

EBRD and Civil Society

Enhancing Civil Society Capacity: An Operational Approach



European Bank
for Reconstruction and Development

What is EBRD?



European Bank
for Reconstruction and Development

- IFI with a specific mandate to foster transition towards open market-oriented economies and to promote private and entrepreneurial initiative
- Central Europe to Central Asia and Southern and Eastern Mediterranean
- 66 shareholders – 64 countries and 2 international institutions (EU, EIB)
- Project finance to banks, industries and businesses across a wide range of sectors
- Capital base of €30 billion

What is EBRD?



European Bank
for Reconstruction and Development

- Focusing primarily on the private sector investments, only 20% investments in public sector
- Technical cooperation (TC): Donors & Shareholders Special Fund mainly linked to investments
- Now used for CSOs for the first time
- Policy dialogue linked to investment climate in several sectors (agribusiness, infrastructure, energy, etc.) and/or nationally

Additionally, sound banking, transition

Bank is committed to sound banking principles and undertaking financing when the applicant is unable to obtain sufficient financing or facilities elsewhere

Sustainability

To promote in the full range of its activities environmentally sound and sustainable development. Environmental and Social Policy guides the environmental and social appraisal, monitoring and stakeholder engagement

Transparency

Public Information Policy guides the disclosure of information and consultations procedure in Bank's projects

Accountability

Project Complaint Mechanism provides opportunity to individuals, groups and organisations to raise a complaint about EBRD-financed projects

What is civil society for EBRD?



European Bank
for Reconstruction and Development

- Broadly defined to include a variety of formal & informal civil society actors:
 - Organisations & groups (NGOs, CSOs, CBOs - youth, women groups, think tanks, business & professional associations, social media networks)
 - Individuals (academics, analysts, youth activists, bloggers, other opinion makers)
- Promoting sustainability (environmental, social, energy), human rights, economic inclusion, governance issues
- Advocacy (accountability, watchdog)
- Service providing

- Since EBRD was established in 1991, it has maintained an ongoing and constructive dialogue with CSOs across the region.
- Our ongoing dialogue with civil society focuses on:
 - environmental and social issues
 - democracy
 - local community
 - transparency
 - business development issues related to the Bank's operations
 - gender



- The extensive interaction between the EBRD and CSOs - significant improvement of the quality, effectiveness, and sustainability of EBRD activities
- Dedicated **Civil Society Engagement Unit**, responsible for fostering relations between Civil Society and EBRD
- Set up in 2001 to facilitate dialogue with CSOs on institutional level
- Part of the External Action and Political Affairs, VP Policy
- 2200+ CSOs registered with the EBRD in 2014

Why we engage with CSOs



European Bank
for Reconstruction and Development

- **Sustainability:** local community groups and NGOs offer local knowledge and valuable insights to supplement available data re the EBRD's projects and policies.
- **Transparency and accountability:** civil society keeps the Bank open and accountable
- **Inclusiveness:** CSOs can highlight significant issues from a non-governmental and non-business perspective and provide important input in the Bank's decision making



- Information dissemination
- Policy dialogue
- Consultation on specific projects, country & sectoral strategies, operational policies
- Cooperation
- Partnership

EBRD's engagement with civil society on investment projects

CSOs can approach the EBRD on concerns and questions about projects throughout the entire project cycle:



Engagement opportunities:

- Public consultations on Project Summary Documents (PSDs) and Environmental and Social Impact Assessments (ESIAs) for category “A” projects
- Written correspondence
- Meetings with banking and environmental and social experts
- Meetings with staff and management at Resident Offices
- CSOs are able to request Compliance Review under the EBRD Project Complaint Mechanism



Country strategies:

- Meetings with CSOs are organised during country strategy missions
- Draft country strategies are published on EBRD website and open for public comments for 45 days
- A report on public comments is prepared gathering inputs from all relevant departments (and then published together with the CS)
- Relevant public comments are incorporated into the draft country strategies whereby appropriate

Operational policies and sectorial strategies:

- The EBRD seeks to benefit from CSOs expertise through multi-stakeholder consultation workshops and written comments received
- Frequent consultations with CSOs by bankers, environmental & social experts, senior management

The flagship event of EBRD's engagement with CSOs held during the EBRD Annual Meeting

- **Consultation meetings** dedicated to the EBRD's projects, policies, strategies and initiatives
- **Closed-door meetings** allow for open in-depth discussion between civil society and the Bank's staff and senior management
- Meetings with the **EBRD President and the Board of Directors**
- Agenda is agreed with CSOs and they can raise **any** issues of concern vis-à-vis the EBRD

- Meetings with EBRD President and Senior Management
- Meetings with the EBRD Board of Directors during consultation visits to the countries where we invest



- **TCs to enhance CSO capacity** (technical expertise, institutional capacity, communication skills) related to specific investments and policy dialogue
- Rationale: proactive approach, adding value to EBRD investments and policy dialogue, thematic areas of strategic interest to EBRD & CSOs
- Awareness raising (public), advocacy (gov), ToT

Pilot projects

3 Pilot TCs

June 2013 – June 2014

- Road safety in Moldova
- Smart metering & energy savings in Montenegro
- Residential EE in Kyrgyz Republic



- Over 150 beneficiaries
- Knowledge, skills and capacity significantly increased
- Remaining challenges and lessons learnt

- 8/9 projects in the pipeline
- TC project selection: Operations Committee monitoring, approaching & being approached by other EBRD teams

Pillar I - Sustainable energy and resources

- Recycling in Romania
- Climate resilience in Tajikistan
- Residential EE in Kyrgyz Republic (pilot extension)

Pillar II - Economic inclusion

- Small farmers, cooperatives and rural youth in Ukraine
- Economic empowerment and public health in Egypt

Pillar III - Governance & investment climate

- Investment Climate and Governance Initiative (ICGI)
Ukraine, Moldova, Albania, Georgia, Serbia



- Bilateral donors
- Multi-donor funds (EBRD-Ukraine Stabilisation and Sustainable Growth Multi-Donor Account, Early Transition Countries Fund, EBRD Water Fund, Post-Graduation Special Fund, SEMED Multi-Donor Account)
- Climate finance (in line with the Sustainable Resource Initiative & Sustainable Resource Initiative)
- EBRD Shareholder Special Fund (SSF)
- EU co-financing

- Institutional constraints: mandate (private sector, market economy, transition), business model (project-based, financial instruments, client buy-in) & donor requirements (no direct grants to CSOs)
- Opportunities: leverage & broader systemic implications (on governance, accountability) due to early integration of civil society input into ICGI policy dialogue
- Opportunities: practical results due to close links to specific investment projects
- Potential cooperation with other IOs in SDG context (private sector, sustainable energy, infrastructure, food safety, governance)



Thank you for your attention!

Cristina Buzasu

Civil Society Engagement Unit

European Bank for Reconstruction and Development

One Exchange Square, London EC2A 2JN

Tel: +442073388197; Email: cs@ebrd.com

Web: www.ebrd.com