

Annual Review 2022



European Bank
for Reconstruction and Development

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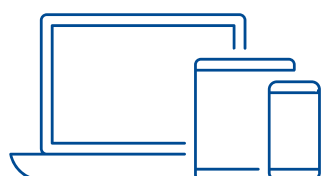


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This document is a summary of our activities in 2022.

Visit ar.ebrd.com and www.ebrd.com for details of our projects and more on the people and places who benefit from them.

About the EBRD



The European Bank for Reconstruction and Development (EBRD) promotes the development of sustainable, private sector-led economies in central and eastern Europe, Central Asia and North Africa. The Bank helps them to address 21st-century challenges and lends support to improve the lives and environments of citizens across society.

Through investment, policy reform and advisory projects, the Bank works to make economies more competitive, well governed, green, inclusive, resilient and integrated. These “transition qualities” best equip countries for a prosperous and equitable future for all.

The EBRD aims to be a majority green bank by 2025.

The Bank’s goals are closely aligned with those of the United Nations 2030 Agenda for Sustainable Development, which aims to deliver economic, social and environmental progress.

The EBRD invests in projects that cannot be funded solely by the private sector, but which follow sound banking principles. It works mainly with private clients, though it also finances public entities that deliver essential infrastructure, goods and services.

It also partners with donors that provide funding for advisory and technical assistance projects crucial to the success of Bank investments.¹

The EBRD is owned by 71 shareholder governments, the European Union and the European Investment Bank. It operates from its Headquarters in London, with a network of Resident Offices and satellite offices in 35 countries.



¹ More information on donors’ crucial contribution to the EBRD’s work can be found at <https://www.ebrd.com/who-we-are/our-donors.html>



The year 2022 was like no other in the EBRD's history. A member country, one of our largest markets, was subjected to a relentless military invasion that has brought death, destruction and terror. We have committed all of our efforts and taken considerable risk to support Ukraine, as the *Annual Review* makes clear. We have done this, while maintaining our focus on our strategic priorities and continuing to support the economies where we work.

Over the course of two years, by the end of 2023, we will have deployed at least €3 billion in Ukraine, half of which will be on our balance sheet, the remainder backed by the unwavering support of our shareholders. At the end of 2022, that figure had already reached €1.7 billion, with a further €200 million mobilised by partner banks as a result of our efforts.

The investments have gone into many areas of Ukraine's real economy – energy supply, transport links, food security and pharmaceuticals. We have also helped the country to organise its response by repurposing our Ukraine Reform Architecture programme, and we played an important role in convening international partners, coordinating their support.

The effects of the war have been felt by all countries in our regions, with high levels of inflation just one of the consequences. The EBRD stood by its clients and countries of operations to provide exceptional support in these circumstances. While investing in areas such as energy and food security, we have kept sight of our key goals: tackling climate change, supporting more equal societies and building digital capacity in our investee economies. As 2022 drew to an end, the global community gathered in Egypt for COP27, and we were proud to be the country's lead partner in its ambitious new push for more renewable energy and less reliance on inefficient fossil fuels.

What is more, we delivered on our promise to align all of the Bank's activities with the Paris Agreement from the start of 2023. This is an important landmark that brings us closer to our net-zero ambitions.

I must also acknowledge our staff's efforts to deliver Annual Bank Investment of €13.1 billion, the highest in our history. Their determination to focus on the task in hand was truly admirable – especially for those facing personal upheaval and displacement, but also so many others who share our commitment to making our countries stronger and more successful.

The vast majority of our investment in 2022 – 74 per cent – went to the private sector. As I travelled throughout our regions during the year, I saw first hand the impact of our backing for infrastructure projects, for small businesses, for trade finance and so many other areas. The capacity-building that goes alongside these projects is equally impressive, with our advisory and policy activities among the most distinctive elements of our work on the ground.

This is often made possible by funding from our donors and partners. The European Union is the Bank's largest donor and has played a key role in our work in Ukraine, alongside the extraordinary contributions of other shareholders, including the United States of America, Norway, the Netherlands, Canada, France, Germany and the United Kingdom. Other donors have also provided grants to vital causes such as small and medium-sized enterprises, capacity-building, policy reform and municipal infrastructure. I am grateful to all of our partners in this endeavour.

Never has that support been more necessary or more welcome. We have often been tested in a crisis, but this one is different. We must stay the course and find new ways to expand our support and ensure that our expertise has the greatest impact. We have made a good start, but there is much more to do.

Odile Renaud-Basso
EBRD President
April 2023

The EBRD had record impact across its regions in 2022. The Bank stepped up its investments and was particularly vigorous in its support of Ukraine in the face of Russian aggression.

Annual Bank Investment (ABI) rose to an unprecedented €13.1 billion, up 25 per cent from the previous year's €10.4 billion.

Donors played a crucial role in the EBRD's overall investment performance in 2022, providing a record €2.1 billion, more than half of which was dedicated to Ukraine.

The EBRD's €2 billion Resilience and Livelihoods Framework, unveiled rapidly in response to the Russian invasion, offered immediate help to people, companies and the economy in Ukraine and other countries affected by the conflict.

By the end of the year, the Bank had deployed a total of €1.7 billion in Ukraine alone, acting counter-cyclically in an extremely challenging investment environment.

Other regions also benefited from an increase in investment, with financing for central Europe and the Baltic states jumping more than 86 per cent to €2.35 billion. Investments in Poland, a major destination for Ukrainians fleeing the conflict, were up 66 per cent, while financing for neighbouring Moldova increased fivefold to €525 million from €106 million.

The Bank made excellent progress on the three priorities of its Strategic and Capital Framework 2021-25, with green investments at 50 per cent of overall ABI, in line with its goal of being a majority green bank by 2025. Strong progress was also made in the areas of equality of opportunity and digital transition.

The Russian invasion of Ukraine had a strongly negative impact on the value of the EBRD's portfolio of investments, resulting in a significant net loss of €1.1 billion.

Trade finance made a significant contribution to the EBRD's support for its regions in 2022, with the Bank delivering trade deals under the Trade Facilitation Programme (TFP) worth €3.6 billion, up from €3.2 billion in 2021.

Internally, the Bank made a number of changes to enhance its performance in pursuit of its key goals, including the creation of a department to better define and track the delivery of climate targets and another to monitor more effectively the overall impact of the organisation's work.

Also in 2022, the EBRD moved to its new London Headquarters in the financial district of Canary Wharf, establishing its base in one of the UK's most environmentally advanced offices, in keeping with its credentials as a major force in sustainable development.

Meanwhile, shareholders at the EBRD's Annual Meeting in Morocco in May approved in principle a limited and incremental extension of the Bank's activities into sub-Saharan Africa and Iraq. Recognising the EBRD's focus on Ukraine and other economies in its regions, shareholders acknowledged the value that the Bank could add in sub-Saharan Africa and Iraq. An assessment that takes into account the impact of the war on Ukraine is being prepared ahead of the 2023 Annual Meeting.



Number of projects:

431[↑]

Annual Bank Investment (ABI):

€13.1 billion[↑]

Private sector percentage of ABI:

74%[↓]

Private-sector volume of ABI:

€9.6 billion[↑]

Portfolio of operations, including undisbursed commitments:

€53.5 billion^{2↑}

Gross annual disbursements:

€8.8 billion[↑]

Trade deals worth €3.6 billion completed under the TFP:

1,768

Financing provided to partner financial institutions in support of on-lending to micro, small and medium-sized enterprises:

€1.28 billion

Financing provided to partner financial institutions in support of on-lending to women-led enterprises:

€182 million

Number of advisory projects initiated in 2022 under the Small Business Initiative:

2,116

² This figure includes outstanding portfolio operations in Cyprus, where the Bank's mandate concluded at the end of December 2020, with no new investments made thereafter. The value of the outstanding portfolio of EBRD investments in Cyprus was €196 million on 31 December 2022.

Operational results 2018-22

	2022	2021	2020	2019	2018
Number of projects ³	431	413	411	452	395
Annual Bank Investment ⁴ (€ million)	13,071	10,446	10,995	10,092	9,547
Annual mobilised investment ⁵ (€ million) of which private direct mobilisation ⁶	1,746 803	1,750 908	1,240 411	1,262 460	1,467 1,059
Total project value ⁷ (€ million)	38,028	39,781	27,224	34,884	32,570

Financial results 2018-22

€ million	2022	2021	2020	2019	2018
Net (loss)/profit	(1,117)	2,502	290	1,432	340
Transfers of net income approved by the Board of Governors ⁸	(123)	(80)	(115)	(117)	(130)
Net (loss)/profit after transfers of net income approved by the Board of Governors	(1,240)	2,422	175	1,315	210
Paid-in capital	6,217	6,217	6,217	6,217	6,215
Reserves and retained earnings	13,119	14,128	11,674	11,613	10,068
Total members' equity	19,336	20,345	17,891	17,830	16,283

To learn more about the EBRD's financial results, see the *Financial Report 2022*.

Potential transition impact of new project signings

For information about the transition impact of EBRD projects signed in 2022, visit ar.ebrd.com

3 The number of projects to which the EBRD made commitments in the year.

4 Annual Bank Investment (ABI) is the volume of commitments made by the Bank during the year. This includes: (i) new commitments (less any amount cancelled or syndicated within the year); (ii) restructured commitments; and (iii) amounts issued under the TFP during the year and outstanding at year end.

5 Annual mobilised investment is the volume of commitments from entities others than the EBRD made available to the client due to the Bank's direct involvement.

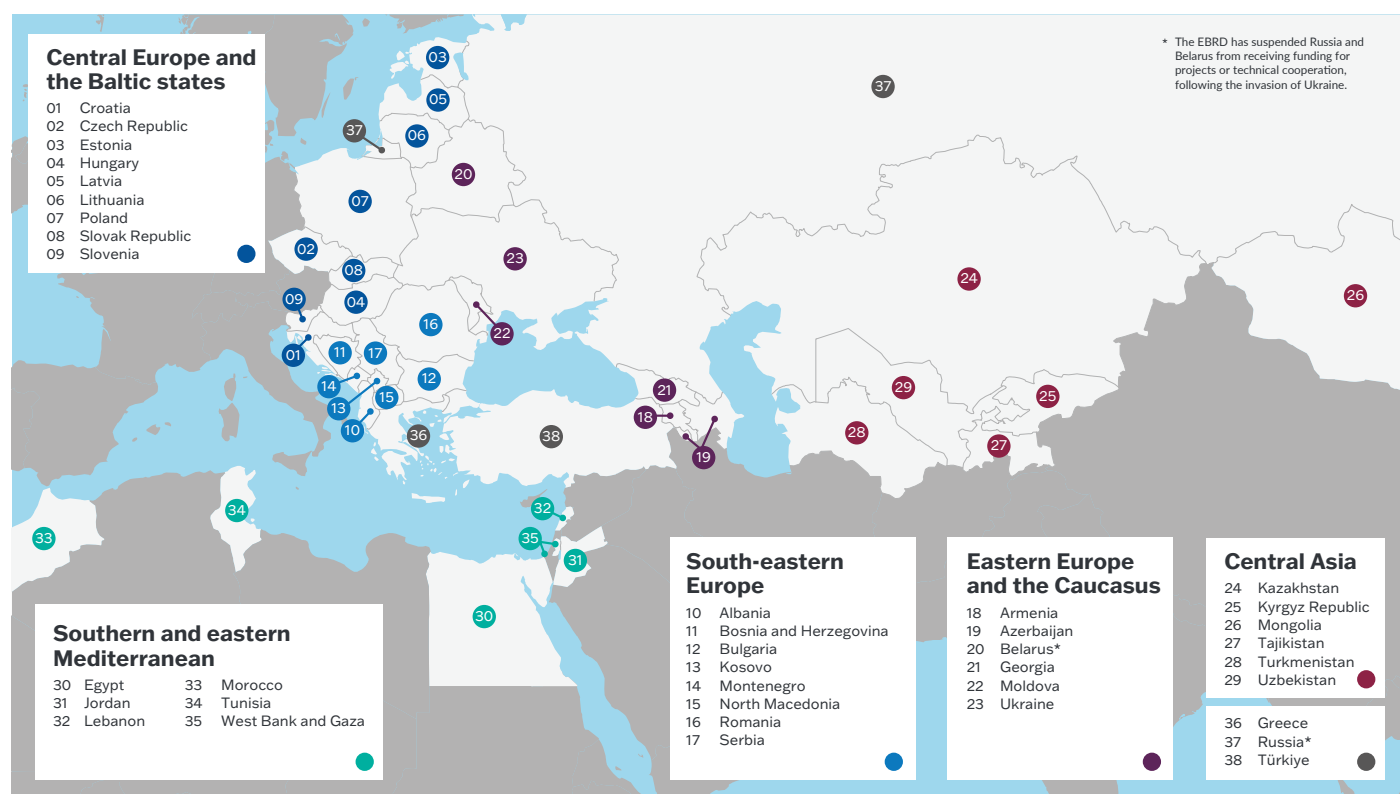
6 Private direct mobilisation is financing from a private entity on commercial terms due to the Bank's active involvement.

7 Total project value is the total amount of finance provided to a project, including both EBRD and non-EBRD finance, and is reported in the year in which the project first signs. EBRD financing may be committed over more than one year, with ABI reflecting EBRD finance by year of commitment (see footnote 4). The amount of finance to be provided by non-EBRD parties is reported in the year the project first signs.

8 Transfers of net income are accounted for as a transaction with equity holders recognised in the statement of changes in equity.

EBRD Annual Bank Investment by economy and region in 2022 (€ million)

Visit ar.ebrd.com for details of our projects and the people who benefit from them.



Central Europe and the Baltic states (CEB)

Map ref.	Economy	2022	2021	2020	2019	2018	Cumulative to end 2022	Active portfolio
01	Croatia	297	176	151	123	171	4,456	989
02	Czech Republic	111	8	-	-	-	1,340	166
03	Estonia	74	56	126	36	54	893	241
04	Hungary	215	63	84	63	124	3,513	840
05	Latvia	76	113	21	85	42	985	306
06	Lithuania	208	125	116	64	141	1,382	593
07	Poland	990	598	789	833	556	12,401	3,894
08	Slovak Republic	114	86	59	145	101	2,864	689
09	Slovenia	265	40	65	118	77	1,489	587
Total		2,350	1,266	1,412	1,467	1,267	29,322⁹	8,305

South-eastern Europe (SEE)

Map ref.	Economy	2022	2021	2020	2019	2018	Cumulative to end 2022	Active portfolio
10	Albania	154	201	194	148	284	1,934	1,050
11	Bosnia and Herzegovina	120	140	187	315	195	2,947	1,234
12	Bulgaria	103	247	103	38	185	4,401	912
13	Kosovo	91	50	36	118	52	589	342
14	Montenegro	23	22	160	38	30	724	319
15	North Macedonia	252	134	61	160	164	2,492	1,039
16	Romania	709	546	340	372	443	10,280	2,544
17	Serbia	648	499	679	517	396	7,927	2,593
Total		2,099	1,839	1,760	1,705	1,749	31,295	10,033

Private-sector share of the CEB portfolio:

91%

CEB annual mobilised investment (AMI):

€211 million (2021: €58 million)

Sectoral distribution of CEB Annual Bank Investment (ABI):

40%

43%

18%

Financial institutions
Industry, commerce and agribusiness
Sustainable infrastructure

Private-sector share of the SEE portfolio:

51%

SEE AMI:

€356 million (2021: €254 million)

Sectoral distribution of SEE ABI:

44%

29%

27%

Financial institutions
Industry, commerce and agribusiness
Sustainable infrastructure

9 This figure includes investments made in the Czech Republic before 2008.

Eastern Europe and the Caucasus (EEC)

Map ref.	Economy	2022	2021	2020	2019	2018	Cumulative to end 2022	Active portfolio
18	Armenia	117	175	158	118	70	2,003	434
19	Azerbaijan	86	34	17	17	304	3,588	843
20	Belarus ¹⁰	-	17	212	391	360	2,858	354
21	Georgia	218	295	618	296	267	4,986	1,330
22	Moldova	525	106	117	111	23	2,094	1,108
23	Ukraine	1,460	1,065	812	1,125	543	18,096	4,671
	Total	2,405	1,693	1,933	2,058	1,567	33,625	8,739

Private-sector share of the EEC portfolio:

40%

EEC AMI:

€212 million (2021: €111 million)

Sectoral distribution of EEC ABI:

29%

39%

33%

■ Financial institutions
■ Industry, commerce and agribusiness
■ Sustainable infrastructure

Central Asia

Map ref.	Economy	2022	2021	2020	2019	2018	Cumulative to end 2022	Active portfolio
24	Kazakhstan	480	558	403	685	472	9,845	2,915
25	Kyrgyz Republic	41	31	22	46	38	881	169
26	Mongolia	108	37	144	98	96	2,185	885
27	Tajikistan	21	56	131	18	54	908	524
28	Turkmenistan	2	8	20	11	11	334	35
29	Uzbekistan	839	607	429	517	397	3,897	2,257
	Total	1,490	1,298	1,150	1,376	1,067	18,050	6,785

Private-sector share of the Central Asian portfolio:

49%

Central Asian AMI:

€180 million (2021: €572 million)

Sectoral distribution of Central Asia ABI:

28%

6%

65%

■ Financial institutions
■ Industry, commerce and agribusiness
■ Sustainable infrastructure

Southern and eastern Mediterranean (SEMED)¹¹

Map ref.	Economy	2022	2021	2020	2019	2018	Cumulative to end 2022	Active portfolio
30	Egypt	1,343	1,005	1,046	1,214	1,148	10,144	4,798
31	Jordan	141	168	73	87	296	1,930	1,211
32	Lebanon	5	6	28	164	244	859	196
33	Morocco	528	211	742	204	198	3,913	1,872
34	Tunisia	387	120	242	177	100	1,879	1,124
	Total	2,404	1,510	2,131	1,847	1,985	18,747	9,201

Private-sector share of the SEMED portfolio:

52%

SEMED AMI:

€384 million (2021: €183 million)

Sectoral distribution of SEMED ABI:

53%

14%

33%

■ Financial institutions
■ Industry, commerce and agribusiness
■ Sustainable infrastructure

Greece

Map ref.	Economy	2022	2021	2020	2019	2018	Cumulative to end 2022	Active portfolio
36	Greece	687	838	797	571	846	6,426	2,183

Private-sector share of the Greek portfolio:

97%

Greek AMI:

€42 million (2021: -)

Sectoral distribution of Greece ABI:

62%

26%

12%

■ Financial institutions
■ Industry, commerce and agribusiness
■ Sustainable infrastructure

Russia¹²

Map ref.	Economy	2022	2021	2020	2019	2018	Cumulative to end 2022	Active portfolio
37	Russia	-	-	0.4	-	0.2	23,355	800

Private-sector share of the Russian portfolio:

84%

Sector distribution of Russian ABI:

n/a

Türkiye

Map ref.	Economy	2022	2021	2020	2019	2018	Cumulative to end 2022	Active portfolio
38	Türkiye	1,634	2,002	1,675	1,002	1,001	16,985	7,215

Private-sector share of the Turkish portfolio:

87%

Turkish AMI:

€362 million (2021: €572 million)

Sectoral distribution of Turkish ABI:

55%

23%

22%

■ Financial institutions
■ Industry, commerce and agribusiness
■ Sustainable infrastructure

10 In April 2022, the EBRD Board of Governors decided to suspend Belarus' access to Bank resources in response to the invasion of Ukraine. The Bank has closed its offices in Minsk. Belarus continues to be a shareholder of the Bank.

11 This table does not include investments in the West Bank and Gaza (map reference 35), which began in 2018 and are financed through a trust fund. For 2022, these investments totalled €22.3 million.

12 The Bank has made no new investments in Russia since 2014. In April 2022, the EBRD Board of Governors decided to suspend Russia's access to Bank resources in response to the invasion of Ukraine. The Bank has closed its offices in Moscow. Russia remains a shareholder of the EBRD.

The EBRD will stand by Ukraine



The EBRD responded immediately to Russia's invasion of Ukraine, issuing an expression of unwavering support for the Ukrainian people on 24 February, the day hostilities began.

"The EBRD will stand by Ukraine," President Odile Renaud-Basso said in a message to the country's authorities.

The Bank was the first international financial institution to unveil a response package for Ukraine and other countries affected by the war, while simultaneously acting to ensure the safety of staff as Ukraine came under attack.

EBRD employees and family members were offered resettlement opportunities, with a significant number of staff moving to Warsaw and other locations.

The EBRD condemned the aggression by Russia and Belarus, with the Board of Governors voting to formally suspend both countries from access to the Bank's finance and expertise. The EBRD offices in Moscow and Minsk were closed.

President Renaud-Basso led an EBRD delegation to Ukraine in October and was the first head of a multilateral development bank to visit Kyiv since the start of the war.

On 9 March, the Bank announced a €2 billion Resilience and Livelihoods Framework that offered immediate help to the people, companies and economy of Ukraine and other affected countries.

The Bank pledged to deploy €3 billion in Ukraine over the 2022-23 period, reaching out to the donor community with a view to combining donor guarantees and the Bank's own investments on a 50:50 basis.

It also promised support for post-war reconstruction once conditions allowed.

By the end of 2022, the Bank had deployed a total of €1.7 billion in Ukraine. Donor funding played a critical role in the EBRD's support for the country, with the Bank mobilising more than €1.2 billion in donor funds. In Ukraine, the Bank placed immediate priority on investment in five key areas: trade finance, energy security, vital infrastructure, food security and private-sector resilience.

The EBRD's TFP made a significant contribution to the Ukrainian economy, with provisions for Ukrainian banks worth €459 million to facilitate trade transactions for the country's most crucial goods, including imports of agricultural machinery and fertilisers.

The focus on energy security involved an initial injection of liquidity to electricity transmission company Ukrenergo to keep services running. That was followed by a €370 million financial package for Ukrenergo to repair damage after a huge escalation of Russia's attacks on Ukraine's civilian energy infrastructure.

The Bank provided donor-backed financing to state-owned gas company Naftogaz, so it could supply energy to Ukrainian customers during the winter and beyond.

Ukraine's railway system, vital to the transportation of food and other basic goods and the mass evacuation of people affected by the crisis, was kept running with the help of repurposed EBRD financing. The Bank also supported the city of Lviv with a liquidity line.

Technical assistance and finance delivered support to key logistics and delivery companies, while grant funding via the national postal system helped maintain Ukraine's internet access, keeping people connected even in remote rural areas of Ukraine, despite Russia's prolonged attacks on the country's electricity infrastructure.



A combination of risk-sharing agreements and loans helped provide financial support to companies crucial to food production and distribution, both directly and via the banking system. Similarly, the EBRD provided crucial support to non-food production and services companies, with an initial focus on the pharmaceutical sector.

The Bank also delivered support via its Ukraine Reforms Architecture (URA) programme, helping businesses to weather the impact of conflict and conducting damage assessment. URA teams later turned to supporting broader economic recovery, European Union (EU) integration and the upkeep of critical infrastructure and were instrumental in developing the country's National Recovery Plan.

In neighbouring countries, many of which welcomed a huge number of refugees, the emphasis was on energy security, including emergency energy purchases to compensate for the loss of imports from Russia and Belarus, support for municipal services and livelihoods for displaced persons, trade finance and the provision of liquidity for small businesses.

As the scale of destruction grew bigger than originally anticipated, it became clear that the impact on the Ukrainian economy would be much worse than feared.

After a likely economic contraction in 2022 of 30 per cent, initial hopes of a 25 per cent rebound in 2023 had been wound back significantly to just 1 per cent in 2023 and 3 per cent in 2024.

Looking ahead to the post-conflict reconstruction period, the EBRD agreed to lead a report to assess the damage to – and the costs of rebuilding – the devastated port city of Mariupol, even while it remained occupied by Russian forces.



Energy security in the EBRD regions



Energy security is a key priority within the EBRD's overall energy strategy, which helps countries in the Bank's regions to gain access to the power they need to fuel their economies and pursue their climate goals.

When Russia's war on Ukraine disrupted energy supplies and forced up prices, addressing the challenge of energy security assumed even greater importance throughout the EBRD regions.

The conflict threw a renewed spotlight on the urgent need to reduce energy consumption, primarily through energy efficiency, to diversify sources of energy away from fossil fuels and to make even more progress towards decarbonisation, especially by supporting renewables.

The goals of energy security and the green agenda, both globally and as a major plank of the EBRD's own strategy, moved into even closer alignment.

The Bank's experience in these areas meant it was well placed to make an important contribution, including through its ambition of becoming a majority green bank by 2025.

In Ukraine and in other neighbouring countries affected by the Russian invasion, an urgent priority was to respond to immediate energy requirements. The EBRD acted rapidly to ensure that Ukrainian families, businesses and the wider economy had access to power.

Financing was made available to gas company Naftogaz so that it could buy gas for the next heating season for millions of people whose livelihoods and economic security had been threatened.

Separate funding was delivered simply "to keep the lights on", with an earlier loan to national electricity company Ukrenergo to modernise key infrastructure repurposed into an injection of emergency liquidity.

After Russian attacks inflicted widespread damage on Ukraine's civilian energy infrastructure, a subsequent financial package to Ukraine allowed Ukrenergo to make swift emergency repairs just as the winter was setting in.

In all cases, donor funding played a crucial role.

A loan to Moldova's state-owned energy trader financed the acquisition of strategic gas reserves on European Union hubs to supplement those provided by Russia through Ukraine.

Energy security challenges were also addressed with steps to further integrate more EBRD recipient countries into the EU energy grid.

This was behind the Bank's investment in a sustainability-linked bond issued by the energy transmission system in Lithuania. The project supported the country's ambition to synchronise its electricity grid with the EU network by 2025 rather than rely on the Belarus, Russia, Estonia, Latvia and Lithuania (BRELL) electricity ring.

The Bank also pursued investments aimed at further deepening the integration of EBRD economies both internally and with other countries in the EU and beyond.

Financing from the EBRD and other international lenders for the expansion of the Poland's pivotal Baltic port of Gdansk was a boost to this integration, addressing supply-chain disruptions caused by the war on Ukraine.

While focusing on the immediate energy requirements that arose from the war on Ukraine, the EBRD did not lose sight of the medium-term goals of its Green Economy Transition (GET) approach, a key pillar of its current strategy.

The EBRD's green investments accounted for a 50 per cent share of total 2022 financing across its regions, in line with the Bank's target of becoming a majority green bank by 2025. For more details, see page 14 of this report.



Energy security case studies

Keeping the power flowing in war-torn Ukraine



The EBRD moved quickly to maintain the flow of electricity to Ukraine's economy after the Russian invasion. Backed by guarantees from the EU and the United Kingdom, an existing and undisbursed EBRD loan to electricity transmission company Ukrenergo to modernise key infrastructure was repurposed and delivered as emergency liquidity funding in two tranches worth a total of €147.3 million.

Supporting repairs to Ukraine's power system



As Russia's attacks on Ukraine's civilian energy infrastructure intensified, causing widespread damage and dealing a huge blow to energy supplies, the EBRD agreed a financing package worth €370 million – backed by a US guarantee and including a €70 million grant from the Netherlands – so Ukrenergo could make swift emergency repairs as winter set in.

Supporting EU energy integration in Lithuania



EBRD investments in a sustainability-linked bond from Lithuania's energy transmission system operator aimed to help the country diversify energy supplies and bolster energy security. The project supports Lithuania's ambition to synchronise its electricity grid with the EU network by 2025. The country is currently part of the BRELL electricity ring.

Bolstering energy security with a financial package for Naftogaz



The EBRD addressed energy shocks in Ukraine with a loan of up to €300 million to help gas company Naftogaz make emergency gas purchases and secure heating and electricity for households and businesses in time for winter. The EBRD finance was backed by partial risk cover from the United States of America, Canada, Germany and France. Norway agreed to provide a €190 million-equivalent grant to top up the EBRD loan.

€300 million loan to safeguard energy security in Moldova



The EBRD provided a €300 million revolving loan to Moldova, including €200 million for the purchase of emergency gas supplies to safeguard the needs and economic livelihoods of 2.7 million Moldovans and refugees from Ukraine. An earlier €100 million tranche allowed state-owned energy trader JSC Energocom to procure gas on EU hubs.

Keeping the energy flowing with financing for a major Slovenian supplier



A €30 million financing facility for Petrol Group of Slovenia provided liquidity to help the company tackle the challenges of the energy crisis arising from the war on Ukraine. Petrol Group is the leading energy supplier in Slovenia and a key player in Croatia as well as south-eastern Europe (SEE).

The EBRD and food security



The war on Ukraine had a severe impact on food supply chains across the EBRD regions, leading to an immediate increase in food prices and market volatility and posing a major threat to food security.

Already a major priority in its regions, addressing the food security challenge was a key element of the EBRD's Ukraine crisis response. It tackled both supply- and demand-side issues. The Bank's trade finance programmes played a crucial role.

One of the world's largest exporters of grain, Ukraine needed fast support across the whole agricultural spectrum. The Bank provided help for the primary farming sector in the sowing and harvesting seasons, as well as for retailers and exporters.

On the other side of the equation, economies in the EBRD's southern and eastern Mediterranean (SEMED) region, some of the world's largest importers of cereals, were immediately affected by supply-chain interruptions and rising prices.

The Bank responded with a programme of finance as well as technical support.

To boost food security in its regions, the EBRD invests across the entire food value chain, from farming and processing to logistics and retail. Improving infrastructure and trade links is especially vital for targeting investment bottlenecks. In total, the EBRD invested €874 million in agribusiness projects across its regions in 2022.

In its Ukraine response, the EBRD threw its weight behind the European Union's Solidarity Lanes action plan to facilitate the export and import of Ukrainian grains and other goods, with a pledge to invest €300 million in the programme to support both the Ukrainian economy and access to food for those countries that rely on Ukrainian exports.

In Ukraine, the Bank provided direct loans to food companies, while a series of risk-sharing agreements enhanced the ability of banking partners to provide much-needed finance to companies operating in critical agribusiness sectors.

The EBRD's TFP supported more than 400 transactions, for a total of over €1 billion of foreign trade in the agribusiness and foods sector across all regions in 2022.

This support covered the commercial and political risks of trade, ranging from importing agricultural machinery from Italy for grain storage facilities in Ukraine to importing fertiliser to Ukraine from the Czech Republic. Other TFP transactions included the provision of finance for the first Egyptian imports of Ukrainian grain after a blockade on Ukrainian ports was lifted.

Amid the continuing Russian onslaught on Ukraine, the Bank launched AgriAcademy, a free-to-use online learning platform for more than 10,000 employees in Ukrainian agricultural and food

companies of all sizes.

The food security challenge in SEMED economies was particularly acute, as the region is so dependent on imports of grain and wheat. Tunisia, for example, relies on foreign markets for two-thirds of its wheat and barley needs, and it was here that the Bank launched its initial programme of support for food security in SEMED under the Ukrainian response plan.

The EBRD's €150.5 million loan to Tunisia's state-owned Office des Céréales (ODC) funded imports of soft wheat, durum wheat and barley, corresponding to some 15 per cent of Tunisia's annual consumption.

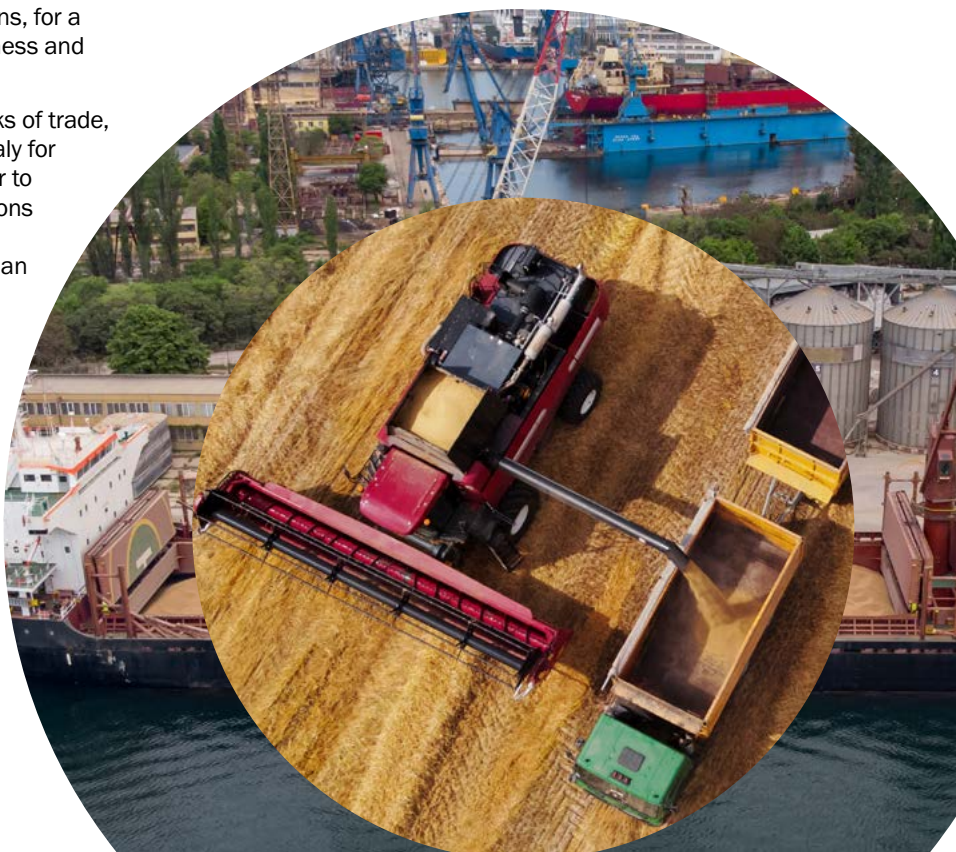
The support for a state-run enterprise represented a shift in the traditional private-sector focus of the EBRD's agribusiness investments, reflecting the importance of the public sector in SEMED economies when it comes to food imports and security. The public sector's pivotal role in the industry made it an indispensable partner in a time of crisis.

In addition to the financial element of the ODC project, the Bank provided technical support to address weaknesses in the grains sector. This also aimed to promote the progressive liberalisation of grain imports and guide the reform of ODC towards commercialisation, assisting it with operational efficiency, corporate governance practices and standards improvements.

More generally, across the whole SEMED region, the EBRD, in close cooperation with other international financial institutions and donors, sought to provide critical emergency financial support to governments to address the emerging food security challenges.

The Bank is also partnering with the Food and Agriculture Organization of the United Nations to provide technical assistance and policy dialogue support with a view to enhancing the role of the private sector in the grain and oilseed supply chains in the longer term.

Trade finance support in the food and agribusiness sector in the SEMED region, alone, amounted to more than €600 million in 2022, with €280 million going to Egypt and €297 million to Morocco.



Food security case studies

Food-security loan helping to ensure flow of grain to Tunisia



The EBRD helped a major grain importer in Tunisia maintain international purchases as the war on Ukraine disrupted trade flows. A €150.5 million loan to the ODC funded imports of soft wheat, durum wheat and barley, corresponding to some 15 per cent of Tunisia's annual consumption. It also supported reforms to the grain sector.

Joining Raiffeisen Bank to support yeast producer Enzym



The Bank teamed up with Raiffeisen Bank through an EBRD risk-sharing facility to back a working-capital loan to Enzym, Ukraine's leading baker's yeast producer. The loan is helping Enzym, which supplies more than 50 per cent of all yeast for bread production in Ukraine, to maintain production levels for the 2022 and 2023 seasons.

Helping SMEs affected by the Ukraine war, addressing food security



A €10 million loan to Bank Lviv under the Resilience and Livelihood Framework targeted Ukrainian small and medium-sized enterprises (SMEs) suffering from the shocks of war, through on-lending to firms involved in food security and companies that had been forced to relocate their business to the western part of the country.

Securing food supplies in Ukraine with a loan to MHP



A €24 million loan to agribusiness group MHP helped secure the continued supply of food in Ukraine despite the Russian invasion. The financing provided working capital to back MHP's crop-farming operations, helping to maintain supply chains and safeguard livelihoods.

Securing lending to Ukrainian food producers with bank guarantees



The EBRD helped ensure supplies of food for the people of Ukraine by issuing risk-sharing instruments that boosted local financing for companies engaged in producing, processing, transporting or importing food. The Bank covered €30 million of a total €53.3 million of this lending by ProCredit Bank, OTP Bank Ukraine and OTP Leasing.

€20 million for lending to Romanian farmers to enhance food security



The EBRD extended a €20 million loan to agricultural lender Agricover Credit to increase food security and production in Romania and beyond. The financing provided loans to farmers to finance investment and working-capital needs as part of the EBRD's response to support countries and companies affected by the war on Ukraine.

Partnering with banks to safeguard lending to Ukrainian food producers



The EBRD signed risk-sharing agreements with Raiffeisen Bank and Ukrsibbank BNP Paribas to back loans to support the operations of Astarta, the major Ukrainian agricultural and food processing company. The financing helped Astarta prepare for a successful crop-farming season, despite the major constraints of the Russian invasion.

Green

- Total investment in the Green Economy Transition in 2022: €6.4 billion¹³
- GET activities as a percentage of 2022 ABI: 50%
- Finance in 2022 for climate mitigation: €5.9 billion
- Finance in 2022 for climate adaptation: €246 million
- Finance for other environmental activities during the year: €1.35 billion
- In 2022, renewable energy capacity that the EBRD committed to financing: 4,652 MW
- Expected annual reduction in CO₂ emissions as a result of EBRD investments in 2022: 11.1 million tonnes

The EBRD maintained the pace of its green investment in 2022, even as its focus was drawn to providing emergency energy financing for Ukraine in the face of Russia's invasion.

With green financing worth €6.36 billion in 2022 – accounting for 50 per cent of total investment – the EBRD met its 2025 goal of ensuring that at least half of its investments were green, as it had in 2021.

Russia's war on Ukraine and its weaponisation of energy underscored the importance of long-term energy security in the Bank's regions and added urgency to climate goals. Renewable

¹³ The numbers for mitigation, adaptation and other environmental activities add up to more than €6.4 billion as some projects have multiple benefits.



Fully Paris aligned and delivering on 2025 green objective

energy is not only a vital lever for decarbonisation, but also key to reducing dependence on hydrocarbon imports.

The Bank had pledged to align all of its activities with the goals of the Paris Agreement from 1 January 2023 and it achieved this target on time following a major overhaul of procedures.

Developed in cooperation with the other multilateral development banks, the EBRD's Paris alignment approach covers the Bank's investment and lending activities, policy and strategy support and internal activities (for example, treasury, mobility and facilities). The EBRD will also monitor and report on its Paris-aligned activities.

Moreover, the Bank's enabling framework will have a catalytic effect on its partners and their clients and encourage them to map their own journeys towards net zero.

In December 2022, Jordan's Bank al-Etihaq became the first EBRD partner bank to sign up to making a transition plan, incorporating the EBRD's Paris alignment methodology alongside a US\$ 35 million (€32.8 million) loan.

The EBRD maintained the momentum of its investments in energy efficiency and the accelerated development of renewable energy sources to support its investee economies as they progressed on the path to decarbonisation.

Green Cities

The Bank continued its rapid rollout of the Green Cities programme in 2022, with 16 projects signed, worth a total of €762.7 million, for an annual reduction in CO₂ emissions of 3,174 tonnes, equivalent to taking 689,982 cars off the road each year. More than 50 cities are now signed up to the programme.

One highlight of the urban regeneration programme was the completion of the Green Cities action plan for the western Ukrainian city of Khmelnytskyi, despite the war with Russia.

Resuming the programme to improve living conditions in the city, on hold since the February 2022 invasion, had become all the more urgent as a result of the strain on services following a large inflow of internally displaced people fleeing the conflict.

The Bank finished the year with the rollout in December of its largest renewable project ever, arranging finance worth US\$ 520 million (€487 million) to deliver two wind power plants with total installed capacity of 1 GW in Uzbekistan's Bukhara region.

Its provision of EBRD green finance through the banking system, including via Green Economy Financing Facilities (GEFFs), totalled €2.2 billion for the year.

In 2022, the EBRD took a major step forward in its promotion of green hydrogen as a low-carbon component of the energy mix.

The Bank invested US\$ 80 million (€75 million) in Egypt's first green hydrogen facility, a 100 MW electrolyser plant powered by renewable energy that will deliver up to 15,000 tonnes of green hydrogen annually to be used in the production of low-carbon ammonia for the domestic and foreign markets.

Egypt, host of the 2022 COP27 international climate talks, underscored its strong ties with the EBRD by selecting the Bank as its lead development partner for the energy pillar of the country's Nexus on Water, Food and Energy (NWFE).

As part of this ground-breaking plan, Egypt aims to retire 5 GW of inefficient oil- and gas-fuelled power capacity, reducing CO₂ emissions, and develop 10 GW of solar and wind power by 2028, including for green hydrogen production.

The EBRD will support Egypt in addressing the key barriers to the country's decarbonisation agenda, including the need to strengthen the energy grid to absorb more renewable capacity and to provide a "just transition" for workers and regions affected by the switch to more environmentally sustainable energy resources.

At COP27, the EBRD also launched its Corporate Climate Governance Facility, a bespoke advisory service that helps clients plan their green transition. With €30 million of funding for its advisory services, the facility is aiming to work with more than 100 clients by 2024.

It will provide financial institutions, corporate and municipal clients, as well as policymakers with access to tailored advisory services to help them upgrade their corporate climate governance and plan a green transition to bring them in line with international best practice.

Climate adaptation focus

Against a backdrop of extreme weather conditions in 2022 – heatwaves in Central Asia, flooding across the Balkans, wildfires in the eastern Mediterranean and droughts in North Africa – the EBRD stepped up its work on climate adaption, building resilience to climate change.

The Bank developed an ambitious Climate Adaptation Action Plan to catalyse its transformation, investment and policy activity over the next three years in the economies where it operates.

The plan involves accelerating the mainstreaming and policy integration of climate adaptation activities across the Bank, developing partnerships and capacity building for enhanced impact, and establishing proactive business development and private-sector mobilisation.

Supporting the first green hydrogen facility in Egypt



The EBRD made an important contribution to the decarbonisation of the fertiliser sector in Egypt and beyond with a US\$ 80 million loan (€75 million) to build Egypt's first green hydrogen facility. The project consists of a 100 MW electrolyser, powered by a 55 MW solar photovoltaic (PV) plant and a 200 MW windfarm. The plant will produce green hydrogen for the production of green ammonia for the domestic and foreign markets.



Delivering the EBRD's largest renewable project to date



The EBRD arranged financing worth US\$ 520 million (€487 million) for two windpower plants with a total installed capacity of 1 GW in Uzbekistan's Bukhara region – the EBRD's largest renewable energy project to date. The new wind power plant will generate more than 1,650 GWh of electricity annually and help reduce CO₂ emissions by 930,000 tonnes a year.



Launching the Bank's first Croatian windfarm investment



A €43 million loan for two windfarms in Croatia helped increase the country's share of renewable energy generation. The project's alternative electricity offtake arrangements strengthened the role of the private sector by galvanising market forces and removing the need for state subsidies.



Investing in green bonds to mobilise finance for Egyptian renewables



The EBRD invested in a bond issued by renewable power producer Scatec ASA to support a portfolio of six solar plants in Benban, Egypt. It was the first private green project bond issuance in Egypt and the wider SEMED region and will have the effect of mobilising new private and institutional capital for the renewables sector.



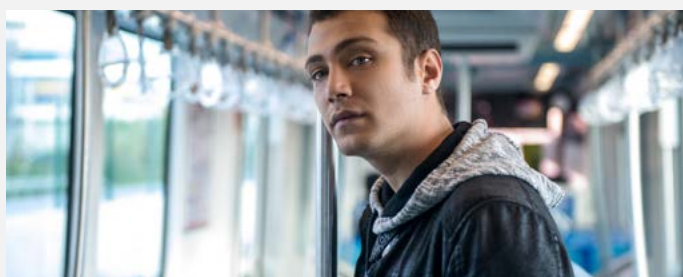
Supporting Almaty power plant in switch from coal



The Bank provided €260 million in financing to support the deep modernisation of the largest heat provider in Almaty, Kazakhstan – Almaty CHP-2 – by replacing coal with natural gas as the primary fuel. The project will have an immediate impact on the local pollution and the city's air quality, with the complete elimination of dust and reductions in NO_x and CO₂ emissions of 86 per cent and 55 per cent per year, respectively.



Istanbul metro loan promotes green, gender and inclusion agendas



The EBRD's first Green Cities investment in Istanbul was a loan for the construction of the Goztepe-Atasehir-Umraniye metro line. The loan was an extension of a 2019 financing arrangement. The project will promote sustainable urban mobility by cutting pollution and congestion and boosting gender and inclusion through a youth learning programme and an equal opportunities plan.



Boosting integration and supporting the green agenda in Gdansk port



The EBRD joined other international lenders to finance the expansion of Poland's pivotal Baltic port of Gdansk. The project will boost economic integration and security with an investment in a third deep-water container terminal developed by DCT Gdansk. It will bring significant environmental improvements through advanced energy-efficient technology, while addressing supply-chain disruptions caused by the war on Ukraine.



Pioneering loan promotes energy diversification in Azerbaijan



EBRD finance for the country's first utility-scale solar project enabled Azerbaijan to take an important step towards diversifying away from fossil fuels. The project sets a precedent for further private-sector participation in Azerbaijan's renewable energy market, actively supported by the EBRD at the policy and investment level.



EBRD invests in Morocco's first green infrastructure bond



The EBRD set a significant investment milestone in Morocco with its participation in the country's first green bond in the infrastructure sector. The proceeds of this local-currency issue are being used to refinance debt taken on by national rail operator ONCF for the construction of the electrified high-speed rail line linking Tangiers to Casablanca.



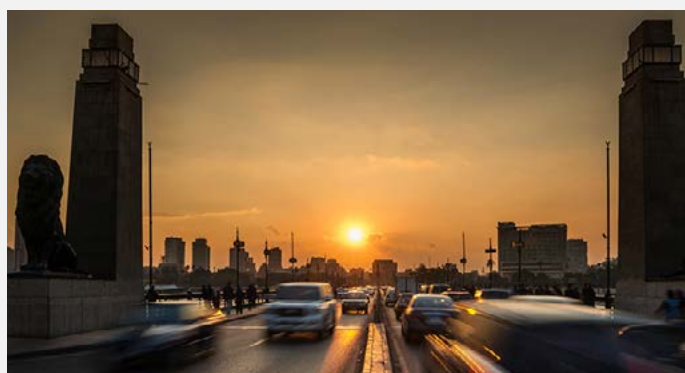
Financing repowers Africa's oldest wind farm



The EBRD supported the first wind-repowering project in Africa to double the capacity of the continent's oldest utility-scale wind farm, the Koudia Al Baida facility in Morocco. The €49 million financing package from the EBRD, backed by a €4.5 million facility from the Climate Technology Fund, will increase the capacity of the wind farm to 100 MW.



Donor-backed green London-style taxi fleet fosters e-mobility in Egypt



A loan to Egyptian transport company Abou Ghaly Motors financed the purchase of 250 London-style electric taxis, cutting harmful emission by encouraging greater use of e-mobility, while also promoting skills in the e-mobility sector and supporting the delivery of safe and more accessible transport for women and people with disabilities.



Supporting North Macedonia's "just transition" to solar power



The EBRD, backed by an EU grant, is supporting North Macedonia's decarbonisation agenda by financing two large-scale solar plants with a capacity of 30 MW, including a 10 MW project on an exhausted coalmine. The project supports a "just transition" by addressing the social issues of the green transition and providing redeployment and reskilling opportunities.



Cutting congestion and reducing pollution in Sarajevo



The EBRD is delivering environmental benefits to Sarajevo with a €17 million Green Cities loan to help alleviate the city's traffic congestion and improve air quality. A new traffic management system will cut commuting times and add five new trams to the municipal fleet.



Financing solar energy for district heating in Kosovo



Kosovo became the first economy in the Western Balkans region to use solar power to heat homes after the EBRD, Germany's KfW and the EU financed the construction of a solar plant to power central heating in Pristina. The ground-breaking €80 million project enables the collection of energy during the summer, along with its storage and use for winter heating.



Backing Morocco's first municipal bond as Agadir signs up to Green Cities



The EBRD invested MAD 400 million (€37 million equivalent) in Morocco's first municipal MAD 1 billion bond, providing finance for the city of Agadir to implement its Urban Development Programme, focusing on green and inclusive infrastructure projects. The project launched Agadir's participation in the EBRD's Green Cities scheme, the first municipality in Morocco to do so.



A further boost for renewables in Türkiye



A US\$ 100 million (€93.7 million) loan to renewables group Adnan Polat Enerji Yatirim is set to produce an additional 200 MW in Turkish wind and solar capacity, prevent 154,000 tonnes of CO2 emissions annually and enhance access to market-relevant skills and employment opportunities for women and young people.



Boosting the use of renewables in Mongolia's electricity supply



Financing for a new transmission line in Mongolia will improve the flexibility and reliability of Mongolia's electricity grid and increase its ability to absorb renewable energy sources. The project, backed by an EU grant, will contribute to the decarbonisation of Mongolia, which is still highly dependent on fossil fuels.



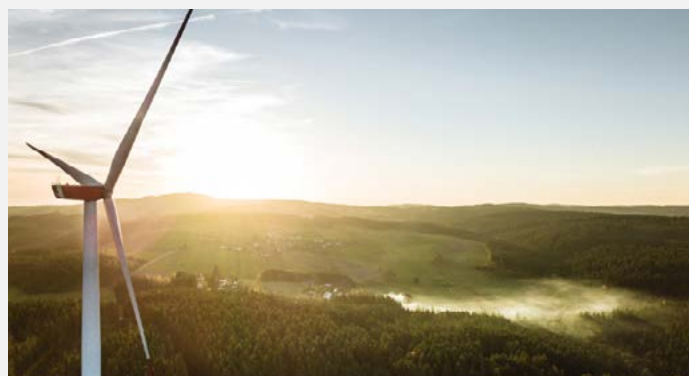
Supporting Greece's largest urban regeneration project



The EBRD supported Greece's largest urban regeneration project by backing a green bond issued by Lamda Development to transform the former Athens International Airport into a sustainable commercial, residential and public hospitality area. The bond – a successful green placement in difficult conditions – funded green buildings and infrastructure, green energy and smart-city technologies.



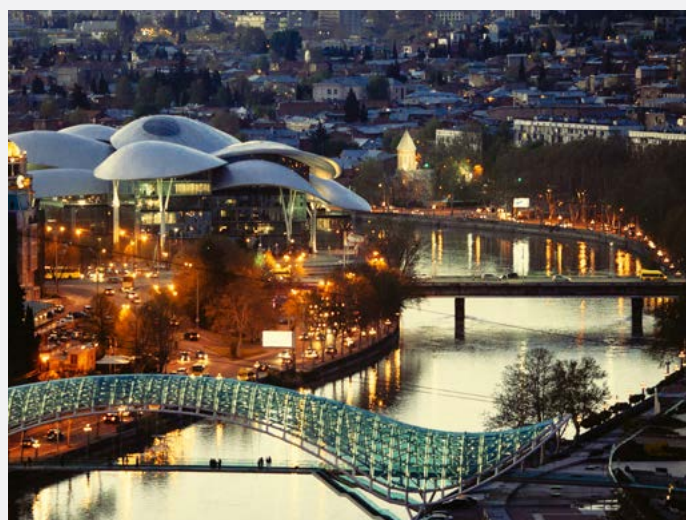
First investment under new green financing facility in Türkiye



The EBRD launched its new €500 million GEFF in Türkiye with a €53.5 million loan to TSKB, co-financed by the Clean Technology Fund. This first green credit line under the new facility aims to help the country achieve its climate goals.



Promoting Bank of Georgia's green investments with innovative loans



The EBRD promoted investment in green projects by Bank of Georgia with a US\$ 50 million (€46.8 million) package of loans that serve as Additional Tier 1 (AT1) capital, the bank's first ever AT1 capital loan. Bank of Georgia will deploy the equivalent of US\$ 50 million on investments that meet the EBRD's GET criteria.



Fostering green investment, supporting women entrepreneurs in Uzbekistan



The EBRD provided loans to Ipak Yuli Bank in Uzbekistan to promote the green economy transition and support women entrepreneurs. A GEFF worth the equivalent of US\$ 6 million (€5.6 million) will finance investments in climate change mitigation and adaptation technologies. A US\$ 4 million equivalent (€3.7 million) loan will be used for lending to women-led MSMEs.



Inclusive

- Total number of projects in 2022 with an inclusive goal and/or gender additionality: 254
- Gender SMART¹⁴ projects in 2022: 159
- Gender SMART operations as a percentage of the total number of projects signed in 2022: 37%
- Number of investment operations in 2022 with an inclusive objective: 105

Russia's war on Ukraine has been a stark reminder of the importance of the human angle – the imperative of safeguarding and developing human capital – across the entire spectrum of the EBRD's activities.

Already one of the three priorities of the EBRD's Strategic and Capital Framework for 2021-25, equality of opportunity has been at the heart of projects launched in Ukraine and other countries affected by the Russian invasion.

Under its Resilience and Livelihoods Framework, the EBRD invested in projects that preserved and improved the livelihoods of people affected by the war and supported business continuity, ensuring an equitable and inclusive response to the Ukrainian crisis.

The Bank delivered emergency financing to energy companies, food producers, transport providers and local authorities so they could continue their operations, pay salaries to their staff and support the Ukrainian economy despite the disruption of war.

The EBRD helped keep trains running and strengthened logistics services to maintain the delivery of goods and allow millions of Ukrainians to seek refuge away from the most violent theatres of war.

Bank staff also collaborated closely with the Ukraine Government Commissioner for Gender Equality Policy to address a significant increase in gender-based violence and harassment (GBVH), ensuring that the EBRD addressed through its projects the violence that had become prevalent during the war.

Outside Ukraine, EBRD funding helped ensure that millions of refugees who fled to safety had access to accommodation or could find work, especially women, who accounted for the overwhelming majority of Ukrainians leaving their homeland.

New equality and gender strategies

This year saw the first full year of the Bank's new equality strategies for 2021-25: the Strategy for the Promotion of Gender Equality 2021-25 and the Equality of Opportunity Strategy 2021-25.

The EBRD achieved a record share of Gender SMART investments in 2022. They increased to 37 per cent from 35 per cent in 2021, significantly exceeding the target of 25 per cent set for 2022. The Bank also delivered a record number of operations promoting equality of opportunity across its regions in 2022. The number of investments with an inclusive objective increased 87.5 per cent from 2021 (from 56 to 105 operations), while the share stood at 24.4 per cent of all operations.

Boosting the role of women in addressing climate change

In 2022, the EBRD scaled up its efforts to support equality of opportunity and an increased role for women in addressing climate change.

A crucial economic imperative for the Bank is to harness the ingenuity, potential and business acumen of women to successfully identify and deliver solutions to climate change and other global challenges.

At the COP27 climate talks in Egypt, in partnership with the African Development Bank and the Agence Française de Développement, the EBRD unveiled the Gender Equality in Climate Action (GECA) initiative.

This included the launch of a new tool – the GECA Accelerator – to help companies across sectors improve the gender responsiveness of their corporate climate governance. It also guides ministries in promoting gender-sensitive sectoral climate policies and strategies.

The Bank stepped up its support for gender equality in the climate finance sector, with training for more than 400 staff and management, of which over 35 per cent were women, at 14 partner banks across the EBRD regions via the GEFFs that support green investment by businesses and households.

By organising a series of events and workshops on gender-responsive green finance, the Bank has now reached more than 750 stakeholders. More than 55 per cent of them have been women from business, banking and industry associations, regulators and partner banks, building important networks to boost women's role as agents of change in the green transition.

Promoting skills and a "just transition"

One stand-out 2022 example of promoting equal opportunities in skills and employment comes from the EBRD's first waste-management project in North Macedonia, which integrated inclusive procurement in the solid waste sector – a blueprint for other economies in the Western Balkans.

The project aims to open up skills and employment opportunities for underserved groups, providing training for the local population, including women, and people from the Roma community, who have traditionally been involved in informal waste-picking activities in North Macedonia and face significant barriers to economic inclusion.

14 "Gender SMART" is a process to enable the systematic integration of gender into EBRD projects.

Addressing inequality as human angle remains the key focus in the Ukraine crisis

As the global and EBRD response to climate change continued apace, so did the EBRD's drive to ensure support for workers as they shift away from industries that are no longer environmentally viable or whose jobs have been "stranded" by the march of technology.

The EBRD's "just transition" work – ensuring that the benefits of the green economy transition are shared equally and that vulnerable countries, regions and people are not left behind – accelerated in 2022.

A solar project in North Macedonia, building one plant on a disused coalmine, was just one such investment that specifically identified the social implications of the green transition and defined redeployment and reskilling opportunities at the public electricity generation utility.

A "just transition" is also integral to Egypt's pioneering NWFE, a new programme that received major international support at this year's COP27 in Sharm el-Sheikh.

The EBRD is Egypt's lead partner in the NWFE's energy pillar, an ambitious plan to step up the switch from inefficient oil and gas-fuelled power to renewables including wind and solar.

The promotion of gender equality was also a key feature of the EBRD's successful Green Cities urban regeneration programme. In 2022, 88 per cent of the Green Cities projects signed during the year were Gender SMART, focusing on promoting gender equality in municipal green ambitions.

For example, in an e-mobility project to deliver 100 electric taxis in the Tajik capital of Dushanbe, the Bank supported the creation of economic opportunities for 250 people by offering them training programmes and improving their skills in the emerging electric vehicle sector.

The project offers women a role in a sector from which they had been largely excluded in Tajikistan.



Funding for Ukraine's rail system keeps supplies flowing



The Bank repurposed part of an existing loan to provide initial liquidity of €50 million and then a further €98.8 million to the Ukrainian Railways Company to keep trains running as the country grappled with the invasion by Russia. The financing supported the movement of goods and people, including displaced persons, and helped maintain Ukraine's trade links with the outside world.



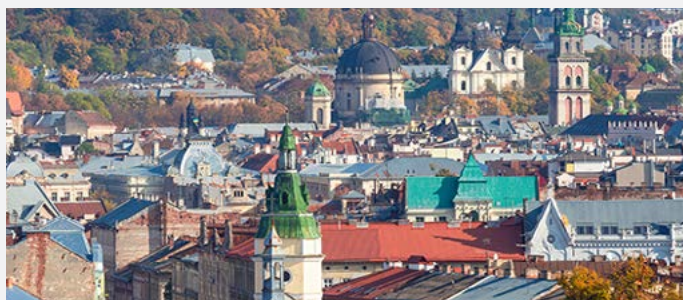
Increasing the availability of medication in war-torn Ukraine



The EBRD increased the availability of essential medicines to the people of Ukraine during the conflict. A €20 million loan to leading Ukrainian pharmaceuticals manufacturer JSC Farmak under the Resilience and Livelihoods Framework provided the company with emergency working capital to keep operations running.



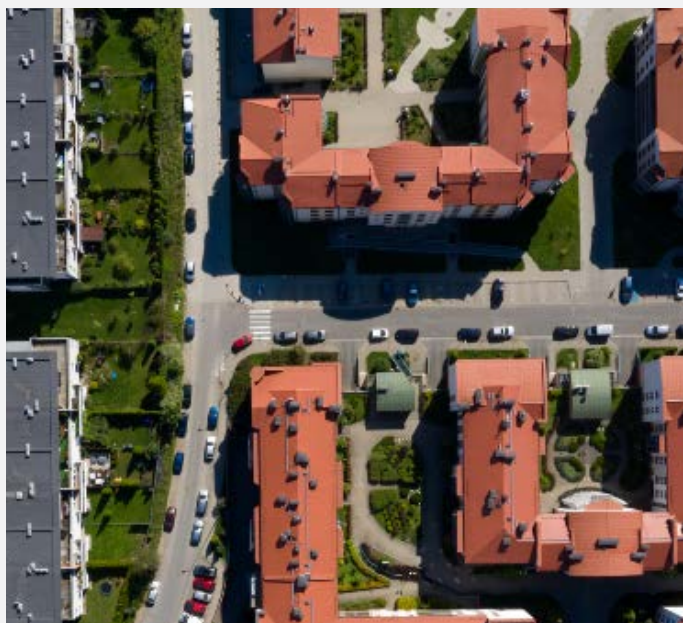
Emergency liquidity keeps services running in Lviv



A loan of up to €25 million to the city of Lviv provided emergency liquidity to compensate for revenue losses and additional expenses linked to the war, including the challenge of dealing with refugees and displaced persons. The financing allowed the city to keep up with day-to-day running, operating and maintenance costs.



Easing the housing situation in Poland amid Ukraine war pressures



A €50 million loan to property company Resi4Rent aimed to improve Poland's housing situation amid pressures from the inflow of refugees escaping the war in Ukraine. Resi4Rent will use the finance for the development and operation of rented apartments across Poland in Warsaw, Krakow, Wroclaw, Gdansk, Lodz and Poznan.



Helping a Moldovan bank to support firms amid war in neighbouring Ukraine



A €50 million loan to Moldova's largest bank, MAIB, strengthened its funding base and helped it overcome challenges caused by the war on Ukraine. The financing meant MAIB was better equipped to support the Moldovan economy with a focus on reaching out to private businesses affected by the conflict.



Investment in Lithuanian retailer creates jobs for displaced Ukrainians



An EBRD investment in Lithuanian retailer Maxima Grupė helped secure jobs for Ukrainians fleeing their country. As part of the EBRD investment in Maxima's €240 million bond, the company committed to hiring 720 more refugees, the majority of whom were women. Maxima Grupė was one of the first companies to offer jobs to Ukrainian refugees.



Capital for Uzbek pipe maker to promote jobs for women



An investment that will provide working capital for Tashkent Pipe Plant aims to boost the Uzbek firm's operational efficiency and increase import substitution. It will also provide more jobs for women by introducing equal opportunity policies and practices to raise the company's female workforce by 5-10 percentage points.



Loan to Turkish oils producer boosts role of women in olive farming



A US\$ 50 million (€46.8 million) loan to Bunge, a leading Turkish producer of edible oils, is providing finance for capital requirements and enhancing the role of women in olive farming by establishing a training academy to increase the access of women to modern agro-techniques, specifically in the areas of olive tree cultivation and maintenance.



Boosting climate resilience, training young farmers in Türkiye



A €7.5 million loan to Turkish seed producer May Seed will increase competitiveness, giving it funding to promote greater climate resilience through improved irrigation, increasing water savings and boosting productivity. May Seed will also introduce training for low-skilled young farmers, as well as programmes for more experienced farmers in less developed areas.



Investment in Georgia's healthcare sector addresses critical skills gaps



A US\$ 35 million (€32.8 million) investment in Georgia's healthcare sector to finance the upgrade of 15 hospitals will be accompanied by technical cooperation, supported by South Korea. It will develop training to address critical skills gaps in the sector via the development of a new internally certified training programme on in-hospital respiratory care.



Bond investment in Kazakh rail system promotes skills for young people



An investment in a local-currency bond from Kazakhstan Railways enabled the company to refinance hard currency and Russian rouble-denominated debt, financed the modernisation of rail infrastructure and promoted access to skills for young people in the transport and logistics industry through new and improved, accredited learning programmes.



Finance for Kyrgyz railways boosts climate resilience, inclusive training



Financing worth €11 million for Kyrgyz Railways will support the modernisation of rolling stock, introduce climate adaptation measures to reduce the physical climate risk of damage to rail infrastructure and introduce an inclusive training programme on climate risk assessment and mitigation measures for the railway sector. Women employees will take up 40 per cent of the training positions.



Microfinance loan supports women-led Bosnian firms, greener buildings



A €2.5 million package to Mi-Bospo, a micro-credit institution in Bosnia and Herzegovina, supports sub-loans with a specific focus on firms run by women and active in the agribusiness sector, as well as investments in high-performance green technologies, materials and solutions in the private residential sector.



Western Balkans Youth in Business programme launched in Kosovo



The EBRD extended its Youth in Business programme to the Western Balkans with a project in Kosovo aimed at entrepreneurs under the age of 35. A €4.5 million loan to Banka për Biznes will be on-lent to young entrepreneurs. The regional programme, backed by Sweden, aims to provide €100 million to local banks in the six Western Balkan countries.



Women in Business pilot, climate transition plan launched in Jordan



The Bank piloted its Women in Business programme in Jordan, providing advice and training for women entrepreneurs and US\$ 10 million (€9.4 million) in financing via Bank al Etihad. In a linked financing, Bank al Etihad committed to develop an institutional climate transition plan. This was the first EBRD project in the financial sector to incorporate its Paris alignment methodology for transition planning.



Digital

- In January 2022, the EBRD establishes a Digital Hub to mainstream and coordinate digital activities
- Digital Approach formally launched to shareholders at 2022 Annual Meeting
- Three-pronged Digital Approach establishes the foundations for digital transition and supports digital adaptation and innovation
- Digital Hub working on cybersecurity toolkit in response to the rise in cybercrime

In 2022, the EBRD made significant progress on promoting the digital transition, its ambitious initiative to narrow the technological gap between the EBRD regions and other economies.

The Bank launched the operational phase of its new Digital Approach with a formal unveiling to shareholders at the Annual Meeting in Marrakech in May 2022.

At the start of the year, the Bank had already established a Digital Hub, creating a team of dedicated digital specialists to mainstream and coordinate activities throughout the EBRD's operations.



Stepping up progress on delivering the digital transition

A centre of digital excellence, the hub supports teams already involved in digital projects, helps embed digital activities in other areas of EBRD activity and seeks out new opportunities for the Bank and its regions across the digital spectrum.

It is also taking the lead on external engagement and outreach, making cooperation and partnership with other international financial institutions a key priority and setting out ways to ensure that digital transformation supports the EBRD's transition mandate, establishing the impact pathways for the digital components of EBRD investments.

The new digital initiative, a key element in the EBRD's Strategic and Capital Framework 2021-25, is a three-pronged approach aimed at establishing the foundations for digital transformation in EBRD investee economies, promoting adaptation among clients and governments and supporting innovation through new entrants across markets.

With the operational approach underway, the Bank rolled out projects across all three component areas of the digital approach, using the full gamut of instruments at its disposal: investments, policy dialogue and advisory services.

To lay the foundations of a sustainable and inclusive digital economy, the EBRD is promoting appropriate policies and regulation, access to connectivity through the creation of infrastructure, and a skilled workforce.

It is helping organisations to adapt to the new technological challenge by providing access to finance and knowledge transfer through technical and advisory services that support the digitalisation of services, assets, business processes and value chains.

It is promoting innovation to support a start-up-friendly ecosystem and enable companies to grow in a safe space, as well as meeting specific financing needs, where appropriate, through debt financing and direct and indirect equity investments.

As part of the EBRD's digitalisation drive, the Bank launched the Venture Capital Investment Programme III (VCIP III), a €250 million investment facility dedicated to supporting early and growth-stage technology companies.

In 2022, VCIP III invested in five new companies in four countries – Bulgaria, the Czech Republic, Hungary and Türkiye – three of which are new to VCIP. The investee companies operate in innovative sectors, such as artificial intelligence (AI)-based building-access control, AI-based supply chain and inventory optimisation, computer-aided design, metadata management and next-generation document editing.

In addition, in response to the growth of cybercrime, the Digital Hub is designing a cybersecurity toolkit to help clients assess their cyber maturity and management systems, advising on cybersecurity action plans and training them through awareness-raising programmes and IT personnel upskilling.

The EU made an important contribution to the Bank's support for the digital transition across its regions, providing guarantees worth up to €35 million to back investments to promote digitalisation, including high-quality and reliable broadband services.

The Korean Technical Assistance and Cooperation Fund and Israel also lent technical support for digital development across the Bank, enabling the hub to develop initiatives for assessing the digital gaps in the activities of EBRD clients and supporting the implementation of digital transformation and cybersecurity measures.

Boosting digital connectivity and greening communications in Armenia



A US\$ 20 million (€18.7 million) loan to Armenian telecoms company Telecom Armenia will increase digital connectivity and competitiveness and make Armenian communications more energy efficient. The project involves an expansion of the 4G network and the rollout of high-speed fibre to homes in the capital Yerevan, secondary cities and rural areas.



Advancing digitalisation in Greece with financing for telecoms group



The EBRD's first funding under the EU's Recovery and Resilience Plan for Greece is improving regional internet access. A €150 million financing package will contribute to Greek telecom operator OTE's rollout of fibre-to-the-home broadband infrastructure to approximately 371,000 households and businesses in 12 regions outside Greece's major cities.



Backing Croatia's first sustainability-linked bond



The EBRD backed Croatia's first sustainability-linked bond, an issue by business-process outsourcing provider Meritus ulaganja d.d. to support the expansion of its geographical footprint and service offering, including the further development of robotic and AI digital channels. The group is also committing to green and sustainable growth, with goals to cut greenhouse gas emissions and increase women's participation in management roles.



Sustainable metal-mining loan supports digital training in Albania



A loan to finance the purchase of Albanian metal-mining group AlbChrome by Turkish group Yildirim Holding will promote digital skills for workers in plants in underserved regions of the country through a training programme mainly for older staff. The project also supports AlbChrome's development of a roadmap for effective climate action.



Promoting access to digital skills in Türkiye's automotive sector



The EBRD's participation in an ESG-linked debt issue by French automotive technology group Faurecia will promote access to digital and automation skills training for its workers in Türkiye to meet demand for more technologically sophisticated production lines. It will also support the group's decarbonisation and e-mobility targets in the Czech Republic, Poland and the Slovak Republic.



EBRD, EU and GIZ support SME digitalisation in Bosnia and Herzegovina



The EBRD and the EU launched Go Digital in Bosnia and Herzegovina, a programme intermediated through local banks to help SMEs invest in digitalisation and improve productivity, efficiency and resilience. Germany's Gesellschaft für Internationale Zusammenarbeit is supporting the programme by developing digital innovation hubs.



Digital Approach project in Poland makes SMEs more competitive



The EBRD's first Polish project under the Digital Approach was a €5 million loan to fintech factoring company PragmaGO, helping it to increase its offering of cost-efficient financing tools for SMEs. It also helped PragmaGO to embed its financial offering into the business-to-business (B2B) online selling platforms of prominent partners with a critical mass of users, such as Polish e-commerce company Allegro.



Aiding digital innovation, economic resilience and inclusion in Ukraine and Moldova



A commitment of up to US\$ 40 million (€37.5 million) to an equity fund managed by Horizon Capital aims to raise the resilience of financial markets in Ukraine and Moldova, increasing private equity and supporting Ukrainian and Moldovan firms affected by the crisis, especially tech and export-oriented SMEs. Horizon will also seek to promote inclusive and diverse workforces in the fund's portfolio.



Advancing digital development at Turkish fintech firm



An equity investment in Param and Kredim, units of Türkiye's leading fintech company, Param Group, boosted Param's competitiveness by supporting operational changes and the launch of new products and enabled Kredim to launch a buy-now-pay-later service. The funding underpinned Param Group's goal of providing digital and open banking services in the near future.



ABI	Annual Bank Investment (see footnote 4)
AI	Artificial intelligence
CA	Central Asia
CEB	Central Europe and the Baltic states
EBRD	European Bank for Reconstruction and Development
EEC	Eastern Europe and the Caucasus
EU	European Union
GBVH	Gender-based violence and harassment
GECA	Gender Equality in Climate Action
GEFF	Green Economy Financing Facility
GET	Green Economy Transition
GW	Gigawatt
MW	Megawatt
NWFE	Nexus on Water, Food and Energy (Egypt)
ODC	Office des Céréales (Tunisia)
SCF	Strategic and Capital Framework
SDG	Sustainable Development Goal
SEE	South-eastern Europe
SEMED	Southern and eastern Mediterranean
SME	Small and medium-sized enterprise
TFP	Trade Facilitation Programme
URA	Ukraine Reforms Architecture
VCIP III	Venture Capital Investment Programme III
WiB	Women in Business

Exchange rates

Non-euro currencies have been converted, where appropriate, into euros based on the exchange rates current on 31 December 2022 (approximate euro exchange rate: US\$ 1.0677).

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EBRD Annual Meeting 2024

EBRD Annual Meetings bring together government representatives, business people, policymakers, academics and opinion leaders. Join us for the Bank's Annual Meeting and Business Forum 2024, which will take place in Yerevan, Armenia.



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Editorial, design and production: Poilin Breathnach, Hannah Fenn, Cathy Goudie, Rodrigo Juárez, Dan Kelly, Neil Littman, Abigail Riem, Bryan Whitford and Anthony Williams.

Photography: © EBRD, Gettyimages.

1520 Annual Review 2022 (E/100)

Printed sustainably in the UK by Pureprint, a CarbonNeutral® company with FSC® chain of custody and an ISO 14001 certified environmental management system recycling over 99 per cent of all dry waste.

The *Annual Review 2022* is printed on Galerie Satin, an FSC® certified paper from responsible sources. This ensures that there is an audited chain of custody from the tree in the well-managed forest through to the finished document in the printing factory.



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