons for the future (captured in a summary performance assessment) or an assessment by the Bank's Independent Evaluation Department.

Reporting and disclosure

3.32. At project level, the Bank informs the public about its investments through Project Summary Documents (PSDs). These are provided for private-sector and state-sector projects (in each case including frameworks and individual projects under frameworks) and some technical assistance activities, in line with the Bank's Access to Information Policy.[70] The Bank will use the PSDs to communicate green-related information to external stakeholders, in line with the Bank's Directive on Access to Information.[71]

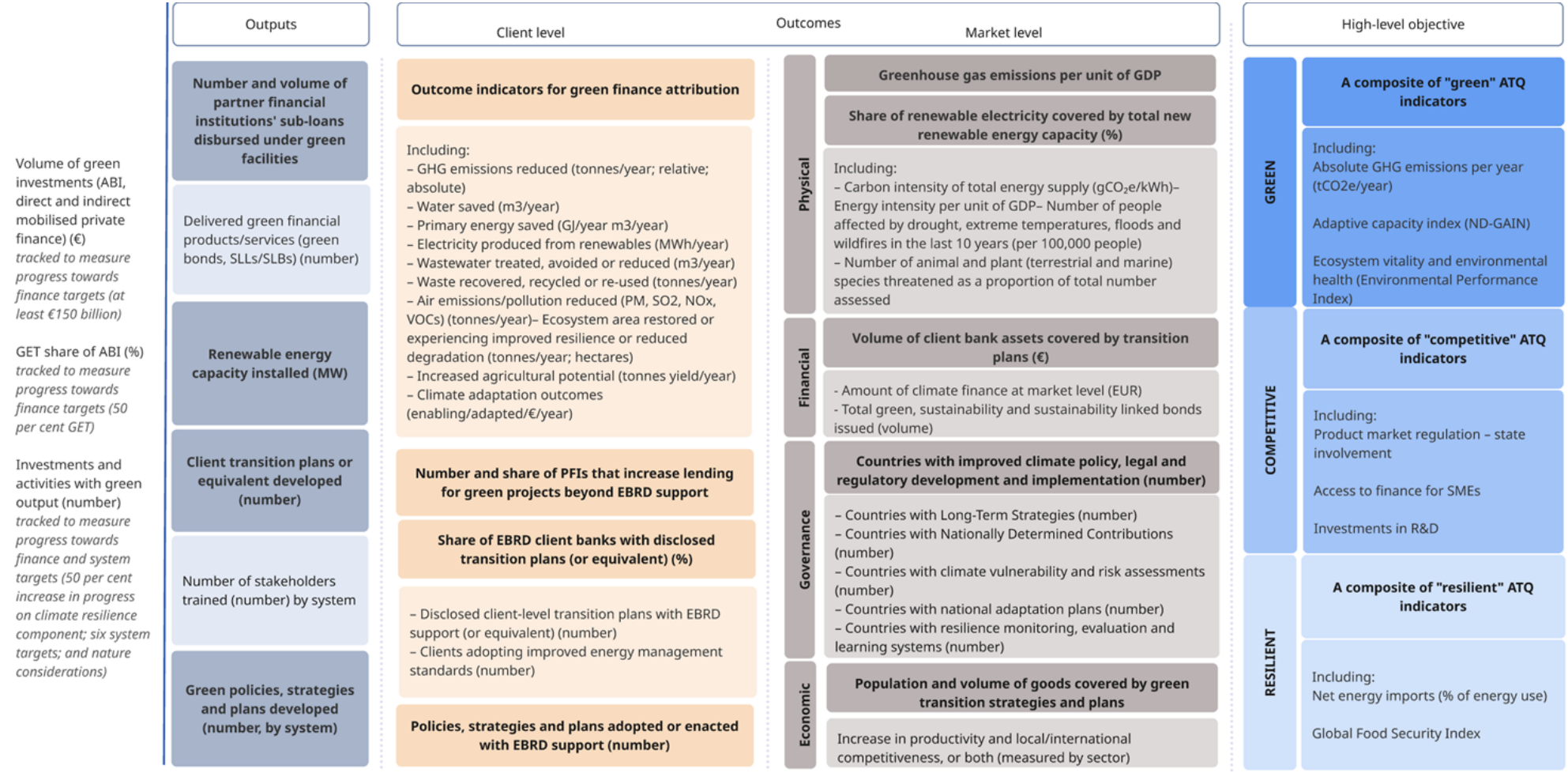
3.33. The Bank is committed to transparency in its results framework. It will report on progress on the GET Strategy 2026-30 in the Bank's corporate reports (for example, in the Bank's Impact Report and ISSB Report).[72]

70 See EBRD (2024g).

71 See EBRD (2024h).

72 See EBRD (2025e) and (2025f), respectively, for past editions of the EBRD Impact Report and ISSB Report.

Figure 6: Summary of the GET Strategy 2026-30 impact measurement framework



Supplementary material

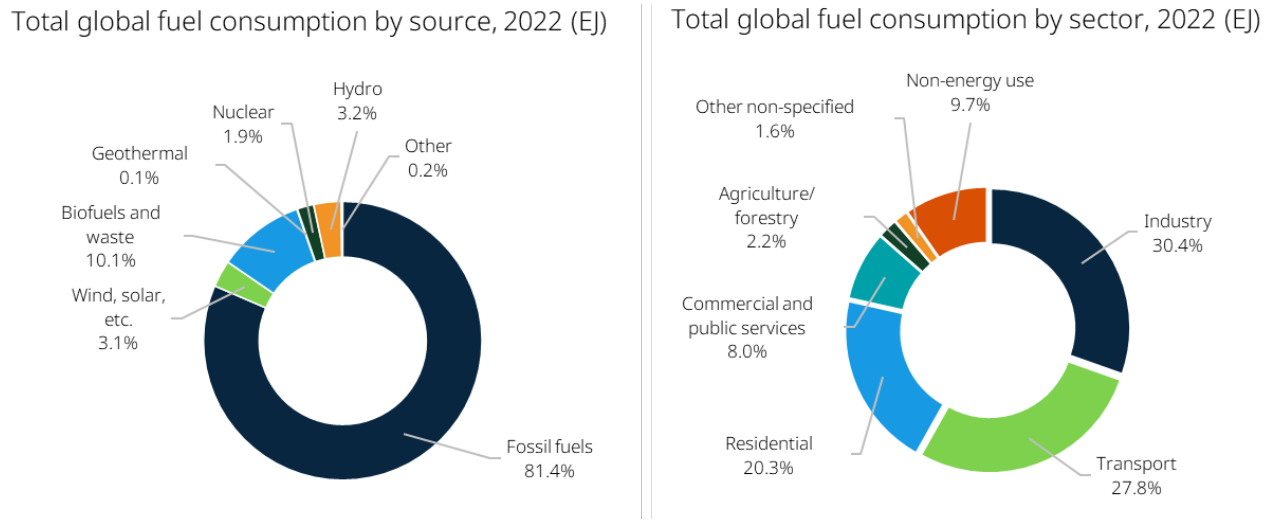
Supplementary material

Annex 1. The green transition in EBRD countries of operation

Energy system

A1.1. Energy accounts for three-quarters of total global GHG emissions. Fossil fuels are still used to generate around 80 per cent of total global energy supply. However, there have been notable changes in global energy demand, which jumped 2 per cent to historical highs in 2024.[73] Over one-fifth of final global energy consumption came from electricity (see Figure A1.1). This increase was driven by the need for cooling systems, an increase in industrial consumption, the electrification of transportation, and growing data-centre and AI infrastructure demand. Over four-fifths of growth came from emerging economies. Electricity demand is set to increase substantially by 2050, when it is projected to account for nearly half of total final energy consumption.[74] The International Energy Agency (IEA) reports that AI has the potential to transform the energy sector in the coming decade, but also the potential to cause a surge in electricity demand from data centres.[75] If used to enable the green transition, AI can unlock significant opportunities to cut costs, enhance competitiveness and reduce emissions. However, growth in energy-efficiency improvements has slowed at a concerning rate recently, dropping to just 1 per cent in 2024 from a pre-2019 average improvement of around 2 per cent annually. A particular concern is supply-chain risks, where the diversification of clean energy technology supply chains is proving difficult due to their geographical concentration. This will take time to resolve.

Figure A1.1: Global total final energy consumption by source and sector (2022, exajoules)



Source: IEA (2025c) and EBRD calculations.
Note: Electricity and heat generation-related final consumption are distributed by source of generation.

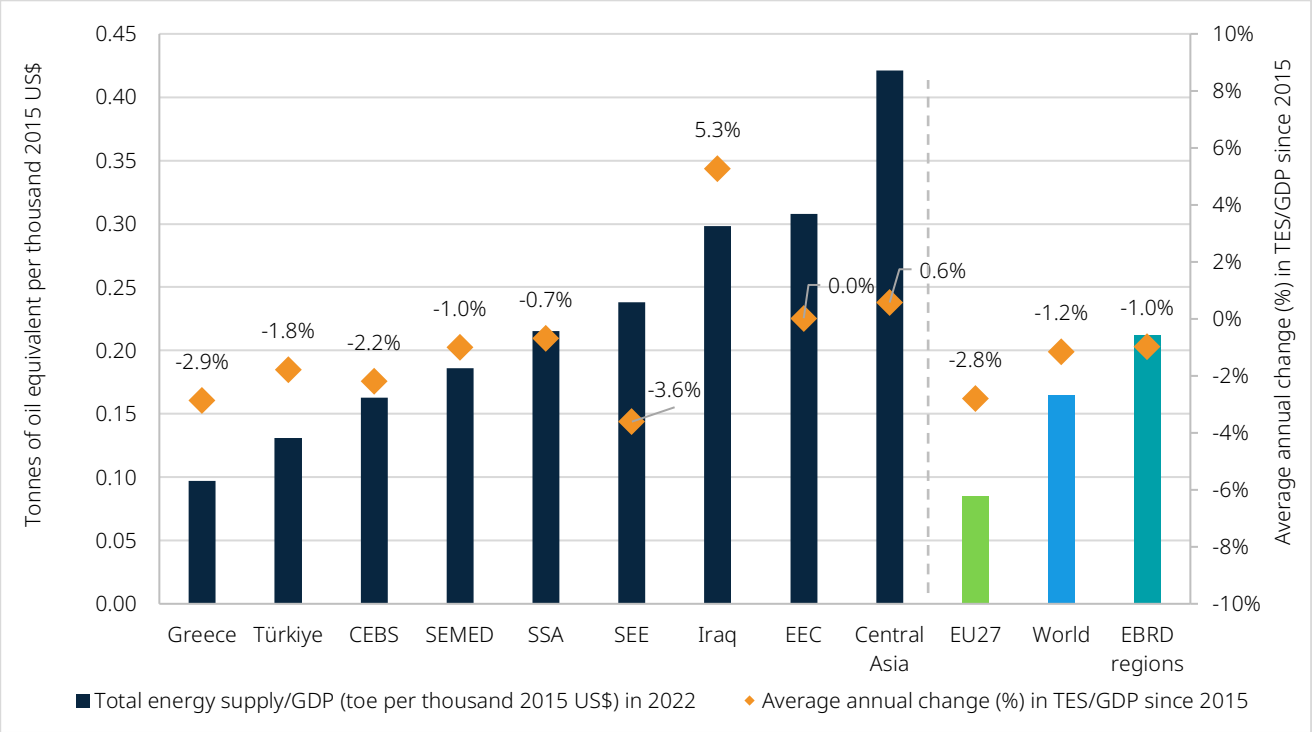
A1.2. The greening of energy systems is largely characterised by rapid electrification and the deployment of low-carbon heating and energy-efficiency measures across economic activities. Guided by net-zero pathways, such transitions typically require: a phasing out of fossil fuels and a scaling up of renewables and low-carbon alternative fuels; reliable and secure transmission and distribution networks; flexible technologies, such as storage; and efficient energy use by consumers through the adoption of green technologies, services and practices. It also requires resilience to acute and chronic impacts of climate change, especially in critical infrastructural locations, to ensure energy security. Market mechanisms are essential in facilitating the rapid deployment of green technologies by

73 See IEA (2025d).
74 See IEA (2021).
75 See IEA (2025b).

improving cost competitiveness and services across the system, which strengthens energy affordability and accessibility. Various social co-benefits are generated by greening energy systems, including improvements in public health and welfare; increased energy access for vulnerable populations, giving them a greater chance of participating in economic activities; and new green job opportunities.

A1.3. Many of the EBRD economies still face significant energy transition challenges. Their systems are highly energy and carbon intensive, fossil-fuel dependent, underinvested due to limited access to long-term affordable capital, lagging in network modernisation and constrained by institutional capacity gaps and a lack of competitive energy markets. Energy-related GHG emissions in the EBRD regions (excluding sub-Saharan Africa (SSA) and Iraq) were up 1.3 per cent in 2022 from 2015 levels, coming in at a total of 2.4 $GtCO_2e$. Although the share of total renewable capacity in the regions increased to 44 per cent in 2024, growth in energy demand, combined with stagnant progress on electrification, kept the total GHG emissions level stable. In this context, some countries, such as Türkiye and Azerbaijan, included nuclear power in their climate policies. By way of contrast, EU27 energy emissions decreased 11 per cent during the same period (2015-22) and since 2016, with the exception of 2020-21, have decoupled more and more from energy consumption. The average GHG emissions intensity of the EBRD regions improved by 26 per cent during the same period, but remains consistently more than three times EU27 levels.[76]

Figure A1.2: Energy intensity in the EBRD regions (2022) and average annual change in energy intensity (2015-22)



Source: IEA (2025c) and EBRD calculations. Note: Per the IEA Net Zero Emissions 2050 scenario, the global energy intensity improvement rate per annum to 2030 should be around -4 per cent.

Industrial system

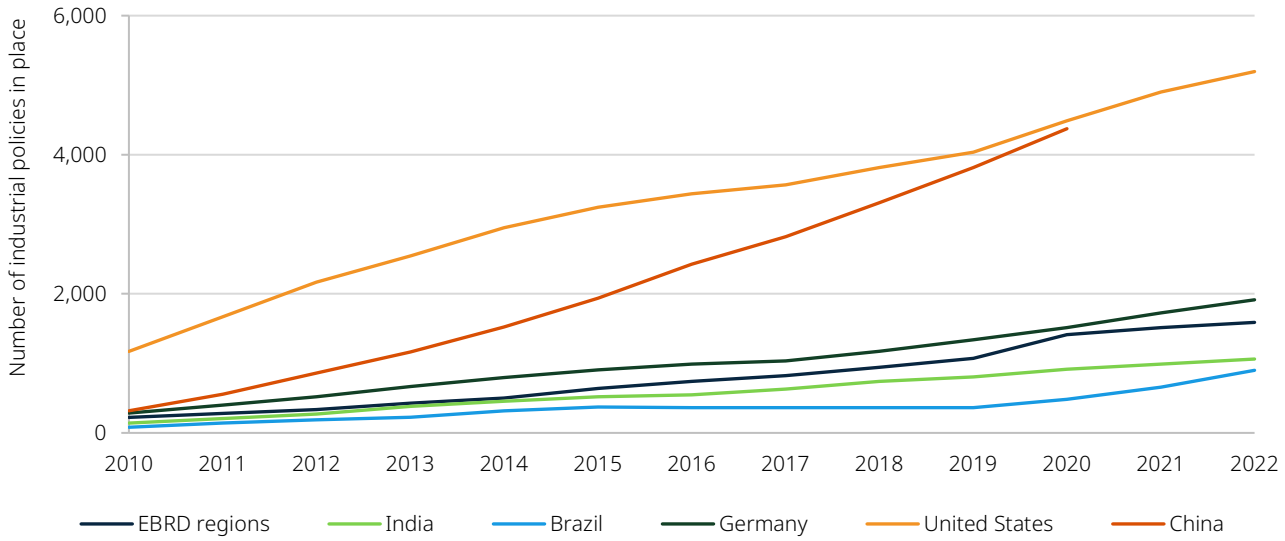
A1.4. There has been a resurgence in industrial policies in recent years.[77] In the case of emerging and developing economies, more than 500 new industrial policies were implemented in 2023, focused on promoting investment and exports, as well as economic diversification through the creation of industrial parks and special economic zones to integrate into global value chains (see Figure A1.3). One-third of total industrial policy measures had competitiveness as their objective, alongside climate mitigation, supply-chain resilience and security. In the meantime, GHG emissions from industry have grown more than 70 per cent since 1990. Industrial emissions account for about a third of total global carbon emissions, of which "hard-to-abate" sectors (iron, steel, cement,

76 See IEA (2025c) and EBRD calculations).

77 See EBRD (2024)

lime, and chemicals) account for over 70 per cent. Demand for critical raw materials and industrial products is also on a steep upward trend, particularly in emerging economies, but improvements in carbon intensity throughout industrial supply chains have been marginal. At the same time, there have been notable early-stage technology breakthroughs, such as green steel (produced with green hydrogen), zero-carbon cement (produced by cement recycling) and bio-based chemicals and products.

Figure A1.3: Number of industrial policies in place globally (2010-22)



Source: EBRD (2024a).

A1.5. Greening industrial systems is, therefore, largely about strengthening competitiveness by adopting green technologies that simultaneously decarbonise hard-to-abate sectors and improve productivity, as well as improve resilience in a world of tightening trade policies and regulations and increasing transition risks. Innovation and productivity gains are expected from reshaping supply chains through a sustainability lens, circular business practices, electrification and automation that allows smart digital production and the management of industrial processes.

A1.6. There is significant policy readiness for green industrialisation across the EBRD regions, but incentives differ. EU countries prioritise competitiveness in a global shift to green technologies, while heavily industrialised countries focus on modernisation. SSA is focused on green growth, while Central Asia views innovation as critical to shifting away from carbon-intensive production practices. Among the EBRD regions, the share of industrial emissions is highest the southern and eastern Mediterranean (SEMED) and Türkiye, while the most emissions-intensive industrial systems are to be found in Egypt, Lithuania, Romania, Slovakia and Türkiye, where they are also significant contributors to GDP. In contrast, the expanding economies and manufacturing sectors of SSA have relatively insignificant industrial emissions, though some still have the potential to become substantial global emitters. Policy tools such as the EU's Carbon Border Adjustment Mechanism for regulating carbon-intensive imported goods are expected to have a disproportionate impact on countries including Egypt, Kazakhstan, Morocco, Türkiye and Ukraine, but can also offer incentives to accelerate the green transition in these countries. Because of the geographical concentration of critical raw materials and green energy technologies globally, the EBRD regions need to pursue different diversification strategies based on their comparative advantages. In this context, certain EBRD regions are best positioned to produce products required by the solar power and fuel-cell sectors, as well as to find opportunities in commercial information and communications technology services by tightening regulations on supply-chain sustainability and, for some, in the critical raw-materials sector, investing in new mines and processing facilities.[78]

78 See EBRD (2023b).

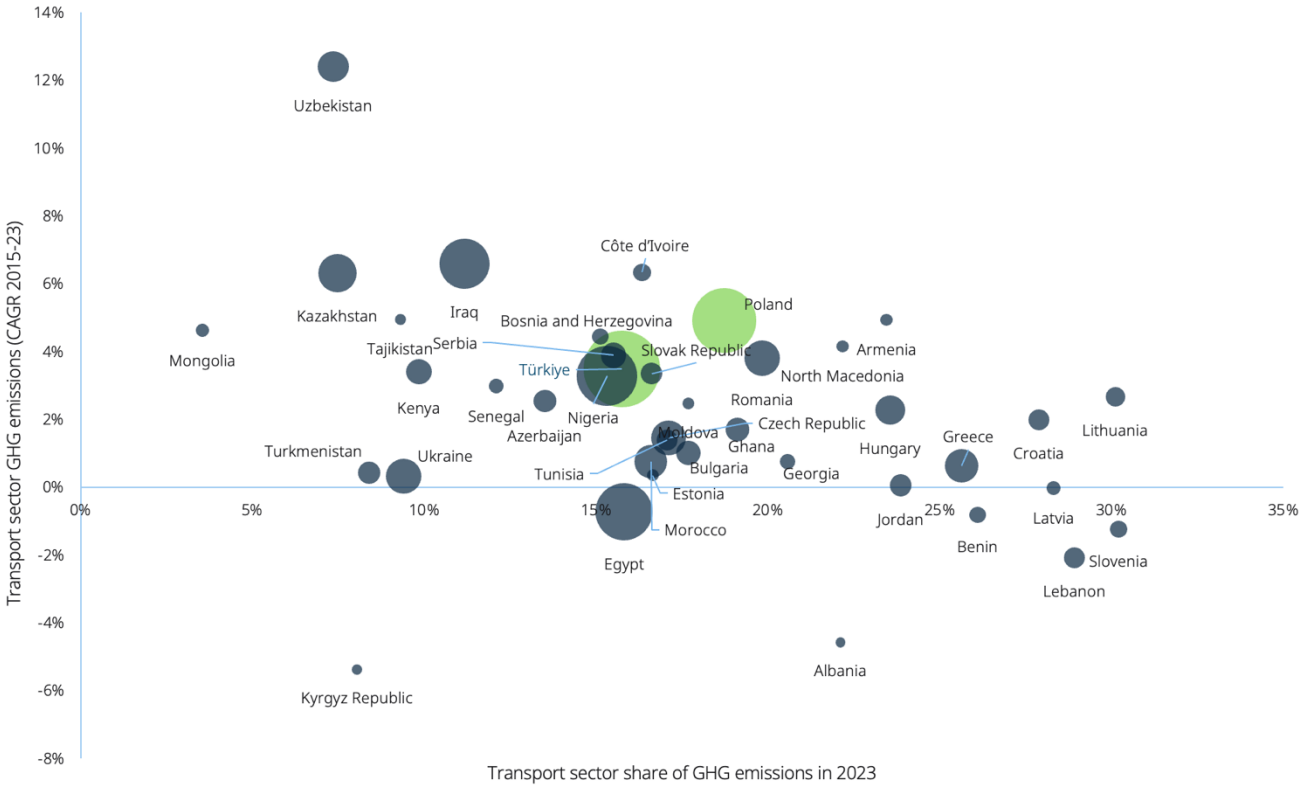
Transport system

A1.7. The global transport sector emits about 15 per cent of global GHG emissions, with road transport accounting for over 70 per cent of those. The transport sector remains the world's second-fastest-growing source of GHG emissions after industry. Although the majority of fleets are largely still fuelled by fossil fuels, electrification is on the rise, as electric vehicles (EVs) have become cost competitive in major markets. Digitalisation is also allowing the integration of transport systems, as reflected in the growing number of rapid-transit cities; more than half of the top 50 emitting cities expanded their transit infrastructure in 2015-20. In April 2025, the International Maritime Organization adopted a legally binding Net Zero Framework to reduce GHG emissions from ships globally, aiming for net-zero emissions by or around 2050. More than 200 pilot and demonstration projects for zero-emission shipping fuels are in development. In 2016, the International Civil Aviation Organization adopted the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) to address emissions from international aviation and, in 2021, airlines made a 2050 net-zero carbon emissions commitment with voluntary participation in CORSIA. The first phase of CORSIA, with mandatory offsetting requirements, started with 126 participating states in 2024, increasing to 129 states in 2025.

A1.8. The greening of transport systems will be driven by the electrification of vehicles and installation of charging infrastructure, a fuel switch to cleaner alternatives and improvements in the climate adaptation and resilience of transport infrastructure. In climate-vulnerable regions, such as coastal areas, infrastructural assets can be exposed to high physical climate risk and be critically disrupted by extreme weather events or natural disasters if they do not take appropriate measures to adapt and be resilient to climate shocks and long-term environmental changes.

A1.9. Global commitments to decarbonising transport systems are accelerating, but progress varies across the EBRD's countries of operation, from EU countries with set targets to Central Asian countries that have not signed up to any international initiatives. Transport sector GHG emissions are growing fastest in Uzbekistan, while the largest transport GHG emitters are Türkiye and Poland. In countries such as Egypt, Kazakhstan, Poland, Türkiye and Uzbekistan, road transportation is the largest contributor to overall GHG emissions, with a growing trend in all apart from Egypt. Transport emissions have declined in Egypt for various reasons, including the government providing strong and clear policy signals on road transport decarbonisation, such as through well-planned fuel switching and market development for natural gas vehicles. Electric mobility is evolving in the EBRD regions, with Jordan and Morocco identified as emerging EV markets. In total, 22 EBRD countries of operation have EV legislation or targets in place, providing a strong policy signal for further EV development. Forty per cent of EBRD countries have incorporated climate adaptation into their transport sector policies.

Figure A1.4: Transport sector GHG emissions in the EBRD regions



Source: EBRD calculations and EDGAR (2024).
Note: No data for Kosovo or the West Bank and Gaza. The size of the bubbles represents the scale of GHG emissions. The top three countries are shown in yellow. CAGR = compound annual growth rate.

Agrifood system

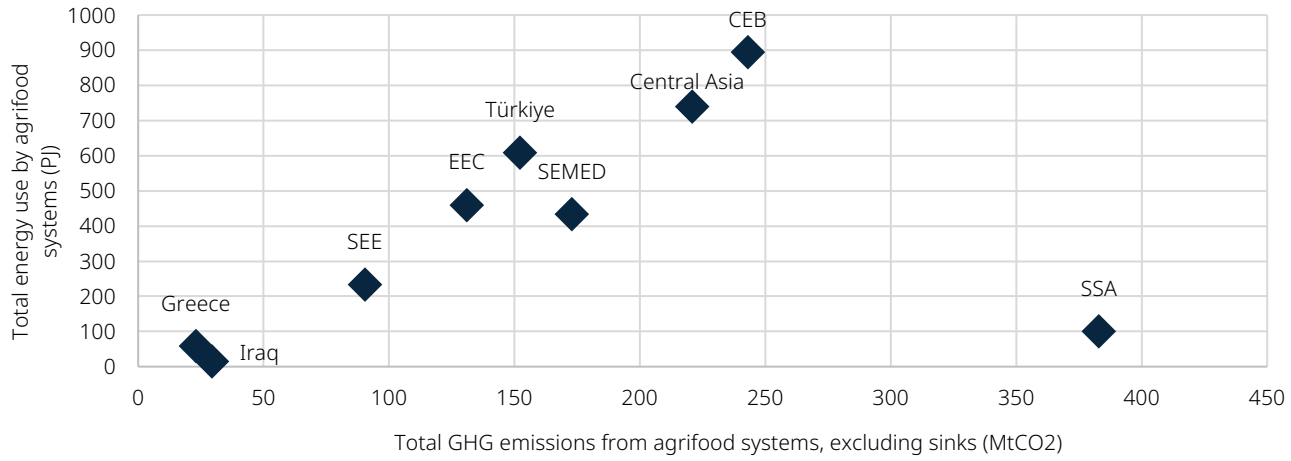
A1.10. Globally, agrifood systems emit about a third of all global GHG emissions and are projected to keep growing. The agricultural sector is also highly vulnerable to the impacts of climate change. Three-quarters of agrifood emissions come from developing countries, with two-thirds of those from middle-income countries. Emissions from value chains and land-use change, as well as those from farming, account for more than half of all agrifood emissions. Little investment has been made in decarbonising agrifood emissions, including relative to other sectors, with the sector accounting for just 2.4 per cent of total climate mitigation finance a year. It is estimated that annual investment will need to increase 18-fold to US$ 260 billion (€222 billion) a year to halve current agrifood emissions by 2030 and put the world on track for net-zero emissions by 2050.[79] The global agrifood system is a huge, untapped source of low-cost climate change action. Unlike other sectors, it can have an outsized impact on climate change by drawing carbon from the atmosphere through ecosystems and soils. The payoffs for investing in the reduction of agrifood emissions are estimated to be much bigger than the costs.[80]

A1.11. Greening agrifood systems requires a range of efforts, from primary agriculture and forestry to processing and packaging to wholesale, distribution and consumption, as well as waste management and waste-to-energy conversion. This is highly complex, as agrifood systems are intertwined with the broader land and water sectors. Measures include: supporting farmers, logistics and processing industries in assessing and addressing climate risks across their value chains; introducing appropriate green technologies and practices that help to minimise productivity losses, GHG emissions, waste and negative environmental impacts; and increasing resilience through climate adaptation and nature-based measures, such as climate-resilient crop farming, irrigation, early warning systems and smart forecasting systems.

79 See Sutton, Lotsch and Prasann (2024).
80 Ibid.

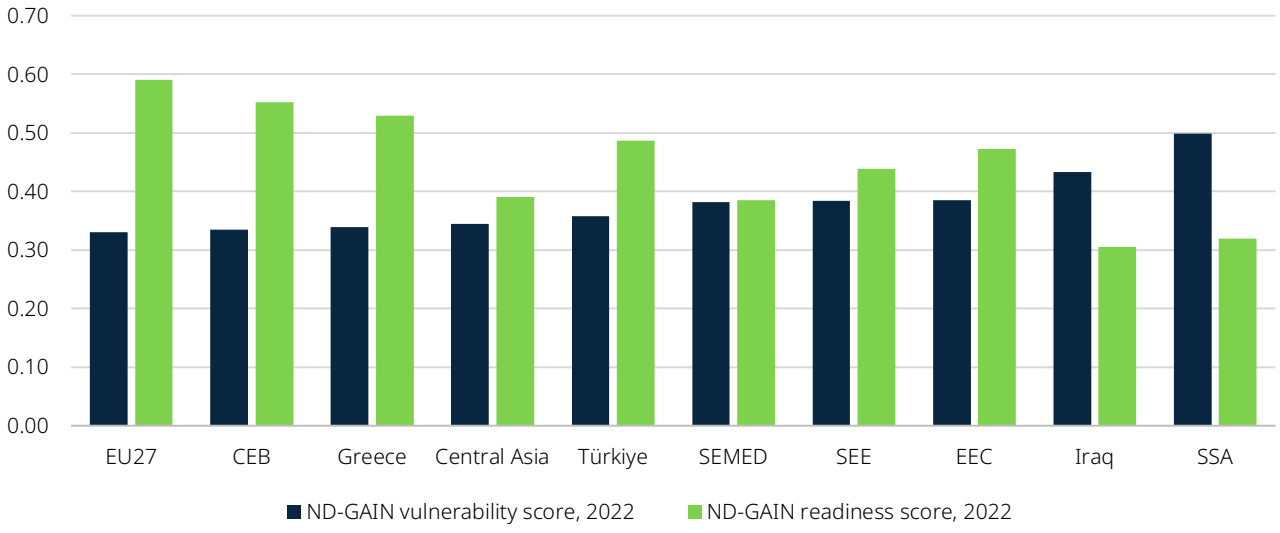
A1.12. Based on data from the Food and Agriculture Organization of the United Nations (FAO),[81] among the EBRD regions, agrifood GHG emissions as a share of total emissions are highest in Central Asia (at 37 per cent), eastern Europe and the Caucasus (at 36 per cent) and central Europe and the Baltic states (at 36 per cent) – all of which exceed EU27, world and Organisation of Economic Co-operation and Development levels. This is partly to do with the agricultural sector's share of GDP in certain countries, but also other factors, such as the higher share of farm-gate GHG emissions, increasing food, crop and livestock production trends, and the composition of economic sectors (some of them which are more GHG intensive than others). The share of emissions from agrifood systems in the six sub-Saharan countries is far bigger (at 63 per cent), reflecting their much greater economic reliance on agriculture, while in Iraq, the share is significantly lower (8 per cent).

Figure A1.5: Agrifood-related GHG emissions and energy use in the EBRD regions (2021)



Source: FAO (2023) and EBRD calculations,
Note: The size of the circles indicates average value added (percentage of GDP) from agriculture, forestry and fishing. Although the SSA region has the highest agrifood system-related GHG emissions, its total energy use is among the lowest in the EBRD regions.

Figure A1.6: Climate vulnerability and readiness in the EBRD regions (2022)



Source: EBRD calculations and ND-GAIN (2024).

81 See FAO (2024).

Urban system

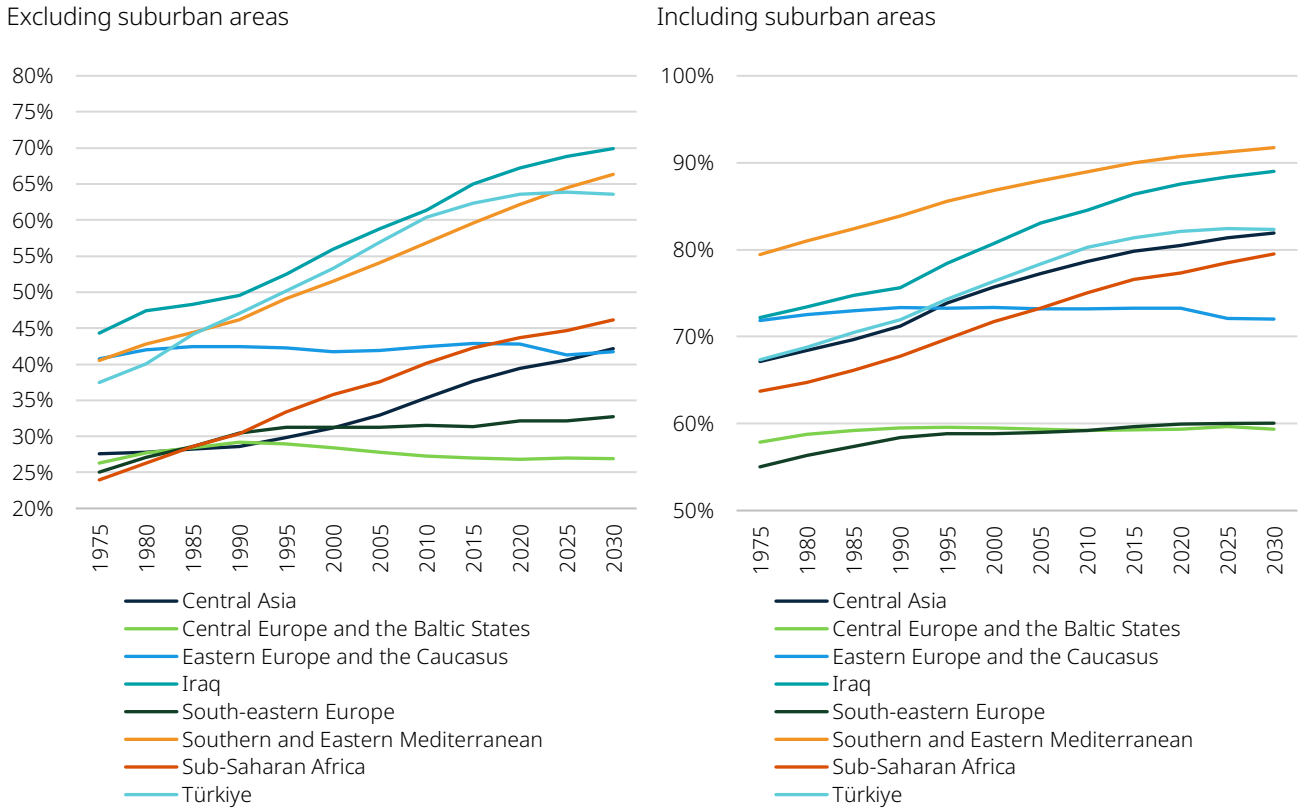
A1.13. More than 4 billion people, or 56 per cent of THE global population live in urban areas today, while 2.5 billion more people are expected to live in cities and urban areas by 2050, bringing the total to 68 per cent.[82] Eighty per cent of global GDP is generated in cities, while 78 per cent of the world's primary energy is consumed by cities and 70 per cent of all carbon emissions are attributable to cities and urban activities, mainly from buildings, energy and transport.[83] Eighty per cent of the world's food is consumed in cities, and 2.1 billion tonnes of municipal waste were generated in 2023, with volumes projected to increase to 3.8 billion tonnes by 2050.[84] Some 1.2 billion urban dwellers lack reliable, safe and affordable access to basic urban services, with 800 million people in coastal cities exposed to sea-level rise of at least 0.5 metre, and more than 1.6 billion people in cities expected to suffer from extreme heat by mid-century.[85]

A1.14. Greening an urban system is greening an economy at city scale. This involves various aspects of greening other core systems within the boundaries of individual cities or networks of cities. Urban systems are complex, facing numerous pressing challenges from expanding urbanisation, environmental degradation, inadequate urban infrastructure and services, traffic congestion, pollution and growing climate risks. Green policy and investment measures at city level typically involve upgrading and managing urban waste, water and wastewater, urban transport, energy use in households and public buildings, green spaces and the environment. They generate other important social co-benefits, including improving social welfare, public health and inclusivity.

A1.15. Over the last 50 years, the EBRD countries of operation have experienced urbanisation to a greater or lesser degree. The Bank's European regions have seen stagnant growth or a decreasing urban population, while the SEMED and Central Asian regions, Türkiye and Iraq are expected to almost double their urban population shares in 2030 from 1975 levels.[86] Regions with rapid and continuous urban population growth are expected to face severe environmental pressure, amid increased energy use, greater road congestion and a rise in air, soil and water pollution. Central Asia and SSA are already experiencing relatively severe ambient and indoor air pollution. Urban centres in SSA and Iraq are failing to provide basic living standards, such as decent water and sanitation, sufficient living space and durable housing, for urban dwellers. A reported 33 per cent to 66 per cent of their urban populations are living in slums, informal settlements or inadequate housing.[87]

82 See UN DESA (2018).
83 See United Nations (2022).
84 See UNEP (2024).
85 See C40 Cities (2018).
86 See UN DESA (2024).
87 See UN-Habitat (2024).

Figure A1.7: Share of people living in urban areas (excluding and including suburban areas)



Source: Copernicus (2024).

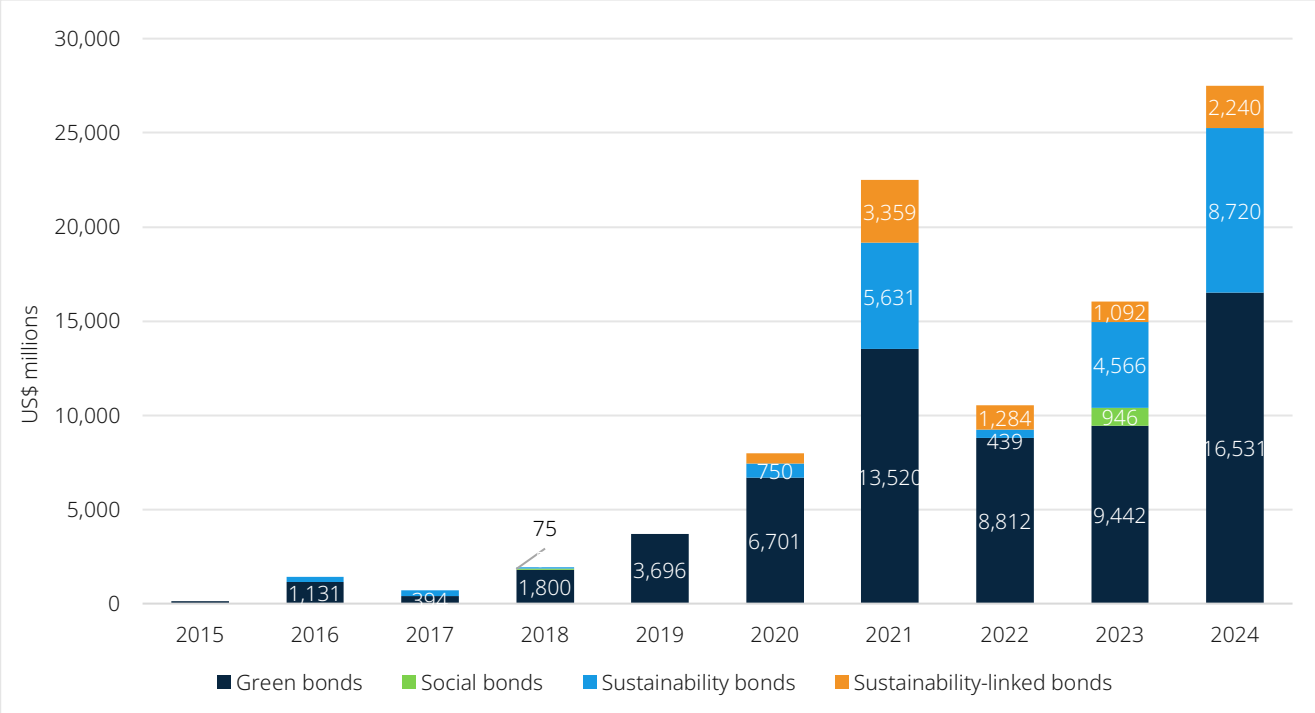
Financial system

A1.16. Financial systems facilitate the flow of finance from international currency markets and national central banks to commercial banks to individual citizens, businesses and investors. The money circulates back into the economy through expenditure, interest payments and taxes, which governments and national authorities regulate and modulate in a bid to keep the economy functioning smoothly. Financial regulators, credit-rating agencies and capital markets are increasingly calling for greater disclosure and management of climate risks by financial institutions, as well as the redirection of capital flows to climate-positive and green investments, to ensure the longer-term financial stability of markets. Financial regulatory authorities are implementing regulations requiring environmental disclosures and the integration of climate risk management into financial institutions' activities.

A1.17. The greening of financial systems means helping to shift the flow of finance into areas that contribute to a green transition. This includes offering financial products on the market to a range of borrowers and investors for easier access to green finance, as well as increasing the pool of capital that can be directed to such products.

A1.18. For the EBRD EU and candidate countries, as well as those EBRD countries whose main trading partner is the EU (such as Türkiye), such regulatory developments have been the main driver of greening action in the financial sector. EBRD EU countries operate in line with the bloc's well-established disclosure framework under its sustainable finance approach, while others are developing and preparing their own policies. The EBRD EU countries and Montenegro have emissions trading schemes in place, while Türkiye and Ukraine are developing theirs. Generally, the EBRD regions, including SSA, are progressing towards alignment with international trends. Central Asia, particularly the Kyrgyz Republic, Tajikistan and Turkmenistan, lags other regions. Countries with transparent and standardised sustainable finance policies are capitalising on the potential of sustainability-focused financial instruments, such as green and sustainability-linked bonds. Compared with the total market volume of domestic and international bond issuance, Egypt, Kazakhstan and Morocco have the potential to issue more green capital market instruments in future. Elsewhere in the EBRD regions, Egypt, Kazakhstan, Morocco, Nigeria and Uzbekistan have issued green, social, sustainability and sustainability-linked (GSSS) bonds with commercial partners, listed on local stock exchanges, increasing liquidity, promoting financial inclusion and developing local financial ecosystems with enhanced sustainable corporate governance and transparency. Côte d'Ivoire, Jordan and Mongolia are working with the International Finance Corporation to issue private-sector GSSS bonds.

Figure A1.8: Annual issuance of sustainable bonds by label in the EBRD regions



Source: Environmental Finance (2025) and EBRD calculations.

Figure A1.9: A snapshot of green policies in the EBRD regions (as of July 2025)

Region	Economy	NDC 3.0 submissions	LTS submissions	NAP submissions	Net-zero target	NECP submission	(7th) NBSAP submission
Central Asia	Kazakhstan	✗	✓	✗	✓	n/a	✗
	Kyrgyz Republic	✓	✗	✗	✓	n/a	✗
	Mongolia	✓	✗	✓	✗	n/a	✗
	Tajikistan	✗	✗	✗	✗	n/a	✗
	Turkmenistan	✗	✗	✗	✗	n/a	✗
	Uzbekistan	✗	✗	✗	⌛	n/a	✗
Central Europe and the Baltic States	Croatia	⌛	⌛	⌛	✓	✓	⌛
	Czechia	⌛	✓	⌛	✓	✓	⌛
	Estonia	⌛	⌛	⌛	✓	✓	⌛
	Hungary	⌛	✓	✓	✓	✓	✓
	Latvia	⌛	✓	⌛	✓	✓	⌛
	Lithuania	⌛	✓	⌛	✓	✓	⌛
	Poland	⌛	✗	⌛	✓	✓	⌛
	Slovak Republic	⌛	✓	⌛	✓	✓	⌛
	Slovenia	⌛	✓	✓	✓	✓	✓
Eastern Europe and the Caucasus	Armenia	✗	✓	✓	✓	n/a	✗
	Azerbaijan	✗	✗	✓	✓	n/a	✗
	Georgia	✗	✓	✗	✓	n/a	✗
	Moldova	✓	✗	✓	✓	n/a	✓
	Ukraine	✗	✓	✗	✓	n/a	✗
South-eastern Europe	Albania	✗	✗	✓	✗	n/a	✗
	Bosnia and Herzegovina	✗	✓	✓	✗	n/a	✗
	Bulgaria	⌛	⌛	⌛	✓	✓	✓
	Kosovo	n/a	n/a	n/a	✗	n/a	✗
	Montenegro	✓	✗	✓	⌛	n/a	✗
	North Macedonia	✗	✓	✗	✗	n/a	✗
	Romania	⌛	⌛	⌛	✓	✓	✓
	Serbia	✓	✓	✓	✗	n/a	✗
Southern and Eastern Mediterranean	Egypt	✗	✗	✗	✗	n/a	✗
	Jordan	✓	✗	✓	✗	n/a	✓
	Lebanon	✓	✓	✗	⌛	n/a	✗
	Morocco	✓	✓	✓	✓	n/a	✗
	Tunisia	⌛	✓	✓	✓	n/a	✓
	West Bank and Gaza	✗	✗	✓	✗	n/a	✓
Greece	Greece	⌛	⌛	⌛	✓	✓	✓
Türkiye	Türkiye	⌛	✓	x	✓	n/a	✗
Sub-Saharan Africa	Benin	✗	✓	✓	✗	n/a	✗
	Côte d'Ivoire	✗	✗	✗	✗	n/a	✗
	Ghana	✗	✗	✗	✓	n/a	✗
	Kenya	✓	✗	✓	✗	n/a	✗
	Nigeria	✓	✓	✓	✓	n/a	✓
	Senegal*	✗	✗	✗	⌛	n/a	✗
Iraq	Iraq*	✗	✗	✗	✗	n/a	✗

Source: EBRD calculations based on UNFCCC, European Commission, Net Zero Tracker and Convention on Biological Diversity data.
Note: *Senegal and Iraq have not yet submitted their NDC 2.0s. Hourglass symbol = in progress. LTS = long-term strategy. NAP = national adaptation plan. NECP = national energy and climate plan (EU). NBSAP = national biodiversity strategy and action plan.

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Acronyms and abbreviations

ADB	Asian Development Bank
AESR	annual environmental and social report
AfDB	African Development Bank
AIIB	Asian Infrastructure Investment Bank
ABI	Annual Bank Investment
CA	Central Asia
CAGR	compound annual growth rate
CBAM	Carbon Border Adjustment Mechanism
CEB	central Europe and the Baltic states
CEB	Council of Europe Development Bank
CORSIA	Carbon Offsetting and Reduction Scheme for International Aviation
CSO	civil society organisation
DFI	development finance institution
EBRD	European Bank for Reconstruction and Development
EDGAR	Electronic Data Gathering, Analysis, and Retrieval
EEC	eastern Europe and the Caucasus
EIB	European Investment Bank
ESAP	environmental and social action plan
ESG	environmental, social and governance
ESP	Environmental and Social Policy
ETI	expected transition impact
EU	European Union
EV	electric vehicle
FAO	Food and Agriculture Organization of the United Nations
GDP	gross domestic product
GET	Green Economy Transition
GHG	greenhouse gas
GPMP	green project monitoring plan
$GtCO_2e$	gigatonnes of carbon dioxide equivalent
GW	gigawatt
IDB	Inter-American Development Bank
IEA	International Energy Agency
IFRS	International Financial Reporting Standards
IPCC	Intergovernmental Panel on Climate Change
IsDB	Islamic Development Bank
ISSB	International Sustainability Standards Board
LTS	long-term strategy
MDB	multilateral development bank
$MtCO_2e$	million tonnes of carbon dioxide equivalent
MW	megawatt
NAP	national adaptation plan
NBSAP	national biodiversity strategy and action plan
NDB	New Development Bank
NDC	Nationally Determined Contribution
NECP	national energy and climate plan
OECD	Organisation for Economic Co-operation and Development
PDM	private direct mobilisation
PIM	private indirect mobilisation
PJ	petajoule
PSD	Project Summary Document
REDD+	Reducing emissions from deforestation and forest degradation
SCF	Strategic and Capital Framework
SEE	south-eastern Europe
SEMED	southern and eastern Mediterranean
SMEs	small and medium-sized enterprises

SSA	sub-Saharan Africa
TIMS	Transition Impact Monitoring System
TW	terawatt
UN DDR	United Nations Disarmament, Demobilization, and Reintegration
UNFCCC	United Nations Framework Convention on Climate Change

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