



EBRD role in supporting inclusive growth

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Agenda



1. Description of EBRD
2. EBRD transition impact
3. EBRD model for inclusive growth
4. EBRD and ESI Funds



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EBRD objective and key statistics



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Description of EBRD

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Objective: To foster the transition towards open market-oriented economies and to promote private and entrepreneurial initiative.

Key facts

Established in **1991**

Capital base of **€30b**

Owned by **66 countries** + EU + EIB

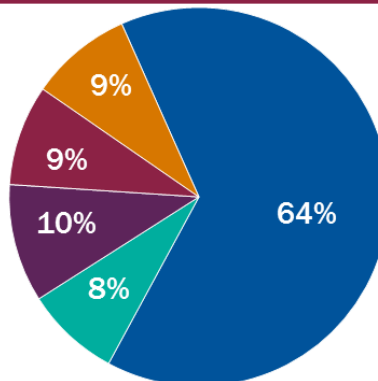
Active in **38 countries**

Triple A rating

Private sector & policy reform

80% of investment in **private sector**

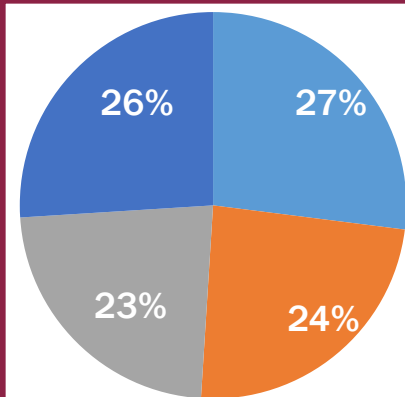
Ownership



- EU27 MS + EU + EIB
- USA
- EBRD region excl EU
- Japan
- Other

As at January 2017

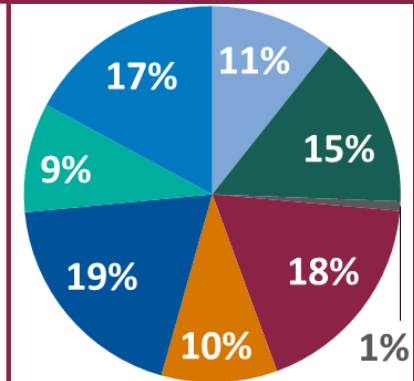
Sector focus



- Financial Institutions
- Infrastructure
- Corporate
- Energy

As at January 2017

Region focus



- Central Asia
- Central Europe
- Eastern Europe & Caucasus
- Russia
- SE Europe SEMED
- CY & GR Turkey

As at January 2017



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EBRD Countries of Operation

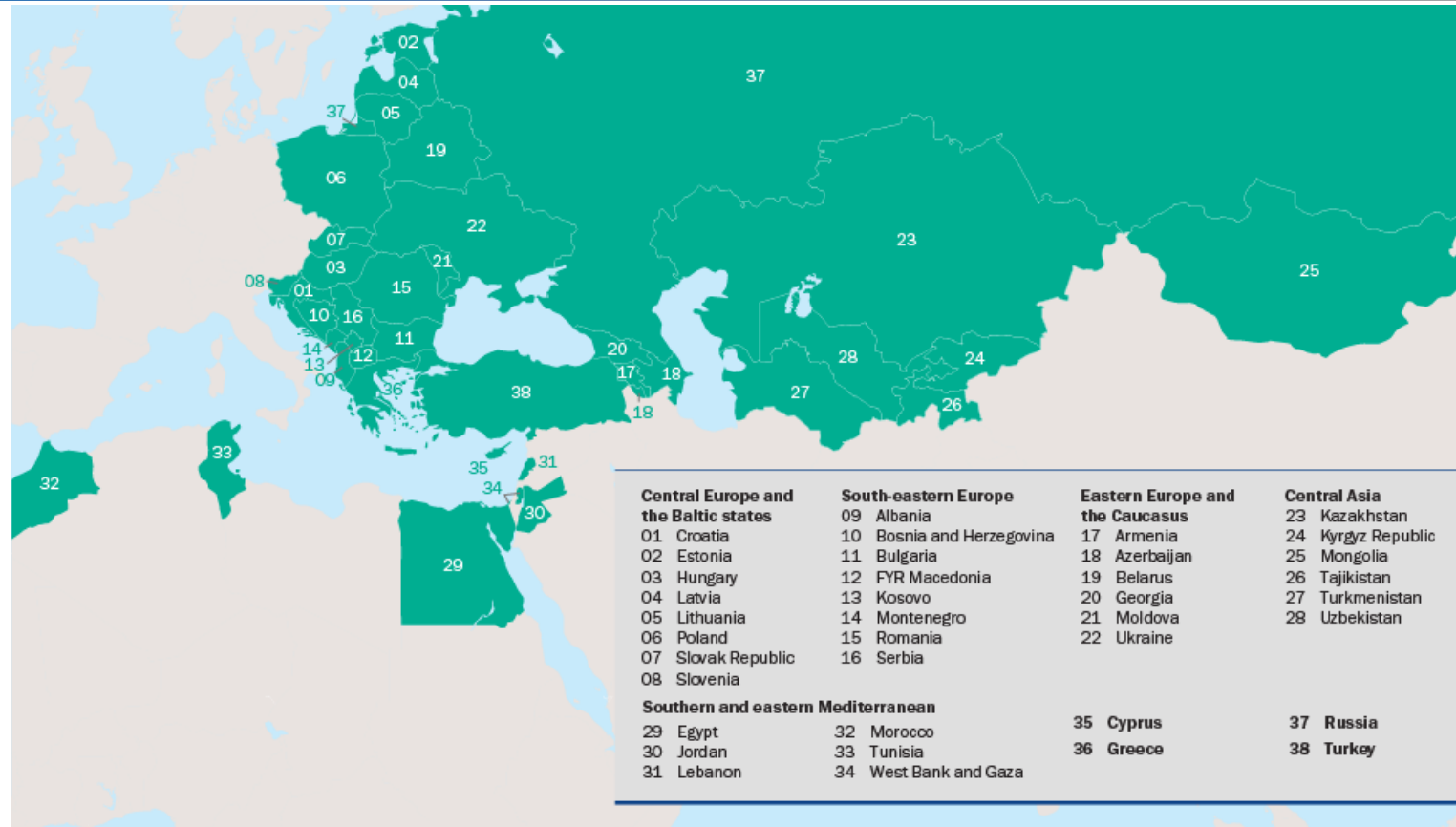


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Transition qualities for a sustainable market economy



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EBRD methodology for **Assessment of Transition Qualities** checks transition gaps related to the six qualities, and each investment is rated according to its potential contribution to overcome them. Each year, EBRD has a **target transition impact score** at Bank level.

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EBRD transition impact

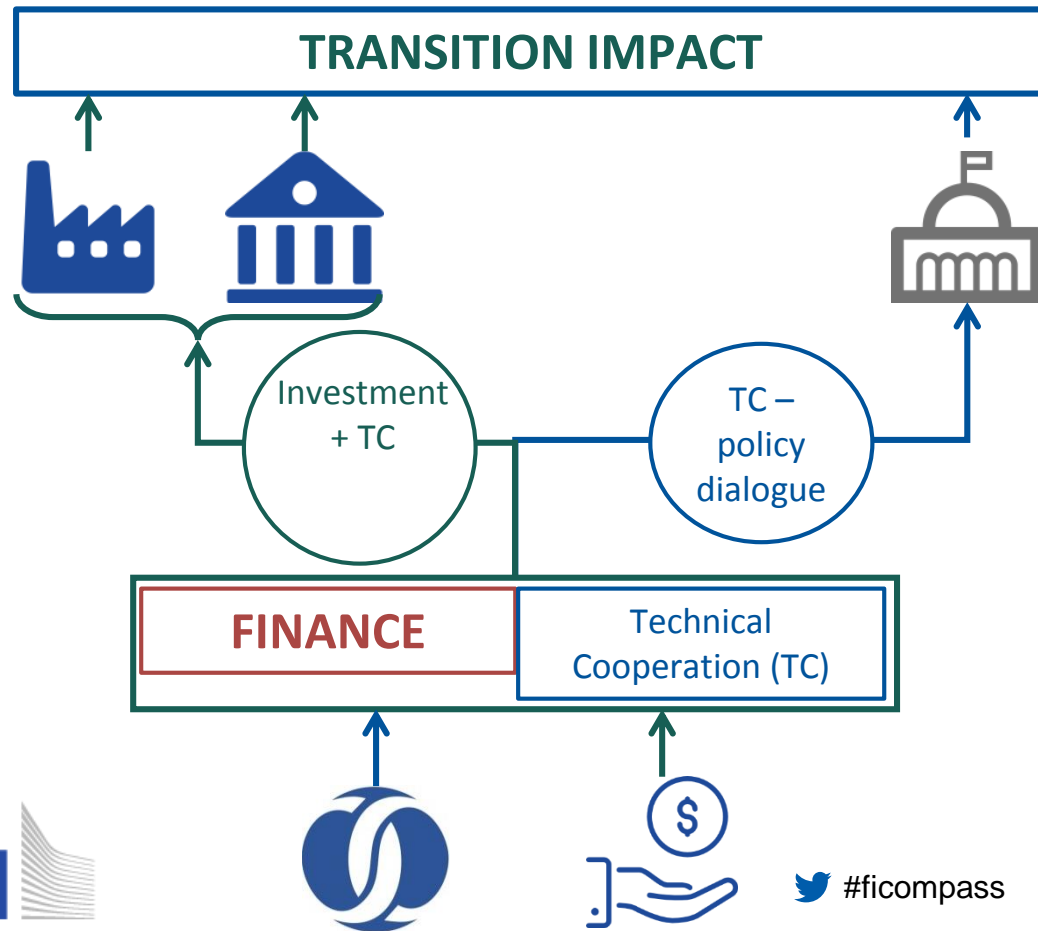


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Transition concept

With each client, EBRD seeks to bring about a **change in the way economic decisions are** i.e. transition to a sustainable market economy.

Transition is measured via the **six transition qualities**, each project.

Inclusive means **promoting a and equitable access to opportunity**. EBRD includes inclusive conditions with each investment or project.



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Transactional and non-transactional TC



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Transactional TC (37%*)

Pre-transaction TC to support its implementation, or **post-transaction** TC to increase its transition impact.

EBRD requirement to accompany transactions with TC.

Type of assignments:

- Project preparation;
- Capacity building;
- Institution building (e.g. organisational reform);
- Project implementation support.

Non-transactional TC (63%*)

Activities that do not directly support an investment operation.

Example: **Advice for Small Businesses.**

Types of assignments:

- Capacity building;
- Institution building (e.g. supporting reforms);
- Research (e.g. market studies);
- Legal and regulatory reform;
- Policy dialogue (e.g. standard setting, working groups).

* - Percentage of total value spent on TC in 2014

TC statistics



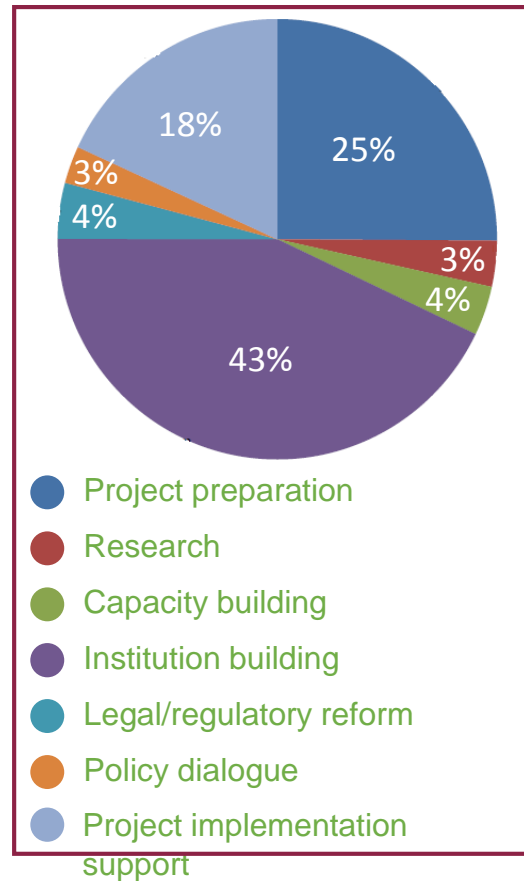
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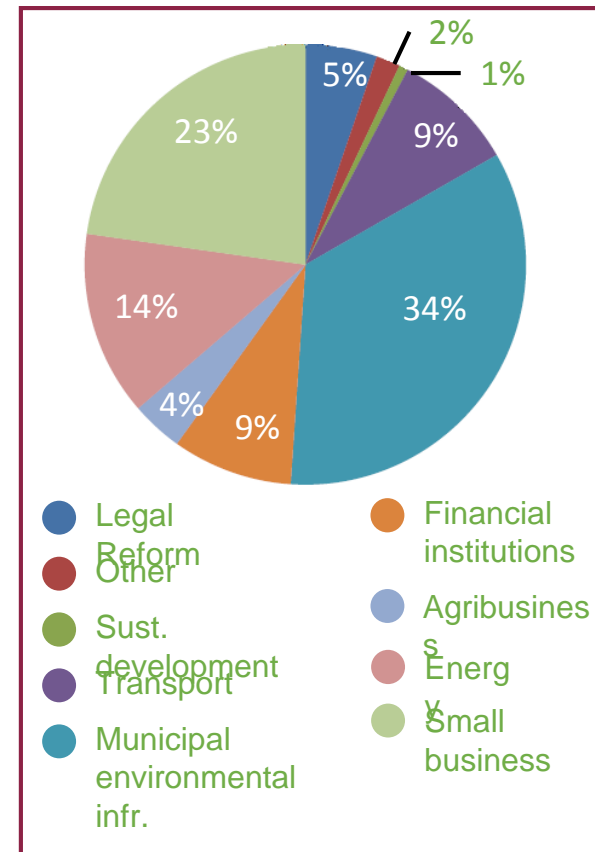
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Type of TC by value



Value of TC by sector



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EBRD inclusive growth strategies



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Economic inclusion strategy (2017 – 2021) - ebrd.com/ebrd-economic-inclusion-strategy.pdf

- **Vision:** to accelerate the transition towards inclusive market economies.
- **Explains how EBRD measures economic inclusion** in its project scorecards, in relation to each target group (rather than at economy-wide level)
- **Primary target groups:** women, young labourers, population in disadvantaged regions.

Strategy for the promotion of gender equality (2016-2020) - ebrd.com/gender-strategy.html

Aims to increase **women's economic empowerment** and **equality of opportunities** in countries where EBRD invests, as part of the inclusion transition quality.

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Example 1: Advice for Small Businesses (ASB) Facility



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Active since 1993, with **18,000+** projects

Network of **6,000+** local consultants and **1,500+** international experts

In 2012-14, our clients **created 30,417** new jobs

19.6% of our clients accessed **external financing** in 2012-2014

Women in Business - ebrdwomeninbusiness.com/
Provide women entrepreneurs with **financing, business advice** and an **international network of experts**.

We help local financial institutions design new products, review lending practices and identify market gaps in **17 countries**.

Clients assisted 15,000+	Total donor contribution €250m
Clients who increased turnover 82%	Total client contribution €87.9m
Clients who increased productivity +67%	Clients who increased employment +61%



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Example 2: Investments with inclusion- oriented TC



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Kazakhstan – Family and Gender Policy

EBRD provided technical support to help develop the “Concept for Family and Gender Policy 2030”

EBRD’s **Women in Business** programme is part of a broader TC package in the Enhanced Partnership Framework Agreement.



Women in Business (WiB) Serbia

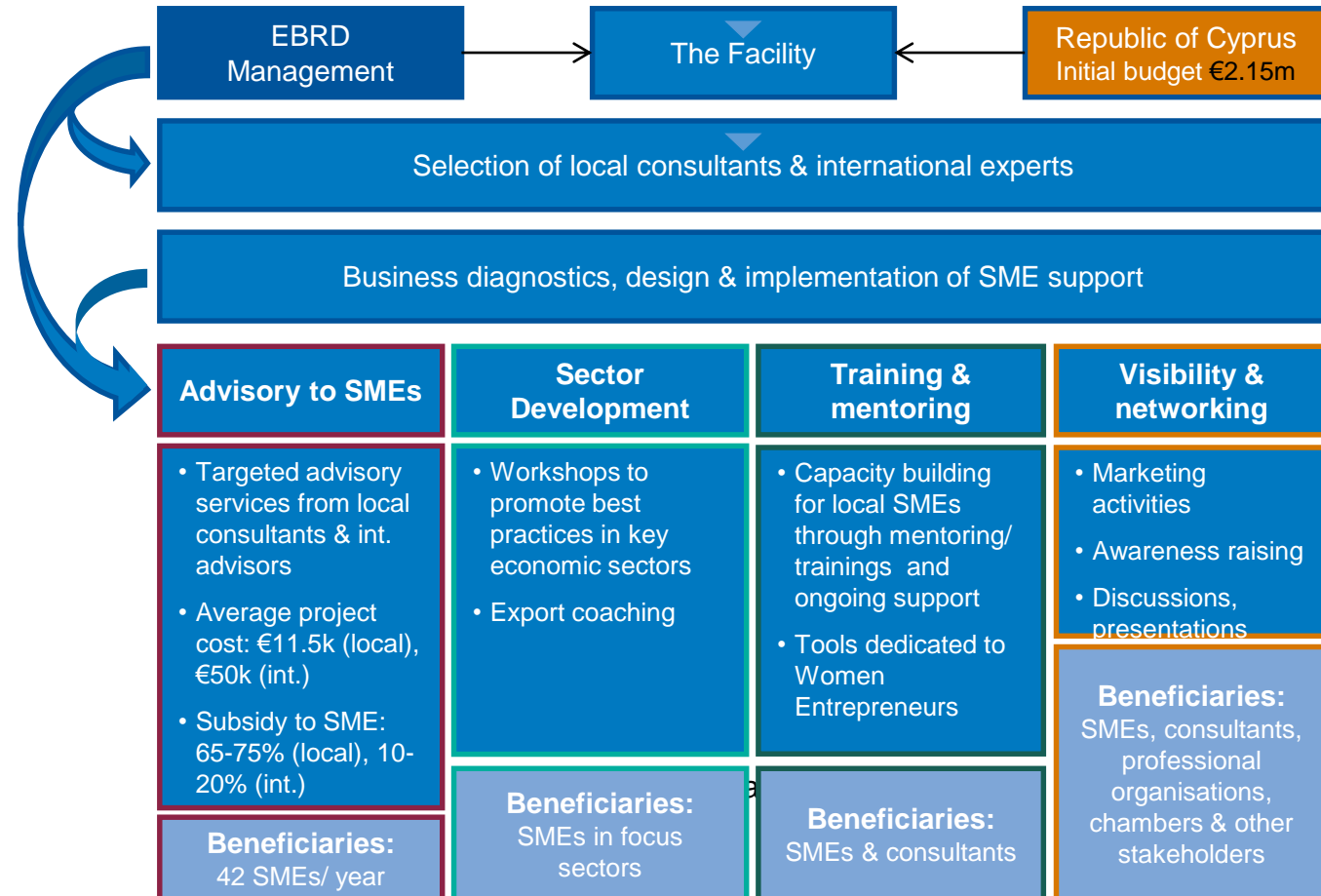
EBRD provided **EUR 5m to UniCredit Bank** Serbia, to finance SMEs run by women.

This is part of the Western Balkans WiB Programme, with support from international donors. Under it, **EBRD provided EUR 23.5m.**



Implementing ESIF co-financed facilities

Example: ASB Cyprus



Thank you

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European Bank
for Reconstruction and Development



financial instruments
 revolving capacity building
 added value **ERDF** funding agreement
 governance **ESF** EU guidance
 technical support seminars leverage financial intermediaries ex-ante assessment
 co-financing **ESIF** microfinance case studies
 investments **fi-compass** final recipients
 business plan **Thank you** thematic objectives
 advisory services guarantees banks loans **EaSI** equity
 private investors life cycle combination of support
EAFRD conferences factsheets
 fund of funds **EMFF** investment strategy **CF**
 managing authorities manuals