

RESOLUTION NO.240

PREPARATORY WORK FOR AN UPDATE ON THE EBRD'S POSSIBLE LIMITED AND INCREMENTAL EXPANSION TO SUB SAHARAN AFRICA AND IRAQ – GOVERNORS' DIRECTION

THE BOARD OF GOVERNORS

Recalling that the Strategic and Capital Framework (SCF) 2021-2025 sets out the EBRD's sectoral, thematic and geographic strategic aspirations and acknowledging the Bank is engaged in advancing those strategic priorities for review in 2022;

Noting that the SCF 2021-2025 affirms the Bank's continuing strategic interest in a limited and incremental expansion to sub-Saharan Africa and Iraq;

Recognising that the SCF 2021-2025 requires an update to be provided to the Board of Governors for further guidance at the time of the review of the implementation of the SCF 2021-2025, scheduled for the 2022 Annual Meeting, and that the Governors will give direction on the preparatory work required for this update at the 2021 Annual Meeting;

Noting the initial guidelines and areas for further examination for possible expansion set out in the SCF 2021-2025;

Stressing in particular that any possible limited and incremental expansion to new countries of operations must not: impair the Bank's ability to support its current countries of operations; compromise the Bank's triple-A rating; lead to a request for additional capital contributions; or deviate from the Bank's mandate to support transition and its operating principles of additionality and sound banking;

Emphasising that such an expansion must be compatible, complementary and additional to the activities of other multilateral or bilateral development actors already on the ground;

Welcoming the Board of Directors' Report on the scope and approach of the preparatory work to be undertaken.

RESOLVES THAT:

In view of further guidance and potential decisions on expansion of the Bank's geographic scope by the Board of Governors at the 2022 Annual Meeting, the Board of Directors should update the Board of Governors on the EBRD's possible limited and incremental expansion to sub-Saharan Africa and Iraq. This update should address the following areas, as set out in the Board of Directors' Report:

- i. The potential implications and risks of any limited and incremental expansion for the EBRD in terms of capital, credit rating, budget and operations and governance over the period to the end of 2030;
- ii. Clarification on how an amendment to the EBRD's geographic scope under Article 1 of the Agreement Establishing the Bank could be formulated; and
- iii. The EBRD's potential value proposition and the Bank's compatibility, complementarity, and additionality to other development actors, including potential modalities of cooperation and collaboration.

(Adopted 1 July 2021)