

Organisation and governance

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Organisation and governance

The commitment and talent of its staff are crucial to the EBRD's success and an internal modernisation programme aims to further strengthen the Bank's performance. The highest standards of governance, integrity and transparency, plus an unwavering commitment to environmental and social sustainability, lie at the heart of the institution's mission.



CORPORATE LEADERSHIP AND MANAGEMENT STRUCTURE

Since 2012, the EBRD has been working on a programme of internal modernisation aimed at maximising impact in the countries where it invests and the value it gives to shareholders. The One Bank change programme, initiated by EBRD President Sir Suma Chakrabarti, seeks to build on the institution's successful business model. It aims to modernise the Bank's management culture, streamline internal processes, develop innovative products and use policy dialogue to achieve impact beyond individual projects in a challenging environment.

In 2013, the EBRD began work on improving the leadership and people management skills of its most senior staff who make up the Corporate Leadership Group, and formally identified a set of core values: professionalism, integrity, leadership, innovation, diversity and teamwork. Managers will issue a revised statement of values to the entire organisation in the first quarter of 2014.

As part of efforts to modernise the way it manages staff, the EBRD created a new Vice Presidency for Human Resources and Corporate Services, appointing Luise Holscher to the post and the Bank's Executive Management Team in October. It also appointed a new Managing Director for Human Resources and a new Head of Recruitment. The Bank worked to support diversity and inclusion by joining the Global Diversity Champions programme of Stonewall, a leading lesbian, gay and bisexual lobby group. It also supported the launch of Connect4Women, a network for female staff, and introduced compulsory training on inclusive leadership for people managers.

To streamline its working practices, the EBRD prepared the groundwork for a comprehensive process and cost efficiency review of its banking operations which it will roll out in 2014. The Bank also looked at the decentralisation and delegation of decision-making in a bid to move closer to clients and be more responsive to their needs. With regard to innovation, the EBRD explored ways to increase its catalytic role in mobilising financing (see "Local currency and capital markets" in Chapter 3: "Policy dialogue, initiatives and impact"). It considered sectors and areas where the EBRD could do more in the future (see "Gender" in Chapter 3).

All of these efforts have one goal, which is to ensure that the Bank delivers stronger impact.¹³ To this effect, the EBRD created a new role of Vice President for Policy in 2012 and appointed András Simor to the position and the Executive Management Team in mid-2013. The emphasis on policy is part of the Bank's work to re-energise the transition process and strengthen the link between investments and reforms at the broader sector or country level. The EBRD therefore expanded its criteria for project selection and design to become more effective in the areas of inclusion and equal opportunity (see box on economic inclusion in Chapter 1: "Overview"). The Bank also began to take steps, in partnership with political leaders in its region, and in coordination with other key international stakeholders, to improve the investment climate and good governance in the region.

STAFFING OVERVIEW

The EBRD relies on a highly-skilled, dedicated and diverse workforce to deliver its mission of advancing transition in the countries where it invests. As of 31 December 2013, EBRD staff totalled 1,781 with employees coming from 60 of the Bank's 64 member countries. Of these staff members, 1,352 (or 76 per cent) were based in the London Headquarters. There were 429 employees (compared with 392 in the previous year) working across 39 Resident Offices in 31 of the countries where the Bank invests.

Proportion of staff based in London Headquarters and the Resident Offices as at December 2013

HQ/RO	Total	Percentage
London Headquarters	1,352	76
Resident Offices	429	24
Total	1,781	100

¹³ For more information on the EBRD's improved impact reporting to donors and shareholders see Chapter 1: "Overview".

Staff mobility

A mobile workforce helps the EBRD to deploy skilled and experienced resources to help the Bank achieve its mission. It also fosters organisational cohesion, develops cultural awareness and stimulates innovative thinking while enhancing staff development.

The Bank provides mobility opportunities to staff in a number of ways:

- Temporary geographic assignments from a Resident Office to London HQ, vice versa, or between Resident Offices
- Temporary assignments to another department within the same location
- Temporary secondments to other organisations, particularly to other IFIs, which can help build cooperation between organisations and also provide developmental opportunities for staff
- Permanent transfer to another department or office location.

Active assignments as at 31 December 2013

Geographic assignments	Total
HQ to RO	75
RO to HQ	34
RO to RO	1
Total	110

Management and leadership development

Helping managers further develop their leadership skills is vital for the Bank's modernisation agenda. To support this, in 2013 the EBRD rolled out a compulsory training programme for managers to complete over two years, which covers inclusive leadership, conflict management and performance coaching. Underpinning this is a set of leadership competencies on which all people managers are assessed.

Diversity and inclusion

A diverse workforce with the right knowledge and skills enables the EBRD to connect with its clients, be more creative, make better decisions and attract, retain and motivate the best talent. EBRD staff are already characterised by a rich diversity of nationalities, cultures and opinions and the Bank aims to sustain and build on this strength. In 2013, the EBRD commissioned a Diversity Steering Group, a committee representing a cross-section of staff at all levels, to develop a diversity policy and action plan. The policy is due to be launched in 2014.

Staff engagement

The Bank recognises that staff engagement is crucial to sustaining high productivity and quality performance. The EBRD continues to monitor levels of staff engagement and satisfaction via an annual staff survey and ensures that appropriate follow-up at institutional and team level is undertaken to address areas for improvement. The Bank is fully committed to listening to staff and taking action as a result of their views.

Recruitment

Recruitment volume over the course of 2013 remained consistent with 2012 levels. In 2013, there were 166 new hires in the Banking department compared with 162 in the previous year. In total, 238 of the 316 new hires across the Bank were recruited in London and 78 in the countries where the EBRD invests. Thirty-seven staff were hired specifically to focus on the SEMED region.

The Bank launched an EBRD careers page on LinkedIn in late 2013. In 2014, it will continue to increase its use of social media for recruitment advertising to reach as diverse a talent pool as possible.

The International Professionals Programme, launched in 2011, is designed to develop possible future leaders of the EBRD. The two-year programme saw its first intake of 12 professionals graduate in September 2013. During the year, 11 of them took up permanent positions within the organisation.

GOVERNANCE AND INTEGRITY

The EBRD is committed to achieving the highest standards of governance, integrity and transparency in the conduct of its business and sees promoting these standards as an essential part of the transition process. The Bank continues to strengthen key policies and mechanisms in support of these goals.

Within the Bank, the Office of the Chief Compliance Officer (OCCO) is headed by the Chief Compliance Officer, who reports directly to the President and the Audit Committee of the Board of Directors. OCCO ensures that the highest standards of integrity are applied to all staff and throughout the EBRD's activities in accordance with international best practice.

OCCO provides advice and assistance in evaluating integrity and reputational risks relating to proposed and ongoing transactions, through which it enhances the transition impact of EBRD projects.

The Office is also responsible for investigating any allegations of misconduct with regard to staff. The types of acts or omissions by staff members that may be considered to constitute misconduct, as well as the principles to be observed and steps

“The EBRD is committed to achieving the highest standards of governance, integrity and transparency in the conduct of its business.”

to be taken in response to the behaviour, are set out in part in the *Code of Conduct for EBRD Personnel* and in the *Conduct and Disciplinary Rules and Procedures* introduced in 2011.

The revised *Code of Conduct for EBRD Personnel*, as well as the *Code of Conduct for Officials of the Board of Directors*, were approved by the Board of Directors and entered into force on 29 February 2012. These codes are robust, in line with those of comparator institutions. They articulate clearly the values, duties and obligations, as well as the ethical standards, that the EBRD expects of its officials and staff. Significantly, the codes:

- have been aligned with the current best practice of comparator organisations
- have clarified and simplified certain provisions of the previous codes while providing guidance on compliance
- recognise the duty of loyalty owed by officials and staff to the Bank
- reaffirm, and in the case of Board officials establish, the obligation to report suspected misconduct and the duty to refrain from retaliation against whistleblowers
- allow for the possibility of disclosure of alleged misconduct to local, national or supranational authorities where there is reason to believe that the laws of a member country may have been violated
- provide a more transparent procedure for dealing with alleged breaches of the codes.

In addition to matters relevant to staff misconduct, OCCO is responsible for investigating allegations of fraud and corruption in relation to Bank projects or counterparties. In the course of 2013, OCCO received 27 separate allegations of fraud and corruption, of which 16 allegations were subject to investigation under the Bank's *Enforcement Policy and Procedures* (EPPs).

Following the entry into force of the Agreement for Mutual Enforcement of Debarment Decisions in June 2010, in 2013 the Bank cross-debarred 303 entities and 25 individuals based on 53 debarment notices received from the World Bank Group, four notices received from the Asian Development Bank and five notices received from the Inter-American Development Bank. The list of all EBRD-debarred entities and persons can be found at www.ebrd.com/pages/about/integrity/list

POLITICAL AND ECONOMIC ANALYSIS

Political analysis

The Bank's political counsellors in the External Relations and Political Affairs Department (EAPA) provide regular updates and insights into critical political developments in the transition countries, thus contributing to policy dialogue with governments and informing the EBRD's operations.


In 2013, EAPA completed a review of the Bank's political methodology – the tools and criteria it uses to assess countries' compliance with the political aspects of the Article 1 mandate – which the Board of Directors approved in February. The methodology and criteria for applying the political aspects of the Bank's mandate, devised and approved by the Board in 1991 in the *Procedures to Implement the Political Aspects of the Mandate*, were updated and expanded to allow for comparability across countries and over time, and take account of specific aspects of the extended SEMED region.

PROJECT COMPLAINT MECHANISM

OCCO also oversees the effective administration of the Project Complaint Mechanism (PCM), the EBRD's accountability mechanism for assessing and reviewing complaints about Bank-financed projects. It provides individuals and local groups that may be directly or adversely affected by an EBRD project, as well as civil society organisations, with a means of raising complaints or grievances with the Bank, independently of banking operations. The PCM has two functions. Through its Compliance Review function, it reviews complaints that the Bank has failed to adhere to applicable policies in a particular project. Through its problem-solving initiative it also affords members of the affected community an opportunity to obtain the Bank's help in addressing their grievances with the project sponsor. Affected parties can make a request for one or both of these functions of the PCM.

In 2013, the PCM registered three new complaints (four in 2012) and continued working on different stages of the review process for six ongoing complaints registered in 2012 and 2011. Five of these complaints were closed following completion of the compliance reviews.

For further information on the PCM, see the *Sustainability Report 2013*.

Details of all complaints and all published reports, together with the *PCM Annual Report* for 2013, are available from the PCM web site.  See www.ebrd.com/pages/project/pcm.shtml



The core elements of the existing methodology – the listing of factors that define what constitutes a pluralistic multi-party democracy, the use of credible international reference points to inform the assessment of progress on these factors and the reliance on qualitative political judgement – remain firmly in place. As a result of the review, the Bank's political assessments now cover more systematically issues of political accountability, civil society and political participation, the rule of law (including control of corruption), and civil and political rights (including rights for women and minorities).

In addition, EAPA undertook a year-long project to investigate the relationship between markets and democracy, which is at the core of the Bank's Article 1 mandate. EAPA organised a high-level conference on the margins of the 2013 Annual Meeting in Istanbul to consider the impact of economic development and market reform on democracy and vice versa. The event attracted EBRD Board members, policy-makers, academics and experts from think-tanks and civil society organisations. This was followed

by collaboration with the Office of the Chief Economist on the *Transition Report 2013*. EAPA prepared a chapter with a well-known expert on the subject of democracy and development, Carles Boix. This concluded that over time economic development – in the form of income growth per capita – and market reforms support the establishment and consolidation of democracy.

Economic analysis

Economic research by the Office of the Chief Economist (OCE) remained at the core of the Bank's activities in 2013, informing project selection, design and evaluation; country and sector strategies; and policy dialogue. OCE also continued to shape the debate about transition and development through its publications. Among these were quarterly assessments of economic prospects, working papers, impact briefs and blogs, and the annual flagship publication, the *Transition Report*. Publication highlights included:

- The fifth round of the *Business Environment and Enterprise Performance Survey* (BEEPS V) – a joint EBRD and World Bank project – was completed in Russia. For the first time the Russian BEEPS contained data at the regional level. OCE used the BEEPS V data to analyse issues relevant to Russia's economic development, such as the relationship between regional banking and the ability of firms to innovate. In 2013, OCE also rolled out BEEPS V in all other countries where the EBRD invests, including the equivalent Middle East and North Africa enterprise survey in SEMED.
- In 2013, the EBRD began to analyse the data of the second *Banking Environment and Performance Survey* (BEPS II), for which over 600 bank CEOs were interviewed. First results were discussed during a conference at EBRD Headquarters and summarised in the eBook *Understanding Banks in Emerging Markets*. Moreover, the Bank launched a web site with country profiles highlighting the key banking strengths and weaknesses in individual countries.
- In the wake of the global trade collapse of 2008-09, OCE has stepped up its research efforts in this important area. Projects have focused on the impact of tariff changes on trade flows in the customs union between Belarus, Kazakhstan and Russia and on how the quality of infrastructure affects trade flows.
- The theme of the *Transition Report 2013* was “*Stuck in Transition?*”. The Report investigated what determines the quality of economic institutions and how such institutions can be improved given a certain level of maturity of democratic institutions. The evidence suggests that countries can promote and accelerate the return of reform, particularly if international integration, domestic leadership and broader social movements work hand in hand.
- OCE worked with the Asian Development Bank Institute on a special report examining the economic linkages between emerging Europe and emerging Asia. These trade and financial linkages are increasingly relevant for the Bank's day-to-day operations.
- Lastly, OCE intensified its efforts to analyse the impact of EBRD operations and policies. One project considered the effectiveness of the Vienna Initiative, a policy initiative to stabilise lending flows to emerging Europe after the collapse of Lehman Brothers (see page 38). Other projects integrated evaluation into EBRD projects. In Morocco, the Bank began



a randomised controlled trial (RCT) to measure the long-term impact of access to credit on female entrepreneurship. In Tajikistan, an RCT has analysed the effectiveness of capacity training for improving the professionalism of judges. In the Kyrgyz Republic, a study rigorously measured the impact of water infrastructure at the household level.

ENVIRONMENTAL AND SOCIAL SUSTAINABILITY

Environmental and social sustainability are embedded throughout the Bank's activities and are key aspects of the EBRD's overall transition agenda. The Bank invests in projects that promote sustainable energy and gender equality and has robust processes for environmental and social due diligence and for project monitoring. The EBRD's Environmental and Social Policy and Performance Requirements, operating in conjunction with its Public Information Policy and the Bank's independent Project Complaint Mechanism, establish a framework for projects to achieve good environmental and social standards in an inclusive and transparent way. (See boxes “Project Complaint Mechanism” and “Review of good governance policies”.)

REVIEW OF GOOD GOVERNANCE POLICIES

2013 saw extensive work and consultation by the EBRD on the simultaneous reviews of its three good governance policies: the Environmental and Social Policy (last updated in 2008), the Public Information Policy (2011) and the Rules of Procedure for the Bank's independent Project Complaint Mechanism (2009).

The purpose of such reviews is to ensure that each policy remains fit for purpose. Reviews take into account the lessons of experience, changes in international best practice and the views of stakeholders including clients, industry associations, civil society, peer organisations and the Bank's shareholders. Detailed stakeholder engagement plans were published on the Bank's web site at the beginning of the year and have been updated as necessary.

The initial stage of the 2013 reviews included a request for comments on the existing policies from 8 March to 20 May. This time period was extended to 30 May at the request of civil society organisations. The Environmental and Social Policy Unit received 14 sets of comments. These included some comments that had been previously submitted to the EBRD in the context of the Mining Operations Policy review in 2012, but were more appropriate to the ESP review. The Public Information Policy received three sets of comments and the Project Complaint Mechanism received 15 sets of comments.

Draft revised policy documents will be released and a series of public meetings are due to be held in early 2014. Each policy will release a summary report on the consultation, including comments received and staff responses. These will be released with the final revised policies, once approved by the Board of Directors.

🔗 See www.ebrd.com/pages/about/policies/governance.shtml

As well as ensuring compliance with its Environmental and Social Policy, the EBRD aims to identify opportunities to improve environmental and social performance in ways that deliver additional value to projects, clients and local communities. For example, the Bank has been proactive in Moldova on work-related road safety, seeking to reduce both the human and economic cost of accidents.

The EBRD ensures that its clients in the financial services sector adopt environmental and social risk management systems for their own investment operations. Capacity-building is a significant component of this work. A key development in 2013 was the EBRD's launch of a new e-learning programme, which is available to banks and private equity funds in the region at no charge.

Monitoring the environmental and social performance of projects already in the EBRD's portfolio remained a strong focus for the Bank. Environmental and social experts carried out site visits for selected projects in all parts of the EBRD region, based on a regular assessment of priorities. Occupational health and safety was one of a number of key themes targeted for monitoring during the year.

The EBRD remained closely involved in a range of international cooperation activities during 2013. This included work on

establishing new approaches to biodiversity protection and greenhouse gas accounting, and contributions to events promoting gender equality and the role of women in business.

2013 also saw continued success under the Northern Dimension Environmental Partnership (NDEP) and the Eastern Europe Energy Efficiency and Environment Partnership (E5P), specialised multi-donor funds that provide grants for priority environmental projects in the north-west of Russia and Belarus (NDEP) and Ukraine (E5P). A key milestone for the NDEP in 2013 was the inauguration of the Northern Tunnel Collector in St Petersburg. This project raised the level of wastewater treatment in the city to over 98 per cent. Last year the E5P Contributors approved an additional €15.5 million in grant funding for new energy efficiency projects in district heating and public buildings in the cities of Donetsk, Luhansk and Severodonetsk. Based on the initial success of E5P in Ukraine, the Partnership is now expanding to Armenia, Georgia and Moldova.

Further details of the Bank's environmental and social activities and results are available in the EBRD *Sustainability Report 2013*.

ENGAGING WITH CIVIL SOCIETY

The EBRD engages with a wide range of civil society organisations as part of its commitment to democracy and good governance. It believes that open and inclusive dialogue with external stakeholders is essential to achieving sustainable development. In 2013, the Bank increased its engagement with civil society by working with more groups and holding more meetings, including high-level gatherings attended by President Chakrabarti. This dialogue focused on the EBRD's review of key policies and strategies, including the Energy Strategy and complex investment projects.

In 2013, over 2,300 civil society organisations (CSOs) were registered with the EBRD and over 530 civil society representatives participated in 45 thematic meetings organised by the Bank. This compared with 1,900 registered CSOs and 400 participating representatives attending 29 meetings in 2012.

The Civil Society Programme is the flagship event of the Bank's engagement with civil society and takes place alongside the EBRD Annual Meeting and Business Forum. It provides a high-level platform for dialogue between civil society and the President, Board of Directors, Bank senior management and staff. The 2013 event took place on 10-11 May in Istanbul and drew 107 CSO representatives from 31 countries.

🔗 For further information go to www.ebrd.com/pages/about/workwith/civil/ebrd.shtml

High-level dialogue

President Chakrabarti is committed to broadening the Bank's engagement with civil society. During his official visits in 2013, he met with CSO representatives in Azerbaijan, Bosnia and Herzegovina, Croatia, Jordan, Romania and Russia. Civil society stakeholders also had the opportunity to meet with other senior managers and members of the Board of Directors in eight countries where the Bank invests, and in London.

Early engagement

In 2013, the EBRD piloted an early-engagement approach in Serbia and Slovenia by consulting with civil society stakeholders during the pre-drafting stage of the respective country strategies. The Bank also piloted a two-stage consultation process for the development of the Energy Strategy and the review of its good governance policies (see box on page 51). This consisted of gathering feedback from civil society on the implementation of existing policies and strategies before opening formal consultation on the new drafts.

For an overview of the 2013 dialogue with civil society see www.ebrd.com/pages/about/workwith/civil/news.shtml

Project dialogue

The EBRD engaged with international and local CSOs in 2013 on the planning, implementation and monitoring of 56 investment projects in 24 countries and on regional investment facilities. The main areas of interest included:

- Natural resources in Armenia, Egypt, Kyrgyz Republic, Tunisia and Turkmenistan
- Power and energy in Egypt, Georgia, Kazakhstan, Romania, Russia, Ukraine and the Western Balkans
- Municipal and environmental infrastructure in Bosnia and Herzegovina, Croatia, Jordan, Kazakhstan, Romania and Russia
- Agribusiness in Serbia and Ukraine.

Consultation on the energy strategy

In December 2013, the Board of the EBRD approved a new Energy Sector Strategy for the period 2014-18 (see Chapter 1: "Overview"). This followed an extensive programme of public consultation and stakeholder engagement in accordance with the Public Information Policy.

Over the course of the public consultation, the Bank contacted more than 1,000 organisations, seeking comments on the strategy from stakeholders including companies, CSOs, governments, academics and others. It organised four public meetings in Belgrade, Istanbul, London and Moscow. These were attended by a total of 121 stakeholder representatives who provided comments. The EBRD received 83 sets of written comments as well as two petitions from 350.org and the Price of Oil campaign.

The Bank compiled a summary of public comments and staff responses and provided them to the Board of Directors before final approval of the strategy. Following final approval it published the summary and staff responses online: www.ebrd.com/downloads/policies/sector/energy-strategy-comment.pdf

INDEPENDENT EVALUATION

Evaluating the EBRD's activities

The shareholders and management of the EBRD view independent and effective evaluation as critical to accomplishing the institution's core purposes. By evaluating the performance of past projects, the Bank can improve the design of future investments and maximise its contribution to the transition process. The Evaluation Department (EvD) operates independently of Bank management, reporting directly to the Board of Directors.

Evaluation is a Bank-wide effort. It involves multiple, interconnected roles and responsibilities for EvD, the Board of Directors and management. EvD has primary responsibility for delivering the Bank's overall evaluation programme and for evaluation policy and procedures. The Department conducts independent evaluations of operations, programmes, strategies



and policies and monitors and validates self-evaluations prepared by management. EvD analysis provides the basis for an overall assessment of institutional operational performance. It is also a means of identifying insights and lessons from experience that can then be used to improve the effectiveness of future operations. The Department's mandate, scope and key processes are set out in the EBRD's Evaluation Policy, approved by the Board in January 2013.

Contributing to accountability and learning

The core purposes of evaluation in the EBRD are:

- an objective, evidence-based assessment of performance that contributes to institutional accountability
- extraction of operationally-relevant insights from experience that strengthen institutional performance through learning.

The evaluation methods and practices reflect international good practice standards developed jointly with other multilateral financial institutions under the auspices of the evaluation cooperation group.

EvD produces a range of project-specific evaluation products. They focus on particular EBRD investments to assess their performance and outcomes relative to their objectives, and to identify lessons that may have wider applicability. Other evaluation work takes a broader perspective, reviewing evidence and seeking insights at a sector, thematic or country level by examining groups of related transactions. Still others may explore issues identified as being particularly interesting or topical. Individual projects are normally evaluated one to two years after the full disbursement of funds, once an investment has been completed.

Transition impact and overall Bank performance

Project design and documentation include expectations or targets for transition impact. These may include the degree to which a project is expected to promote private sector development, develop skills, encourage competition, support market expansion and/or contribute to transition at the policy or institutional level. EvD's ex-post evaluations seek to assess and rate transition impact using a six-point scale.

Chart 5.1 on page 54 shows historical data for the transition impact ratings of evaluated projects approved between 1992 and 2009. Of a sample of 807 projects, 55 per cent achieved a transition impact rating of "good" or "excellent," while a further 25 per cent were rated "satisfactory".

EvD also provides an overall performance rating that includes, in addition to transition impact, other key indicators such as the fulfilment of project objectives, financial performance, environmental performance and additionality. This final metric gauges the degree to which Bank investment catalyses or complements, rather than substitutes for, private finance. Chart 5.2 on page 54 shows overall ratings of "successful" or "highly successful" for 58 per cent of evaluated projects approved between 1992 and 2009.

Aggregate results from evaluated projects are available in more detail in the *EvD Annual Evaluation Review*. Key evaluation reports and summaries of project evaluations are available on the Bank's web site. ⁶ See www.ebrd.com/evaluation

Special studies

EvD completed several major studies in 2013 to provide insights useful to the Bank's future work. Studies included the following:

- A review of Bank activities in the telecommunications sector for input into a new policy on information and communication technologies.
- A review of the EBRD's local currency borrowing and lending activities over the course of a decade.
- An evaluation of the implementation of various initiatives related to the Bank's equity operations, which suggested a variety of measures to improve results focus, monitoring and management.
- A study of 10 years of private sector participation in municipal and environmental infrastructure projects. It produced a number of recommendations likely to be useful for policy formulation and operations in future.
- A major evaluation of the EBRD's policy dialogue with Ukraine. This was the first evaluation of its kind, with findings likely to contribute significantly to operational design and programme management.
- An examination of the performance of the Mongolia Cooperation Fund, a TC initiative, identified the needs for a results framework to better track results, embedded policy dialogue and more efficient implementation of TC commitments.

EvD tools and engagement with management

The department continues to implement a strategic approach outlined in 2011 and subsequently incorporated into its work programmes and new evaluation policy. The key pillars of this approach are as follows:

- **Management focal points within strategy or policy and banking teams to improve coordination and widen the uptake of evaluation work.**
- **Engagement on technical cooperation (TC) initiatives.** Evaluation contributed significantly to initiatives to strengthen the effectiveness of TC activities, including design of a TC results matrix; a simple checklist for TC quality assurance; tools for improved management and monitoring; and a major training initiative.
- **Launch of a new lessons tool.** This enables bankers to easily identify lessons for improved project planning. It includes functions to track feedback and use, and incorporates lessons from the new self-assessments introduced for the Banking department in 2012.
- **Increased staff training.** This included a new web-based evaluation module; presentations at the Core Skills Banking Academy course for new bankers; and provision of case studies, lessons and other materials for a new monitoring course facilitated by Learning and Development staff.

Chart 5.1: Transition impact ratings of evaluated EBRD projects shown on a three-year rolling basis by approval year, 1992-2009¹⁴

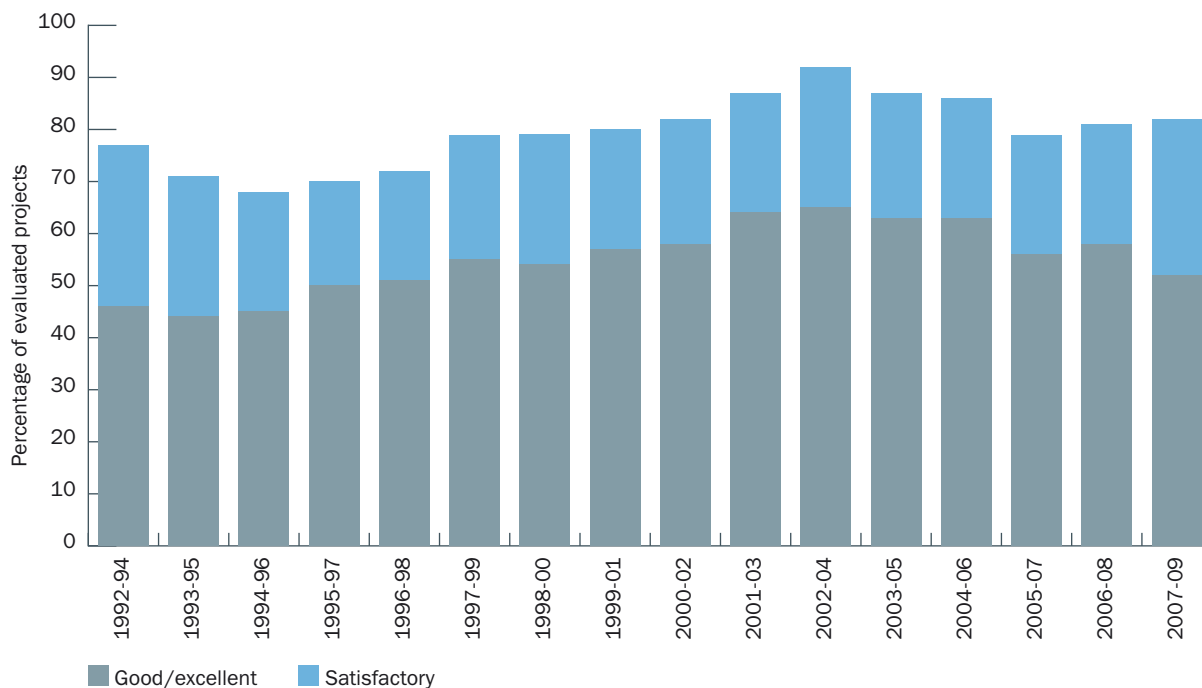
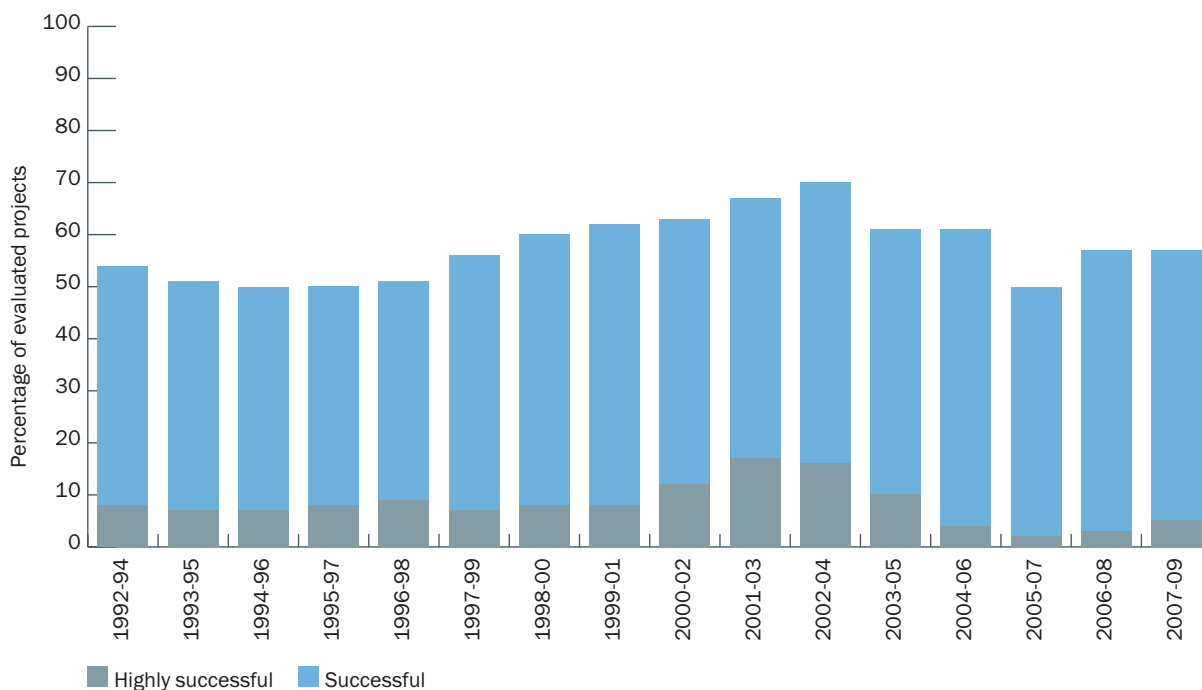


Chart 5.2: Overall performance ratings of evaluated EBRD projects shown on a three-year rolling basis by approval year, 1992-2009¹⁴



¹⁴ In 2012, EvD moved from reporting by evaluation year to reporting by approval year. Projects are evaluated a few years after approval. 2009 is the most recent approval year from which a substantial number of operations have subsequently been evaluated.

EBRD Governors and Alternate Governors 31 December 2013

Member	Governor	Alternate Governor	Member	Governor	Alternate Governor
Albania	Shkëlqim Cani	Vacant	Kosovo	Besim Beqaj	Vacant
Armenia	Vahram Avanesyan	Vardan Aramyan	Kyrgyz Republic	Djoomart Otorbaev	Olga Lavrova
Australia	Joe B. Hockey	Steven Ciobo	Latvia	Andris Vilks	Daniels Pavļuts
Austria	Maria Fekter	Edith Frauwallner	Liechtenstein	Thomas Zwiefelhofer	Roland Marxer
Azerbaijan	Shahin Mustafayev	Samir Sharifov	Lithuania	Rimantas Šadžius	Aloyzas Vitkauskas
Belarus	Vladimir I. Semashko	Nikolai Snopkov	Luxembourg	Pierre Gramegna	Arsène Jacoby
Belgium	Koen Geens	Marc Monbaliu	Malta	Edward Scicluna	Josef Bonnici
Bosnia and Herzegovina	Zlatko Lagumdžija	Muhamed Ibrahimović	Mexico	Luis V. Caso	Fernando A. Rodriguez
Bulgaria	Petar Chobanov	Dimitar Kostov	Moldova	Valeriu Lazar	Marin Moloşag
Canada	James M. Flaherty	Daniel Jean	Mongolia	Chultem Ulaan	Naidansuren Zoljargal
Croatia	Slavko Linić	Boris Lalovac	Montenegro	Radoje Žugjić	Nikola Vukićević
Cyprus	Harris Georgiades	Christos Patsalides	Morocco	Mohammed Boussaid	Driss E. A. El Idrissi
Czech Republic	Jan Fischer	Miroslav Singer	Netherlands	Jeroen Dijsselbloem	Lilianne Ploumen
Denmark	Henrik S. Larsen	Michael Dithmer	New Zealand	Murray McCully	Robert Taylor
Egypt	Ziad Bahaa El-Din	Vacant	Norway	Siv Jensen	Dilek Ayhan
Estonia	Jürgen Ligi	Veiko Tali	Poland	Marek Belka	Jacek Dominik
European Investment Bank	Wilhelm Molterer	László Baranyay	Portugal	Maria Luís Albuquerque	Manuel Rodrigues
European Union	Olli Rehn	Marco Buti	Romania	Daniel Chitoiu	Mugur Isarescu
Finland	Jutta Urpilainen	Matti Anttonen	Russia	Alexey V. Ulyukaev	Dmitry Pankin
FYR Macedonia	Zoran Stavreski	Vladimir Pesevski	Serbia	Zorana Mihajlović	Lazar Krstić
France	Pierre Moscovici	Ramon Fernandez	Slovak Republic	Peter Kažimír	Jozef Makúch
Georgia	Nodar Khaduri	David Lezhava	Slovenia	Uroš Čufer	Mitja Mavko
Germany	Wolfgang Schäuble	Thomas Steffen	Spain	Luis de Guindos Jurado	Fernando J. Latorre
Greece	Kostas Hatzidakis	Panagiotis Mitarachi	Sweden	Anders Borg	Mikael Lundholm
Hungary	Mihály Varga	Kornél Kisgergely	Switzerland	Johann N. Schneider-Ammann	Beatrice Maser Mallor
Iceland	Bjarni Benediktsson	Guðmundur Árnason	Tajikistan	Farrukh M. Khamraliev	Jamshed Z. Yusufiyon
Ireland	Michael Noonan	John Moran	Tunisia	Lamine Doghri	Noureddine Kaabi
Israel	Karnit Flug	Oded Brook	Turkey	Ibrahim H. Çanakci	Cavit Dağdaş
Italy	Fabrizio Saccomanni	Carlo Monticelli	Turkmenistan	Muratniyaz Berdiyev	Merdan Annadurdiyev
Japan	Taro Aso	Haruhiko Kuroda	Ukraine	Yuriy Kolobov	Igor Sorkin
Jordan	Ibrahim Saif	Saleh Al-Kharabsheh	United Kingdom	George Osborne	Justine Greening
Kazakhstan	Bakhyt T. Sultanov	Marat Kusainov	United States	Jacob J. Lew	Vacant
Korea, Republic of	Oh-Seok Hyun	Choongsoo Kim	Uzbekistan	Rustam S. Azimov	Shavkat Tulyaganov

Chair of the Board of Governors

2012-13: Governor for Bulgaria (Petar Chobanov)

Vice Chairs of the Board of Governors

2012-13: Governor for Georgia (Nodar Khaduri), Governor for Turkey (Ibrahim H. Çanakci)

All the powers of the EBRD are vested in the Board of Governors. The Board of Governors has delegated many of its powers to the Board of Directors, which is responsible for the direction of the general operations of the Bank and, among other activities, establishes policies and takes decisions concerning loans, equity investments and other operations in conformity with the general directions of the Board of Governors.

The President chairs the Board of Directors. Under the direction of the Board, the President conducts the business of the Bank and, as head of staff, is responsible for its organisation and for making staff appointments.

EBRD Directors and Alternate Directors 31 December 2013

Director	Alternate	Constituency
Sang Goo Byun	Bob McMullan	Korea, Australia, New Zealand, Egypt
Claire Dansereau	Brian Parrott	Canada, Morocco, Jordan, Tunisia
Alain de Cointet	Jérôme Baconin	France
Evren Dilekli	Virginia Gheorghiu	Turkey, Romania, Azerbaijan, Kyrgyz Republic
Seán Donlon	Ole Blöndal	Ireland, Denmark, Kosovo, Lithuania
Toshiyuki Furui	Nobuyuki Oyama	Japan
Michel Grilli	Heinz Olbers	European Investment Bank
Zbigniew Hockuba	Stefka Slavova	Poland, Bulgaria, Albania
Ole Hovland	Jorma Korhonen	Norway, Finland, Latvia
Marisa Lago	Christina Segal-Knowles	United States of America
András Kármán	Klára Król	Hungary, Czech Republic, Slovak Republic, Croatia, Georgia
Heinz Kaufmann	Artem Shevalev	Switzerland, Ukraine, Liechtenstein, Turkmenistan, Serbia, Montenegro, Moldova
Giorgio Leccesi	Dante Brandi	Italy
Vassili Lelakis	Peter Basch	European Union
Abel Mateus	Anthony Bartzokas	Portugal, Greece
Denis Morozov	Sergey Verkashanskiy	Russian Federation, Belarus, Tajikistan
Jonathan Ockenden	Gary Roberts	United Kingdom
Antonio Oporto	Enrique Bal	Spain, Mexico
Joachim Schwarzer	Joachim Steffens	Germany
Johannes Seiringer	Eran Pollak	Austria, Israel, Cyprus, Malta, Kazakhstan, Bosnia and Herzegovina
Jean-Louis Six	Irena Sodin	Belgium, Slovenia, Luxembourg
Eva Srejber	Anna Björnermark	Sweden, Iceland, Estonia
Paul Vlaanderen	Ronald Elkhuisen	Netherlands, Mongolia, FYR Macedonia, Armenia

Composition of Board of Directors' Committees 31 December 2013

Audit Committee	Budget and Administrative Affairs Committee
Paul Vlaanderen (Chair)	Jonathan Ockenden (Chair)
Abel Mateus (Vice Chair)	Michel Grilli (Vice Chair)
Sang Goo Byun	Seán Donlon
András Kármán	Giorgio Leccesi
Antonio Oporto	Denis Morozov
Johannes Seiringer	Joachim Schwarzer
Eva Srejber	Christina Segal-Knowles (Alternate Director)
	Jean-Louis Six

The **Audit Committee** considers the appointment and scope of work of the external auditors. It also reviews financial statements and general accounting principles, policy and work of the Internal Auditor, expenditure authorisation, control systems, procurement policy and project evaluation.

The **Budget and Administrative Affairs Committee** considers general budgetary policy, proposals, procedures and reports. It also considers personnel, administrative and organisational matters, and administrative matters relating to Directors and their staff.

Financial and Operations Policies Committee	Board Steering Group
Ole Hovland (Chair)	Joachim Schwarzer (Chair)
Claire Dansereau (Vice Chair)	Vassili Lelakis (Vice Chair)
Alain de Cointet	Claire Dansereau
Evren Dilekli	Michel Grilli
Toshiyuki Furui	Ole Hovland
Zbigniew Hockuba	Abel Mateus
Heinz Kaufmann	Jonathan Ockenden
Vassili Lelakis	Paul Vlaanderen
	Enzo Quattrociocche
	Colm Lincoln
	Milica Delević

The **Financial and Operations Policies Committee** reviews financial policies, including borrowing policy and general policies relating to operations, as well as reviewing procedures and reporting requirements.

The **Board Steering Group** facilitates coordination between the Board of Directors and management on arrangements for meetings of the Board, Committees and workshops.

FURTHER INFORMATION

Exchange rates

Non-euro currencies have been converted, where appropriate, into euros on the basis of the exchange rates current on 31 December 2013. (Approximate euro exchange rates: £0.83, US\$ 1.38, ¥144.68.)

Abbreviations and acronyms

ABI	Annual Bank investment
The Bank, EBRD	The European Bank for Reconstruction and Development
BAS	Business Advisory Services
CIF	Climate Investment Funds
CIS	Commonwealth of Independent States
CTF	Clean Technology Fund
EIB	European Investment Bank
EITI	Extractive Industries Transparency Initiative
ETCs	Early transition countries
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FI	Financial institution
FYR Macedonia	Former Yugoslav Republic of Macedonia
GEF	Global Environment Facility
ICT	Information and communications technology
IFCA	Investment Facility for Central Asia
IFI	International financial institution
LEF	Local Enterprise Facility
MEI	Municipal and environmental infrastructure
MSMEs	Micro, small and medium-sized enterprises
NIF	Neighbourhood Investment Facility
OCCO	Office of the Chief Compliance Officer
OCE	Office of the Chief Economist
PCM	Project Complaint Mechanism
PPP	Public-private partnership
RuSEFF	Russia Sustainable Energy Financing Facility
SBS	Small Business Support
SEFF	Sustainable energy financing facility
SEI	Sustainable Energy Initiative
SEMED	Southern and eastern Mediterranean region
SMEs	Small and medium-sized enterprises
SRI	Sustainable Resource Initiative
SSF	EBRD Shareholder Special Fund
TC	Technical cooperation
TFP	Trade Facilitation Programme
WBIF	Western Balkans Investment Framework