

# EBRD Shareholder Special Fund

Investing in changing economies



**European Bank**  
for Reconstruction and Development

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The EBRD Shareholder Special Fund (SSF) is a multi-donor fund established to complement existing funding for projects which do not fit the donors' priorities. It provides flexibility, predictability, and additional funding for multi-donor funds where the SSF can provide co financing.

## At a glance

Established in

**2008**

Fund resources

**€295 million**

Projects supported

**Over 490**

## Contacts

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The EBRD Shareholder Special Fund (SSF) became operational in 2008 following a decision by the Board of Governors at the Bank's Annual Meeting in Kiev to allocate part of the EBRD's profits for its establishment. The Fund's key mandate is to complement existing donor funding operations through technical cooperation (TC), investment grants, incentive payments and equity participation. It strengthens the EBRD's ability to support transition and has been structured to cover a range of countries such as the early transition countries (ETC) and Western Balkans and various sectors such as infrastructure, sustainable energy and enterprise development.

The SSF was allocated €115 million for its first work plan (2008-09), with at least €45 million for ETCs, €25 million for the Western Balkans and €10 million for the Northern Dimension Environmental Partnership (NDEP) Support Fund. Nuclear safety initiatives were allocated €1 million. Two-thirds of the resources were earmarked for TC activities.

## Maximising resources and impact

The SSF enhanced funding in the priority early transition and Western Balkans countries by matching finance from the regional multi-donor funds to maximise resources and operational impact. It has also provided flexible and timely assistance to banking operations across the transition region in response to the global financial crisis and in support of the EBRD's Sustainable Energy Initiative (SEI). Moreover, the SSF has introduced valuable funding predictability by removing bottlenecks in the project development process, and provided bridging finance in circumstances where project implementation might have been delayed pending formal donor approval.

In recognition of the success of the SSF, in May 2009 the EBRD Board of Governors approved the continuation of the Fund's work with an additional €30 million contribution from the Bank's Strategic Reserve. This increment was earmarked specifically for crisis-response measures, with €15.8 million allocated for support of the financial sector and small and medium-sized enterprises, €9.9 million for ETCs and €4 million for the Western Balkans.

## Recent developments

In the context of the Bank's Fourth Capital Resources Review (CRR4) which identifies the strategic focus of the EBRD's activities in the next five years, the Board of Governors approved an additional €150 million to the SSF. Early transition and Western Balkans countries remain important regions for the SSF's support along with supporting the Bank's environment and climate change agenda and the new Local Currency and Local Capital Markets Initiative.





## Mainstreaming gender in waste management projects

The EBRD's Gender Action Plan, launched in 2010, aims to promote equality of opportunity and women's empowerment within Bank investments and technical cooperation projects. The Bank has selected several projects to pilot the mainstreaming of gender in the municipal and environmental infrastructure sector.

One example is the Solid Waste Management Project for the Autonomous Republic of Adjara in Georgia. The investment programme will comprise the construction of a new sanitary landfill, construction of a gas extraction system and the closure of two existing unsanitary landfills. There are gender differences with respect to both the management of, and attitudes towards, waste management. Women and men play different roles in the management of household waste, recycling and the education of children in environmental protection. There is also a greater willingness by women to pay for improved services. In terms of the providers of services, employment opportunities tend to be different for women and men, with women occupying lower grade positions than men.

The pilot, funded with the support of the EBRD's Shareholder Special Fund, was comprised of consultation with a broad range of stakeholders, analysed gender issues related to the project and developed a plan for mainstreaming them. Although construction has not yet commenced, Gender Action Plans have been prepared to support the implementation of the project (including engineering services and contract supervision) as well as for corporate development (human resources management, stakeholder engagement, and so on).

Specific recommendations to integrate gender into the project include measures to ensure that any information campaign for behavioural change in waste management (for example, the reduction of waste and recycling) should target women and that the company managing the landfill implements an equal opportunities policy for men and women in the workplace. Importantly, the pilot project has developed tools and checklists that the EBRD can adopt and adapt for future solid waste projects.



## Supporting the Kazakhstani local capital market

High commodity prices and the success of local banks in attracting wholesale financing from abroad were the key to the explosive growth of the Kazakhstani economy since 2000. However, things changed with the outbreak of the international financial downturn, with local banks being virtually cut from international capital markets, resulting in a liquidity shortage and deterioration of loan portfolios.

To help restore a dynamic financial market in the country, in the context of the EBRD-wide Local Currency and Local Capital Market Development Initiative, the Bank has provided technical cooperation assistance to the personnel of the Kazakhstan Stock Exchange (KASE) to build the appropriate institutional capacity for two main development areas: liquidity provision systems and increasing market transparency. This provided KASE management with guidelines and models that will guarantee the efficient operation of a fair, regulated, open securities market and help restore the confidence of market participants and institutions.

The assignment, financed with grant resources provided by the EBRD Shareholder Special Fund (SSF), focused on the modelling of liquidity provision measures and on trading data availability and dissemination issues. Stabilising the market liquidity of KASE and contribution to the increase in market transparency will benefit national and international stock investors and companies.

The SSF is financing other technical assistance programmes aiming at improving the stock exchanges in Azerbaijan and FYR Macedonia.