

DOCUMENT OF THE EUROPEAN BANK
FOR RECONSTRUCTION AND DEVELOPMENT

**FINANCIAL SECTOR STRATEGY
2026 - 2030**

**REPORT ON THE INVITATION
TO THE PUBLIC TO COMMENT**

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ABBREVIATION AND ACRONYMS

ABBREVIATION	DEFINITION
AI	Artificial Intelligence
AIP	Access to Information Policy
AMI	Annual Mobilised Investment
CSOs	Civil Society Organisations
EBRD	European Bank for Reconstruction and Development
ESG	Environmental, Social and Governance
FI	Financial Institutions
GET	Green Economy Transition
KPIs	Key Performance Indicators
MSMEs	Micro, Small and Medium-sized Enterprises
SDGs	Sustainable Development Goals
SIP	Strategic Investment Plan
SMEs	Small and Medium-sized Enterprises
SRTs	Significant Risk Transfers
TFP	Trade Facilitation Programme
WiB	Women in Business [programmes]
YiB	Youth in Business [programmes]

1. INTRODUCTION

The objective of this report is to provide an overview of the public consultation process on the draft Financial Sector Strategy for 2026-2030 (hereinafter referred to as the “Strategy”) of the European Bank for Reconstruction and Development (EBRD).

The Strategy builds on the successes and lessons learnt of its predecessor – Financial Sector Strategy 2021-2025. Under the new Strategy, the Bank envisages to focus investment in financial intermediaries on resilience and agility, green opportunities and human capital, in a volatile and riskier world.

The Strategy sets three strategic priorities, developed in close alignment with the EBRD’s new Strategic and Capital Framework for 2026-2030 and previous Financial Sector Strategy, as the following: (i) deploy capital and policy to strengthen economic governance, boosting resilience and agility, (ii) accelerate the green transition by boosting investments and transforming finance; (iii) grow human capital resilience and equality of opportunity through inclusive finance.

Pursuant to the Bank’s Access to Information Policy (AIP), the EBRD invited the public to comment on the draft Strategy. The draft Strategy was disclosed in English, from 19 August 2025 until 2 October 2025, on the EBRD’s website: <https://www.ebrd.com/strategies-and-policies/have-your-say.html>.

The EBRD widely notified its partners and external stakeholders of the publication of the Strategy. The document was shared directly with national, regional, and international civil society organisations (CSOs), private sector representatives, industry and business associations, as well as multilateral development institutions.

In addition to soliciting written comments, the EBRD organised an online public consultation meeting in the format of webinar on 10 September 2025, which is detailed in the following sections of this report. This public consultation meeting served as an opportunity for external stakeholders to express their views and provide input on the draft Strategy.

This report comprises a summary of the consultation process, key comments received, and the EBRD’s responses to these comments. All comments have been noted and were considered when finalising the revised Strategy Annex I provides a detailed list of all comments received during the consultation process and relevant EBRD responses; Annex II comprises a list of stakeholders that participated.

2. SUMMARY OF THE CONSULTATION PROCESS

Information about the 45-day public consultation was posted on the EBRD webpage and a wide range of stakeholders were notified about the consultation process. The Bank sent email notifications to more than 1,000 CSOs, based across the Bank’s countries of operations, with the invitation to participate in and contribute to the public consultation process.

The consultation process was undertaken through: (i) an online public consultation meeting and (ii) written comments sought during the 45-day public consultation period. The consultation meeting with external stakeholders was organised during the 45-day public consultation period

and focused on collecting suggestions and feedback on the draft Strategy. Annex II comprises details of the stakeholders consulted during the consultation process.

2.1. Consultation meeting

The EBRD organised an online public consultation meeting on 10 September 2025 to present the Strategy to external stakeholders and collect feedback. In total, twenty-five participants attended the consultation meeting.

The consultation meeting started with a presentation of the Strategy by the EBRD Financial Institutions team – outlining the proposed operational approach of the Bank, the background and sector context, rationale, scope, and structure of the Strategy, as well as giving an overview of the Bank’s activities in the financial sector, and key lessons learnt from the implementation of the previous strategy. The focus of the consultation meeting was on the Q&A session where participants had an opportunity to exchange views, request clarifications, and provide their comments and recommendations on the draft Strategy.

Overall, the consultation meeting highlighted the importance of financial intermediation in the Bank’s strategic and capital framework, as well as the backbone of a well-functioning of market economy. The presentation explained the alignment of the Strategy with the Strategic Capital Framework of the Bank and its three main themes: green finance, supporting development of human capital through inclusive finance and the role of support of economic governance in support of sustainability of interventions. Furthermore, the presentation explained the relationship-based approach to deliver impact; taking account specific regional needs; support for Ukraine’s financial sector; building partnerships with leading financial institutions and local leaders in Sub-Saharan Africa and Iraq; ambitious policy engagement; collaboration with other international financial institutions; and maximising the impact of our financial resources through mobilisation of private sector assets.

2.2 Written comments

The Strategy was published on the EBRD’s dedicated “*Comment on Proposal*” webpage, which highlights the latest opportunities for public to comment on the Bank’s policies and strategies under review. The Strategy was posted on the EBRD website for 45 calendar days inviting public to send comments to the Bank, starting from 19 August 2025 until 2 October 2025, in line with the EBRD’s Access to Information Directive stipulating that the Bank’s draft strategies are disclosed for a period of 45 calendar days.

During the public consultation period, the Bank received two sets of comments from two organisations. The written comments received and relevant EBRD responses are outlined in this report.

3. SUMMARY OF KEY COMMENTS

3.1 Overview of key themes

A summary of the comments received by the Bank on the Strategy during the public consultation period is provided below, organised by themes.

Annex I includes a detailed table of all comments received during the public consultation process, encompassing input from the consultation meeting and written submissions. To ensure confidentiality, the names of individuals providing comments are not disclosed, consistent with EBRD standard practice. Nonetheless, Annex II lists the names of organisations that participated in the consultation meeting and/or provided feedback during the 45-day public consultation period.

The recommendations received from the 45-day public consultation focused primarily on specific areas within the strategic priorities and objectives of the Strategy. The most prominent topics included: diversifying private investments, setting ambitious strategic targets and indicators, strengthening partnership and systemic inclusion of civil society, blended finance, alleviating rural poverty, and encouraging regional initiatives. The Bank also received recommendations addressing cross-cutting themes.

The comments in Annex I are grouped into four themes as follows:

- Strategic priorities
- Strategic objectives and indicators
- Delivery and structure of the Strategy
- Regional initiatives

ANNEX I. LIST OF COMMENTS AND EBRD RESPONSES

No.	Public Comments/Feedback	EBRD Response
1.	Strategic priorities	
1.1.	<p>The overall priorities of the new Strategy are welcomed, which envisages strengthening resilience, accelerating the green transition, and promoting inclusion. These objectives strongly resonate with the mission of civil society working with communities, grassroots initiatives, and social economy actors. The comment particularly values the emphasis on the Western Balkans as a priority region, as well as the contribution of inclusive programmes such as Women in Business and Youth in Business.</p>	<p>Regional coverage: the financial sector work of EBRD is represented in almost all investee economies. Every year around half of the financial sector transactions are concluded in smaller economies and Western Balkans continues to be an important geographical area of investment.</p> <p>Inclusive programmes which have an overarching aim to develop human capital have been and will continue to be an important area of engagement with the local partner financial institutions. Following the successful Women in Business Programme (which will continue in future), further inclusive programmes focused on young entrepreneurs have been launched and a work is underway to examine other potential segments of customer base which may be under-banked. Specialist interventions such as inclusion programmes for veterans in Ukraine respond to the difficult circumstances of war environment.</p>
1.2.	<p>Although the Annex B on “2021-25 Strategy performance” mentions lessons-learnt - such as the importance of a joined-up approach for systemic impact - these do not appear to be explicitly linked to the 2026-2030 priorities. In this regard, adding a “lessons-learnt” section in the main body was suggested, including examples, and highlighting ways to avoid pitfalls (e.g. reducing donor appetite in volatility).</p>	<p>The link between investments and the systemic change is reflected on page 22 – the in investments are include in the columns describing “Inputs” and “Activities”. Subsequently, the concrete results of the investments effect markets and contribute to the overall impact in the investee economies.</p> <p>Furthermore, please refer to page 7 in the Strategy which explains the integration of interventions. Specifically, the effective economic governance including sound policies, regulatory framework and strong management strategies which are ultimate critical to access capital. Within each project/block of projects, a consideration</p>

		<p>is given to the impact on the ground along with the additionality of intervention.</p> <p>The reduction of development assistance funding is a very relevant topic and one under consideration. An extensive exercise modelling the potential impact of decreasing donor finance on operations as to enable informed decision on the future prioritisation of business activity.</p>
1.3.	<p>Whilst the strategy addresses cyber and geopolitical risks, it gives limited attention to AI-related risks (e.g. deepfakes) or macroeconomic instability, such as persistent inflation driven by global trends.</p> <p>In this regard, adding the scenario planning to the resilience pillar was suggested, such as the stress testing for AI-related risks. As EBRD expands to Sub-Saharan Africa and Iraq, strengthening resilience will be much critical for supporting the formalisation of informal economies.</p>	<p>The Bank is currently in the process of preparation of the “Digital Approach 2026-2030”, which is based on the three pillars of foundation, adaptation and innovation plus the cross-cutting theme of cybersecurity. The overarching goal for the next Strategic Capital Framework period is to harness digital as a strategic enabler of systemic impact. To achieve this goal, the Bank is considering prioritising: (i) support investment to drive digitalisation across sectors and economies; (ii) strengthening digital awareness, skills and expertise; and (iii) promoting good digital governance at national and client level to build competitive and resilient digital systems.</p> <p>The AI value chain, which spans computer infrastructure, data generation, model development, and application deployment, offers multiple entry points and opportunities for EBRD investee economies. EBRD could play a catalytic role across this chain, narrowing the digital divide and encouraging the AI transition. Some of the anticipated routes are investing in AI-enabling infrastructure, sector-wide adoption of AI tools, integrating AI into public services, building regional AI/data hubs when relevant to foster ecosystems and supporting clients to manage risk and ensure responsible AI.</p>

2	Strategic objectives and indicators	
2.1.	<p>Whilst the indicators are good for tracking, ambitious targets are missing – such as increasing green lending by 50% by 2030 or mobilising €X billion in private capital. It is recommended to add specific KPIs to the results framework, aligned with GET 2030, as well as to use tables for trend-based scenarios.</p>	<p>The operational targets are set through a separate business planning process of Strategic Investment Plan (SIP). SIP considers operational ambition on a three-year rolling basis. The underlying annual business planning exercise then refines the targets for the upcoming calendar year, considering the market conditions, transitional quality and the resources available.</p>
2.2.	<p>Digital is amplifying, however, not in-depth. For example, AI risks are briefly mentioned in trends, but not in a dedicated policy. In this regard, it was recommended to add a dedicated subsection related to fintech and AI, including policies to mitigate risks, such as a framework for AI in credit scoring.</p> <p>Additionally, integrating examples from 'Annex F' was suggested, relating to SME digitalisation in the Balkans as well as partnering with tech hubs for pilot phases - including blockchain for TFP transparency.</p>	<p>As noted above, EBRD is in the process of setting a comprehensive framework through the “Digital Approach 2026-2030” as to outline more specific action points across its sectoral work.</p>
2.3.	<p>The draft Strategy is focused on climate mitigation whilst climate adaptation remains secondary. Although adaptation is mentioned on page 10, its objectives are not quantified.</p> <p>It was recommended to integrate targets for climate adaptation with specific products – such as biodiversity bonds. Aligning with global standards as well as incorporating case studies from Annex F will be critical.</p>	<p>EBRD is committed to support green transition for its countries and clients. Furthermore, EBRD is committed to delivering outcomes linked to climate mitigation, climate adaptation and nature. The EBRD’s ambition, including any targets, in these areas will be established in a forthcoming Green Transition Strategy, EBRD’s engagement with the financial sector will be a core delivery channel to achieve those ambitions.</p>

2.4.	<p>Regarding private mobilisation and diversity, the EBRD has performed well - as indicated by the 45% direct AMI. However, dependence on insurers was observed. There is a need for further detail on diversification.</p> <p>In this context, specifying strategies to attract asset managers and impact funds will be needed, such as considering pension funds for green bonds. EBRD can also consider adding leverage metrics.</p>	<p>EBRD pursues a multi-channel private mobilisation mandate, combining funded and unfunded approaches with a strong focus on generating projects that are both investable by private sponsors and bankable for commercial investors. The insurance sector has emerged as a strategic partner, given its alignment with EBRD's risk appetite in challenging geographies and sectors, and its capacity to support long-tenor financing— particularly vital in infrastructure and energy, where affordability constraints are acute.</p> <p>In parallel, EBRD is intensifying its engagement with institutional investors such as pension funds and asset managers. To meet their specific requirements, EBRD is developing bespoke instruments including Significant Risk Transfers (SRTs) and debt co-investment funds. These innovations are designed to broaden the investor base, enhance capital efficiency, and scale mobilisation impact. The first issuances are expected in the near future. These efforts are embedded within the Strategic Capital Framework 2026–2030, which positions mobilisation as a strategic enabler across the EBRD's core themes— green transition, human resilience, and economic governance.</p>
2.5.	<p>Although the Strategy has strength on the topic of gender and youth, it has less focus on considering disadvantaged regions or disabled populations.</p> <p>In this regard, expanding indicators (e.g. including finance access gap for rural regions) and policies (e.g. lending incentives in post-conflict areas) was recommended.</p>	<p>Please refer to page 11 of the Strategy which refers to the importance of strengthening human capital and equality of opportunity by opening access to finance for all.</p> <p>The indicators are designed to allow for introduction of new products and intervention with the overarching aim to improve access to “under-banked” customer segments as included in the tracking indicators as listed on page 26.</p>

3.	Delivery and structure of the Strategy	
3.1.	<p>From the perspective of civil society, we see an important opportunity to further strengthen the Strategy through more systemic inclusion of civil society organisations (CSOs) as partners in its design and delivery, specifically in:</p> <ul style="list-style-type: none"> (i) Bridging outreach gaps: CSOs can ensure that financial institutions reach underserved groups (women, youth, rural communities, social enterprises) that often remain outside of mainstream financial markets; (ii) Complementary roles: in programmes such as digitalisation of MSMEs (Go Digital Western Balkans), CSOs can complement FI lending by training, mentoring and technical assistance to small actors who lack the knowledge or resources to access finance; (iii) Blended finance mechanisms: Where donor grant components are involved, CSOs can serve as re-granting partners, with proven capacity to manage and distribute small scale grants effectively and transparently; (iv) Accountability and impact measurement: CSOs can act as a feedback and monitoring channel, helping ensure that EBRD support FI programmes to deliver not only financial results, but also measurable and environmental impact. 	<p>The EBRD will continue to engage with the civil society organisations. (i) The opportunities for the complementary role in digitalisation of MSMEs are likely lie in the area of non-financial services to MSMEs which EBRD delivers in parallel to its work in the financial sector, the offer is noted and will be taken into account when designing future relevant programmes.</p> <p>(ii) The blended finance mechanism generally focuses on the partner financial institutions as to build sustainable infrastructure to ensure continuation of lending to the customer segment in question beyond the specialist programmes of EBRD.</p> <p>(iii) In the area of financial intermediation EBRD's focus is on assisting the partner financial institutions to establish a robust environment and social governance policies and procedures. This is monitored through regular engagement and the submission of annual environmental reports by all partner financial institutions. The EBRD's Environmental and Sustainability Department provides dedicated expertise and resources tailored to the topic.</p>

3.2	<p>It was questioned how CSOs can explore opportunities in blended finance. From a risk-related side of possible projects, both private and public funding will be essential.</p> <p>Additionally, the question was raised about how local environmental CSOs can deliver value to EBRD's projects across its regions of operations.</p>	<p>Blended finance programmes are a key offering and a way to developing sustainable sources of finance for under-served segments such as women and youth entrepreneurs. Utilising donor funds to reduce the risk from on-lending to new segments is one way to develop successful and impactful programmes. Once the EBRD has disengaged, partner banks continue to lend to these segments having acquired the know-how and established relevant processes and procedures. These WiB and YiB programmes are strategic and catalytical.</p> <p>Intermediated finance projects support financing of small-scale projects such as solar panels rather than large investment projects. Dialogue by NGOs is generally undertaken locally with EBRD's resident offices and with partner financial institutions.</p> <p>EBRD's consultation and stakeholder engagement helps support CSO capacity building on various topics.</p>
3.3.	<p>Although the structure of the Strategy document is slide-based, the presentation could be more narrative for the consultation purpose, by adding interactive executive summary or infographics for stakeholders. It was</p> <p>Also suggested to integrate SDG mapping (Annex G) into the main body.</p>	<p>Thank you for the comment. The public consultation document is presented in the precise form as it is proposed to the EBRD's Board of Directors in support of consistency. We hope that the public webinar which took place during the consultation, and which included extensive remarks by the Managing Director of Financial Institutions Business Group and ample opportunity to raise questions to the strategy drafting team and many experts from specialist areas of EBRD was helpful.</p> <p>The Executive Summary is included in page 4 of the Strategy, including references to the specific sections of the key components of the Strategy.</p> <p>The Strategy is developed around the Theory of Change to explain how EBRD pursues transition impact in the financial sector of its investee economies. While the</p>

		<p>Theory of Change and Transition Qualities approach is the central mechanism to consider the impact of the EBRD's work, it is recognised that Sustainable Development Goals framework provides a helpful mechanism to portray EBRD's work and therefore suggestion to move Annex G into the main body of the document has been implemented.</p>
4,	Regional initiatives	
4.1.	<p>In the context of Serbia and the wider Western Balkans, we would encourage to consider: (i) piloting structured partnerships between FI and CSOs within the <i>Go Digital Western Balkans</i> initiatives; (ii) exploring tailored financial instruments for social enterprises, with CSOs as facilitators and intermediaries; (iii) establishing an advisory mechanism where CSO representatives can contribute regularly.</p>	<p>Thank you for the suggestion. EBRD's team handling the financial sector investments in Western Balkans have connected directly with the authors of the comment specifically and, overall, have been made aware of the strong interest of the local CSO community to contribute to EBRD's work.</p> <p>The EBRD does not have a dedicated advisory committee for the Western Balkans region. However, the Bank has established the EBRD Civil Society Organisations (CSO) Steering Committee as an advisory platform at the institutional level. This structure ensures that CSOs from all regions, including the Western Balkans, can provide regular input to the Bank. There have also been ample opportunities for interested CSOs to apply to become members of the Steering Committee through open calls for expressions of interest.</p>
4.2	<p>In the context of alleviating rural poverty, a question was raised whether EBRD has a plan to help local communities access private sector investment, especially relevant for the agricultural sector in Morocco. The identified challenge from local communities does not relate to the market itself, but rather to securing finance without track record and alleviating financial risks.</p>	<p>We welcome the comment and as detailed in the Strategy (page 60), financing and advisory support for agriculture is an area under development and is considered an opportunity for resilient growth. In conjunction with the EBRD's local resident office in Morocco and with the cooperation between EBRD's Financial Institutions and Agribusiness teams the work is ongoing to create tools to respond to needs in the region.</p>

ANNEX II. LIST OF ORGANISATIONS THAT PARTICIPATED IN PUBLIC CONSULTATION MEETING AND/OR SUBMITTED WRITTEN COMMENTS

No.	Organisation	Country
1	REC Caucasus	Georgia
2	Ukrainian Helsinki Human Rights Union	Ukraine
3	Resource Center for Gender Equality	Lebanon
4	Global Financial Integrity	International
5	Save the Children GB	United Kingdom
6	CEE Bankwatch	International
7	High Atlas Foundation Morocco	Morocco
8	BC "Comerbank" S.A. Moldova	Moldova
9	Raiffeisen Bank	Romania
10	Oxfam UK	United Kingdom
11	Global Green Growth Institute - Uzbekistan	Uzbekistan
12	UNFPA Türkiye	Türkiye
13	Italian Center for Monetary Studies	N/A
14	Trag Foundation	Serbia