

7. Social impact



Economic inclusion and gender equality

The EBRD's Strategies for the [Promotion of Gender Equality 2021-25](#) and [Equality of Opportunity 2021-25](#) were in place for a first full year in 2022. These aim to enhance human capital development and resilience through a green and digital economic transition that is just and gender equal. In 2022, a record 37 per cent of EBRD investments promoted gender equality. In another record, around 80 per cent more operations promoted equality of opportunity than in 2021.

In the face of climate change and digitalisation, disadvantaged regions and people may fall further behind. Consequently, gender and inclusion have become increasingly important considerations in all EBRD activities. A collective mandate for change, propelled by political, economic and social buy-in, will be needed in the face of the difficult changes that lie ahead. The EBRD is committed to being a part of this.

The EBRD, in partnership with the African Development Bank and l'Agence Française de Développement, launched the Gender Equality in Climate Action (GECA) Accelerator at COP27. This digital toolkit helps public and private organisations assess how gender-responsive their climate strategies are and offers suggestions on how to address the gaps. It helps companies in various sectors improve the gender responsiveness of their corporate climate governance through actions such as capacity building. It also supports policymakers in integrating gender into climate policies, thereby accelerating their green transition to meet Paris Agreement targets, the United Nations Framework Convention on Climate Change Gender Action Plan and key SDGs.

The transition to a greener economy requires a suitably trained workforce to be successful. The EBRD engages with corporate clients to unlock the jobs potential of emerging occupations accompanying the green transition and to broaden employment and training opportunities for disadvantaged groups. It supports partnerships between the private sector, local educational institutions and other stakeholders for the development of replicable and nationally accredited training programmes.

In 2022, the EBRD contributed to the introduction of 23 new training programmes promoting skills-enhancing opportunities for 3,303 individuals. At the policy level, the Bank continued to bring together public and private stakeholders to develop national action plans that ensure education systems are fit for the green transition and to strengthen Sector Skills Councils. The year the Bank supported Albania's launch of a Sector Skills Council to support the tourism industry. The council will establish a list of professional and vocational qualifications that are most urgently needed by tour operators, hotels and other tourism-related firms and will promote these in the educational system. The Sector Skills Council is an EBRD-supported initiative now in place in six economies where the Bank operates.

Women are key to tackling climate change as company leaders, entrepreneurs, employees and users of infrastructure and services. [With more women in top management, companies cut emissions faster](#) and [banks invest less in carbon-emitting companies](#). The EBRD fosters gender equality in conventionally male-dominated sectors, such as energy and transport. It promotes inclusive, gender-responsive and socially responsible human resources policies and practices, such as procurement in large-scale sustainable infrastructure developments. It also ensures that the specific needs of women are taken into consideration in the design of infrastructure and services, such as guaranteeing their safety on transport.

[EBRD Green Cities](#) helps city authorities and corporate clients to put women at the forefront of climate action by assessing and addressing the needs and barriers they face in accessing urban infrastructure services and green jobs. For example, the EBRD is helping a client in Tajikistan develop new upskilling and work opportunities for women to drive, maintain and repair electrical vehicles. Some 88 per cent of the EBRD Green Cities projects signed in 2022 promote gender equality as part of the green ambitions of participant cities.

Women offer largely untapped potential as customers for the financial sector. Ensuring that the process of greening financial systems is inclusive and gender-responsive is, therefore, smart for business and a significant impact accelerator. In 2022, the EBRD trained more than 400 staff and management at partner banks on gender-responsive green finance via the [Green Economic Financing Facilities](#) (GEFFs), which support businesses and households investing in green technologies.

Case study: Economic inclusion in Uzbekistan's energy sector



The EBRD continues to invest in renewable energy and low-carbon technologies in [Uzbekistan](#), supporting the country's long-term decarbonisation strategy and commitments under the Paris Agreement. In 2022, the Bank supported the construction of two wind power plants with a total installed capacity of 1 GW in the Bukhara region. This is the EBRD's largest renewable energy project to date across its regions.

ACWA Power, a developer and investor, owns the two plants. Supported by the EBRD, the company will introduce an accredited training programme with a local vocational college to foster the technical expertise of students and professionals in the wind sector. This will enhance the employability of local people, including youth and women, in the green transition. Fostering economic opportunities for these groups is particularly important for Uzbekistan, where women's labour-force participation is 26 percentage points lower than men's (45 per cent compared with 71 per cent) and the youth unemployment rate of 15.9 per cent is considerably higher than neighbouring Kazakhstan's 3.7 per cent.

ACWA Power will also help to develop national occupational skills and educational standards for emerging occupations in renewable energy. It will promote gender equality across its own operations and increase the share of women in management.

This project highlights the importance of engaging the private sector in planning and policy direction for green skills to promote inclusive and sustainable development.

Case study: Serbian railway infrastructure project supports gender inclusion



The EBRD is financing the modernisation of Serbia's railway infrastructure between Belgrade and Niš. To ensure that these changes take into account the specific needs of women, they will be invited to participate in the decision-making process and planning.

To address skills shortages in the sector and promote access to work-based learning and market-relevant skills for youth, especially young women, the Serbian Railway Company will implement a dual education training programme combining apprenticeships in the company with an education component at a local vocational school.

The company will also participate in the Sector Skills Council for the development of new occupational and qualification standards relevant to the sector. This will enhance the recruitment process, creating a transparent framework for skills and requirements and supporting the capacity of technical and vocational education and training (TVET) to provide the skills that employers need.

Human rights

Conflict-related GBVH

The war on Ukraine has exacerbated human rights risks for individuals and EBRD clients. The security of internally displaced persons (IDPs) and refugees arriving in neighbouring countries is of particular concern. As of October 2022, the International Organisation for Migration estimated that there were over 6.5 million IDPs across Ukraine and 7.7 million refugees, the vast majority of them women.

IDPs are particularly vulnerable to the risks of trafficking and sexual abuse and are disproportionately more likely to experience violence at the hands of strangers and soldiers. There is also an increased risk of GBVH among those left behind, especially in active conflict zones. People with multiple vulnerabilities, such as older women, women and girls with disabilities, LGBTQI+ individuals, and women and children of minority groups, are particularly at risk.

Since the beginning of the conflict, multiple sources have documented an increase in GBVH. However, deep gender inequalities and high levels of discrimination against women were observed before the war. Women rarely report incidents due to negative social and cultural attitudes around GBVH, a lack of trust in institutions and low awareness of their rights.

The EBRD this year reviewed and adapted its E&S due diligence processes to address the additional war-related risks associated with the projects it finances. Technical assistance was also rolled out to support Ukraine-based clients in managing the increased risks to their workers.

The EBRD commissioned research to explore which GBVH support services were available and functioning in Ukraine. It sought to assess the needs of EBRD clients and their workers in responding to higher risks, such as conflict-related sexual exploitation and abuse (SEA). Based on its findings, the EBRD is finalising a short guide for clients on GBVH risks and details of existing local service providers should such needs be identified.

At this challenging time, the EBRD's priority and commitment to its clients on environmental and social matters in Ukraine rests on supporting an immediate response to and the mitigation of GBVH. Further discussions with clients, governmental and international stakeholders will support longer-term interventions.

Supply-chain challenges

Addressing supply-chain challenges this year remained a key EBRD priority. New due diligence rules and import bans nationally and internationally signalled a need for companies and lenders to rethink their approach to supply-chain risks.

An internal working group was established to improve the Bank's due diligence outcomes, including in relation to forced labour and child labour, and to increase alignment with international standards and laws. Efforts prioritised sectors and geographical locations with high human rights risks, where the Bank has significant exposure.

Expanding on its work on solar supply chains in 2021, the EBRD identified solar and wind power, electric vehicle batteries and a number of agro-commodities as being high risk. Consequently, supply-chain risk assessments were carried out to support the development of bespoke tools to underpin due diligence processes in these sectors and commodities. The Bank also continued to engage with the International Labour Organization (ILO) and other stakeholders on supply-chain issues. The EBRD signed an agreement with the ILO laying the groundwork for the longer-term Better Work programme to promote responsible business practices in Uzbekistan's textile sector.

These developments are a significant change from past approaches to assessing supply-chain risks. Whereas they tended to be limited to the direct and ongoing sourcing of goods and materials, the EBRD now also assesses one-off sourcing of equipment or construction materials in high-risk sectors. It also seeks increased transparency through lower tiers of sub-suppliers and, where necessary, to the level of raw-material extraction. With the Bank's support, clients are now consistently encouraged to increase their knowledge of their supply chains by undertaking mapping and risk assessments and developing appropriate risk management approaches.

Capacity building, appraisal and monitoring

The EBRD provides training to clients, consultants and its own staff on specific human rights challenges, risks and impact mitigation. Bespoke training was offered to clients in the SEMED region, Georgia and Türkiye in 2022. Country-specific guidance notes developed this year will help private and municipal clients in Türkiye to develop and implement effective GBVH policies.

Internal training covered best practice for identifying and addressing human rights risks in Bank-financed projects. Topics included resettlement and livelihood restoration, cultural heritage and respecting the privacy rights of stakeholders to support their engagement without fear or coercion. A new e-learning module on managing reports of GBVH in EBRD projects was completed by more than two-thirds of Bank staff during 2022.

The EBRD also continued to strengthen its own risk-assessment tools, procedures and guidelines to better integrate human rights issues. Specific guidance was developed on vulnerable groups, meaningful stakeholder engagement, gender impact assessments and supply-chain issues.

Engaging with stakeholders, including civil society organisations (CSOs), is key to the EBRD's human rights-based approach to project due diligence. In 2022, the Bank continued to work with CSOs to better identify and manage risks during the due diligence and monitoring phases of Bank projects. For instance, the Bank sought the valuable input of CSOs in supporting the assessment of human rights and environmental risks across activities including infrastructure projects in Türkiye, renewable energy projects in Uzbekistan and Azerbaijan and natural resources projects in Greece and Türkiye.

The EBRD also held two dedicated workshops with the Coalition for Human Rights in Development to discuss the Bank's human rights appraisal and monitoring approaches. It further initiated a benchmarking study to assess its ESP and Performance Requirements, including human rights, against those of its peers. The results of the study, as well as the concerns and recommendations of CSOs shared at the workshops, will support the EBRD's forthcoming ESP policy review process.

Civil society engagement

CSOs are both influential audiences and partners of the EBRD in the economies where it invests. They promote public dialogue, ensure the inclusion of underrepresented individuals and communities, and hold governments, policymakers and the private sector publicly to account. Their input is integral to the EBRD's decision-making processes and helps the Bank create impactful change.

In 2022, Russia's war on Ukraine and the Covid-19 pandemic continued to have a profound impact on the Bank's operations. Both crises have demonstrated that engagement and partnerships with CSOs should be at the core of the Bank's work and that civil society should be an equal actor to the private sector in policy development.

CSOs have been at forefront of the emergency response on the ground in Ukraine and bordering regions and been crucial partners to the EBRD during the crisis. They have helped the Bank identify key challenges and supported its focus on sustainable integration and the social and economic inclusion of Ukrainian refugees in affected countries.

Aligned with its Covid-19 response and strategic focus on digital transformation, in 2022, the EBRD completed its pilot project of the [Digital Civil Society Programme](#) in Türkiye. The programme supported five environmental CSOs by assessing their digital needs, developing digital strategies and providing training, mentorship and financial support for their digital transition. The dissemination phase will start in 2023.

The Bank's collaboration with CSOs in 2022 also included country and sector strategy consultations, meetings between CSOs and the EBRD President, and country visits by the EBRD Board. Since mid-2013, the EBRD has carried out 31 technical cooperation projects under the Bank's [Capacity Enhancement Framework](#), totalling around €7 million. Training and mentoring in more than 20 countries have improved the skills of thousands of people within the EBRD's civil society community and supported the Bank's delivery of better and more inclusive policies and investments.

In 2022, an EBRD survey and in-depth interviews were conducted with internal and external stakeholders to seek feedback on how the Bank engages with civil society and how its activities could be more inclusive. The results revealed that the EBRD's sincere consideration of feedback and creation of economic and social value for communities are its greatest strengths. Improving safety and making civil society consultations more inclusive were identified as areas that the Bank should prioritise in the new strategic period. The feedback will help to enhance the EBRD's communication and partnerships with CSOs.

Case study: Enhancing civil-society capacity to monitor public procurement



CSOs are uniquely placed between the public and private sectors to act as overseers of and a counterweight to vested interests, discretionary powers and poor governance. With [government corruption known to be a significant risk in public procurement](#), the EBRD and the [Open Contracting Partnership \(OCP\)](#) in 2022 successfully completed a capacity-building project to help CSOs monitor public procurement processes in Kosovo and the Kyrgyz Republic.

The project helped CSOs to rethink how they access information about the public procurement of goods and services. It assisted them in developing ways to obtain open and timely data on public contracts to improve monitoring, engage citizens and businesses, and identify and fix problems.

The aim of the project is to create a CSO community of public procurement monitors and to encourage public agencies to provide official data in real time. The EBRD will continue to support CSOs in creating more robust monitoring systems to oversee public procurement in the Bank's regions as an essential step in helping them to meet global standards.