

European Bank for Reconstruction and Development (EBRD)

Multilateral Aid Review (MAR) Update 2013 progress rating:











MAR 2011: *Good Value for Money for UK Aid*

| Progress Assessment | |
|---|--|
| Summary | Reasonable progress made with respect to cross cutting issues of gender and climate change. Some progress made on results and cost and value consciousness. |
| Baseline | |
| <p>The EBRD provides finance to businesses from Central Europe and the Western Balkans to Central Asia (and now the Middle East and North Africa) supporting transition towards democratic market economies.</p> <p>The MAR highlighted several strengths:</p> <ul style="list-style-type: none"> • EBRD has a leading role in supporting transition and climate finance in the region. • It has a comprehensive results and performance system with evidence of strong strategic stewardship by the Board and pro-active portfolio management. • It has flexible, innovative use of financial instruments. • It has active budget management – evidence of active re-prioritisation. <p>The MAR also highlighted several weaknesses:</p> <ul style="list-style-type: none"> • Its geographical focus does not match with DFID's. • The link between the impact of EBRD's programmes on transition, and their impact on people's lives, is not always well articulated. • Management support for gender was not strong. • It has strong partnership behaviour during a crisis, but sometimes it is criticised for working against sector reforms. <p>DFID's reform priorities for the MAR Update were:</p> <ul style="list-style-type: none"> • Increase levels of Bank support to climate change mitigation particularly in more innovative and risky projects – assessed under <u>attention to cross-cutting issues (climate change)</u>; • Implementation of the new Gender Action Plan – assessed under <u>attention to cross-cutting issues (gender)</u>; • Continued efforts to measure the wider development impact of transition activities – assessed under <u>contribution to results</u>; • A more explicit focus on cost-effectiveness in administration budgets and project design – assessed under <u>cost and value consciousness</u>. | |
| Summary of Overall Progress | |
| <p>Reasonable progress has been made with respect to implementing a new Gender Action Plan and there is evidence of a strong commitment to a more strategic consideration of gender issues. Expansion of energy efficiency lending into new and difficult markets is the prime example of reasonable progress in terms of the climate change component. Some progress has been made with respect to broadening and extending the results framework</p> | |

to capture the impact of projects on people's lives. Improved transparency regarding cost-cutting and re-prioritisation, cost-sharing to fund technical assistance activities and a strategic approach to procurement are the principal examples of the Bank's progress on cost and value consciousness.

Progress against Reform Priorities

| MAR Reform Component | MAR 2011 Score | Progress Rating | MAR Update Score, if any change |
|---|--|--|---------------------------------|
| <p>Attention to cross-cutting issues (gender) There is evidence of a strong commitment to a more strategic consideration of gender in project design as well as risk and mitigation. Reasonable progress has been made implementing the Gender Action Plan, evidenced by new initiatives focused on entrepreneurship and financial inclusion directed at women.</p> |  |  Reasonable Progress | |
| <p>Attention to cross-cutting issues (climate change) EBRD has deepened its use of innovative instruments, including in countries less responsive to energy lending, and penetrated the domestic housing market in its countries of operation. The third phase of the Sustainable Energy Initiative was approved including extension to adaptation activities.</p> |  |  Reasonable Progress | |
| <p>Contribution to results Some progress has been made towards articulating the impact of EBRD's work on people's lives through two rigorous impact assessments and consideration is being given to the broadening of the results framework in two possible ways.</p> |  |  Some Progress | |
| <p>Cost and value consciousness Assessment is from a high base. Progress is evident in: i) more transparent cost cutting and re-prioritisation during the 2013 budget process; ii) seeking cost-sharing opportunities for technical cooperation activities; and iii) moving towards a strategic approach to procurement, away from a transactional approach.</p> |  |  Some Progress | |