

## 5. Biodiversity



The EBRD works to mainstream nature-positive activities throughout its operations, helping to protect biodiversity in the economies where it invests. The Bank this year signed a joint statement with other MDBs, [Nature, People and Planet](#), reiterating its commitment to protecting nature. The blue economy is recognised as key to achieving the aims of the Paris Agreement and the EBRD this year co-authored two reports on the topic. The Bank also carried out two audits on antimicrobial resistance, which is a threat to biodiversity. More details can be found in this chapter.

### Nature

The 2021 [Dasgupta Review of the Economics of Biodiversity](#), on which the EBRD provided feedback, states that nature is both a form of capital and infrastructure. Yet, human activity is causing biodiversity loss at unprecedented levels, with potentially far-reaching systemic implications for economies and livelihoods.

The EBRD works to mainstream nature-positive activities throughout its operations, helping to address the climate emergency through nature-based solutions. Traditionally, MDBs have incorporated ecosystem and biodiversity protection into their environmental and social policies (ESPs). The EBRD reflects it in, among other things, its Performance Requirements 6 (biodiversity protection) and 3 (pollution prevention), which apply to all projects. Over the past 30 years, the Bank has invested more than €6 billion in pollution prevention and wastewater treatment, with more than half that invested in the last four years.

In 2021, MDBs including the EBRD presented a joint statement at COP26, reiterating their commitment to protecting biodiversity and increasing and coordinating policy work to achieve systemic impact. In [Nature, People and Planet](#), MDBs agreed to further mainstream nature into their policies, analysis, assessments, advice, investments and operations, in line with their respective mandates and operating models. They will do this: (i) through leadership on safeguards, (ii) by tackling the drivers of nature loss through nature-positive investments, (iii) by fostering national and regional level synergies, (iv) by valuing nature to guide decision making, and (v) by reporting accurately on impacts.

The EBRD has been involved in the development of the Taskforce on Nature-related Financial Disclosures (TNFD) since 2019. The TNFD, launched in 2021, is modelled on the TCFD. It provides a framework for companies to identify, assess, manage and report on their impacts and dependencies, with a view to driving change and identifying opportunities and the risks of scaling up nature-positive projects. Through its involvement in the TNFD, the EBRD will continue to support efforts to develop a common approach to nature risk assessment, valuation and disclosure. It will take at least two years for the TNFD to make disclosure recommendations. The principle of double materiality, the numerous indicators that reflect the biodiversity context and the importance of supply chains significantly increase the complexity of nature-related risk assessment compared with that of climate risks. The EBRD, therefore, will not make any commitments to nature-related risk disclosures until it understands their compatibility with the Bank's modalities and resource requirements.

The EBRD continued to harness regional efforts through, for example, its support of the blue economy and the Northern Dimension Environmental Partnership (NDEP). As fund manager of this flagship blue economy programme, the Bank has gained valuable experience in promoting systemic environmental remediation in the Baltic and Barents Seas. This partnership between MDBs, shareholders and recipient countries could be a useful model for other areas, such as the Mediterranean and Red Seas.

### Blue economy

The blue economy is now globally recognised as key to achieving the aims of the Paris Agreement and the SDGs. The sector received widespread coverage at COP 26 in Glasgow, with events highlighting the critical importance of ocean health and the role of the blue economy in closing the emissions gap and supporting job creation. The EBRD is helping to strengthen the blue economy and, since signing up to the [Sustainable Blue Economy Finance Principles](#) in 2020, has been able to classify many of its projects as aligned with and promoting [SDG 14: life below water](#). Some examples in 2021 included projects on wastewater treatment, coastal waste management, property and tourism in coastal areas, and marine transport.

#### Better sanitation decreases Black Sea pollution



#### Bulgaria

A loan to the Burgas Water Supply and Sanitation Company will support improvements to water and sanitation infrastructure in the Burgas region on the Black Sea. More than 76 km of pipelines will be rehabilitated, 42 km of wastewater networks will be constructed and several treatment plants upgraded. These will ultimately help to reduce pollution flowing into the Black Sea basin.



**Donors:** Stage 1 of the project is estimated at €88.5 million and will be majority financed by grants from the EU's Operational Programme Environment 2014-20

**Loan:** €17.3 million EBRD loan

**Impact:** An additional 611,484 m<sup>3</sup> of wastewater will be treated, 1.5 million m<sup>3</sup> of water will be saved annually and an additional 45,000 people will be connected to an EU-compliant wastewater treatment system.



## Financial value of Blue Economy projects and overall financing that these projects unlock

### Solid waste

Op Id	Operation Name	DTM Client	Country	Status	Portfolio Class	SIC Industry Name	Sector Team	Sector Team
53000	Biotrend Equity (f. Project Blake II)	Biotrend çevre ve enerji yatirimlari as	Turkey	Active	Private	Waste Management and Remediation Services	Municipal & Env Inf	Infra TMEA
52825	GrCF2 W2 - Tbilisi Solid Waste Extension	Georgia sovereign	Georgia	Active	State	Waste Management and Remediation Services	Municipal & Env Inf	Infra Eurasia
52515	MR3: GAM Solid Waste Crisis Response - Cell 6	Municipality of greater Amman	Jordan	Active	State	Waste Management and Remediation Services	Municipal & Env Inf	Infra TMEA

### Waste water

Op Id	Operation Name	DTM Client	Country	Status	Portfolio Class	SIC Industry Name	Sector Team	Sector Team
52846	DFF - Engicon O&M - WWTP	Al-alamiah lil khidmat wa al tashgheel wa siana	Jordan	Active	Private	Water and Sewage Systems	Municipal & Env Inf	Infra TMEA
49875	MR3: Al Ghabawi Septic Tank Facility	Jordan sovereign	Jordan	Active	State	Water and Sewage Systems	Municipal & Env Inf	Infra TMEA
50458	Mitrovica Wastewater Development Project	Kosovo sovereign	Kosovo	Active	State	Water and Sewage Systems	Municipal & Env Inf	Infra Europe
53169	Serbian Climate Resilience & Irrigation Programme 2	Serbia sovereign	Serbia	Active	State	Water and Sewage Systems	Municipal & Env Inf	Infra Europe
51436	Kulob Water and Wastewater Project	Tajikistan sovereign	Tajikistan	Active	State	Water and Sewage Systems	Municipal & Env Inf	Infra Eurasia
49250	Southern Oases Hydraulic Infrastructure	Tunisia sovereign	Tunisia	Active	State	Water and Sewage Systems	Municipal & Env Inf	Infra TMEA
51032	Namangan Regional Water and Wastewater Project	Uzbekistan sovereign	Uzbekistan	Active	State	Water and Sewage Systems	Municipal & Env Inf	Infra Eurasia
52115	ESIF: Burgas Water Project	Water and sewage company of the city of burgas	Bulgaria	Active	State	Water and Sewage Systems	Municipal & Env Inf	Infra Europe

### Ports and harbours

Op Id	Operation Name	DTM Client	Country	Status	Portfolio Class	SIC Industry Name	Sector Team	Sector Team
52871	DFF - Altintel Port Expansion	Altintel liman ve terminal isletmeleri as	Turkey	Active	Private	Ports and Harbours Operations	Transport	Infra TMEA

### Property and tourism

52771	Barut Hotel							
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Country of Operation	Team of OL	OL Name	Instrument	Sovereign Risk Name	Original Signing Date	SBI Sub-Category	Historical & Current ASB Projects	Possible future ASB Project	ABS FI Integral Component	NCBI	TPV
Turkey	Infra TMEA, SIG	Gursel I.	Equity	Non-Sovereign	21 Aug 2021	-	-	-	-	16,930,501	16,930,501
Georgia	Infra Eurasia, SIG	Chikhradze S.	Debt	Sovereign	01 Jul 2021	-	-	-	-	3,030,000	3,030,000
Jordan	Infra TMEA, SIG	Masri K.	Debt	Non-Sovereign	30 Nov 2021	-	-	-	-	9,844,028	14,644,028
										<b>29,804,529</b>	<b>34,604,529</b>

Country of operation	Team of OL	OL Name	Instrument	Sovereign Risk Name	Original Signing Date	SBI Sub-Category	Historical & Current ASB Projects	Possible future ASB Project	ABS FI Integral Component	NCBI	TPV
<regional>	Infra TMEA, SIG	Masri K.	Debt	Non-Sovereign	11 Nov 2021	Pillar 3 - DFF SME	-	-	-	1,493,065	2,611,980
Jordan	SEMED - Amman (Jordan)	Griffies Weld E.	Debt	Sovereign	28 Nov 2021	-	-	-	-	30,000,000	69,500,000
Kosovo	Pristina (Kosovo)	Muaremi B.	Debt	Sovereign	10 Dec 2021	-	-	-	-	13,500,000	38,200,000
Serbia	Belgrade (Serbia)	Erkan C.	Debt	Sovereign	15 Dec 2021	-	-	-	-	15,000,000	15,000,000
Tajikistan	Null Value	Erkaev A.	Debt	Sovereign	02 Mar 2021	-	-	-	-	3,000,000	15,000,000
Tunisia	SEMED - Tunis (Tunisia)	Chaouachi A.	Debt	Sovereign	09 Jul 2021	-	-	-	-	49,000,000	63,300,000
Uzbekistan	Infra Eurasia, SIG	Narbayev M.	Debt	Sovereign	07 Jun 2021	-	No	No	No	61,842,919	74,211,503
Bulgaria	Infra Europe, SIG	Manolov S.	Debt	Non-Sovereign	23 Nov 2021	-	-	-	-	11,700,000	91,800,000
										<b>185,535,984</b>	<b>369,623,483</b>

Country of Operation	Team of OL	OL Name	Instrument	Sovereign Risk Name	Original Signing Date	SBI Sub-Category	Historical & Current ASB Projects	Possible future ASB Project	ABS FI Integral Component	NCBI	TPV
Turkey	Infrastructure, Energy (Turkey)	Bal C.	Debt	Non-Sovereign	23 Nov 2021	Pillar 3 - DFF Non-SME	-	-	-	7,509,497	10,159,908
										<b>7,509,497</b>	<b>10,159,908</b>

Turkey										25,000,000	25,000,000
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Supporting policy engagement that will have a long-term impact on the blue economy is central to the EBRD's commitment to preserving natural capital. Other highlights this year have included:

- Co-authoring two reports with the United Nations Environment Programme Finance Initiative (UNEP FI), which hosts the Blue Economy Finance Principles. [Rising Tide](#) maps the current state of ocean finance and offers frameworks and financial instruments that can successfully address ocean sustainability. [Turning the Tide](#) is the UN's practical toolkit to help financial institutions start financing ocean sectors in sustainable ways. It provides detailed recommendations on which client activities to seek out, challenge or avoid.
- Involvement in several high-level events on the blue economy. These included the eighth annual [World Ocean summit](#), which brought together world leaders, policymakers and economists. The EBRD gave a presentation on its commitment to the sector and outlined its plans for financing a sustainable ocean economy.
- Collaborating with the UN's International Maritime Organisation and the World Bank as part of the FinSmart initiative. A [roundtable](#) including private- and state-sector stakeholders discussed financial solutions for decarbonising shipping, which is a significant source of pollution and global CO<sub>2</sub> emissions. The EBRD presented the findings of the roundtable at the [Zero- and Low-Emission Innovation Forum](#), hosted by the International Maritime Organization (IMO) and UNEP in September 2021.

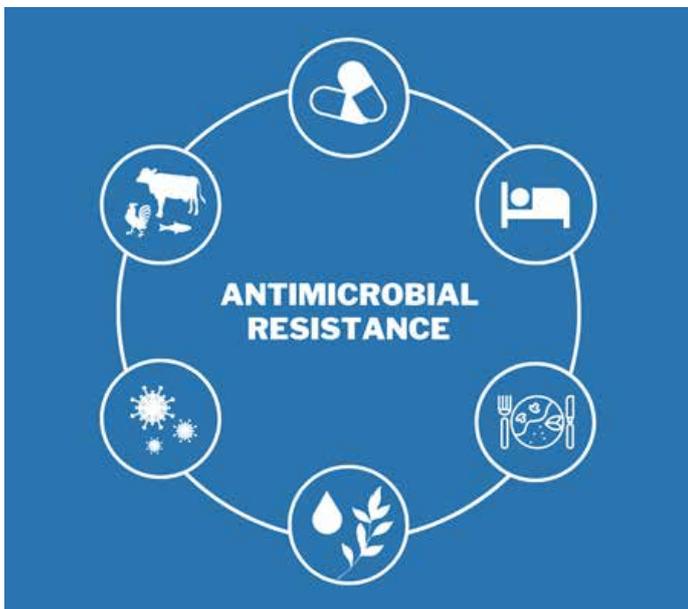
## Environmental Technology Transfer Programme (EnviTECC)

The EBRD's [Environmental Technology Transfer Programme \(EnviTECC\)](#) offers private and public companies a combination of EBRD co-financing and Global Environment Facility (GEF) grants, complemented by funding from other co-financiers, to promote investments in wastewater treatment and recycling and to reduce or eliminate persistent organic pollutants (POPs). It supports advanced environmental technologies with a view to creating cleaner coasts and water systems in Albania, Bosnia and Herzegovina, Egypt, Lebanon, Montenegro, Morocco, Tunisia and Turkey.

Part of the wider UNEP-led and GEF-funded [Mediterranean Sea Programme \(MedProgramme\): Enhancing Environmental Security \(2020-24\)](#), EnviTECC has been operating since 2020. It provides technical assistance support for pre-investment POPs/water audits and helps to develop gender action plans, POPs and water/wastewater technology guides in order to integrate appropriate technologies through the EBRD's [Green Technology Selector](#). The programme also includes a policy dialogue component to support GCAPs and to develop industrial depollution roadmaps. In 2021, MedProgramme conducted POPs audits on companies in Tunisia and Bosnia and Herzegovina as part of its pre-investment support process, to identify the presence of POPs and assess safe removal and disposal options. It also supported a wastewater treatment and re-use project in Egypt, backed by Finance and Technology Transfer Centre for Climate Change (FINTECC) funding.

The Bank has introduced a number of other initiatives to drive blue economy policy engagement and project generation that will produce tangible results in 2022. One example is its mainstreaming of the topic throughout its operational manual on the GET, which now includes a dedicated blue economy annex. This will help raise awareness of the topic within the Bank and assist staff in recognising those projects and their components that actively promote healthy oceans and seas.

## Antimicrobial resistance



Antimicrobial resistance (AMR) remains one of the biggest public health challenges of our time. Described as a “silent pandemic” by the UK Special Envoy on AMR, it poses a substantial challenge to achieving the SDGs in the economies where the EBRD invests.

The EBRD has been ahead of most international financial institutions in systematically providing AMR capacity building for its healthcare-sector clients. It was the first international financial institution to refer specifically to AMR, in its 2019 ESP. The same year, on-site AMR audits and training were carried out at client hospitals in Georgia and Turkey, and in 2020, the Bank signed a memorandum of understanding with the [British Society for Antimicrobial Chemotherapy \(BSAC\)](#).

This year, due to travel restrictions, two AMR audits were conducted online, in Ukraine and Egypt. Hospital clients subsequently received training, while the wider medical community was invited to workshops on infection prevention and control, antibiotic stewardship, laboratory capacity and surveillance. In Ukraine, 142 medical professionals took part.

Other highlights in 2021 included:

- Plans for the next stage of capacity-building engagement via the BSAC's e-learning platform. This will include best practice for antibiotic stewardship for existing and future healthcare clients and the medical community in the economies where the Bank invests.
- The completion of a study commissioned by the EBRD and carried out by AMR experts at the University of Liverpool. This supported the development of internal Bank project guidelines ahead of the introduction of new EU regulations in January 2022 prohibiting the routine use of livestock antibiotics, including for preventive group treatment. This is the most significant shift in EU regulations on the use of antibiotics in livestock since 2006, when it prohibited their use as a growth agent. The EU also aims to reduce the sale of antibiotics for livestock in member states by 50 per cent by 2030.
- The publication of a Japan-Europe Cooperation Fund (JECF)-funded [report](#) on the impacts of Covid-19 and AMR on the five largest recipients of EBRD funding. *Covid-19 response and impact: A study on how the pandemic affected Egypt, Kazakhstan, Poland, Turkey and Ukraine* looks at national responses to the pandemic and its impact on their populations. It underlines the critical role of the Bank's investment in the healthcare sector and public-private partnership (PPP) hospitals and the need to expand AMR technical support where it invests.