OUR APPROACH TO SUSTAINABILITY

The EBRD is investing in changing people’s lives and environments from central Europe to Central Asia, the Western Balkans and the southern and eastern Mediterranean region.

With an emphasis on working with the private sector, we invest in projects, engage in policy dialogue and provide technical advice that fosters innovation and builds modern economies that are competitive, well-governed, green, inclusive, resilient and integrated.

The EBRD makes a significant contribution to sustainability through its investments. As a public institution the EBRD is committed to a rigorous public information policy.

Our approach to sustainability is multifaceted and involves:

— incorporating environmental and social requirements into the appraisal and implementation of all Bank-funded projects based on European Union (EU) standards and international good practice

— providing finance, through our new Green Economy Transition approach, and technical assistance specifically aimed at addressing environmental and social issues

— promoting social inclusion and access to community services such as water and public transport

— supporting projects that promote gender equality

— encouraging public participation through pre-investment consultation and information disclosure, and maintaining regular strategic dialogue with civil society organisations and other stakeholders.

This report focuses on three key aspects of sustainability at the EBRD:

Impact  |  Assurance  |  Engagement

The full Sustainability Report 2016 can be found on our website at sr-ebrd.com.
IMPACT

In addition to promoting and re-energising transition in our countries of operations, the projects we financed in 2016 will see:

- 13 million people benefit from improved access to wastewater services
- 855 thousand people benefit from improved public transport
- 2.6 million people benefit from improved solid waste management
- 6 million people benefit from improved infrastructure
- 715 thousand people benefit from improved district heating

Cities across the EBRD region are benefiting from improved road safety; cleaner, more efficient transport; improvements in waste management; and from the creation of safer and more attractive urban centres under the Green Cities Programme. Encouraging municipalities to adapt their infrastructure to changing climatic conditions, as well as to the needs of their population, ensures they can prosper in the long term.

GREEN ECONOMY TRANSITION

In 2016 we stepped up the Bank’s contribution and commitment to climate finance with the first full year of our Green Economy Transition (GET).

The GET approach seeks to increase the volume of green financing from an average of 24 per cent of EBRD Annual Bank Investment (ABI) in the 10 years up to 2016 to 40 per cent by 2020.

In 2016 projects signed under the GET approach accounted for €2.9 billion via 151 transactions, representing 33 per cent of total ABI. These should reduce annual CO₂ emissions by 5.2 million tonnes and create an energy saving of 29 million gigajoules or 694 kilotonnes of oil equivalent.

<table>
<thead>
<tr>
<th>Unit</th>
<th>2016 results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of projects</td>
<td>151</td>
</tr>
<tr>
<td>Investment volume</td>
<td>€2.9 billion</td>
</tr>
<tr>
<td>Energy savings</td>
<td>Petajoules (PJ) annually 29</td>
</tr>
<tr>
<td>Renewable power generation</td>
<td>GWh annually 1.115</td>
</tr>
<tr>
<td>CO₂ emission reductions</td>
<td>Million tonnes CO₂ annually 5.2¹</td>
</tr>
</tbody>
</table>

¹For our full 2016 Greenhouse Gas Assessment, please see our online report at sr-ebrd.com.

Carbon-neutral hydropower plant in Georgia

Sector
Power and energy

EBRD investment: US$ 80 million

Other benefits:
Local job creation and enhanced economic inclusion

With its high mountains and over 25,000 rivers, investing in hydroelectric power plants is a priority for Georgia, since the untapped potential of this energy source, once developed, could alleviate the country’s dependence on fossil fuel imports and boost its energy exports to neighbouring countries and wider Europe.

Georgia’s latest such plant was constructed on the Tergi river by JSC Dariali Energy. With an installed capacity of 108 MW per hour, it is the largest post-Soviet era hydropower plant constructed in the country. Tunnel-boring machines were introduced for the first time as an alternative to the drill and blast technique to excavate medium to long tunnels.

But what makes this project even more remarkable is the launch of a reforestation programme which aims to capture CO₂ and balance the lifecycle greenhouse gas emissions associated with the plant’s construction and operation. This will make it the world’s first carbon-neutral hydropower plant.

This is achieved by planting and growing a forest in the river basin (a "carbon sink") that feeds the hydropower scheme. The carbon sink will also help restore biodiversity and protect the valleys against erosion and avalanches.

In the nearby village of Stepansminda, local people have been able to follow the operation by receiving information directly from Dariali Energy thanks to regular meetings with project stakeholders.

This project has also created jobs, both during the plant’s construction and reforestation, and in terms of permanent jobs at the plant, once it becomes fully operational.
TRANSPORT

The EBRD supports the development of safe and sustainable transport systems which balance the economic, environmental and social needs of the countries where we invest.

In 2016 we signed 23 transactions in the transport sector for a total EBRD investment of €1.01 billion, including the promotion of inland water transport and rail infrastructure in the Western Balkans, the expansion of port capacity grain exports in Ukraine and investments in mass and public transport in various other cities across our region.

The Bank continues to successfully scale up green transport investments by going beyond providing finance for projects – we combine investments with technical cooperation and policy dialogue, creating a blueprint for sustainable development that extends beyond our current projects.

Improving road safety

The EBRD invests in many projects to improve road safety. In 2011 the EBRD joined other multilateral development banks (MDBs) in establishing an MDB Road Safety Initiative to increase road safety activities. Since then, the Bank has increased its financing of road safety improvements, mobilising over €2 million of technical assistance for road safety audits, capacity building, policy and institutional development and awareness events. In 2016 alone we raised €400,000 from the EBRD Shareholder Special Fund for the development of a traffic accident database in Bosnia and Herzegovina and we launched an initiative of knowledge-sharing among MDBs on the topic of occupational road safety.

Green Cities Programme

Cities in the EBRD region face common challenges in their attempts to reduce their energy and carbon intensity, as well as a pressing range of environmental and social issues from the impacts of climate change.

In response the EBRD has developed the Green Cities Programme, which builds on the Bank’s two decades of experience investing in municipal and environmental infrastructure – representing over €700 million and 800,000 tonnes of CO₂ mitigated annually and multiple local environmental benefits.

Using this experience, the programme will apply the EBRD’s business model, combining bankable investments with technical cooperation and policy dialogue.

The Green Cities Programme is being piloted in Georgia, Armenia and Moldova, with a Green Cities Framework approved by the EBRD Board of Directors in November 2016.

MUNICIPAL AND ENVIRONMENTAL INFRASTRUCTURE

The EBRD’s work in the municipal and environmental infrastructure (MEI) sector provides millions of people with access to safe drinking water, sanitary waste disposal services, green public transport, well-maintained urban roads and energy-efficient district heating. We work with local governments, private operators and donors to bring tangible improvements to the lives of citizens in the countries where we invest.

In 2016, we financed 50 projects across 18 countries in the MEI sector, representing a total EBRD commitment of €663 million. These investments are expected to benefit a total of 24 million people in the EBRD region through provision of improved water services, district heating, solid waste facilities and other municipal infrastructure, leading to predicted emission reductions estimated at 358,000 tCO₂e a year. In addition, over 855,000 people are expected to use on a daily basis public transport systems which have been upgraded and made more efficient with our support.

Road repairs and upgrades in Bosnia and Herzegovina

**Sector**
Transport

**EBRD investment:** €65 million

**Other benefits:** Regional integration; improving traffic management; improved road safety

The EBRD provided a sovereign loan of up to €65 million to Bosnia and Herzegovina to support an infrastructure programme aimed at repairing and upgrading the country’s road network, which has been damaged by severe floods in recent years.

Due to the mountainous terrain, roads are the main means of transport in Bosnia and Herzegovina, with 70 per cent of cargo and 90 per cent of passengers carried on its roads. The EBRD loan will contribute to the improvement of service and traffic safety on the country’s road network, including the development of a traffic accident database and the introduction of reforms to absorb external costs through a fuel levy increase.

The improvements to the network will support regional connectivity, making it easier for domestic companies to transport their products to local and regional customers. Supporting regional integration is one of the EBRD’s three main strategic priorities.

**Şişecam glass recycling in Turkey**

**Sector**
Manufacturing and services

**EBRD investment:** €40 million

**Other benefits:** Increased glass collection rates; increased energy efficiency in glass recycling and production

The Bank also mobilised a €2 million loan from the Clean Technology Fund, a funding window of the Climate Investment Funds, as well as EU grants.

The investment will support Şişecam’s efforts to boost glass recycling in Turkey and contribute to a more competitive, resource-efficient circular economy.

With over 21,000 employees, production in 13 countries, and sales in as many as 150 countries, Şişecam Group is a global actor in all main areas of glass including flat glass, glassware, glass packaging and glass fibre, as well as soda and chrome compounds. Şişecam is the third-largest glassware, fourth-largest glass packaging and fifth-largest flat glass manufacturer in the world in terms of production capacity.
**GENDER EQUALITY**

The EBRD’s **Strategy for the Promotion of Gender Equality** – now in its first year of implementation – commits to “mainstream” gender into the EBRD’s operations by 2020 and identifies three core areas of intervention: access to finance; access to employment and skills; and access to services.

Working closely with public and private sector clients, the EBRD supports the creation of economic opportunities specifically targeting women, improving their access to finance and services, and enhancing the quality of, and opportunities within, employment.

In 2016 the Bank signed 29 projects containing either a gender focus or component. The Bank has been actively engaged in the preparation of gender components in urban transport projects throughout 2016.

The EBRD has also continued its dialogue with government partners during 2016 on legal reforms to promote gender equality and address legal and regulatory bottlenecks for women’s participation in the economy.

Find out more about our work in gender equality at ebrd.com.

**ECONOMIC INCLUSION**

Economic inclusion is one of the EBRD’s key priorities and we are a leading IFI in this area based on our private sector-led approach.

Economic inclusion means opening up economic opportunities to previously under-served social groups – especially in relation to youth, gender and populations in less-advanced regions – which is integral to achieving the transition to sustainable market economies. Throughout 2016 we have helped our clients diversify their workforces, address skills shortages or mismatches, and create jobs in previously inefficient or under-resourced sectors, bringing tangible benefits to their businesses and the wider communities in which they operate.

In 2016 the EBRD signed 22 projects with inclusion components, representing a total investment volume of €0.92 billion.

Read our inclusion strategy at ebrd.com.

**Equal opportunities in Turkey’s automotive industry**

**Sector** Manufacturing and services

**EBRD investment:** €100 million (€90,000 of technical assistance on equal opportunities provided by the EBRD Gender Advisory Services Programme)

During 2016, the EBRD provided technical support to TOFAS, a leading car manufacturer in Turkey, to improve its human resources policies and practices in the area of equal opportunities with a view to improving women’s participation in the automotive industry.

When it comes to technical jobs and blue collar positions in the Turkish automotive industry, women comprise just over 1 per cent of the workforce. Before the EBRD’s engagement with TOFAS, there were only 19 female blue collar workers in the company (fewer than 0.5 per cent of the blue collar workforce).

At the end of 2015, as a result of the EBRD loan, in an unprecedented move in the industry, TOFAS hired 400 women to fill blue collar jobs in its plant in Bursa; 6 per cent of the blue collar workforce.

Some of the actions adopted by TOFAS to date include improving the physical working environment for female staff, establishing a sexual harassment/bullying complaint mechanism, safer and improved night transport services for female workers and gender-responsive communications and messages to motivate staff.

**DONOR PARTNERSHIPS**

Thanks to over 30 bilateral donors, including governments and development agencies, as well as multilateral institutions, the European Union, global funds, private sector firms and foundations, the EBRD is able to have a more sustainable impact in the countries where it invests, benefiting both the environment and local communities, and improving millions of lives.

Donors make so many of the EBRD’s sustainable investments possible by supporting the Bank’s work with co-financing grants. For example, all of the Bank’s sustainable energy financing facilities, which provide funds for energy efficiency investments, benefit from donor support.

In 2016 more than 60 per cent of donor-funded grants were used to enable investments in the municipal infrastructure, transport and energy sectors and to support the Bank’s **Green Economy, Transition agenda**.

Find out more about our work with donors dr-ebrd.com.

**Sustainable tourism in Jordan**

**Sector** Property and tourism

**EBRD investment:** US$ 60 million

**Other benefits:** Enhanced economic inclusion; creation of 3,000 jobs

In December 2015, the EBRD approved a senior loan to support the development and operation of the first phase of the Ayla Village, part of the Ayla Oasis regeneration project, which is located in Aqaba on the border between Jordan and Israel.

The project has begun to assist the development of Aqaba into a leading tourist destination, with world heritage sites Petra and Wadi Rum only two hours drive away.

The infrastructure of Ayla’s hospitality, commercial and residential buildings has been designed to use renewable energy produced on site. The EBRD’s financing will contribute to the use of climate resilience solutions that will lead to significant energy and water savings. In addition it will contribute to reducing carbon emissions – particularly important given Jordan is one of the most water-scarce countries in the world and imports about 95 per cent of its energy.

The project is expected to create over 3,000 jobs across all facilities in the village. Training and recruitment have already begun in partnership with local universities/colleges.

In partnership with UNWTO and the Jordanian Ministry of Tourism and Antiquities, the EBRD held an inclusive tourism conference in Petra, Jordan, in October 2016, which culminated in the Petra Declaration.
CHERNOBYL: 30 YEARS ON

One of our 2016 highlights was the successful completion of a key stage of the transformation of the Chernobyl site. The giant New Safe Confinement (NSC) arch was moved over a distance of 327 metres from its assembly point to its final resting place, completely enclosing a temporary shelter that was assembled immediately after the 1986 accident. This is a major milestone before the finalisation of the international programme to transform Chernobyl into an environmentally safe and secure site by November 2017. This globally acknowledged achievement is the culmination of many years of sustained support from the EBRD – the Bank has managed the Chernobyl Shelter Fund since 1997 and is the largest contributor to the project.

Find out more about our work and impact in Chernobyl at ebrd.com.

REFUGEE RESPONSE

Joining international efforts to tackle the refugee crisis caused by the civil war in Syria, in 2016 the EBRD announced a financing package of up to €900 million to support private sector and infrastructure projects in Turkey and Jordan, which host some 2.8 million and 1.4 million Syrian refugees, respectively. Over €70 million, alongside €50 million of grants, has already been allocated to both long- and short-term projects, as the scope of the crisis demanded immediate action. The EBRD will prioritise investments in municipal infrastructure to alleviate the pressure on public services such as water and sanitation, solid waste and urban transport. It will also seek to promote the growth and performance of small and medium-sized enterprises (SMEs) in affected communities with financing, advisory support and risk-sharing facilities. The third priority area under the plan is working with the private sector to boost access to employment and skills through projects that foster economic inclusion and gender equality.

Find out more about our refugee response plan at ebrd.com.
With the introduction of our GET approach in 2016, we remain committed to ensuring that the projects we finance are socially and environmentally sustainable, designed and carried out with the principles of good governance and due diligence, and compliant with both relevant laws and international best practice. We also remain committed to transparency and accountability, especially when it comes to risk management and project performance.

**THE BANK’S POLICIES**

All projects are appraised against the Bank’s Environmental and Social Policy and Performance Requirements. The form and extent of the appraisal depends on the project’s size, location and potential environmental and social impacts. If a project isn’t fully compliant, the EBRD will agree an environmental and social action plan with the client to bring the project up to the required standards within a reasonable timeframe.

In 2016, the EBRD developed and published the first two in its planned series of guidance notes on specific Performance Requirements (PRs) within its Environmental and Social Policy. These comprehensive documents provide advice on interpreting and implementing PR5: Land Acquisition, Involuntary Resettlement and Economic Displacement and PR6: Biodiversity Conservation and Sustainable Management of Living Natural Resources, drawing on the EBRD’s relevant experience and providing practical information for clients.

**MEASURING AND MONITORING PERFORMANCE**

Throughout the investment cycle, the environmental and social performance of all EBRD projects is closely monitored. This process involves a combination of client reporting, regular site visits by Bank staff and independent audits.

We conducted environmental and social monitoring visits to 50 projects in 2016.

We require each of our clients to provide us with a report, at least annually, on their environmental and social performance and the implementation of applicable Environmental and Social Action Plans (ESAPs). Across our portfolio, 96.9 per cent of projects have fulfilled this environmental and social reporting requirement over the past two years. This is up from 94 per cent last year following a concerted effort by our banking teams.

**ENVIRONMENTAL SUSTAINABILITY BONDS**

We established the Environmental Sustainability Bond Programme (ESBP) in response to clear investor demand for this type of bond product. The projects financed by the ESBP achieve specific environmental benefits and, collectively, comprise our Green Project Portfolio (GPP).

The ESBP enables the Bank to broaden its sources of funding. Since 2010 we have issued 62 bonds under the programme for a total of €1.74 billion. Of the total issuance, 51 per cent has been placed with retail investors and 49 per cent with institutional investors.

In 2016 we issued 23 Environmental Sustainability Bonds, denominated in Indian rupee, Indonesian rupiah, US dollars and South African rand. Total issuance of green bonds in 2016 amounted to €949 million, of which 62 per cent was placed with institutional investors and 38 per cent with retail investors.

In addition to our ESBP, since 2010 we have also issued social bonds that focus on microfinance loans. The EBRD Microfinance Bond is a use-of-proceeds bond that funds a selected microfinance portfolio of €1.4 billion and has an average individual loan size of below €5,000 (as at 30 June 2016). Both our Environmental Sustainability Bonds and Microfinance Bonds are aligned with the Green Bond Principles (GBP).

As the EBRD is committed to promoting environmentally and socially sound and sustainable development in all its projects, many socially responsible investors also purchase our generic bonds. With issuance under the 2016 Borrowing Programme of €5.94 billion the EBRD’s medium- to long-term debt outstanding totalled €26.36 billion (equivalent at issuance) as at 31 December 2016.

Find out more about our environmental sustainability bonds at ebrd.com.
GREEN PROJECT PORTFOLIO
Our ESBP is directly linked to the disbursed amount of the Green Project Portfolio (GPP). This is a replenishing portfolio with strict eligibility criteria (available in the full digital version of this report at sr-ebrd.com) that ensures that the proceeds of our Green Bonds are immediately directed towards projects with positive environmental impacts.

The GPP builds on the environmental strategy of the Bank, which has recently rolled out the GET approach to increasingly focus on investments that are of benefit to the environment. GET builds on our tried and tested business model of combining investments with technical assistance and policy dialogue, and it recognises that resilience and stability must be built on an integrated and balanced approach between the three dimensions of sustainable development: the economic, environmental and social.

As at 31 December 2016, the GPP comprised 352 loans across 30 countries, totalling €6.1 billion of which €3.9 billion was drawn down.

The average tenor of the projects was 11.9 years and the average remaining life was 9.1 years. The EBRD limits the total amount of ESBs to no more than 70 per cent of the drawn-down amount of the GPP. This seeks to ensure that all of the proceeds from these bonds are always directed towards supporting our GPP.

The GPP comprises investments in two main areas – energy efficiency and renewable energy, and environmental infrastructure. This covers a wide range of projects, from geothermal and biomass facilities to the rehabilitation of municipal water/wastewater infrastructure and investments in sustainable transportation solutions that minimise pollution.

Please see the full digital version of this report at sr-ebrd.com for information on:

- the types of projects we fund under the GPP
- GPP selection criteria and procedure
- general Bank and GPP exclusion criteria
- use of proceeds and tracking results
- environmental impacts of GPP projects.

GREEN PROJECT PORTFOLIO country split

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turkey</td>
<td>38%</td>
</tr>
<tr>
<td>Poland</td>
<td>18%</td>
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<tr>
<td>Romania</td>
<td>9%</td>
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<tr>
<td>Russia</td>
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<td>Kazakhstan</td>
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<td>Serbia</td>
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<tr>
<td>Ukraine</td>
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<tr>
<td>Germany</td>
<td>10%</td>
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<td>Czech Rep.</td>
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<td>Slovenia</td>
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<td>Slovakia</td>
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<tr>
<td>Hungary</td>
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<tr>
<td>Lithuania</td>
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<tr>
<td>Bulgaria</td>
<td>2%</td>
</tr>
<tr>
<td>Other (17 countries)</td>
<td>10%</td>
</tr>
</tbody>
</table>

FINANCIAL INTERMEDIARIES
Our environmental and social requirements for financial intermediary (FI) projects are set out in Performance Requirement 9 of our Environmental and Social Policy (ESP). They focus on ensuring that banks, private equity funds and other financial institutions receiving our financing have appropriate environmental and social risk management systems in place.

Sustainability Index
In order to develop a system which allows the EBRD to monitor the Environmental and Social (E&S) risk management performance of individual FIs and the entire portfolio, we produced the Financial Intermediary Sustainability Index (SI) as an alternative to the annual environmental and social reporting system. The SI was first introduced in 2014 – by 2016, we had over 250 partner financial institutions using the SI.

Training and capacity building
During 2016, the EBRD together with Environmental Resources Management (ERM) hosted three one-hour webinars covering development of E&S Policy and Environmental and Social Management System (ESMS) within EBRD partner banks and private equity houses. The Bank’s E&S online training programme for FIs continues to be accessed by partner banks and private equity houses with 80 new users added in 2016. The e-learning is available free of charge to EBRD partner FIs.

Toolkit update
The EBRD’s E&S Risk Management Toolkit for Financial Intermediaries was updated in August 2016. The Toolkit has been designed to help FIs meet the requirements of the EBRD E&S Risk Management Procedures for Corporate Loans, SME Loans and Equity Investments.

A new trolleybus fleet for the city of Kremenchuk

**Sector**
Transport

**EBRD investment:**
Up to €8 million

**Other benefits:**
Pollution reduction

The EBRD supported a loan of up to €8 million to Kremenchuk municipal trolleybus company (KTU) for the acquisition of 50 new low-floor trolleybuses, including spare parts and maintenance tools, as well as workshop maintenance and diagnostic equipment for the new fleet. The ESP is providing an investment grant of up to €2 million. This is the first urban transport project in Ukraine to benefit from an ESP grant.

The project will enable the municipality to renew almost all of its trolleybus fleet, which will have a positive impact both on the scope and the quality of services. The new trolleybuses will be 20 per cent more efficient than the current ones, many of which are at least 15 years old. As a result of the renewal and the shift to energy efficient and environmentally friendly electric transport services, the municipality will benefit from the reduction of hazardous emissions, such as CO₂, nitrogen oxides and particulate matter, which contribute to high pollution in the city.

The project is implemented under the Ukraine Public Transport Framework approved by the EBRD in 2015.
The way in which we engage with stakeholders helps us improve our environmental and social policies and evaluate the impact of our work on daily lives.

3,400 CSO representatives were registered with the EBRD in 2016

100 civil society stakeholders participated in the Civil Society Programme in May 2016

50 thematic meetings and events organised by the Bank

Throughout 2016 the EBRD continued its active engagement with civil society organisations (CSOs) in countries where it invests, using modernised tools to contribute to the Bank’s overarching institutional strategic priority of re-energising transition.

In 2016, almost 3,400 CSO representatives were registered with the EBRD and nearly 400 civil society stakeholders participated in around 50 thematic meetings and events organised by the Bank.

In its 25th anniversary year, the EBRD Civil Society Programme attracted around 100 civil society representatives from 22 countries to the Bank’s London Headquarters on 11-12 May.

The event consisted of sessions between civil society representatives and the Bank’s staff and senior management, as well as two dedicated sessions with the Board of Directors and the EBRD President. Civil society participants were able to engage in multi-stakeholder discussions on a wide range of issues, namely: the role of civil society in transition; transparency in public procurement; youth, skills and economic inclusion; and gender equality. The civil society sector also featured prominently in the Business Forum with a session dedicated to the civil society group National Dialogue Quartet.

Consultations
In 2016 the EBRD continued its early-stage consultations with civil society, recognising CSOs as one of the key stakeholders who provide input in the Bank’s decision-making. At the country level, we consulted with local CSOs on the Bank’s first strategy for Greece and on reviews of the country strategies for Belarus, Egypt, Georgia, Kosovo, Mongolia, Montenegro and Kazakhstan. CSOs were also invited to comment on all country strategies reviewed during 2016.

Cooperation
Since 2013 the Bank has been scaling up its proactive cooperation with civil society through its Civil Society Capacity Enhancement Framework, a donor-funded programme that seeks to raise awareness, transfer skills and improve technical knowledge and organisational capacity among community-based CSOs in three areas in line with the Bank’s strategic priorities: sustainable energy and resources; economic inclusion; and investment climate and governance.

Find out more about our engagement with CSOs at ebrd.com.

2 Refers to the Conference of the Parties to The United Nations Framework Convention on Climate Change (such as COP21).

INTERNATIONAL COOPERATION RELATED TO CSO ENGAGEMENT

The Bank is actively cooperating with international climate finance bodies, most notably the Global Environmental Facility (GEF), Climate Investment Funds (CIF) and the Green Climate Fund (GCF), all of which consider civil society engagement to be an important aspect of green finance. For example, the Civil Society Engagement Unit (CSEU) is part of the GEF Working Group on Public Involvement. The CSEU also liaises closely with colleagues across IFIs that work on the role of civil society in promoting economic inclusion and good governance and is keeping pace with its counterparts in other IFIs, for example through the IO/IFI Working Group on Civil Society Engagement.

In 2017, the CSEU will build on its current cooperation with international partners in areas relevant to sustainable energy and resources and the COP2 process. Its work will also remain aligned with the Sustainable Development Goals (SDGs) which the EBRD participated in devising and delivering with a number of MDBs and the International Monetary Fund (IMF) in July 2015.

Greener student accommodation in Poland

Sector
MEI

EBRD investment:
PLN 118.83 million
(€27.07 million equivalent)

Other benefits:
Boosting the private sector;
community engagement

Poland has the sixth-highest number of students in higher education in Europe. The current student housing stock mainly consists of university-owned dormitories and limited private accommodation offered by local individuals and small-scale private investors.

But now the EBRD is supporting the development of Student Depot, a new network of privately owned, purpose-built student housing in Poland, with a loan of up to PLN 118.83 million

(€27.07 million equivalent) to a Polish-owned company controlled and managed by Griffin Real Estate and Oaktree Capital Group LLC.

The student housing projects will be designed to be as energy efficient as possible. This is particularly significant given that buildings are estimated to be currently responsible for 41 per cent of energy consumption and 36 per cent of CO2 emissions in Poland. Griffin will operate the assets in a sustainable manner and will implement a community engagement plan to educate and encourage students to save energy. This initiative will be the first of its kind in Poland and in the EBRD region.
AWARDS

The annual EBRD Sustainability Awards recognise the efforts of clients who have demonstrated excellence and a commitment beyond the Bank’s performance requirements for managing environmental and social issues, promoting energy efficiency or combating climate change.

Sustainable Energy: Burnoye Solar Power Project (Kazakhstan)

This award was presented to the Burnoye Solar Power Project in Kazakhstan. The 50 MW solar photovoltaic site is the first large-scale solar power plant in a country where the power sector has been dominated by coal usage, obsolete technology, low energy and environmental performances and prolonged lack of investment. The project – expected to result in greenhouse gas (GHG) emissions savings of 60,000 tonnes of CO₂ annually – is leading the way for further investments in renewables in Kazakhstan.

Climate Change Adaptation: Damanhour Combined Cycle Gas Turbine (Egypt)

This award was presented to the West Delta Electricity Production Company for the Damanhour Combined Cycle Gas Turbine (CCGT) project in Egypt. The Damanhour CCGT project – the EBRD’s first climate resilience transaction in the thermal power sector – will not only result in considerable GHG savings but will also avoid significant water losses, particularly important given the anticipated water stress in Egypt.

Environmental and Social Innovation: Flash Candy & Gum and Maghreb Industries (Morocco)

The Environmental and Social Innovation Award went to Flash Candy & Gum and Maghreb Industries, a small Moroccan agribusiness producing chewing gum and confectionery. The company is constructing a modern production site on the outskirts of Casablanca that is “as green as possible”. Solar panels will cover 90 per cent of the roof space of the new facility and the company is adopting an innovative mix of sustainability measures.

Environmental and Social Best Practice (joint winners): Shymkentcement (Kazakhstan) and KCM (Bulgaria)

Shymkentcement – the Kazakh affiliate of Italcementi Group and one of the largest cement producers in the world – is joint winner of the Environmental and Social Best Practice award. Shymkentcement is notable for reducing carbon intensity in the Kazakh cement industry and introducing alternative fuels. The company has expanded its comprehensive energy and environmental-management systems and undertaken education initiatives with local universities and colleges to disseminate knowledge about energy efficient technology and environmental best practice.

KCM – a leading Bulgarian pure metal producer – is joint winner of the Environmental and Social Best Practice award. KCM has constructed a new lead plant (including a state-of-the-art smelting furnace) and made major upgrades to the zinc smelting process. Benefits include a reduction in the emission of fugitive dust in the workplace and the local environment by a factor of 10, resulting in much improved employee safety and industrial hygiene conditions, and significantly reducing the contamination of the surrounding soils.
The EBRD's Sustainability Report 2016

This Sustainability Report has been prepared using the framework of the Global Reporting Initiative (GRI) G3 indicator protocols and the GRI Financial Sector Supplement. The Bank has a self-declared ‘B’ rating according to the GRI application levels shown at ebrd.com/gri. The GRI Content Index is also published at the same address.

www.ebrd.com
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