

Interview with Pierre Heilbronn, Vice President for Policy and Partnerships



Pierre Heilbronn has been the EBRD's Vice President for Policy and Partnerships since November 2016. He has overall responsibility, among others, for the Bank's policy engagements, transition impact assessment in investment operations, donor co-financing, country and sector strategies, as well as related initiatives that support the EBRD's transition mandate. Mr Heilbronn is also responsible for applying the political aspects of the Bank's mandate, leading EBRD engagement with our countries of operations, EU institutions and other key external stakeholders, especially civil society organisations.

1. What are the main policy reform objectives that the EBRD is focusing on?

I believe our goal is to engage in policy reforms that will lead to more inclusive and sustainable economic growth in our countries of operations.

This is in line with the EBRD's revised transition concept, which argues that a well-functioning market economy should be more than just competitive. It should also be well governed, green, inclusive, resilient and integrated.

The revised transition concept does not affect the Bank's mandate, but rather highlights the combined impact of the EBRD's activities: investment finance, policy engagements and technical cooperation.

Our business model, focused on private-sector projects and coupled with expertise in policy reform, has made a significant contribution to furthering economic transition and realising other development aims in the countries where we invest. I believe this business model is needed now more than ever if these countries are to enjoy the inclusive growth that can consolidate reforms.

The opening-up of economic opportunities to previously under-served social groups is integral to development, which in turn strengthens the transition process and generates wider public support for economic reforms.

Through policy engagement and investment, the EBRD promotes the greater economic integration of three segments that regularly remain on the margins of economic progress: women, young people and underdeveloped regions.

2. Can you give us an example of the Bank's enhanced policy engagement and technical cooperation, and how this translates at the country level?

We are currently coordinating the EBRD's response to the Syrian refugee crisis, in particular by supporting livelihood



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Welcome to the CSO Newsletter

In this issue you can read an interview with the EBRD's Vice President for Policy and Partnerships,

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Pierre Heilbronn, about his recent efforts to step up policy reform activities and technical cooperation across the Bank's countries of operations. You can also learn about a multi-stakeholder workshop on anti-corruption organised in Sarajevo in cooperation with the United Nations Office on Drugs and Crime. As always, we bring you the latest news about the Bank's dialogue with CSOs on country strategies, recent projects and initiatives.

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opportunities and inclusion for refugees and host communities in Turkey and Jordan, as well as advancing the economic development of these two most-affected countries in our region.

Building on our previous experience with the private sector, we focus on areas where we have the track record, know-how and strong networks to improve people's lives quickly. As such, we have set up a financing package to respond to the refugee crisis and support the private sector, infrastructure development for refugees and host communities, SME finance and entrepreneurship, private sector-led economic inclusion and skills development. Support for civil society through technical cooperation funds is also part of the Bank's refugee response, for example by engaging refugee and host populations in financial literacy training and community savings-and-loan schemes.

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3. What are the new frontiers of the EBRD's operations and its vision for the future?

At this year's Annual Meeting, the Board of Governors approved the Bank's engagement in the West Bank and Gaza for an initial period of five years, to support the development of the economy with investment and technical assistance.

In addition, Lebanon has become a shareholder of the EBRD and, since September 2017, our newest country of operations. We are also becoming more active in Uzbekistan as we work to increase the appetite for reform in the country. Through investment, policy reform and technical cooperation, we will focus on supporting private-sector competitiveness, promoting a sustainable energy supply and enhancing the quality and efficiency of public service.

The Bank also aims to increase its green finance from an average of 25 per cent of EBRD annual business investment over the past decade to 40 per cent by 2020, in line with the Sustainable Development Goals and the aims of the Paris Agreement.

Greater impact

Across the EBRD region, we also aspire to increase the impact of our operations by deepening our engagement and enhancing the efficiency of our work as an institution. We have thus devised a leaner and more effective process of adopting country strategies and measuring the Bank's results, with a focus on achieving greater transition impact.

As such, we will implement a simple results-management mechanism that is fully aligned with the EBRD mandate. Built around harmonised data collection and monitoring, the new system of reporting will make it easier to assess the impact of the Bank's work.

We have also enhanced our relationship with donors, in particular the European Union, which we see as an important strategic partner in all EBRD countries of operations. Moreover, we are the first international financial institution to have signed a framework agreement with the Green Climate Fund. With regard to civil society, I believe CSOs are crucial

to democratic societies and sustainable economies. As part of our commitment to democracy and good governance, we engage in dialogue and consultations with a wide range of CSOs in order to improve the quality, effectiveness, and sustainability of our operations.

However, the Bank's engagement with civil society has gone far beyond dialogue. Since mid-2013, we have been cooperating with CSOs, mainly in the Western Balkans, the early transition countries and the southern and eastern Mediterranean region, through our Civil Society Capacity Enhancement Framework. The Framework is a powerful instrument for harnessing the potential of civil society as an important partner in re-energising transition. So far, we have committed around €5 million through 18 completed and active projects under the Framework that have improved the skills of over 15,000 beneficiaries in almost 20 countries. And we look forward to many more years of fruitful partnership with civil society.



Workshop in Sarajevo on anti-corruption

From 25-29 September, more than 50 civil society representatives from the Western Balkans attended a multi-stakeholder workshop in Bosnia and Herzegovina on anti-corruption. The event marked the launch of the technical cooperation project "Enhancing the Capacity of Civil Society on Anti-Corruption and Good Governance" that the EBRD is jointly implementing with the United Nations Office on Drugs and Crime and the Regional Anti-

Corruption Initiative. As the first such workshop to be held in the Western Balkans, the event aimed to develop the capacity of participants to contribute to the implementation of the United Nations Convention against Corruption and its review mechanism. Moreover, the event brought together CSOs and private-sector stakeholders from the region, enabling them to work together to combat corruption and promote good standards of governance.

DIALOGUE

Board Directors meet with civil society in Ukraine

On 29 September, EBRD Board Directors met with civil society representatives in Kiev as part of their consultation visit to Ukraine. The topics covered during the meeting included transparency and anti-corruption, progress with political and economic transition, as well as environmental issues and sustainability.

CSOs represented in the meeting included the International Renaissance Foundation, the Kyiv School of Economics, the National Ecological Centre of Ukraine, Transparency International Ukraine, the Ukrainian Centre for Independent Political Research, Centre UA and WWF Ukraine.



EBRD President meets CSOs in Azerbaijan, Belarus and Poland

President Suma Chakrabarti met civil society representatives as part of a series of country visits in early September. On 7 September, as part of an ongoing dialogue between civil society and the EBRD in Azerbaijan, the President discussed with CSOs in Baku recent developments in the operating environment for civil society, as well as transparency and governance. On 11 September, the President met CSO representatives in Warsaw, where the discussion focused on the political situation in Poland.

On 12 September, a meeting between the President and civil society representatives in Belarus addressed topics such as civic advocacy and community engagement, free speech, and socio-economic trends, as well as the role of business in advancing human rights in Belarus. The meeting in Minsk followed a recent roundtable discussion with representatives of a larger group of Belarusian CSOs that took place at the EBRD Resident Office in July and served as a formal introduction to the new Head of the Office.



Consultation on EBRD mining strategy

The Bank has started work to revise its Extractive Mining Industries Strategy (2018-22) and held an early consultation meeting with a select group of civil society representatives and sector experts on 28 July, at its London Headquarters. The discussion was an opportunity for stakeholders to provide their initial input on the Strategy concepts. Participants commented on issues ranging from governance and transparency, and

environmental and social issues, to human rights and inclusion. The draft Strategy will be published on the EBRD's website at the beginning of October and will be open for public comments for 45 calendar days. As part of the consultation process, three workshops will be organised, taking place in Ulaanbaatar (11 October), Almaty (25 October) and Istanbul (30 October). The new Mining Strategy is expected to be adopted at the end of 2017.



Moldova Country Strategy Consultation

On 12 July the EBRD hosted a workshop in Chisinau to consult on the upcoming draft country strategy for Moldova. The meeting was attended by representatives of the Institute for Public Policy, Transparency International Moldova, the Institute for Development and Social Initiatives, the Ecological Movement of Moldova and the National Youth Council. The topics

addressed included transparency, good governance, economic competitiveness and private-sector development, economic and social inclusion, EU integration, as well as other EBRD operational priorities for the forthcoming strategy. The draft Strategy for Moldova has been released for public comments for 45 calendar days, from 20 September until 4 November 2017.

IN BRIEF

Boosting local currency lending in Morocco

The EBRD and Morocco are joining forces to develop local currency lending to small businesses and provide affordable loans to Moroccan banks and microfinance organisations. During a visit to Morocco, EBRD Vice President Alain Pilloux signed a Memorandum of Understanding with Morocco's Ministry of Economy and Finance and the Central Bank of Morocco, which will pave the way for lending to local SMEs in local currency, mitigating their exposure to exchange-rate volatility.

Women in Business in Tajikistan

Tajikistan has become the latest EBRD country of operations to join the Women in Business programme, which promotes women's entrepreneurship through access to finance and know-how in order to stimulate business growth. Under the programme, the EBRD will seek to provide up to US\$ 8 million to partner financial institutions for on-lending to women-led firms, as well as business advice. Risk-sharing and technical assistance offered by the EBRD will seek to make loans more accessible for female entrepreneurs. In addition, the Bank will provide these entrepreneurs with access to mentoring, training in entrepreneurship, and know-how from local consultants and international experts in order to grow their businesses.



EBRD Annual Report

The *Annual Report 2016* describes the impact of the EBRD's investments, projects and policy work during the year, and highlights our innovation in key sectors and initiatives. In 2016 we committed a record-equalling €9.4 billion of annual investment through 378 operations across more than 30 emerging economies. The Report recounts these achievements and shows how we continue our efforts to make economies more competitive, well governed, green, inclusive, resilient and integrated.



Key dates and contacts

Country strategies: public comment periods

Moldova	20 September-4 November 2017
Slovak Republic	October-November 2017
Poland	November-December 2017
Serbia	November-December 2017

Board consultation visits

Ukraine	25-29 September 2017
Moldova	23-27 October 2017
Turkey	23-27 October 2017
Tunisia	23-27 October 2017



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www.ebrd.com/strategies-and-policies/have-your-say.html

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