

**SPECIAL STUDY**

# **Annexes: EBRD Shareholder Special Fund – Interim Evaluation**

November 2014

EBRD EVALUATION DEPARTMENT



**European Bank**  
for Reconstruction and Development



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The Evaluation Department (EvD) at the EBRD evaluates the performance of the Bank's completed projects and programmes relative to objectives in order to perform two critical functions: reinforcing institutional accountability for the achievement of results; and, providing objective analysis and relevant findings to inform operational choices and to improve performance over time. EvD reports directly to the Board of Directors, and is independent from the Bank's Management. Whilst EvD considers Management's views in preparing its evaluations, it makes the final decisions about the content of its reports.

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The valuable inputs provided by Management and in particular its Donor Co-Financing Unit are acknowledged with thanks.

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## Abbreviations

BoD	Board of Directors
BoG	Board of Governors
BAAC	Budget and Administrative Affairs Committee
CRR	Capital Resources Review
DCF	Donor Co-Financing
E2C2	Energy efficiency and climate change
EBRD	European Bank for Reconstruction and Development
EU	European Union
EvD	Evaluation Department
OECD	Organisation for Economic Co-operation and Development
SBS	Small Business Support
SEMED	Southern and Eastern Mediterranean
SSF	Shareholder Special Fund
TAM/BAS	TurnAround Management / Business Advisory Services Programme
TIMS	Transition Impact Monitoring System
TC	Technical Cooperation
WP	Work Plan

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**Annex 1. Rules of the EBRD Shareholder Special Fund**

**RULES**

**of**

**THE EBRD SHAREHOLDER SPECIAL FUND**

**Dated: 15 April 2008,**

**as amended on 18 January 2011, 11 October 2011, 10 January 2013, and 2  
July 2014**

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## **PREAMBLE**

### **WHEREAS:**

- (A) The European Bank for Reconstruction and Development (the "Bank") is empowered by Article 18 of the Agreement Establishing the Bank (the "Agreement") to accept the administration of Special Funds, which may be used in any manner and on terms and conditions consistent with the purpose and functions of the Bank, with the other applicable provisions of the Agreement, and with the agreement or agreements relating to such funds.
- (B) Pursuant to and in accordance with Article 36.1 of the Agreement, the Board of Governors may from time to time determine to allocate portion of the net income of the Bank for other purposes, i.e., purposes other than an allocation to surplus or distribution to members.
- (C) From time to time, the Board of Directors may consider recommending to the Board of Governors the adoption of resolutions pursuant to which the Board of Governors allocates net income of the Bank for specific purposes in support of the Bank's operations and activities.
- (D) In order to enable the Bank to receive and accept such net income allocations and administer them for the aforesaid specific purposes, at its meeting on 15 April 2008, the Board of Directors approved the establishment of a Special Fund in accordance with Article 18 of the Agreement named the "EBRD Shareholder Special Fund" (the "Fund" or the "EBRD Shareholder Special Fund"), and approved the rules for the administration and management of the Fund (the "Initial Rules").
- (E) In October 2010, the Bank's Evaluation Department conducted a Special Study on the EBRD Shareholder Special Fund and made certain recommendations with respect to the management and administration of the Fund going forward. Certain of the recommendations made by the Evaluation Department were accepted by the management of the Bank in particular to decrease the periodicity of reporting.
- (F) To reflect this recommendation, the Board of Directors has approved an amendment to the Initial Rules on 18 January 2011, in accordance with Section 4.03.
- (G) In January 2011, the Board of Directors approved a policy on "Arrangements for Cost Sharing Between donors and client" (the "Cost-sharing Policy"), which referred to putting in place a dedicated mechanism to manage cash payments by recipients of cost-shared technical assistance to the Bank, including through the Fund.
- (H) To implement the Cost-sharing Policy, the Board of Directors has approved an additional amendment to the Initial Rules, in accordance with Section 4.03.
- (I) On 27 March 2012 the Board of Directors approved that resources of the EBRD SEMED Investment Special Fund may be used to replenish the

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resources of the EBRD Shareholder Special Fund in order to support the operations and activities of the Bank in the Southern and Eastern Mediterranean (SEMED) region subject to the amendment of the EBRD Shareholder Special Fund Rules to provide that the amount of such replenishment may be used only in the SEMED region.

- (J) The Board of Directors also considered the requirement, as set out in Section 2.02(f) of EBRD Shareholder Special Fund Rules, for the provision of quarterly pipeline reports containing information about the total funding needs for the next quarter in respect of technical assistance, investment grants and other activities that can be financed from the resources of the Fund and decided that better planning for the utilization of the resources of the Fund could be achieved by replacing the quarterly pipeline reports with a semiannual report containing an outlook of the funding needs for a six month period, such semi-annual report to contain also an analysis of funding gaps.

NOW THEREFORE, the Board of Directors has adopted the following Rules, which amend and supersede the Initial Rules, as amended on 18 January 2011 and on 11 October 2011 and which shall govern the administration and management of the EBRD Shareholder Special Fund on and from the date of their adoption by the Board of Directors.

## **ARTICLE I – ESTABLISHMENT AND RESOURCES OF THE FUND**

### **Section 1.01 Establishment of the Fund**

- (a) The EBRD Shareholder Special Fund was established as a Special Fund pursuant to Article 18 of the Agreement and became effective upon fulfilment of the condition for its effectiveness referred to in Section 4.01 of these Rules. References herein to the “Rules” shall be to these rules, as amended from time to time in accordance with Section 4.03.
- (i) The Fund and the resources thereof from time to time shall be governed by and such resources shall be received, administered, used and disposed of in accordance with:
- (ii) these Rules; and
- (b) subject always to the Rules, any guidelines (the “Regulations”) as may be approved by the Board of Directors from time to time.
- (c) Subject always to the Rules and the Regulations, the President may from time to time adopt implementing procedures, as he may consider necessary or desirable for the appropriate and efficient administration of the Fund and the administration, use and disposal of its resources.

### **Section 1.02 Resources of the Fund**

The resources of the Fund shall include:

- (a) net income of the Bank allocated to the Fund by a resolution of the Board of Governors (a “Net Income Allocation Resolution”);

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- (b) resources transferred to the Fund from the EBRD SEMED Investment Special Fund to be utilised to support the operations and activities of the Bank in the SEMED region;
  - (c) funds received as return on, or reflow from, the use of the resources of the Fund in accordance with Article II, ;
  - (d) funds received by the Bank as reimbursement of costs of technical assistance, irrespective of the source of funding of such technical assistance ;
  - (e) income derived from investment of the resources of the Fund made in accordance with Section 3.02 below; and
  - (f) such other funds received from other sources as the Board of Directors may approve from time to time.

### **Section 1.03 Sub-Accounts**

- (a) Sub-Accounts (the “Sub-Accounts”) may be created to receive funds referred to in Section 1.02 (c) and (e) by way of Regulations approved by the Board of Directors. Such Regulations shall also specify the purposes, consistent with Section 2.01, for which the resources of a Sub-Account shall be used by the Bank and any other terms deemed necessary. The resources of any Sub-Account shall not be commingled with the resources of other Sub-Accounts of the Fund.
- (b) Each Sub-Account may be closed, and funds available and not yet committed at the time of closure in the relevant Sub-Account may be disposed of, upon and in conformity with a decision from the Board of Directors.

## **ARTICLE II – USE OF THE RESOURCES OF THE FUND**

### **Section 2.01 Purposes for which the resources of the Fund may be used**

- (a) Except as provided in Section 3.02, the resources of the Fund may be used for the following purposes:
  - (i) to finance the following types of technical assistance:
    - (1) project preparation in anticipation of a proposed Bank lending, guarantee or investment operation, whether financed from the Bank’s ordinary capital resources or special funds resources, to be rendered prior to or following the signing of the investment documentation by the Bank;
    - (2) project implementation in support of a Bank lending, guarantee or investment operation, whether financed from the Bank’s ordinary capital resources or special funds resources, to be rendered after the investment documentation has been signed by the Bank; and
    - (3) other types of technical assistance unrelated to any Bank lending, guarantee or investment operation, in support of activities that foster

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the transition towards open market economies and promote private and entrepreneurial initiative in the Bank's countries of operations.

- (ii) to finance incentive payments in support of any Bank lending, guarantee or investment operation, whether financed from the Bank's ordinary capital resources or special funds resources (other than those of the Fund);
  - (iii) to finance investment grants, whether non-repayable, repayable upon a contingency or repayable in part or in full, for goods or works contracts, provided that such grants are extended in anticipation or support of a Bank lending, guarantee or investment operation primarily for the benefit of a sovereign or sub-sovereign client, whether financed from the Bank's ordinary capital resources or special funds resources;
  - (iv) to finance lending, guarantee or investment operations, whether or not in association with a related lending, guarantee or investment operation funded from ordinary capital resources;
  - (v) for nuclear safety purposes; and
  - (vi) to fund a reserve against any actual or contingent loss or liability (as applicable) incurred as a result of the activities of the Fund.
- (b) The use of the resources of the Fund shall be subject to the relevant provisions of the Agreement, in particular Articles 1, 2, 8, 10, 11, 12.4, 13 and 18 of the Agreement. In particular, the Bank shall place no restriction on the procurement of goods, works or services from any country from the proceeds of any application of the resources of the Fund. Subject as aforesaid, the procurement policies and rules of the Bank applicable from time to time shall apply to the procurement of all goods, works and services undertaken utilising the resources of the Fund.
- (c) The Regulations may provide for further specificity regarding the use of the resources of the Fund.

## **Section 2.02 Planning for the allocation of Fund resources**

- (a) The resources of the Fund shall be applied to the various categories of expenditure or reserve referred to in a Net Income Allocation Resolution or as may be approved by the Board of Governors pursuant to any subsequent resolution adopted by the same majority as is applicable to decisions of allocation of net income to other purposes pursuant to Article 36.1 of the Agreement. The Board of Directors may provide for further specificity regarding a Net Income Allocation Resolution.
- (b) The President shall submit for approval by the Board of Directors, a work plan (the "Work Plan") a period of at least twelve months and identifying the priority areas for the proposed use of the Fund's resources during such period.
- (c) Each Work Plan shall provide information on:
  - (i) the countries or regions where spending is proposed;

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- (ii) the main focal sectors; and
  - (iii) the various use categories proposed.
- (d) The Board of Directors may, on the recommendation of the President, approve a reallocation of resources as between the focal sectors identified in the Work Plan, provided that any such reallocation shall not be in breach of any specificity of allocation made in a Net Income Allocation Resolution.
  - (e) Up to 10% of the resources in the Fund may be designated as “unallocated” for the purposes of the Work Plan.
  - (f) On a semi-annual basis, the Board of Directors shall be provided with a report containing an outlook of the funding needs for the next six months in respect of technical assistance, investment grants and other activities that can be financed from the resources of the Fund in accordance with Section 2.01; such document shall be shared with donors’ representatives in accordance with the Bank’s normal practices and subject to applicable confidentiality requirements.

### **Section 2.03 Modes of approval for use of resources of the Fund**

- (a) Any proposal for the financing of technical assistance referred to in Section 2.01(a)(i) shall be submitted to the Technical Cooperation Committee for its approval in accordance with the Bank’s established procedures, except where the amount of financing for such a proposal exceeds Euro 300,000 it shall be submitted to the Board for its approval on a non-objection basis.
- (b) Any proposal for the financing of incentive payments referred to in Section 2.01(ii) or investment grants referred to in Section 2.01(iii) or lending, guarantee or investment operations referred to in Section 2.01(iv) shall be submitted to the Board for its approval in accordance with the Bank’s established procedures as applicable to ordinary operations as set out in Article 13(vi) of the Agreement.
- (c) Any proposal in respect of nuclear safety and/or to fund a reserve as referred to in Sections 2.01(v) and (vi) respectively, shall be submitted to the Board for its approval. (d) The Regulations may provide for further specificity regarding the modes of approval for the use of the resources of the Fund.

## **ARTICLE III - ADMINISTRATION OF RESOURCES OF THE FUND**

### **Section 3.01 Separation of resources**

- (a) The resources of the Fund shall at all times and in all respects be held, used, committed, invested or otherwise disposed of entirely separate from:
  - (i) the ordinary capital resources of the Bank;
  - (ii) any other special funds resources of the Bank; and (iii) any co-operation funds administered by the Bank.
- (b) Under no circumstances shall the ordinary capital resources of the Bank be charged with, or used to discharge, losses or liabilities arising out of any

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operations or other activities for which the resources of the Fund were originally used or committed.

### **Section 3.02 Investment of the Fund resources pending utilisation**

The Bank may invest any resources of the Fund which are not immediately required for use under Article II. Except as otherwise authorised by the Board of Directors, such investment shall be made in accordance with the guidelines approved by the Board of Directors for investment of the ordinary capital resources of the Bank.

### **Section 3.03 Charging of administrative expenses**

The Fund shall bear all administrative expenses appertaining directly to operations and activities financed from the resources of the Fund, and such reasonable share of the other administrative expenses of the Bank as the Board of Directors shall from time to time determine.

### **Section 3.04 Reports**

- (a) The Board of Directors shall be provided with a semi-annual report on the current status of the approved, committed and disbursed uses of the resources of the Fund.
- (b) The Board of Directors shall be provided with regular progress and completion reports on each technical assistance item financed with the resources of the Fund, using the same reporting format through TCNet as is used for donor-funded technical cooperation projects.

### **Section 3.05 Accounts and audit**

- (a) The Bank shall maintain accounts of the Fund in accordance with generally accepted accounting principles and the Bank's accounting policies, and shall prepare and submit to the Board of Directors financial statements of the Fund on a quarterly basis. The accounts of the Fund shall be prepared and presented in Euros.
- (b) The accounts of the Fund shall be subject to the same audit requirements by internal and external auditors of the Bank as are applied to the accounts of the Bank's ordinary capital resources.
- (c) The Board of Directors shall submit to the Board of Governors, for approval at the Annual Meeting of Governors, the audited financial statements of the Fund for the previous financial year.
- (d) The Bank shall include in its Annual Report a separate section in respect of the Fund, containing appropriate information on the resources of the Fund, and on operations and activities financed with the resources of the Fund.

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## **ARTICLE IV – MISCELLANEOUS**

### **Section 4.01 Condition of effectiveness**

The Fund shall become effective if and when the Board of Governors adopts a Net Income Allocation Resolution, provided that the first such resolution is adopted by 30 June 2008 or such later date as the Board of Directors may agree.

### **Section 4.02 Termination**

The Board of Directors may decide to terminate the Fund and the Fund shall automatically terminate upon the termination of the Bank of its operations pursuant to Article 41 of the Agreement. Upon termination of the Fund, all activities in respect of it shall cease forthwith, except those incident to the orderly realisation, conservation and preservation of its assets and the settlement of its obligations. Following termination of the Fund any net resources remaining in the Fund having taken account of all actual or contingent losses or liabilities of the Fund, shall be distributed amongst those persons being members of the Bank on the date of the termination of the Fund in proportion to the number of paid-in shares held by each such member on that date.

### **Section 4.03 Amendments**

The Board of Directors may amend these Rules from time to time, provided however that Section 2.01 and this Section 4.03 may only be amended if the Board of Directors has been authorised to do so by a resolution of the Board of Governors adopted by the same majority as is applicable to decisions of allocating net income to other purposes pursuant to Article 36.1 of the Agreement.

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**REGULATION 1**  
**OF THE EBRD SHAREHOLDER SPECIAL FUND**  
**APPROVED 11 NOVEMBER 2008**

Approval process for Incentive Payments, Investment Grants and Lending, Guarantee or Investment Operations pursuant to Section 2.03 (b)

1.1 A proposal for an incentive payment, investment grant, or loan, guarantee or equity investment, which is being made in support of or in association with a related operation being financed from the Bank's ordinary capital resources and Special Funds resources, shall be described in a non-TC fiche in the prescribed form.

1.2 Except where non-TC activities to be financed by the Shareholder Special Fund are co-financed by multi-donor cooperation funds administered by the Bank, the fiche shall be discussed first at Budget and Administrative Affairs Committee (BAAC), either at the semi-annual meeting that reviews the status and implementation of the Shareholder Special Fund Work Plan, or at other meetings of the Committee as appropriate. If an operation, which includes a non-TC component, is scheduled to go to the Board for approval prior to such fiche being discussed by BAAC at its semi-annual review meeting, the non-TC fiche shall be presented to a BAAC meeting for discussion prior to submission of the operation to the Board. Non-TC activities to be financed by the Shareholder Special Fund which are co-financed by multi-donor cooperation funds administered by the Bank shall be submitted directly to the Board for approval.

1.3 Following discussion at BAAC, the fiche shall be presented to the Board as an Addendum to the Board Report in respect of the project which such grant, payment and/or investment supports. The President's Recommendation shall be in respect of the project comprising both the investment from the Bank's ordinary capital resources and the Shareholder Special Fund resources. Directors shall register a single vote for the project as described in the Board Report.

1.4 Directors would be able to make their position known on both the ordinary capital resources operation and the grant element during the Board discussion to be recorded as applicable in the *Summary Record of the Proceedings*.

1.5 In the case of an investment grant that is sought in anticipation of a Bank operation that is in the pipeline and/or a loan, guarantee or equity operation sought independently of an ordinary capital resources operation, such investment grant or loan, guarantee or equity operation will be submitted to the Board as a separate operation in the form of a fiche for a non-TC operation and in the form of a standard Board Report for a loan, guarantee or equity operation. Except for proposals to be co-financed by multi-donor cooperation funds administered by the Bank, such proposals would be reviewed by BAAC prior to submission to the Board at a semi-annual meeting, or other meetings of BAAC as appropriate.

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**REGULATION 2**  
**OF THE EBRD SHAREHOLDER SPECIAL FUND**  
**Creation of two Sub-Accounts for cost-sharing purposes**

**and**

**one Sub-Account to receive resources from the EBRD SEMED Investment  
Special Fund**

1. Pursuant to Section 1.03 of the Rules, the Board of Directors hereby decides to create three Sub-Accounts as follows:

- (a) one Sub-Account to receive funds which constitute reimbursement of costs of technical assistance provided in the framework of the Bank's Small Business Support (SBS) Programme (the "SBS Sub-Account"). The SBS Sub-Account may only be used for purposes of the SBS Programme consistent with Section 2.01 of the Rules,
- (b) one Sub-Account (the "General Sub-Account") to receive:
  - (i) funds which constitute reimbursement of costs of technical assistance and are not paid into the SBS Sub-Account;
  - (ii) funds to be transferred from the Technical Cooperation Special Fund; and
  - (iii) any other funds as decided by the Board of Directors pursuant to Section 1.02(e) of the Rules.

The General Sub-Account may be used for any purpose consistent with Section 2.01 of the Rules and in accordance with the Work Plan, except that an amount equivalent to the funds transferred from the Technical Cooperation Special Fund shall only be used for technical assistance purposes.

- (c) one Sub-Account to receive resources from the EBRD SEMED Investment Special Fund (the "SEMED Sub-Account"). The SEMED Sub-Account may only be used for activities in any EBRD member country of SEMED which has qualified as a potential recipient country in accordance with Article 18 of the Agreement (a "SEMED Potential Recipient Country") or in any SEMED Potential Recipient Country that has become a recipient country, in a manner consistent with Section 2.01 of the Rules and in accordance with the Work Plan.

2. For the avoidance of doubt, any income derived from investment of the resources of the SBS Sub-Account and the General Sub-Account, made in accordance with Section 3.02 of the Rules, shall not be considered resources of the relevant Sub-Account but resources of the Fund, in general. Any income derived from investment of the resources of the SEMED Sub-Account, made in accordance with Section 3.02 of the Rules and funds received as return on, or reflow from the use of the resources of the SEMED Sub-Account shall be considered resources of the SEMED Sub-Account and shall not be co-mingled with other resources of the Fund.



## Annex 2. Evaluation design matrix

The evaluation matrix presented below is an updated version of the matrix designed for the purpose of the Approach Paper of this evaluation. There have been minor changes introduced in the wording of some judgment criteria and indicators. In addition, two changes have been made in the overall structure of the matrix:

- A new judgment criterion was added to evaluation question 1 “1.2 Consistency of the SSF planning with its objectives”;
- The second judgement criterion of evaluation question 2 “The adequacy of internal processes within the Bank to optimal utilisation of the SSF” was removed, and its findings have been integrated in evaluation question 3 due to overlaps.

Evaluation Question	Judgement criteria	Indicators	Sources of Data	Collection Methods	Potential limitations of data and means to address this
1. To what extent has the SSF supported the Bank’s evolving strategic agenda on grant co-financing?	1.1 The clarity of the objectives of the Shareholder Special Fund (SSF) and their understanding by the EBRD shareholders and the operation teams	<ul style="list-style-type: none"> <li>– SSF objectives clearly stated at establishment</li> <li>– Consistency in stating SSF objectives across stakeholders (documents and interviews)</li> </ul>	<ul style="list-style-type: none"> <li>– Board of Governor’s Resolutions</li> <li>– SSF Rules and Regulations</li> <li>– SSF Work Plans</li> <li>– SSF reporting to the BAAC and the Board of Directors</li> <li>– BAAC and BoD (Board of Directors) Minutes</li> <li>– Grant Planning Meetings documents</li> <li>– SSF stakeholders (see section 3.3)</li> </ul>	<ul style="list-style-type: none"> <li>– Documents extracted from EBRD Databases</li> <li>– Documents provided by teams</li> <li>– Interviews</li> </ul>	<ul style="list-style-type: none"> <li>– Availability of SSF stakeholders for interviews</li> <li>– Staff and Board member turnover</li> <li>– Availability of documents only saved in teams’ files</li> <li>– Reliability of data from EBRD databases</li> </ul>
	1.2 Consistency of the SSF planning with its objectives	<ul style="list-style-type: none"> <li>– SSF Work Plans designed to maximise its objective</li> </ul>	<ul style="list-style-type: none"> <li>– SSF Work Plans</li> <li>– SSF reporting to the BAAC and the Board of Directors</li> <li>– BAAC and BoD Minutes</li> <li>– Grant Planning Meetings documents</li> <li>– SSF stakeholders (see section 3.3)</li> </ul>	<ul style="list-style-type: none"> <li>– Documents extracted from EBRD Databases</li> <li>– Documents provided by teams</li> <li>– Interviews</li> </ul>	<ul style="list-style-type: none"> <li>– Availability of SSF stakeholders for interviews</li> <li>– Staff and Board member turnover</li> <li>– Availability of documents only saved in teams’ files</li> <li>– Reliability of data from EBRD databases</li> </ul>
	1.3 Value added of the SSF with respect to the existing mechanisms of donor co-financing and to the bilateral/multilateral donors’ objectives	<ul style="list-style-type: none"> <li>– SSF filling the gaps in available donor co-financing</li> <li>– SSF leveraging up donor contributions (bilateral and multi-donor) through co-financing</li> <li>– Total resources available increased at least equal to SSF commitments</li> </ul>	<ul style="list-style-type: none"> <li>– Portfolio analysis (pre &amp; post SSF) for TC and non-TC operations</li> <li>– Semi-Annual Grant Reporting</li> <li>– SSF Rules and Regulations</li> <li>– Grant Planning Meetings documents</li> <li>– SSF stakeholders (see section 3.3)</li> </ul>	<ul style="list-style-type: none"> <li>– TC databases of the EBRD</li> <li>– Non-TC databases of the EBRD</li> <li>– Documents provided by teams</li> <li>– Documents extracted from EBRD Databases Interviews</li> </ul>	<ul style="list-style-type: none"> <li>– Availability of SSF stakeholders for interviews</li> <li>– Staff turnover</li> <li>– Availability of documents only saved in teams’ files</li> <li>– Reliability of data from EBRD databases</li> </ul>

Evaluation Question	Judgement criteria	Indicators	Sources of Data	Collection Methods	Potential limitations of data and means to address this
	1.4 The role of the SSF in strategic planning and prioritisation of donor co-financing structure	<ul style="list-style-type: none"> <li>– SSF introducing new mechanisms for donor co-financing management</li> <li>– SSF contribution to funding predictability</li> <li>– SSF contribution to donor funding architecture</li> </ul>	<ul style="list-style-type: none"> <li>– SSF Rules &amp; Regulations</li> <li>– Grant Planning Meetings documents</li> <li>– SSF Work Plans</li> <li>– Grant Co-financing Strategic Review Final Report</li> <li>– Semi-Annual Grant Reporting</li> <li>– SSF stakeholders (see section 3.3)</li> </ul>	<ul style="list-style-type: none"> <li>– Documents extracted from EBRD Databases</li> <li>– Documents provided by teams</li> <li>– Interviews</li> </ul>	<ul style="list-style-type: none"> <li>– Availability of SSF stakeholders for interviews</li> <li>– Staff turnover</li> <li>– Availability of documents only saved in teams' files</li> <li>– Reliability of data from EBRD databases</li> </ul>
2. Has the SSF governance contributed to allocative and process efficiency in the utilisation of the Fund?	2.1 The governance structure including internal approval processes and operational guidelines for the SSF	<ul style="list-style-type: none"> <li>– Resolutions and conditions for SSF allocations clear and appropriate (for example TC/non-TC; Official Development Assistance (ODA)/non-ODA)</li> <li>– SSF approval processes for TC and non-TC operations clearly and formally defined</li> <li>– SSF approval processes for TC and non-TC operations consistently applied</li> <li>– SSF actual allocations against Work Plans expected allocations</li> <li>– Number and frequency of changes of SSF Work Plans (reallocations within the same work plan and extension of use of resources beyond the initial validity)</li> <li>– Quality control mechanisms</li> <li>– Timing implications of SSF approval processes for TC and non-TC operations (and number of steps involved)</li> <li>– BAAC and Board of Directors involvement justified</li> <li>– Number and frequency of changes of SSF Rules and Regulations</li> </ul>	<ul style="list-style-type: none"> <li>– Board of Governors Resolutions &amp; SSF Work Plans</li> <li>– SSF Rules and Regulations</li> <li>– Approval process for all TCs and SSF</li> <li>– Documentation (fiches) submitted for SSF TCs approvals</li> <li>– Approval process for all non-TCs and SSF</li> <li>– Portfolio analysis (pre &amp; post SSF) for TC and non-TC operations</li> <li>– Documentation (fiches) submitted for SSF non-TCs approvals</li> <li>– Internal Audit Reports</li> <li>– SSF stakeholders (see section 3.3)</li> <li>– Semi-Annual Reports to the BAAC</li> <li>– Process maps developed by the team</li> </ul>	<ul style="list-style-type: none"> <li>– TC databases of the EBRD</li> <li>– Non-TC databases of the EBRD</li> <li>– Documents provided by teams</li> <li>– Documents extracted from EBRD Databases</li> <li>– Interviews</li> </ul>	<ul style="list-style-type: none"> <li>– Availability of SSF stakeholders for interviews</li> <li>– Staff turnover</li> <li>– Availability of documents only saved in teams' files</li> <li>– Reliability of data from EBRD databases</li> </ul>
3. Has management of the	3.1 The adequacy of internal	– Donor Co-financing Review	– Grant Co-financing Strategic	– Interviews	– Availability of SSF stakeholders

Evaluation Question	Judgement criteria	Indicators	Sources of Data	Collection Methods	Potential limitations of data and means to address this
SSF been efficient?	resources available for the management of the SSF	(DCR) and VP Policy units involved in SSF management adequately staffed – The EBRD’s team users of the SSF adequately staffed – Adequate IT systems to support the management of TC and non-TC grants	Review Final Report – Internal Audit Reports – IT systems – SSF stakeholders (see section 3.3) – Possible use of a satisfaction survey	– IT systems – Documents provided by teams – Documents extracted from EBRD Databases	for interviews – Staff turnover – Availability of documents only saved in teams’ files – Reliability of data from EBRD databases
	3.2 The quality of reporting on the SSF implementation	– SSF reports provide comprehensive information about allocations, commitments, etc. against Work Plans – SSF reports provide comprehensive information about results of the committed individual grants – SSF reports provide comprehensive information about achievement of the SSF objectives – Shareholders’ satisfaction with reporting – Evidence of internal follow-up on SSF reporting (for example in other donor co-financing documents and so forth)	– Semi-Annual Reports to the BAAC – Minutes of the BAAC meetings on SSF reports – Reporting individual SSF TCs – Reporting individual SSF non-TCs – Results of donor surveys (already) carried out by DCF – SSF stakeholders (see section 3.3)	IT systems – Documents provided by teams – Documents extracted from EBRD Databases – Interviews	– Availability of SSF stakeholders for interviews – Staff turnover – Availability of documents only saved in teams’ files – Reliability of data from EBRD databases
	3.3 The appropriateness of the management fees related to the SSFe	– Inflow of the management fees according to the EBRD policies – Use of the SSF management fees – Inflows to the other SSF Sub-Accounts and their use	– Financial reports – Data provided by – SSF stakeholders (see section 3.3)	– Documents extracted from EBRD Databases – Documents provided by teams – Interviews	– Availability of SSF stakeholders for interviews – Staff turnover – Availability of documents only saved in teams’ files

### Annex 3. List of documents reviewed

Table 1: Net Income Allocation to SSF & related documentation

Year	Date	Title
2008	18-Jan-08	Allocation of EBRD Net Income to Other Purposes – outstanding issues
	02-May-08	Letter to Governors – Documents for the 2008 Annual Meeting – 2007 Net Income Allocation
	19-May-08	RESOLUTION NO. 112 - 2007 NET INCOME ALLOCATION
2009	10-Feb-09	Replenishment of the EBRD Shareholder Special Fund: legal aspects
	16-May-09	RESOLUTION NO. 122 - REALLOCATION OF NET INCOME
2010	14-May-10	RESOLUTION NO. 127 - REALLOCATION OF NET INCOME
2012	11-Jan-12	Termination of the Technical Cooperation Special Fund
	19-May-12	RESOLUTION NO. 149 - NET INCOME ALLOCATION
2013	10-Jan-13	Draw-down of net income to the SEMED Investment Special Fund and transfer to the EBRD Shareholder Special Fund SEMED window
	11-May-13	RESOLUTION NO. 161 - 2012 NET INCOME ALLOCATION
2014	02-Jul-14	EBRD Shareholder Special Fund: Proposed Additional Draw-Down of Net Income to the SEMED Investment Special Fund and Transfer to the 'SEMED Window' of the EBRD Shareholder Special Fund

Table 2: EBRD Strategies and Policies

Year	Date	Title
2004	17-Mar-04	A Revised Approach and Action Plan for Early Transition Countries
2006	11-May-06	Report of the Board of Directors to the Board of Governors on the Capital Resources Review 3
2010	07-Jan-10	Fees for Donor Funds and Arrangements for Cost Sharing Between Donors and Clients - Policy Review
	29-Mar-10	Capital Resources Review 4: 2011-2015
	12-Apr-10	Revised Enforcement Policy and Procedures: Mutual enforcement of debarment decisions among MDBs
2011	18-Nov-11	"Private Sector for Food Security" Initiative
2012	18-Jan-12	Prioritising TC in the context of the Grant Co-financing Strategic Review
	01-Mar-12	Sustainable Energy Initiative Phase 3 2012-2014
	04-May-12	Grant Co-financing Strategic Review Interim Report
2013	08-Jan-13	Grant Co-financing Strategic Review Final Report
	29-Apr-13	Strategic Gender Initiative
	19-Dec-13	Small Business Initiative Review 2013
2014	09-Apr-14	Re-Energising Transition: Medium-Term Directions for the Bank

Table 3: SSF Establishment, Work Plans and related documentation

Year	Date	Title
2008	14-Apr-08	Report of the Chairman of the Financial and Operations Policies Committee on Review of the Gearing Ratio Interpretation; Establishment of the EBRD Shareholder Special Fund and Work Plan for the period July 2008 – June 2009; Strategic Operations Framework, and Draft Report of the Board of Directors to the Board of Governors on the 2007 Net Income Allocation
	16-Apr-08	Establishment of the EBRD Shareholder Special Fund and Work Plan for the period July 2008 – June 2009
	14-Oct-08	Shareholder Special Fund: proposal for a more flexible approach to allocation of funding with the Western Balkans Fund and ETC Fund
	14-Oct-08	Report by the Chair of the Budget and Administrative Affairs Committee on the Shareholder Special Fund: proposal for a more flexible approach to allocation of funding with the Western Balkans Fund and ETC Fund
2009	29-Jan-09	Shareholder Special Fund: Proposal for the Grant Planning Meeting
	25-Feb-09	Minutes of the Meeting of the Budget and Administrative Affairs Committee of 28 January 2009
	20-Mar-09	Shareholder Special Fund: Proposal for Continuation and Work Plan for Period of July 2009-June 2010
	20-Mar-09	Report by the Chair of the Budget and Administrative Affairs Committee on the Shareholder Special Fund: Proposal for Continuation and Work Plan for Period of July 2009-June 2010
	26-Mar-09	Minutes of the Meeting of the Budget and Administrative Affairs Committee of 17 March 2009
	26-Oct-09	Shareholder Special Fund: Proposal to reallocate funds within the Work Plan July 2008 – June 2009 and Proposal to utilise funds from the Work Plan July 2009 – June 2010 for Infrastructure and Sustainable Energy Initiative
	28-Oct-09	Minutes of the Meeting of the Budget and Administrative Affairs Committee of 20 October 2009
	23-Nov-09	Shareholder Special Fund: Proposal to reallocate funds within the Work Plan July 2008 – June 2009 and Proposal to utilise funds from the Work Plan July 2009 – June 2010 for Infrastructure and Sustainable Energy Initiative
2010	27-Jan-10	Minutes of the Meeting of the Budget and Administrative Affairs Committee of 27 January 2010
	11-Feb-10	EBRD Shareholder Special Fund Proposal for further flexibility on the use of the Fund resources and Proposal of Restatement of the Work Plan July 2008-June 2009 and Work Plan July 2009-June 2010
	12-Feb-10	Shareholder Special Fund: Grant Planning Meeting Issues Paper
	28-Apr-10	Shareholder Special Fund – Proposal for Work Plans following the Capital Resources Review 4 (CRR4)
	21-Dec-10	Minutes of the Meeting of the Budget and Administrative Affairs Committee of 9 December 2010
2011	07-Jan-11	Shareholder Special Fund: Proposal for the Work Plan Jan - Dec 2011
	07-Jan-11	Shareholder Special Fund: Allocation of Resources for the Work Plan January – December 2011 Legal Issues and Discussion of Alternative Approaches

Year	Date	Title
	17-Jan-11	Report by the Chair of the Budget and Administrative Affairs Committee on the Shareholder Special Fund: Proposal for the Work Plan January - December 2011
	10-Oct-11	Shareholder Special Fund: Request for Reallocation of Resources of Work Plan January-December 2011 and Revision to the Rules and Regulations to Establish a Mechanism for Cost-sharing and Change of the Approval Process for Co-financing Projects
	10-Oct-11	Report by the Chair of the Budget and Administrative Affairs Committee on the Shareholder Special Fund: Request for Reallocation of Resources of Work Plan January-December 2011 and Revision to the Rules and Regulations to Establish a Mechanism for Cost-sharing and Change of the Approval Process for Co-financing Projects
2012	18-Jan-12	EBRD Shareholder Special Fund Work Plan January - December 2012
	18-Jan-12	Report by the Chair of the Budget and Administrative Affairs Committee on the Shareholder Special Fund: Proposal for the Work Plan January - December 2012
2013	10-Jan-13	Shareholder Special Fund: Workplan 2013
	28-Jan-13	Minutes of the Meeting of the Budget and Administrative Affairs Committee of 15 January 2013
	28-Jan-13	Report by the Chair of the Budget and Administrative Affairs Committee: - Shareholder Special Fund: Workplan 2013 - Draw-down of net income to the SEMED Investment Special Fund and transfer to the EBRD Shareholder Special Fund SEMED window
2014	04-Feb-14	Shareholder Special Fund: Workplan 2014
	06-Feb-14	Report by the Chair of the Budget and Administrative Affairs Committee on the EBRD Shareholder Special Fund: Work Plan 2014
	12-Feb-14	Minutes of the Meeting of the Budget and Administrative Affairs Committee of 28 January 2014
	02-Jul-14	EBRD Shareholder Special Fund: Request For Reallocation of Resources of Work Plan January – December 2014

**Table 4: SSF Non-TC grant specific documentation**

Year	Date	Title
2008	07-Apr-08	Staff Guidelines for the Use of Non-TC Grants from the Shareholder Special Fund
	18-Jul-08	Approval Process for Investment Grants from the Shareholder Special Fund
	04-Nov-08	Approval Process for Incentive Payments, Investment Grants and Lending, Guarantee or Investment Operations pursuant to Section 2.03(b) of the Shareholder Special Fund
	06-Nov-08	Report by the Chair of the Budget and Administrative Affairs Committee on the Approval Process for Incentive Payments, Investment Grants and Lending, Guarantee or Investment Operations pursuant to Section 2.03(b) of the Shareholder Special Fund

**Table 5: Shareholder Special Fund Reports**

Year	Date	Title
2008	26-Sep-08	Shareholder Special Fund: Report on the Implementation of the Work Plan - First Quarter
2009	20-Jan-09	Shareholder Special Fund: Report on the Implementation of the Work Plan - Second Quarter
	01-May-09	Shareholder Special Fund: Report on the Implementation of the Work Plan July 2008 – June 2009 Third Quarter
	13-Jul-09	Shareholder Special Fund: Report on the Implementation of the Work Plan July 2008 – June 2009: Fourth Quarter
	12-Oct-09	Shareholder Special Fund: Report on the Implementation of the Work Plans July 2008-June 2009 and July 2009-June 2010
2010	21-Jan-10	Shareholder Special Fund: Report on the Implementation of the Work Plans for the Quarter September - December 2009
	28-Apr-10	Shareholder Special Fund: Report on the Implementation of the Work Plan July 2008-June 2009 and Work Plan July 2009-June 2010 for the quarter January – March 2010
	30-Apr-10	EBRD Shareholder Special Fund Progress Reports for each TC Assignment for the period 2008-2009
	09-Jul-10	Shareholder Special Fund: Report on the Implementation of the Work Plans for the quarter April – June 2010
	01-Nov-10	Shareholder Special Fund: Overview of allocation and use of resources (July 2008 – September 2010)
2011	03-May-11	Semi-Annual Report on Grant Co-Financing
	20-Sep-11	Semi-Annual Report on Grant Co-Financing
2012	24-Apr-12	Semi-Annual Report on Grant Co-Financing
	23-Oct-12	Grant Co-Financing Semi-Annual Report (H1 2012) & Funding Outlook (H1 2013)
2013	23-Apr-13	Grant Co-financing Semi Annual Report and Funding Outlook
	29-Oct-13	Grant Co-financing Semi Annual Report and Funding Outlook
2014	16-Apr-14	2013 Grant Co-Financing Report

**Table 6: Internal audit reports**

Year	Date	Title
2008	19-Aug-08	Internal Audit Department Report: TC Funds Administration
2011	13-Oct-11	Internal Audit Department Report: Special Funds Administration
2014	25-Jun-14	Internal Audit Department: Investment Co-Financing Grants

**Table 7: Evaluation reports and related documents**

Year	Date	Title
2010	25-Oct-10	Evaluation Department: Special Study – Shareholders Special Fund (Regional)
	08-Dec-10	Minutes of the Meeting of the Audit Committee of 5 November 2010 – Discussion on the Initial Review of the SSF

**Table 8: Spreadsheets**

<b>Date</b>	<b>Team</b>	<b>Title</b>
28-May-14	Donor Co-Financing	Six SSF Work Plans monitoring sheets with statistics
25-Jun-14	Donor Co-Financing	Raw data all TC 2000-2013 (data as of end December of each year)
25-Jun-14	Donor Co-Financing	Analysis impact of SSF for 2013 Grant Co-financing Report
09-Jul-14	Energy Efficiency and Climate Change	SEI TC Master
11-Jul-14	Financial Institutions	Financial Institutions TC and non-TC grants funded by the SSF and indicative list
16-Jul-14	Environment and Sustainability	ESD TCs funded by SSF – completed and under implementation
17-Jul-14	Municipal & Environmental Infrastructure (MEI)	All MEI TC pipeline pre and post TC Committee (including SSF) MEI non-TC grants funded by SSF
18-Jul-14	Agribusiness	Agribusiness TC pipeline including SSF data
23-Jul-14	Donor Co-Financing	DCF Managers monitoring sheet (2013-14)
24-Jul-14	Gender	Gender related TCs
24-Jul-14	Donor Co-Financing	ETCF commitments 2008-14
24-Jul-14	Office of the Chief Economist (OCE)	OCE TCs funded by SSF (report prepared by DCF)
30-Jul-14	SBS	SBS - SSF funded disbursements 2008-13
01-Aug-14	Donor Co-Financing	Regional Energy Efficiency Programme for the Western Balkans co-financing with SSF
06-Aug-14	Donor Co-Financing	Western Balkans Fund co-financing with SSF
07-Aug-14	Donor Co-Financing	EWBJF data and SSF co-financing

## Annex 4. List of people interviewed

The evaluation team has interviewed SSF stakeholders in the period June-October 2014. The positions indicated in the tables below are as of the date of the interview.

Table 9: Interviews with EBRD Board of Directors offices

Constituency (in alphabetical order)	Title	Name	Surname	Position
Austria/Israel/Cyprus/Malta/Kazakhstan/Bosnia & Herzegovina	Ms	Maria	Kohlweg	Adviser
Belgium/Luxembourg/Slovenia	Mr	Miguel	Marques	Alternate Director
	Mr	David	Avarello	Adviser
Canada/Morocco/Jordan/Tunisia	Ms	Claire	Dansereau	Director
	Ms	Leonor	Fontoura	Adviser
European Investment Bank	Ms	Tamsyn	Barton	Director
Germany	Mr	Joachim	Schwarzer	Director
	Mr	Olaf	Rachstein	Adviser
Hungary/Czech Republic/Slovak Republic/Croatia/Georgia	Ms	Dagmar	Silna	Adviser
Italy	Ms	Raffaella	Di Maro	Director
Korea/Australia/New Zealand/Egypt	Mr	Bob	McMullan	Alternate Director
Netherlands/Mongolia/FYR Macedonia/Armenia	Mr	Paul	Vlaanderen	Director
	Mr	Ronald	Elkhuizen	Alternate Director
Norway/Finland/Latvia	Mr	Ole	Hovland	Director
Russia /Belarus/Tajikistan	Mr	Sergey	Verkashanskiy	Alternate Director
Spain/Mexico	Mr	Antonio	Oporto	Director
Sweden/Iceland/Estonia	Ms	Eva	Srejber	Director
	Ms	Anna	Bjornermark	Alternate Director
Switzerland/Ukraine/Liechtenstein/Turkmenistan/Serbia/Montenegro/Moldova	Mr	Heinz	Kaufmann	Director
	Ms	Anne-Marie	Pragnell	Adviser
	Mr	Nicholas	Meyer	Adviser
Turkey/Romania/Azerbaijan/Kyrgyz Republic	Mr	Evren	Dilekli	Director
	Mr	Talha	Yurtsever	Adviser
UK	Mr	Jonathan	Ockenden	Director
USA	Mr	Luyen	Tran	Alternate Director
	Mr	William	Beach	Adviser

Table 10: Interviews with EBRD teams in Banking

Banking	Title	Name	Surname	Position
Agribusiness	Ms	Victoria	Zinchuk	Senior Banker
	Ms	Aiko	Kado	Technical Cooperation Manager
E2C2	Mr	Chris	Mounsey	Senior TC & Administrative Officer
	Ms	Nadya	Myasnikova	Senior Administrative Officer

<b>Banking</b>	<b>Title</b>	<b>Name</b>	<b>Surname</b>	<b>Position</b>
Financial Institutions	Ms	Gana	Aleksic-Petersen	Head, TC Financial Institutions
	Mr	Alexander	Chirkov	Principal TC Manager MSME
	Ms	Gabriella	Ricketts	Principal TC Manager Energy Efficiency
Municipal & Environmental Infrastructure	Ms	Jane	Terry	Principal TC Manager
	Ms	Veronika	Pimper	Analyst
	Ms	Esther	Griffies Weld	Administrative Officer, TC
SBS	Ms	Valeria	Della Rosa	Senior Manager BAS
	Mr	Craig	Otter	Principal Manager

**Table 11: Interviews with EBRD teams in non-Banking**

<b>Non-Banking</b>	<b>Title</b>	<b>Name</b>	<b>Surname</b>	<b>Position</b>
Budgeting, non-Banking	Ms	Delyana	Kareva-Christova	Manager
Corporate Strategy - President Office	Mr	Hans Peter	Lankes	Managing Director
Donor Co-Financing	Ms	Camilla	Otto	Director
	Ms	Alessandra	Pasian	Deputy Director
	Ms	Junko	Aya	Head, Bilaterals and SSF
	Ms	Isidora	Grbović	Associate Manager, Bilaterals and SSF
	Ms	Olivia	Oddi	Senior Manager
	Ms	Maria	De Melo	Analyst
Environment & Sustainability	Dr	Alistair	Clark	Managing Director
	Ms	Viktoriya	Protsenko	Admin Officer, Policy and Project Oversight
Funds Accounting	Ms	Emma	Jesse	Senior Manager
Gender Team	Ms	Itziar	Perkins	Senior Advisor
	Ms	Nato	Kurshitashvili	Gender Specialist
Internal Audit	Mr	Atanas	Bogdanov	Internal Auditor
Legal Transition	Mr	Michel	Nussbaumer	Chief Counsel
Local Currency and Capital Market Development	Mr	Jim	Turnbull	Senior Advisor
	Mr	Hugh	Friel	Manager
Office of the Chief Economist	Mr	Toshiaki	Sakatsume	Senior Economist
	Mr	Alex	Chirmiciu	Senior Economist
	Ms	Helena	Schweiger	Senior Economist
	Ms	Carly	Petracco	Senior Research Analyst
Operations Committee Secretariat	Mr	Holger	Muent	Director
Technical Cooperation Team	Mr	Johan	Bert	Head TC Committee Secretariat
VP Policy	Mr	Alexander	Auboek	Executive Counsellor - TC Committee Chair

## Annex 5. SSF portfolio analysis – TC grants

This Annex provides additional information and data to complement Section 3.5 ‘SSF Portfolio Review’ of the main report.

### Limitations affecting the SSF portfolio analysis – TC grants

Lack of reliable documentation and data about TC and non-TC funds in EBRD has been a significant challenge as the Bank’s databases do not provide accurate information. This issue has affected the portfolio analysis first and foremost. The evaluation team has relied on data compiled using one database, compared with worksheets updated manually by DCF and the SSF users. The teams cooperated fully with the evaluation team in gathering the required information, but several time-consuming iterations were required to complete the process.

### Overview of TC commitments<sup>1</sup>

Between 2008 and 2013 a total of almost 1,000 individual TC commitments were funded by the SSF for almost €174 million. In the same timeframe, almost €500 million was committed and funded by other donor funds, meaning that the SSF contributed by around 26 per cent to the overall TC portfolio of the Bank. The data on overall TC commitments are presented in Table 12 and Chart 1.

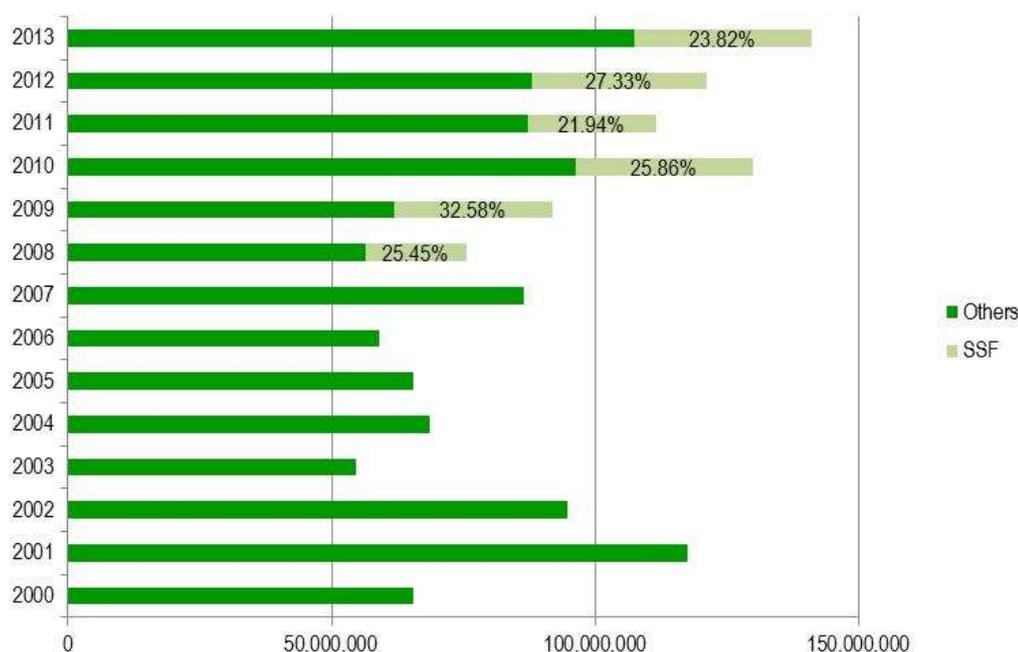
Table 12: TC commitments by SSF and Others by year (€ million)

Year	SSF	Others	Total
2000	-	65.5	65.5
2001	-	117.6	117.6
2002	-	94.8	94.8
2003	-	54.5	54.5
2004	-	68.7	68.7
2005	-	65.6	65.6
2006	-	59.1	59.1
2007	-	86.4	86.4
2008	19.2	56.3	75.6
2009	29.9	61.9	91.8
2010	33.6	96.3	129.9
2011	24.5	87.2	111.7
2012	33.1	88	121
2013	33.6	107.5	141.1
<b>Total</b>	<b>173.9</b>	<b>1,109.4</b>	<b>1,283.3</b>

Source: EvD analysis from data extracted from EBRD databases

<sup>1</sup> The data in this section considers TC commitments up until the end of year 2013 as a cut-off point for the purpose of comparisons with overall TC allocations and trends over the years.

Chart 1: TC commitments SSF and others by year (€)



Source: EvD analysis from data extracted from EBRD databases

Interestingly, the overall TC commitments from sources other than the SSF do not appear to have shown a clear trend over the period 2000–2013, although the yearly average in the pre-SSF (2000–2007) commitments (€ 76.5 million) is lower than the average for the period 2008–2013 (€ 82.9 million). The average of TC yearly commitments in the latter period rises to € 111.9 million when SSF TC commitments are included.

The average size of an individual TC commitment was lower for operations funded by the SSF (€ 181 thousand) than by all other sources (€247,000. Nevertheless, for both sources the median TC size is € 75 thousand, which is exactly the threshold stipulated in the EBRD “Procurement Policies and Rules” for a direct selection procedure for consultancy services.<sup>2</sup>

#### Conditions for use

For the SSF, the split between ETC and non-ETC and Official Development Assistance (ODA) and non-ODA countries bears a particular significance due to the Board of Governors’ Resolutions that set a minimum for the volume of SSF funds devoted to ODA countries; as well as due to the SSF Work Plans that set specific targets for ETC countries. The comparison of TC commitments to these regions is presented in the Table 13.<sup>3</sup> The share of TC targeted at both ETC and ODA countries rose after 2008 for all TC. For the TCs funded by other than SSF the share of ETC countries rose from 21 to 33 per cent; and the share of ODA countries rose from 52 to 78 per cent. TC funded by SSF achieved even higher ratios: the ETC share counts for 42 per cent; and the ODA share counts for 81 per cent, which exceeds the minimum set of 80 per cent.

<sup>2</sup> [Procurement Policies and Rules](#)

<sup>3</sup> For the purpose of this analysis, the commitments in the ten ETC countries (Armenia, Azerbaijan, Belarus, Georgia, Kyrgyz Republic, Moldova, Mongolia, Tajikistan, Turkmenistan, Uzbekistan) as well as those categorised as Regional ETC have been counted.

For the purpose of this analysis, commitments in the following countries/regions were considered as ODA: Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Egypt, FYR Macedonia, Georgia, Jordan, Kazakhstan, Kosovo, Kyrgyz Republic, Moldova, Mongolia, Montenegro, Morocco, Serbia, Serbia and Montenegro, Tajikistan, Tunisia, Turkey, Turkmenistan, Ukraine, Uzbekistan, and Regional ETC, Regional SEMED, and Regional WB. Note that the category Regional (unspecified) was not included in the calculations at all.

Table 13: ETC and ODA share of TC commitments in €

Areas	Total TC (2000-2007)	TC SSF (2008-2013)	TC Other (2008-2013)
ETC	111,866,888	60,588,700	150,219,739
non-ETC	416,306,177	85,138,890	303,000,892
<b>Share ETC/total</b>	<b>21.18%</b>	<b>41.58%</b>	<b>33.14%</b>
ODA	274,492,346	118,676,064	354,200,156
non-ODA	253,680,719	27,051,526	99,020,475
<b>Share ODA/total</b>	<b>51.97%</b>	<b>81.44%</b>	<b>78.15%</b>

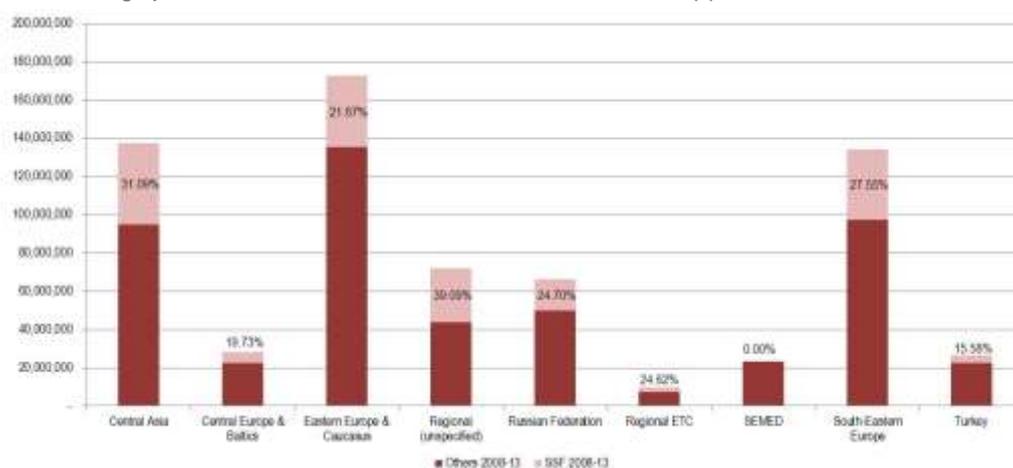
Source: EvD analysis from data extracted from EBRD databases

#### Geographic distribution<sup>4</sup>

The detailed figures for the TC allocation across regions between 2008 and 2013 can be found in Annex 5, and are summarised in Chart 2.

In some regions SSF represented a substantial part of overall TC commitments. This was true for Central Asia (31 per cent), South-Eastern Europe (28 per cent) and Russia (25 per cent). SSF represented 39 per cent of all TC commitments to Regional (unspecified) projects, 25 per cent to Regional ETC projects, and 22 per cent in Eastern Europe & Caucasus. The SSF did not make any TC commitments in SEMED countries,<sup>5</sup> and SSF commitments in Central Europe and Baltics represented only 5 per cent of overall TC commitments in the period.

Chart 2: Geographic distribution of all EBRD TC commitments 2008-2013 (€)



Source: EvD analysis from data extracted from EBRD databases

As presented in Table 14, Chart 3 and Chart 4, in terms of geographic distribution there are not large differences in the regional allocations between the commitments funded by the SSF and all other donor funds. The largest relative recipient of SSF TCs was Central Asia (25 per cent vs.19 per cent from Others), South-East Europe (24 per cent vs. 21 per cent from Others) and Eastern Europe & Caucasus (22 per cent vs. 27 per cent from Others). The biggest difference was for Regional (unspecified), with 16 per cent of SSF TC commitments vs. 9 per cent for others.

<sup>4</sup> For the purpose of the TC portfolio analysis along geographic regions, the commonly used EBRD classification was used. This comprises five regions (Central Asia, Central Europe & Baltics, Eastern Europe & Caucasus, SEMED, South-Eastern Europe), as well as two stand-alone countries (Russia and Turkey). In addition, two other regional categories had to be added, following their use in the Bank's databases from which the data were obtained – Regional (unspecified) and Regional ETC, which is strictly speaking not a geographic category.

<sup>5</sup> The allocation to SEMED countries in 2013 (WP5) was fully assigned for non-TC use. This allocation became open for TCs as of 2014 (WP6).

Table 14: Geographic distribution of TC commitments (€)

EBRD Regions	Total TC commitments (2000-2013)	Total TC commitments (2008-2013)	Total TC commitments SSF (2008-2013)	Total TC commitments SSF %	Total commitments Other (2008-2013)	SSF as % of total commitment (2008-2013)
Central Asia	211,950,469	137,611,771	42,779,064	25	94,832,707	19%
Central Europe & Baltics	138,883,222	28,206,969	5,565,912	3	22,641,057	5%
Eastern Europe & Caucasus	272,720,506	172,715,272	37,422,851	22	135,292,421	27%
Regional (unspecified)	156,220,517	72,160,742	28,210,015	16	43,950,727	9%
Russia	175,235,314	66,401,549	16,400,076	9	50,001,473	10%
Regional ETC	20,003,881	9,828,391	2,420,028	1	7,408,362	1%
SEMED	23,211,779	23,211,779	-	0	23,211,779	5%
South-Eastern Europe	258,328,140	134,184,515	36,965,896	21	97,218,619	20%
Turkey	26,787,975	26,787,975	4,173,763	2	22,614,212	5%
<b>Total</b>	<b>1,283,341,803</b>	<b>671,108,963</b>	<b>173,937,605</b>		<b>497,171,358</b>	

Source: EvD analysis from data extracted from EBRD databases

Chart 3: Geographic distribution of TC commitments – SSF (2008-2013)

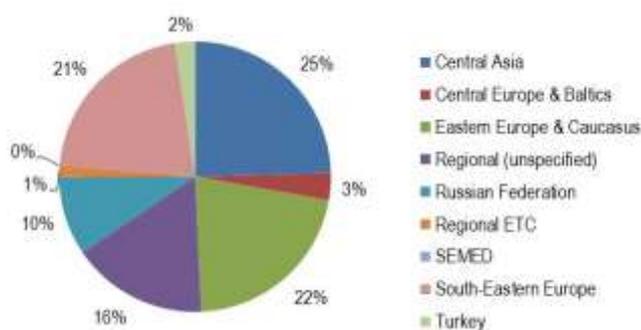
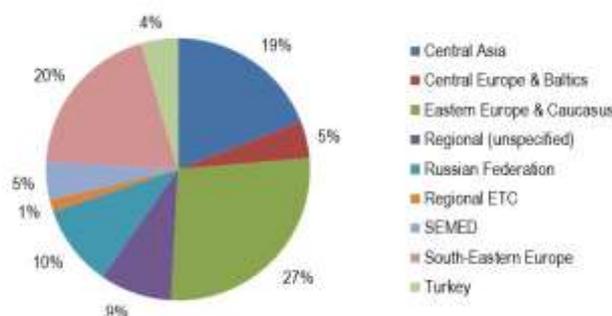


Chart 4: Geographic distribution of TC commitments –Others (2008-2013)



Source: EvD analysis from data extracted from EBRD databases

In terms of TC commitments between 2008 and 2013 to individual countries, the five biggest recipients are the same for both the SSF and Others, albeit in a slightly different order. In both cases the five biggest individual recipients are Kazakhstan, Kyrgyz Republic, Russia, Tajikistan and Ukraine. The category Regional (unspecified) received similarly high amounts as the top five; in fact, for the SSF this unspecified category ranked first overall. For both the SSF and Others, the top five recipients and the Regional

(unspecified) received almost a half of all commitments. The full list of recipients by country is presented in Table 15.

Table 15: TC commitments by country (2008-2013) in €

TC Commitments SSF (2008-2013)			TC commitments Others (2008-2013)		
<b>Regional</b>	<b>28,218,015</b>	<b>16.22%</b>	<b>Ukraine</b>	<b>62,131,718</b>	<b>12.50%</b>
<b>Russia</b>	<b>16,400,076</b>	<b>9.43%</b>	<b>Russia</b>	<b>50,001,473</b>	<b>10.06%</b>
<b>Kazakhstan</b>	<b>11,582,391</b>	<b>6.66%</b>	<b>Regional</b>	<b>43,950,727</b>	<b>8.84%</b>
<b>Ukraine</b>	<b>10,450,852</b>	<b>6.01%</b>	<b>Tajikistan</b>	<b>29,421,265</b>	<b>5.92%</b>
<b>Kyrgyz Republic</b>	<b>10,152,412</b>	<b>5.84%</b>	<b>Kazakhstan</b>	<b>25,182,034</b>	<b>5.07%</b>
<b>Tajikistan</b>	<b>10,121,651</b>	<b>5.82%</b>	<b>Kyrgyz Republic</b>	<b>22,734,007</b>	<b>4.57%</b>
<b>Subtotal</b>	<b>49.97%</b>			<b>46.95%</b>	
<i>Regional Western Balkans</i>	9,541,055	5.49%	Turkey	22,614,212	4.55%
FYR Macedonia	8,537,030	4.91%	Moldova	22,141,485	4.45%
Armenia	7,762,702	4.46%	Belarus	16,341,727	3.29%
Mongolia	7,282,084	4.19%	FYR Macedonia	15,283,820	3.07%
Georgia	6,546,553	3.76%	Serbia	14,504,111	2.92%
Moldova	6,092,302	3.50%	Romania	14,052,170	2.83%
Serbia	4,893,135	2.81%	Georgia	13,090,306	2.63%
Croatia	4,654,402	2.68%	Bulgaria	12,325,774	2.48%
Turkey	4,173,763	2.40%	Mongolia	12,113,741	2.44%
Azerbaijan	3,557,306	2.05%	<i>Regional Western Balkans</i>	11,517,165	2.32%
Romania	3,286,732	1.89%	Azerbaijan	11,243,686	2.26%
Albania	3,116,959	1.79%	Bosnia and Herzegovina	11,106,694	2.23%
Belarus	3,013,136	1.73%	Armenia	10,343,498	2.08%
Bosnia and Herzegovina	2,754,982	1.58%	Albania	9,690,239	1.95%
Turkmenistan	2,750,605	1.58%	Poland	9,394,548	1.89%
<i>Regional ETC</i>	2,420,028	1.39%	<i>Regional ETC</i>	7,408,362	1.49%
Montenegro	2,155,532	1.24%	<i>Regional SEMED</i>	6,932,702	1.39%
Bulgaria	1,798,806	1.03%	Slovak Republic	6,235,056	1.25%
Uzbekistan	889,921	0.51%	Croatia	5,805,770	1.17%
Kosovo	881,665	0.51%	Egypt	5,722,144	1.15%
Latvia	421,100	0.24%	Montenegro	5,424,397	1.09%
Hungary	200,000	0.11%	Morocco	5,043,007	1.01%
Poland	120,600	0.07%	Turkmenistan	3,793,676	0.76%
Lithuania	77,950	0.04%	Kosovo	3,314,248	0.67%
<i>Regional EU</i>	72,880	0.04%	Jordan	3,028,680	0.61%
Slovenia	16,000	0.01%	Tunisia	2,485,245	0.50%
Estonia	2,980	0.00%	Uzbekistan	1,587,985	0.32%
			Hungary	847,410	0.17%
			<i>Regional EU</i>	333,333	0.07%
			Czech Republic	24,940	0.01%
<b>Total</b>	<b>173,945,605</b>	<b>100%</b>		<b>497,171,358</b>	<b>100%</b>

Source: EvD analysis from data extracted from EBRD databases

## Distribution by sector

The distribution of TC commitments across sectors is limited to some extent by the data available in the EBRD databases, which is not always systematically or consistently categorised. Out of 13 sectors, the top six are the same for both the SSF and Others, and, all together, they cover around 90 per cent of all TC commitments. Table 16 presents the breakdown for the distribution of TC by sectors. The SSF provided relatively more TC in the Transport sector (20 per cent vs. 10 per cent by others) and Community/Social service sector (11 per cent vs. 5 per cent by others). By contrast, other funds support to TC in Energy was relatively larger (26 per cent vs. 16 per cent by the SSF), and Finance, Business (21 per cent vs. 14 per cent by the SSF).

Table 16: TC Commitments by sector (2008-2013) in €

TC Commitments SSF (2008-2013)			TC commitments Others (2008-2013)		
Transport, Storage	34,015,443	19.56%	Energy	129,701,837	26.09%
Manufacturing	28,268,209	16.25%	Finance, Business	106,811,577	21.48%
Energy	28,033,698	16.12%	Manufacturing	92,953,356	18.70%
Finance, Business	23,924,225	13.75%	Local Authority Services	74,545,721	14.99%
Local Authority Services	21,473,200	12.35%	Transport, Storage	51,380,425	10.33%
Community/Social Services	19,556,631	11.24%	Community/Social Services	22,905,527	4.61%
<b>Subtotal</b>		<b>89.27%</b>			<b>96.2%</b>
Central Europe Agency Lines, Co-Financing Lines & Regional Venture Funds	10,995,472	6.32%	Central Europe Agency Lines, Co-Financing Lines & Regional Venture Funds	12,767,671	2.57%
Agriculture, Forestry, Fishing	2,638,812	1.52%	Agriculture, Forestry, Fishing	2,083,047	0.42%
Construction	2,607,550	1.50%	Construction	1,947,721	0.39%
Non-classifiable Establishments	1,490,800	0.86%	Non-classifiable Establishments	1,080,000	0.22%
Extractive Industries	858,666	0.49%	Telecommunications	447,800	0.09%
Commerce, Tourism	74,900	0.04%	Commerce, Tourism	366,975	0.07%
			Extractive Industries	179,700	0.04%
		<b>100.00</b>			
<b>Total</b>	<b>173,937,605</b>	<b>%</b>	<b>497,171,358</b>	<b>100.00%</b>	

Source: EvD analysis from data extracted from EBRD databases

Another perspective of looking at the sector distribution of TCs is to consider the EBRD team that manages the TC.<sup>6</sup> By this measure, the Municipal & Environmental Infrastructure (MEI) team accounted for the highest proportion of TC commitments (22 per cent), corresponding to large portions of Transport and Local Authority Services sectors. Small Business Support (SBS), Energy Efficiency and Climate Change (E2C2), Financial Institutions and Transport are the teams that accounted for more than 10 per cent of the TC commitments each.

<sup>6</sup> For that purpose, the evaluation team has categorise all TC commitments funded by the SSF by comparing a manual categorisation done by DCF and the worksheets provided by the teams user of the SSF utilised TCs financed by the SSF, the team assignment was reconstructed with the help of the information provided by individual teams and that of DCF.

Table 17: SSF TC commitments by team (2008-2013)

Team	TC commitments SSF (€)	%
MEI	37,466,427	21.54%
SBS	25,051,886	14.40%
E2C2	22,480,769	12.92%
Financial Institutions	20,105,930	11.56%
Transport	19,533,467	11.23%
LTT	13,050,417	7.50%
OCE	9,598,179	5.52%
Enterprise Support	5,934,490	3.41%
Agribusiness	5,891,921	3.39%
Power & Energy	5,124,125	2.95%
Environment	4,290,272	2.47%
Other	3,387,623	1.95%
Gender	1,109,947	0.64%
Nuclear Safety	912,153	0.52%
<b>Total</b>	<b>173,937,605</b>	<b>100.00%</b>

Source: EvD analysis from data extracted from EBRD databases

#### Distribution by type

The EBRD databases allow classifying the TCs in the following five types: Advisory Services, Project Implementation, Project Preparation, Sector Work and Training. However, there is no clear definition of them or systematic quality control of classification. With this caveat, the evaluation team provides information about the type of TCs funded by the SSF compared to the others. However, the evaluation cannot provide any type analysis of non-transactional TCs normally denominated as “policy dialogue” as they could fit at least in the three categories of Advisory Services, Sector Work and Training.

From 2008 to 2013, Project Implementation accounted for 51 per cent of Others TC compared to 38 per cent of SSF. There were no major differences for the other categories. Detailed figures are provided in Chart 5, Chart 6, and Chart 7.

Chart 5: TC commitments by type funded by SSF in 2008-2013

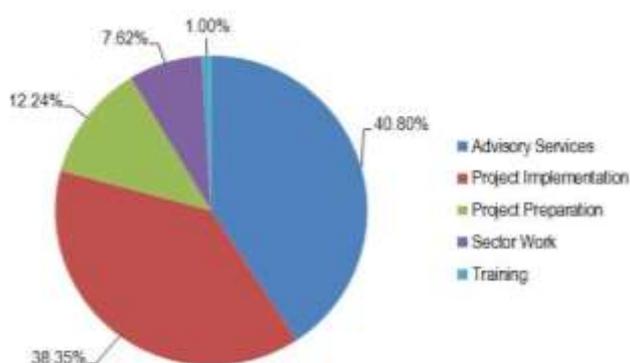


Chart 6: TC commitments by type funded by Others in 2008-2013

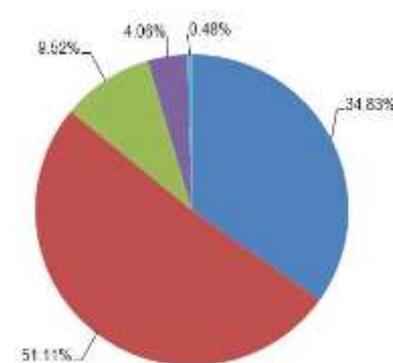
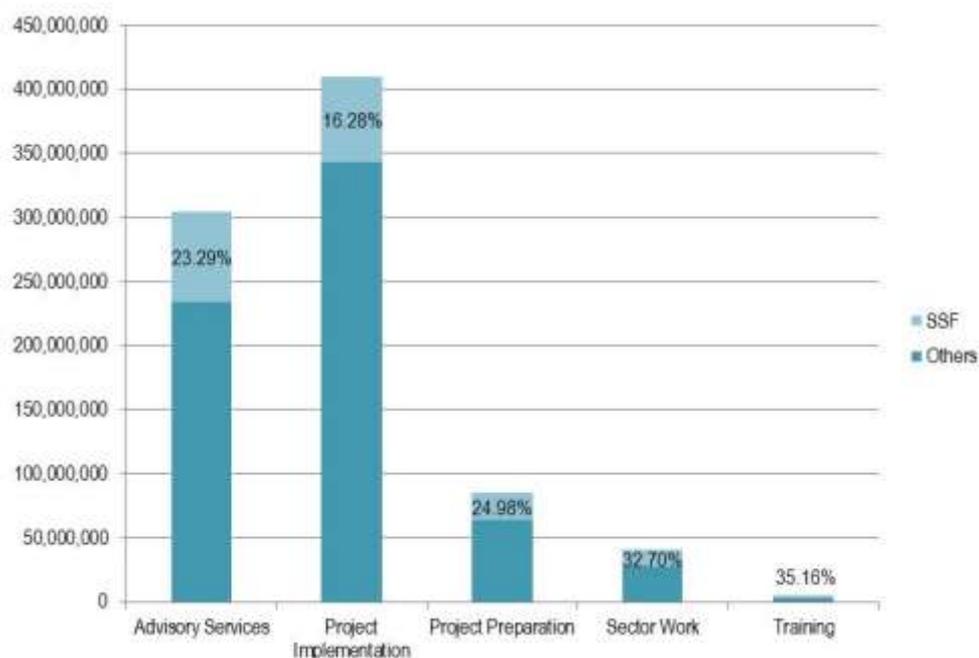


Chart 7: TC type commitments (2008-2013)



### TC co-financing

As described in Section 3 of the main report, the intent for the SSF to complement other donors' financing was included with the SSF since its establishment. The interpretation of 'complementary' may differ – in one sense, complementing can be interpreted as collaborating on the same action and combining resources; in another, it can mean doing something else than others. For the purpose of this analysis, the first dimension of complementarity is explored. In aggregate terms, it is not entirely straightforward to identify TCs which were co-financed by the SSF together with another fund, as this relationship is not specifically traceable through the Bank's databases. One way of approximating the scope of co-financing is to consider the cases where different donors committed funds for TCs bearing the same ID numbers (TCOPID). This analysis is based on the assumption that TCs with the same TCOPID are in principle related (linked to a common project, programme, or framework). The analysis of co-financing through the TCOPIDs does not capture the possibility of 'portfolio co-financing' – that is, instances where funds from different sources were matched in volumes but committed to a number of unrelated projects by each fund separately.

Between 2008 and 2013, a total of 86 funds were identified as co-financing with the SSF through the same TCOPID. This represented 161 of co-financed TCOPIDs, out of total 549 TCOPIDs financed by the SSF; i.e. 29 per cent of all SSF TCOPIDs were co-financed. In financial volume these 161 TCOPIDs received commitments of over € 128 million from all funds other than SSF. A total of € 59 million in commitments was made from the SSF toward these TCOPIDs, which represented 34 percent of all SSF TC commitments.

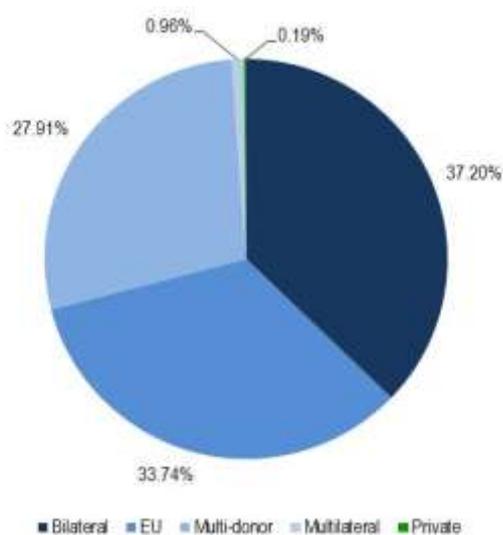
As indicated in Table 18 and Chart 8 the largest source of the co-financing were bilateral funds (37 per cent of co-financing commitments), the EU (34 per cent) and multi-donor funds (28 per cent). Multi-lateral and private sources were negligible in comparison.

Table 18: Sources of TC co-financing with SSF

Donor Fund	Nr. Co-financed TCOPIDs	Total co-financing commitments (€)	%
Bilateral	137	47,671,107	37.20
EU	54	43,232,093	33.74
Multi-donor	72	35,767,436	27.91
Multilateral	6	1,228,120	0.96
Private	3	238,565	0.19
<b>Total</b>	<b>n/a<sup>7</sup></b>	<b>128,137,321</b>	<b>100</b>

Source: EvD analysis from data extracted from EBRD databases

Chart 8: Sources of TC co-financing with SSF



Source: EvD analysis from data extracted from EBRD databases

The largest contributors in terms of individual funds were the Early Transition Countries Fund (13 per cent of all co-financing commitments), the EBRD Western Balkans multi-donor fund (8 per cent) and the Japan bilateral co-operation fund 6 per cent). The ten largest contributors combined covered over 50 per cent of co-financing commitments, as presented in Table 19.

<sup>7</sup> The total of TCOPIDs in this column is larger than the overall total of co-financed TCOPIDs (161) – this is because some TCOPIDs were co-financed by several funds other than SSF.

Table 19: Largest sources of SSF co-financing

Fund Code	Fund name	Group	Nr. Co-financed TCOPIDs	Total co-financing commitments (€)	% of total co-financing commitments
ETCF	Early Transition Countries Fund	Multi-donor	39	16,570,235	13
WEBF	EBRD - Western Balkans Fund	Multi-Donor	17	10,353,488	8
JPN	Japan-EBRD Co-operation Fund	Bilateral	10	7,394,222	6
ECEP	TAM/BAS Programme in Eastern Partnership Countries	EU	10	6,802,962	5
ECNT	EU Contribution to TAFF Phase II 2010-2012	EU	1	5,096,000	4
ETBE	EC TAM/BAS Egypt Morocco and Tunisia	EU	2	5,056,000	4
WBES	European Western Balkans Joint Fund - Sub Fund (EBRD Operations under WBJF)	Multi-Donor	5	4,628,153	4
ECWB	Private Sector Support Facility for the Western Balkans	EU	12	4,100,597	3
ENEB	Implementation of EBRD SBS programmes - EGP and BAS - in the EaP countries Phase 1	EU	1	3,889,272	3
LUDA	Luxembourg - ODA Technical Co-operation Fund	Bilateral	11	3,762,930	3%
<b>Total</b>			<b>n/a</b>	<b>67,653,860</b>	<b>53</b>

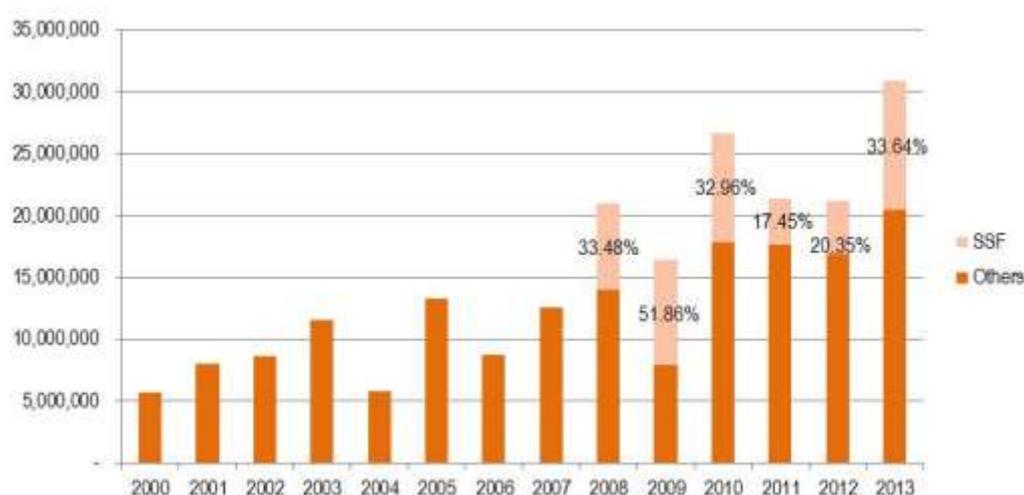
Source: EvD analysis from data extracted from EBRD databases

## Annex 6. SSF portfolio analysis – Regional distribution of TC grants

### Central Asia

Central Asia includes TC commitments in Kazakhstan, Kyrgyz Republic, Mongolia, Tajikistan, Turkmenistan and Uzbekistan. As indicated in Chart 9, TC commitments in Central Asia have always been substantial and, since SSF establishment in 2008, even more resources have been devoted to this area. Out of the total TC commitments (see Table 14) Central Asia has been the third biggest recipient of overall TC commitments 2000-2013 (after Eastern Europe & Caucasus and South-Eastern Europe) and the second if looking only at the period 2008-2013 (after Eastern Europe & Caucasus). All Central Asia countries are ODA eligible countries and also classified as ETC countries with the exception of Kazakhstan.

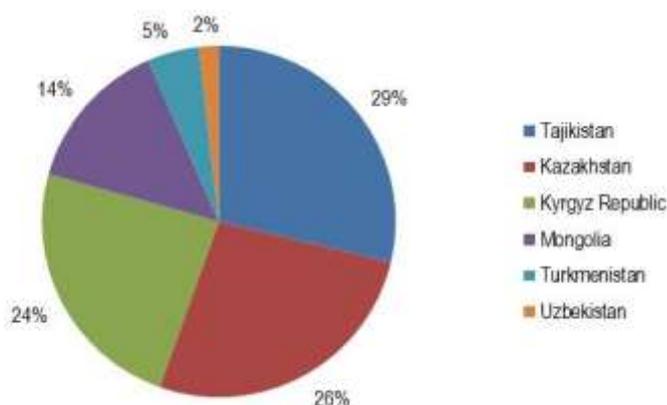
Chart 9: Overview of TC commitments (€) in Central Asia (2000-13)



Source: EvD's elaboration based on EBRD databases

Between 2008 and 2013 a total of €137,611,771 was committed in the region and the SSF accounted for around 31 per cent of that amount (compared to an average of 26 per cent). The majority of SSF resources in the area were devoted to Tajikistan, Kazakhstan and Kyrgyz Republic (Chart 10).

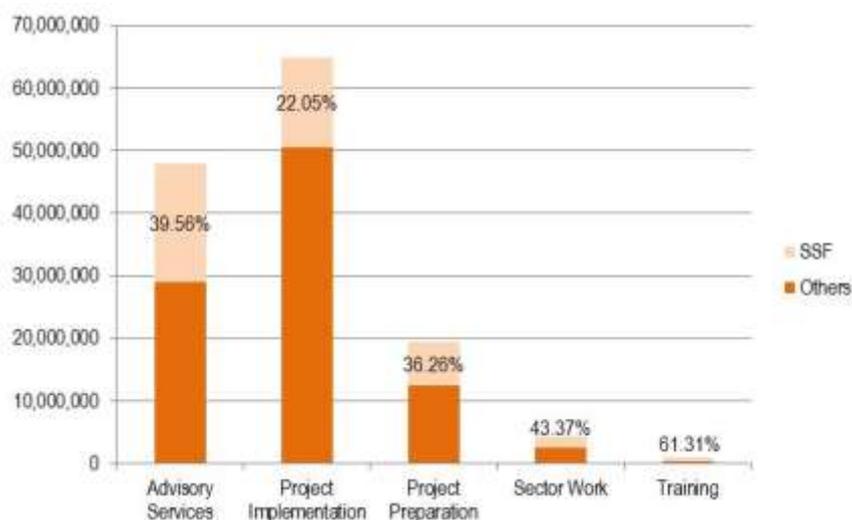
Chart 10: Distribution per country – SSF TC commitments (€) in Central Asia (2008-13)



Source: EvD's elaboration based on EBRD databases

In terms of TC type, in Central Asia the TC operations committed between 2008 and 2013 were mainly focused on facilitating the investments in terms of project implementation, preparation and advisory services. The SSF has contributed to all TC types and has been instrumental for sector work and training (Chart 11).

Chart 11: Distribution per type - TC commitments (€) in Central Asia (2008-13)



Source: EvD's elaboration based on EBRD databases

In terms of sectors, the SSF focused mostly on Local Authority Services, Manufacturing, Transport and Community/Social Services (Chart 12) while TCs funded by other donors focused on Local Authority Services, Manufacturing, Finance and Energy (Chart 13).

Chart 12: SSF funded TC commitments (€) in Central Asia by sector (2008-13)

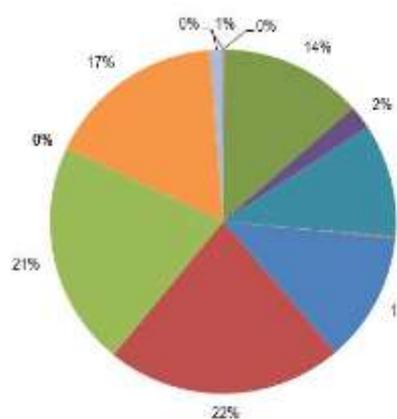
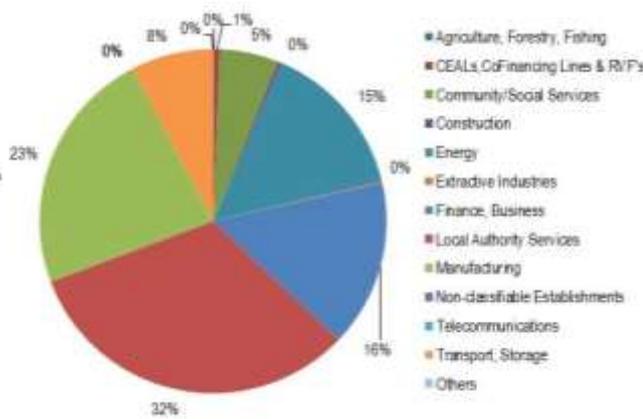


Chart 13: Others funded TC commitments (€) in Central Asia by sector (2008-13)

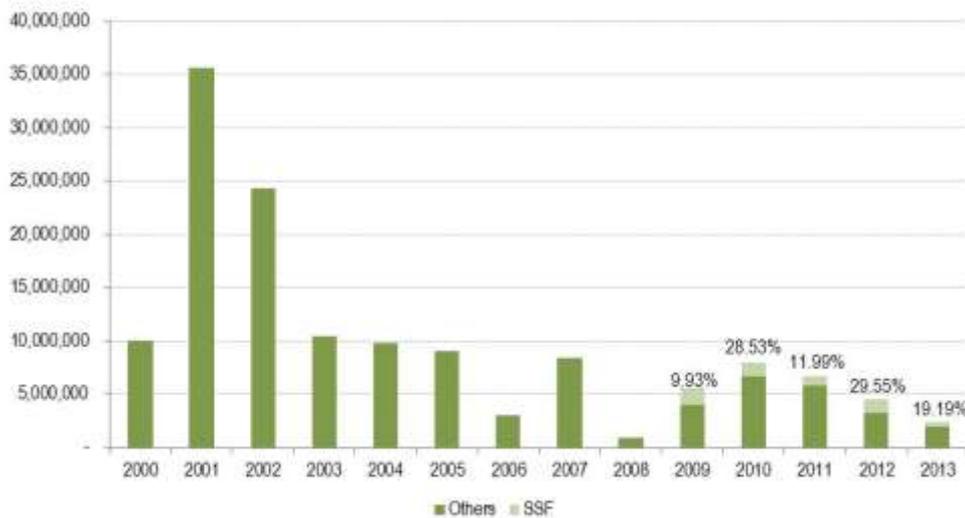


Source: EvD's elaboration based on EBRD databases

## Central Europe & Baltics

Central Europe & Baltics includes TC commitments in Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovak Republic, and Slovenia – which are all today Members of the European Union. For the purpose of this evaluation, commitments in “Regional EU” have been included in Central Europe and Baltics. TC commitments in Central Europe & Baltics have been very minimal, and this is also reflected in the SSF contributions to that since 2008 (Chart 14). A slight increase happened when the financial crisis hit. Out of a total of nine geographical areas, the total TC commitments (see Table 14) in Central Europe & Baltics has been the sixth biggest recipient in the period 2000-2013 and the seventh if looking only at the period 2008-2013.

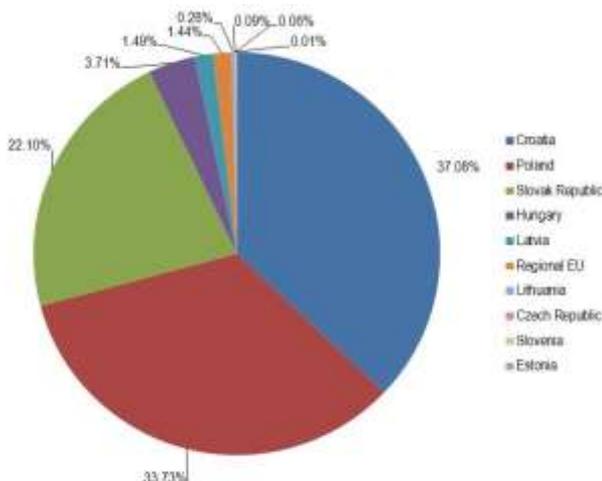
Chart 14: Overview of TC commitments (€) in Central Europe & Baltics 2000-13<sup>8</sup>



Source: EvD's elaboration based on EBRD databases

Between 2008 and 2013 a total of €28,206,969 was committed in the area and the SSF counted for around 20 per cent of that amount (compared to an average of 26 per cent). The majority of SSF resources in the area were devoted to Croatia, Poland and Slovak Republic (Chart 15).

Chart 15: Distribution per country – SSF TC commitments (€) in Central Europe & Baltics 2008-13<sup>9</sup>



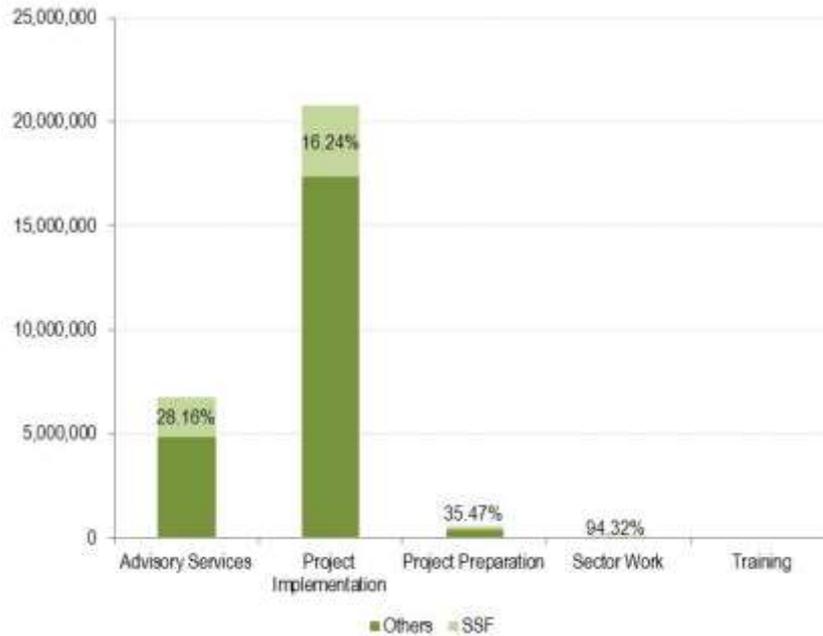
<sup>8</sup> Including *Regional EU*

<sup>9</sup> Including *Regional EU*

Source: EvD's elaboration based on EBRD databases

In terms of TC type, the SSF has been mainly used in absolute terms for project implementation and advisory services, as well as TCs funded by other resources (Chart 16).

Chart 16: Distribution per type - TC commitments (€) in Central Europe & Baltics (2008-13)<sup>10</sup>



Source: EvD's elaboration based on EBRD databases

In terms of sectors, the SSF focused mostly in Transport and Manufacturing (Chart 17), while TCs funded by other donors have been mostly focused on Energy and Finance (Chart 18).

Chart 17: SSF funded TC commitments (€) in Central Europe & sector (2008-13)<sup>11</sup>

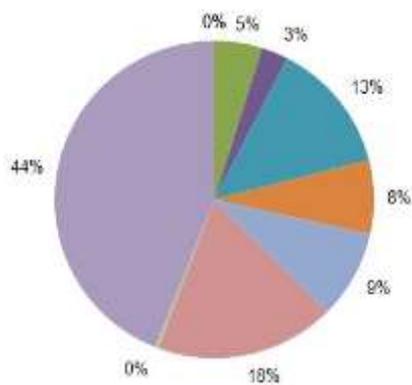
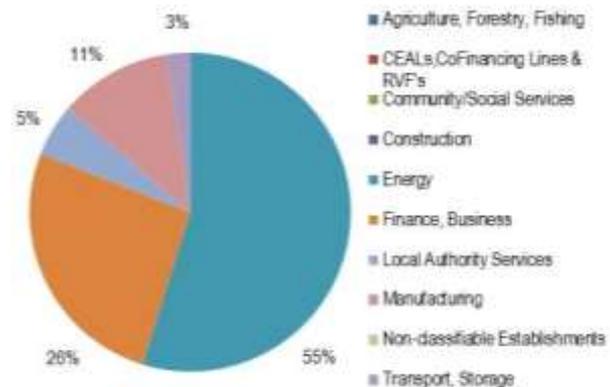


Chart 18: Others funded TC commitments (€) in Central Europe & Baltics by sector (2008-13)<sup>12</sup>



Source: EvD's elaboration based on EBRD databases

<sup>10</sup> Including *Regional EU*

<sup>11</sup> Including *Regional EU*

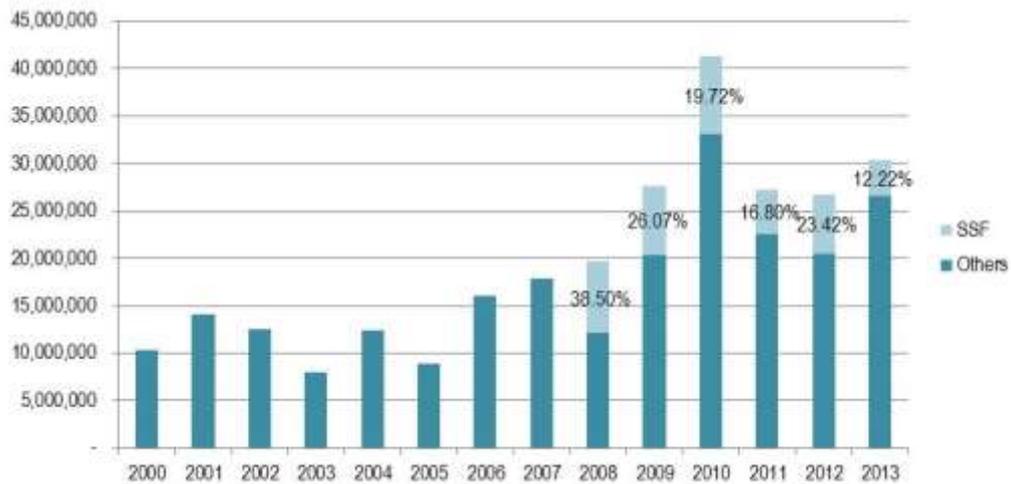
<sup>12</sup> Including *Regional EU*

## Eastern Europe and Caucasus

Eastern Europe and Caucasus includes TC commitments in Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. All Eastern Europe and Caucasus countries are ODA eligible and also classified as ETC countries with the exception of Ukraine.

As indicated in Chart 19, TC commitments in Eastern Europe & Caucasus have always been substantial and, since SSF establishment in 2008, even more resources have been devoted to this region. Out of the total TC commitments (see Table 14) Eastern Europe & Caucasus has been the biggest recipient of TC commitments 2000-2013 and also the first when looking only at the period 2008-2013.

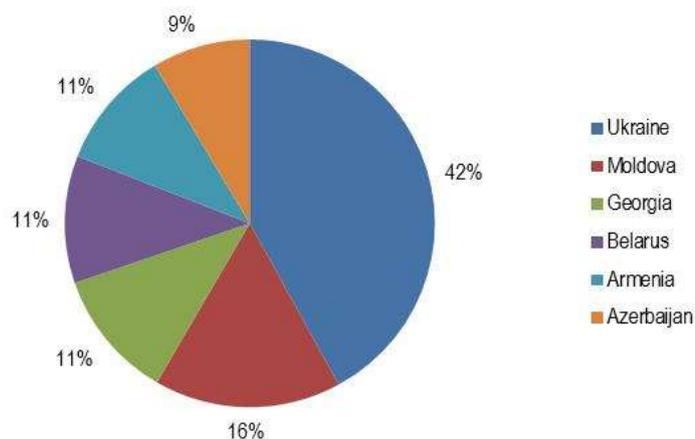
Chart 19: Overview of TC commitments (€) in Eastern Europe & Caucasus (2000-13)



Source: EvD's elaboration based on EBRD databases

Between 2008 and 2013 a total of €172,715,272 was committed in the area and the SSF accounted for around 22 per cent of that (compared to an average of 26 per cent). The majority of SSF resources in the area were devoted to Ukraine, Moldova and Georgia (Chart 20).

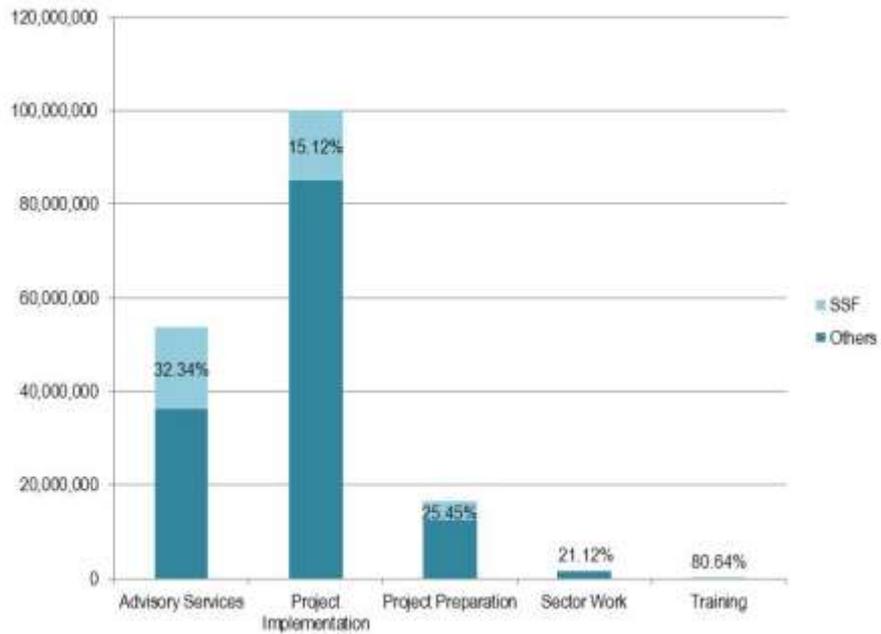
Chart 20: Distribution per country – SSF TC commitments (€) in Eastern Europe & Caucasus (2008-13)



Source: EvD's elaboration based on EBRD databases

In terms of TC type, the SSF has been mainly used in absolute terms for project implementation and advisory services, as well as TCs funded by other resources (Chart 21). SSF resources have been crucial for training activities.

Chart 21: Distribution per type - TC commitments (€) in Eastern Europe & Caucasus (2008-13)



Source: EvD's elaboration based on EBRD databases

In terms of sectors, the SSF focused mostly in Finance, Manufacturing, Transport and Energy (Chart 22), while TCs funded by other donors have been mostly focused on Energy, Finance, and Local Authority Services (Chart 23).

Chart 22: SSF funded TC commitments (€) in Eastern Europe & Caucasus by sector (2008-13)

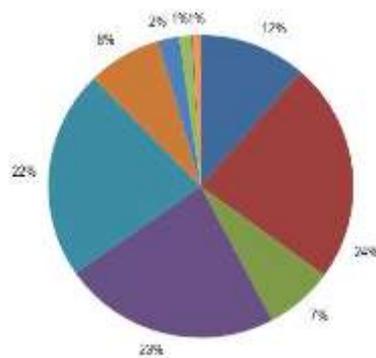
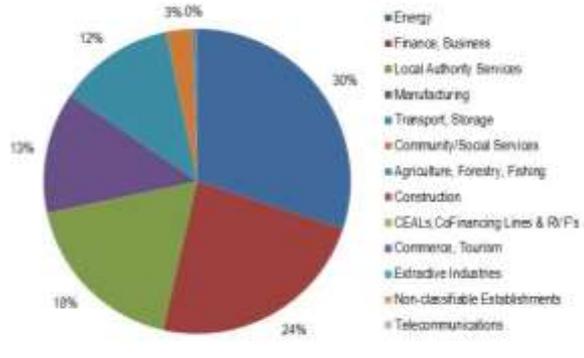


Chart 23: Others funded TC commitments (€) in Eastern Europe & Caucasus by sector (2008-13)



Source: EvD's elaboration based on EBRD databases

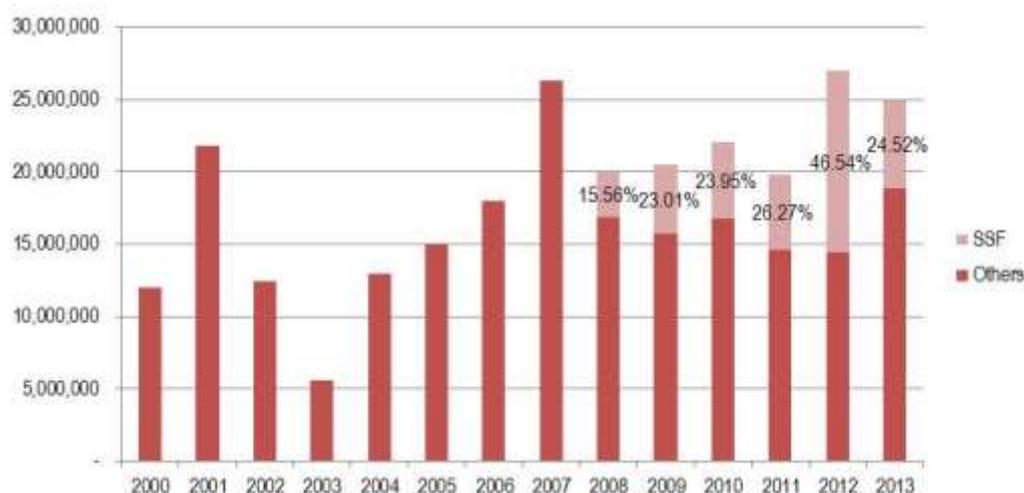
### South-Eastern Europe

South-Eastern Europe includes TC commitments in Albania, Bosnia and Herzegovina, Bulgaria, FYR Macedonia, Kosovo, Montenegro, Romania, and Serbia. For the purpose of this evaluation South-Eastern Europe includes also Federal Yugoslav Republic, Serbia and Montenegro, and commitments classified as "Regional Western Balkans".

As indicated in Chart 24, TC commitments in South-Eastern Europe have always been always important. Out of the total TC commitments (see Table 14), South-Eastern Europe has been the second biggest

recipient of TC commitments 2000-13 (after Eastern Europe & Caucasus) and the third if looking only at the period 2008-13 (after Eastern Europe & Caucasus and Central Asia).

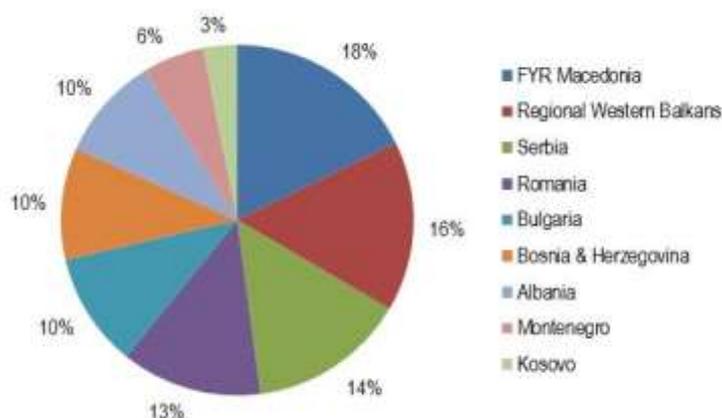
Chart 24: Overview of TC commitments (€) in South-Eastern Europe (2000-13)



Source: EvD's elaboration based on EBRD databases

Between 2008 and 2013 a total of €134,184,515 was committed in the area and the SSF counted for around 29 per cent of that amount (compared to an average of 26 per cent). The SSF resources have been distributed quite evenly in this area given the dimension of the countries (Chart 25).

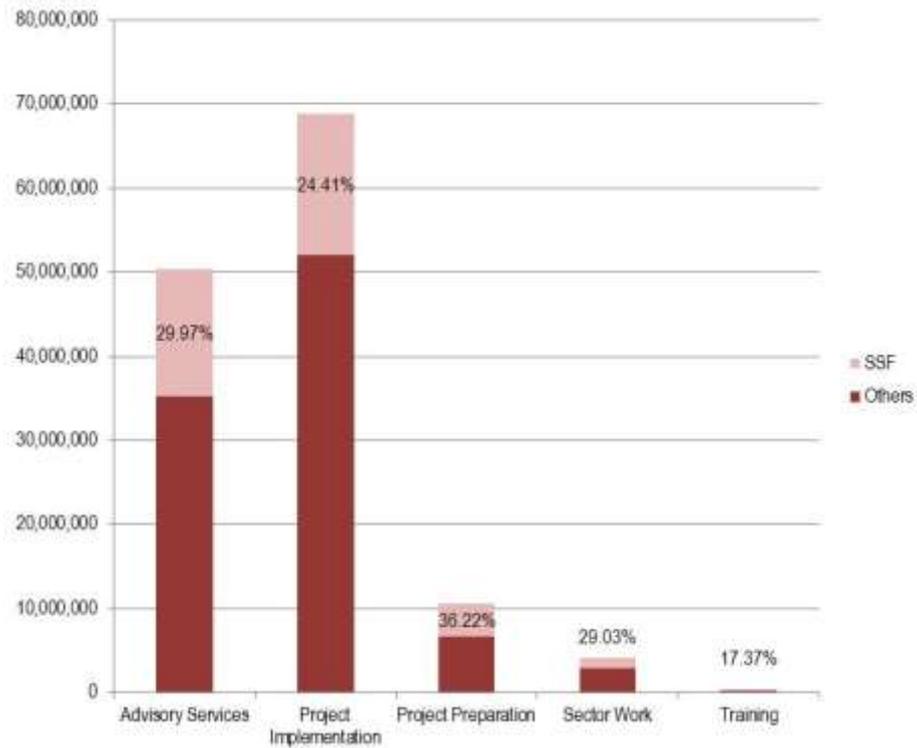
Chart 25: Distribution per country – SSF TC commitments (€) in South-Eastern Europe (2008-13)



Source: EvD's elaboration based on EBRD databases

In terms of TC type, the SSF has been mainly used in absolute terms for project implementation, project preparation and advisory services, as well as TCs funded by other resources (Chart 26).

Chart 26: Distribution per type - TC commitments (€) in south-eastern Europe (2008-13)



Source: EvD's elaboration based on EBRD databases

In terms of sectors, the SSF focused mostly in Transport, Energy, Manufacturing and Finance (Chart 27), while TCs funded by other donors have been mostly focused on Transport, Manufacturing, Energy and Finance (Chart 28).

Chart 27: SSF funded TC commitments (€) in South-Eastern Europe by sector (2008-13)

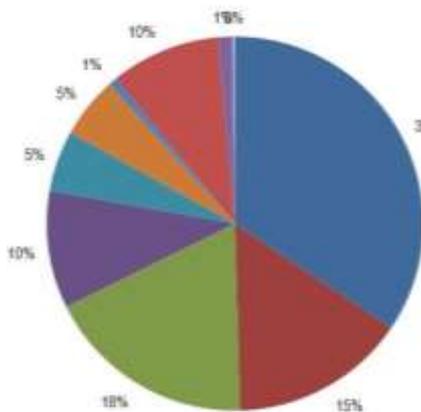
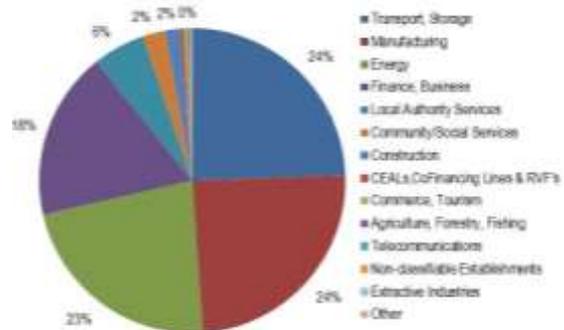


Chart 28: Others funded TC commitments (€) in South-Eastern Europe by sector (2008-13)



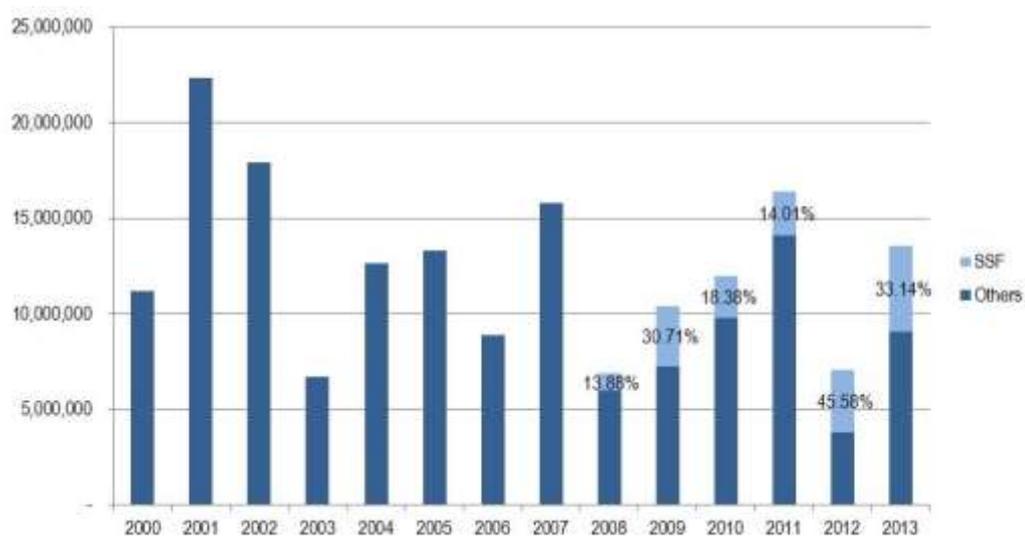
Source: EvD's elaboration based on EBRD databases

## Russia

Russia has been the fourth biggest recipient of TC commitments 2000-13 (after Eastern Europe & Caucasus, South-Eastern Europe and Central Asia) and the sixth if looking only at the period 2008-13.

As indicated in Chart 29, TC commitments in Russia have been very important. Russia is the biggest individual country recipient of TC (see Table 15).

Chart 29: Overview of TC commitments (€) in Russia (2000-13)

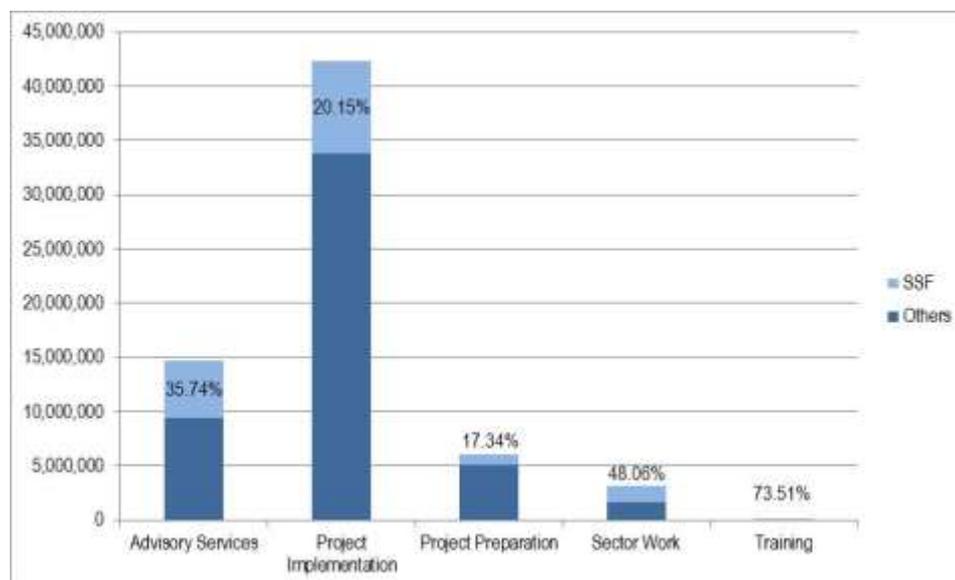


Source: EvD's elaboration based on EBRD databases

Between 2008 and 2013 a total of € 66,401,549 was committed in Russia and the SSF counted for around 25 per cent of that (compared to an average of 26 per cent).

In terms of TC type, the SSF has been mainly used in absolute terms for project implementation, project preparation and advisory services, as well as TCs funded by other resources (Chart 30). Moreover, the SSF has been instrumental to implement TC operations classified as 'sector work' and 'training'.

Chart 30: Distribution per type - TC commitments (€) in Russia (2008-13)



Source: EvD's elaboration based on EBRD databases

In terms of sectors, the SSF focused mostly in the areas of local authority services, energy, community/social services and manufacturing (Chart 31), while TCs funded by other donors have been mostly focused on energy, finance, manufacturing, and local authority services (Chart 32).

Chart 31: SSF funded TC commitments (€) in Russia by sector (2008-13)

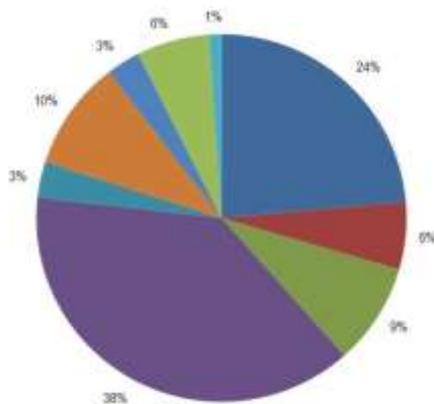
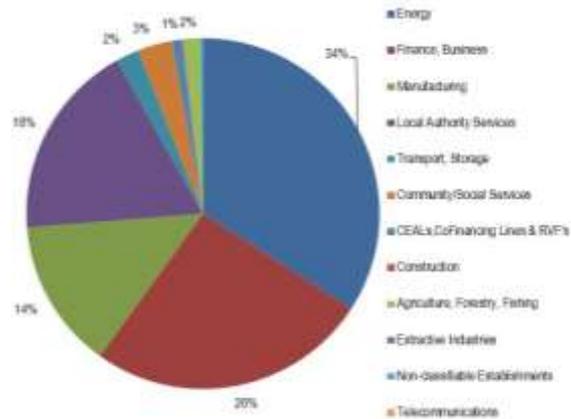


Chart 32: Others funded TC commitments (€) in Russia by sector (2008-13)



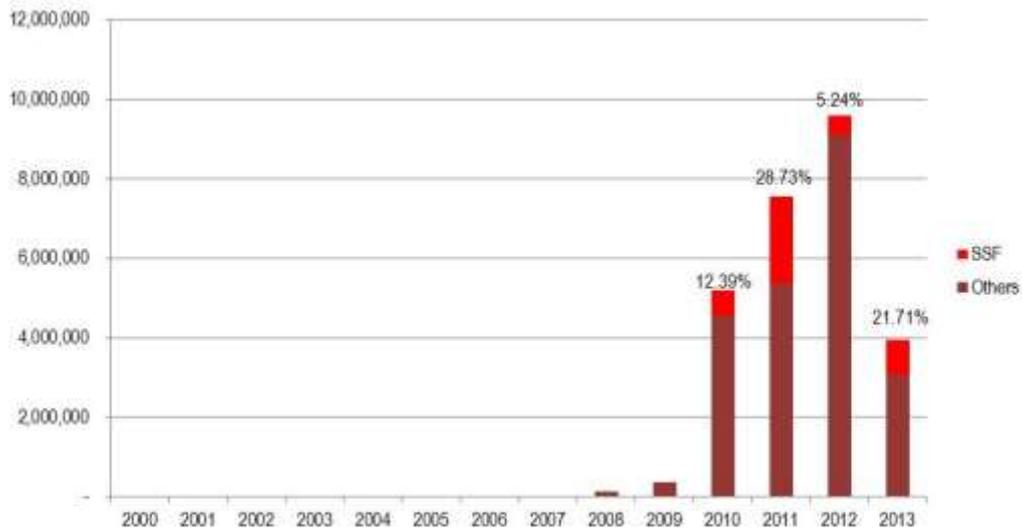
Source: EvD's elaboration based on EBRD databases

### Turkey

EBRD operations in Turkey started in 2009 and it classifies as the fifth place among the recipients of TC commitments for the period 2008-13 in terms of EBRD regions (see Table 14).

As indicated in Chart 33, TC commitments in Turkey have grown over the years mirroring the increase of the business volume of the Bank in the country.

Chart 33: Overview of TC commitments (€) in Turkey (2000-13)

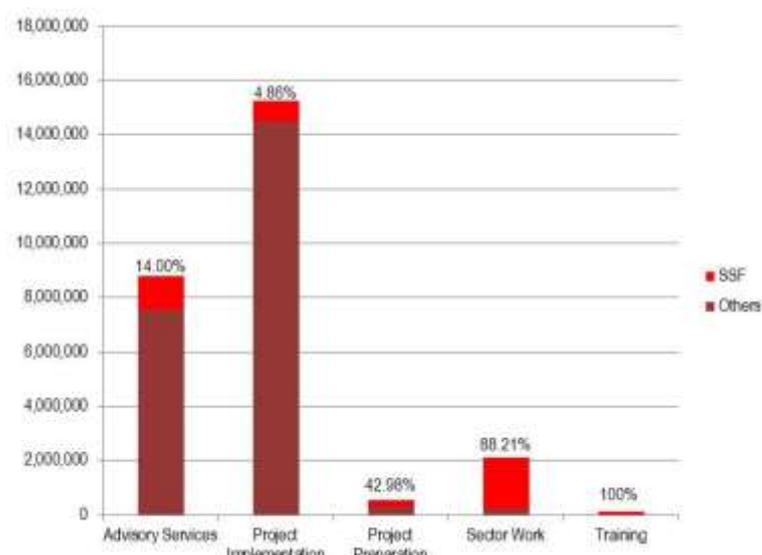


Source: EvD's elaboration based on EBRD databases

Between 2008 and 2013 a total of €26,787,975 was committed in Turkey and the SSF accounted for around 16 per cent of that amount (compared to an average of 26 per cent).

In terms of TC type, the SSF has been mainly used in absolute terms for project implementation, project preparation and advisory services, as well as TCs funded by other resources (Chart 34). Moreover, the SSF has been instrumental to implementing TC operations classified as 'sector work' and 'training'.

Chart 34: Distribution per type - TC commitments (€) in Turkey (2008-13)



Source: EvD's elaboration based on EBRD databases

In terms of sectors, the SSF focused mostly in energy and transport (Chart 35), while TCs funded by other donors have been mostly focused on finance, energy, manufacturing, local authority services and transport (Chart 36).

Chart 35: SSF funded TC commitments (€) in Turkey by sector (2008-13)

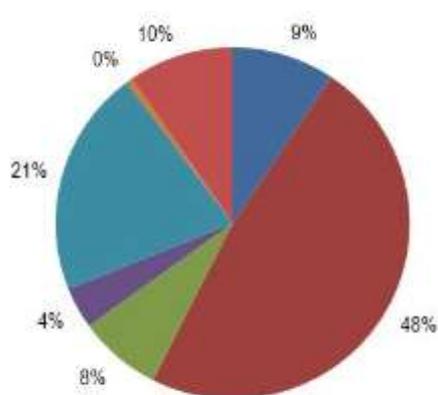
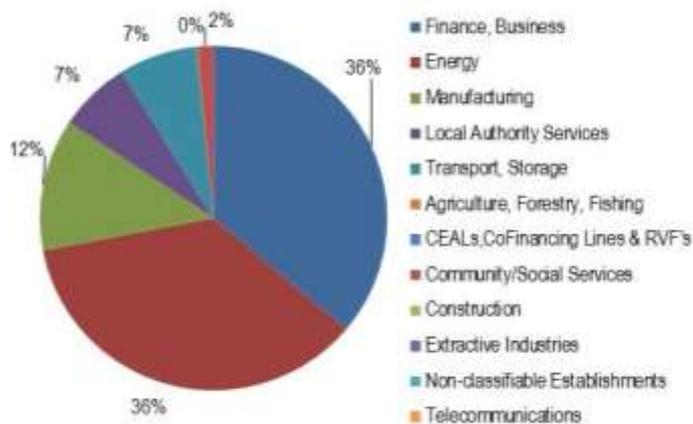


Chart 36: Others funded TC commitments (€) in Turkey by sector (2008-13)



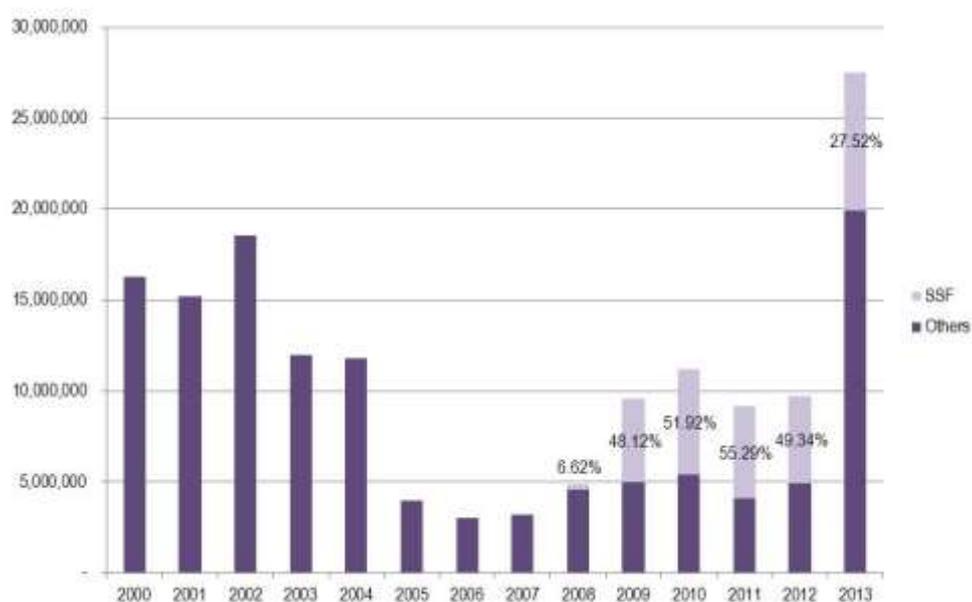
Source: EvD's elaboration based on EBRD databases

### Unspecified regions

The category 'regional' (unspecified) has been the fifth biggest recipient of TC commitments 2000-13 and the fourth if looking only at the period 2008-13 (after eastern Europe & Caucasus, central Asia, and south-eastern Europe).

As indicated in Chart 37, TC commitments in this area have been constant from 2000 until 2004 after which dropped in the period 2005-2007 and slowly increased from 2008 onwards. In particular in 2013 a massive increase happened.

Chart 37: Overview of TC commitments (€) in unspecified regions(2000-13)

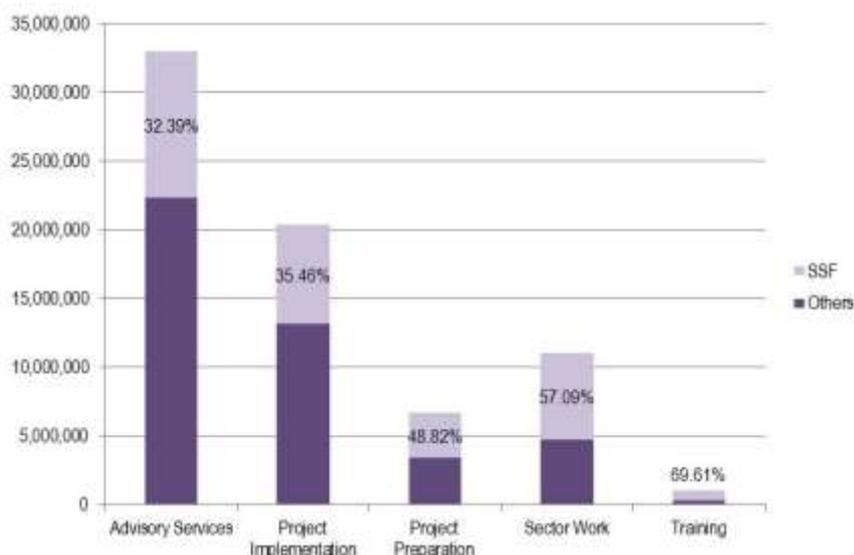


Source: EvD's elaboration based on EBRD databases

Between 2008 and 2013 a total of €72,160,142 was committed in the area and the SSF accounted for around 39 per cent of that amount (compared to an average of 26 per cent).

In terms of TC type, the SSF has been used evenly in the five pre-identified areas. Of particular relevance is the SSF contribution to sector work and training TCs committed in unspecified regions (Chart 38).

Chart 38: Distribution per type - TC commitments (€) in unspecified regions (2008-13)



Source: EvD's elaboration based on EBRD databases

In terms of sectors, the SSF focused mostly on Central Europe Agency Lines, co-financing lines & Regional Venture Funds, community/social services, energy, and finance (Chart 39), while TCs funded by other donors have been mostly focused on energy, community/social services, finance and manufacturing (Chart 40).

Chart 39: SSF funded TC commitments (€) in unspecified regions by sector (2008-13)

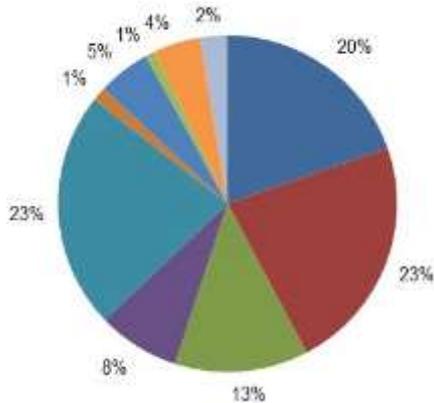
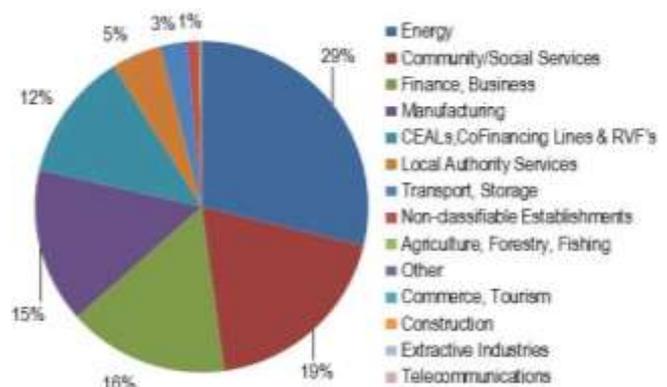


Chart 40: Others funded TC commitments (€) in unspecified regions by sector (2008-13)



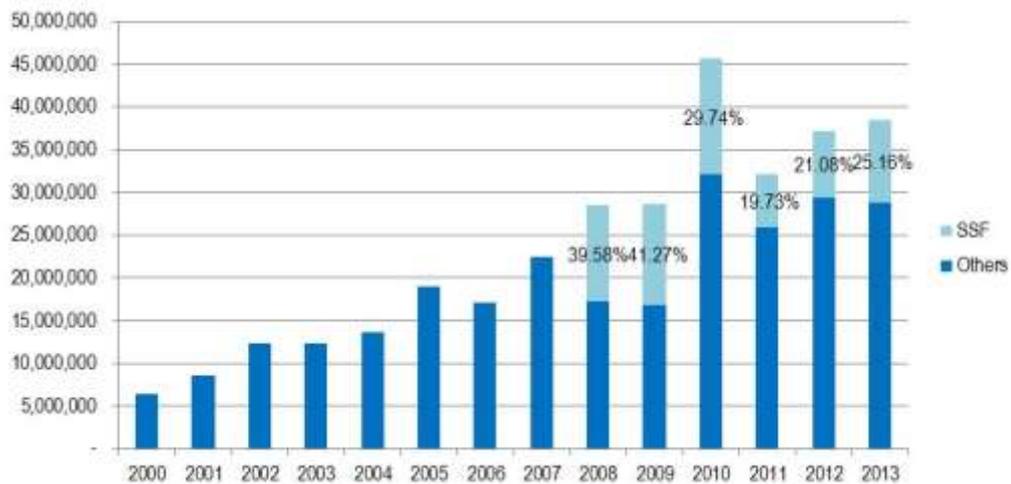
Source: EvD's elaboration based on EBRD databases

### ETC Region

The data on ETC Region includes TC commitments in the 10 ETC countries (Armenia, Azerbaijan, Belarus, Georgia, Kyrgyz Republic, Moldova, Mongolia, Tajikistan, Turkmenistan, and Uzbekistan) and those classified Regional ETC.

As indicated in Chart 41, TC commitments in the ETC region has grown consistently over the years.

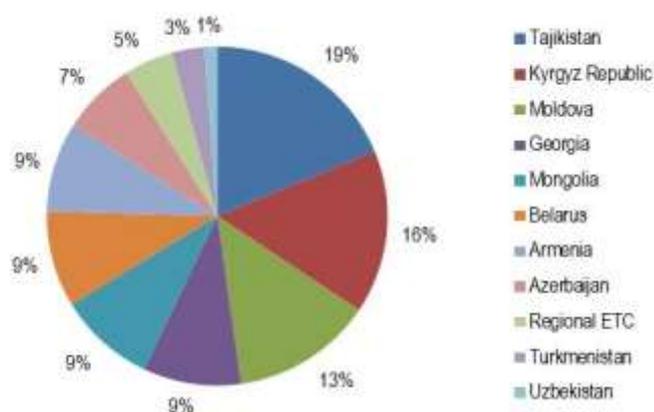
Chart 41: Overview of TC commitments (€) in ETC region (2000-13)



Source: EvD's elaboration based on EBRD databases

Between 2008 and 2013 a total of € 210,808,439 was committed in the area and the SSF accounted for around 29 per cent of that amount (compared to an average of 26 per cent). The SSF resources have been devoted mostly to Tajikistan, Kyrgyz Republic and Moldova followed by a very equal distribution among Georgia, Mongolia, Belarus and Armenia (Chart 42).

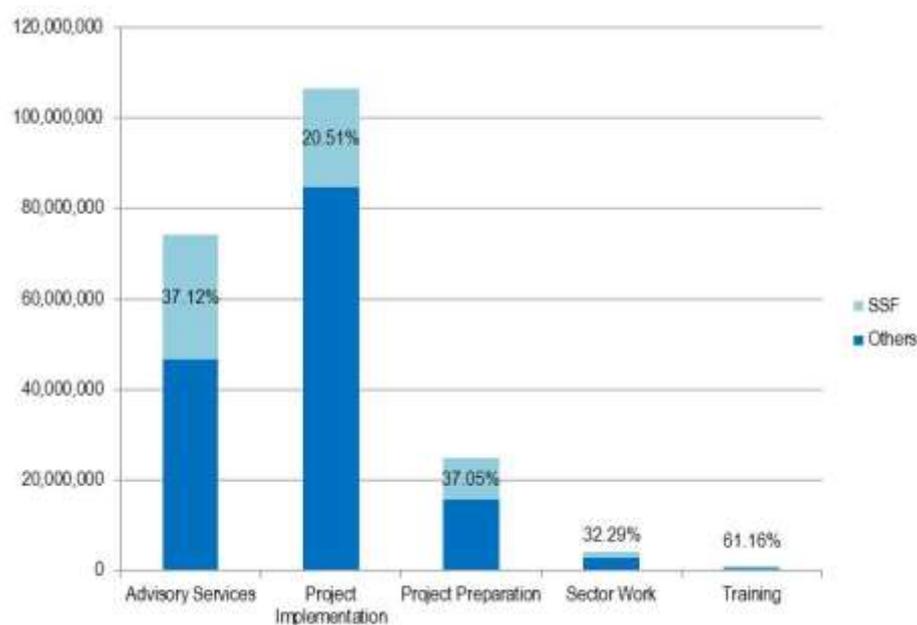
Chart 42: Distribution per country – SSF TC commitments (€) in ETC region (2008-13)



Source: EvD's elaboration based on EBRD databases

In terms of TC type, the SSF has been mainly used in absolute terms for project implementation, project preparation and advisory services, as well as TCs funded by other resources (Chart 43). SSF has been very important in relative terms to support Training TCs.

Chart 43: Distribution per type - TC commitments (€) in ETC region (2008-13)



Source: EvD's elaboration based on EBRD databases

In terms of sectors, the SSF focused mostly on manufacturing, finance, transport and local authority services (Chart 44), while TCs funded by other donors have been mostly focused on local authority services, finance, manufacturing and energy (Chart 45).

Chart 44: SSF funded TC commitments (€) in ETC region by sector (2008-13)

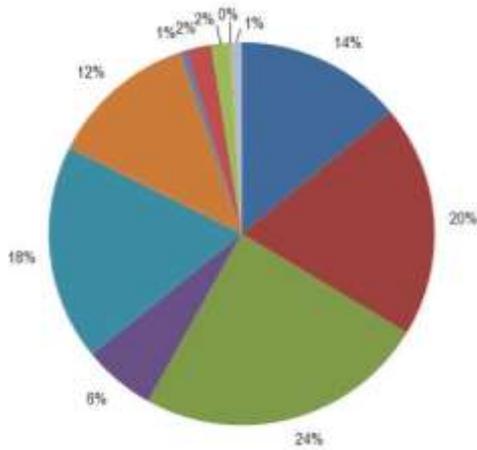
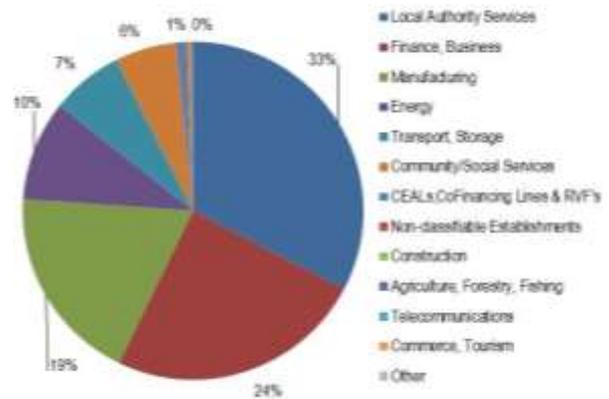


Chart 45: Others funded TC commitments (€) in ETC region by sector (2008-13)



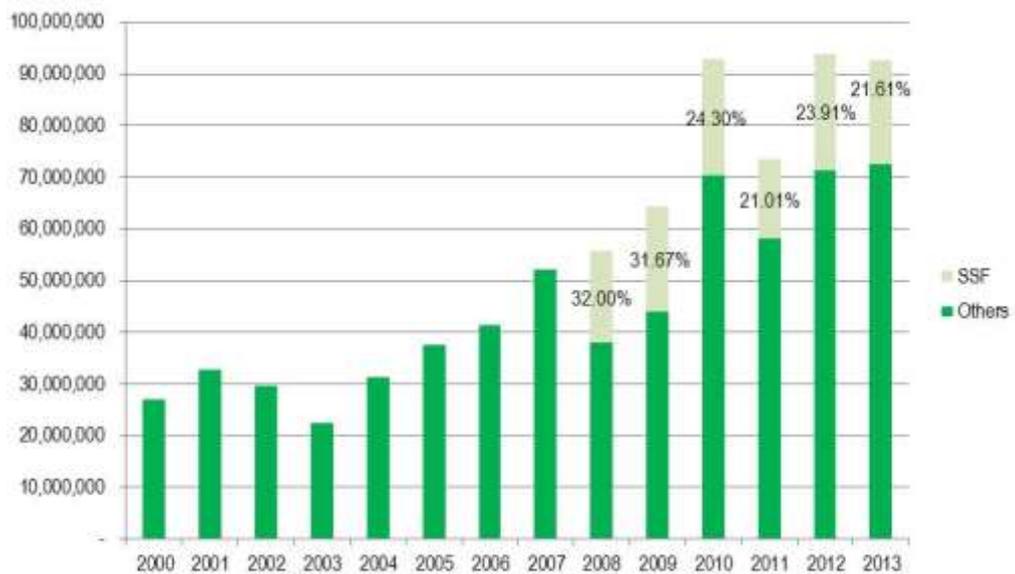
Source: EvD's elaboration based on EBRD databases

### ODA countries

The data on ODA eligible countries includes TC commitments in the 24 countries (Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Egypt, Federal Yugoslav Republic, FYR Macedonia, Georgia, Jordan, Kazakhstan, Kosovo, Kyrgyz Republic, Moldova, Mongolia, Montenegro, Morocco, Serbia, Serbia and Montenegro, Tajikistan, Tunisia, Turkey, Turkmenistan, Ukraine, and Uzbekistan) and those classified as Regional ETC, Regional SEMED and Regional Western Balkans.

As indicated in Chart 46, TC commitments in ODA countries have grown consistently over the years.

Chart 46: Overview of TC commitments (€) in ODA countries (2000-13)

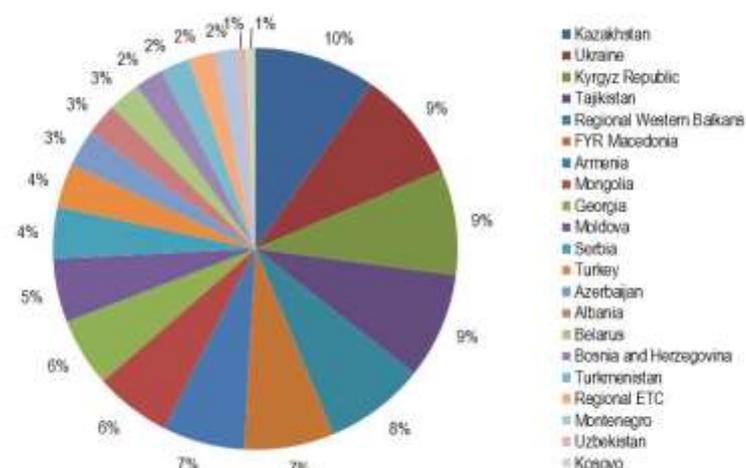


Source: EvD's elaboration based on EBRD databases

Between 2008 and 2013 a total of €472,876,220 was committed in the area and the SSF accounted for around 26 per cent of that amount (compared to an average of 26 per cent). The SSF resources have

been devoted mostly to Kazakhstan, Ukraine, Kyrgyz Republic, Tajikistan, Regional Western Balkans, FYR Macedonia, and Armenia (Chart 47).

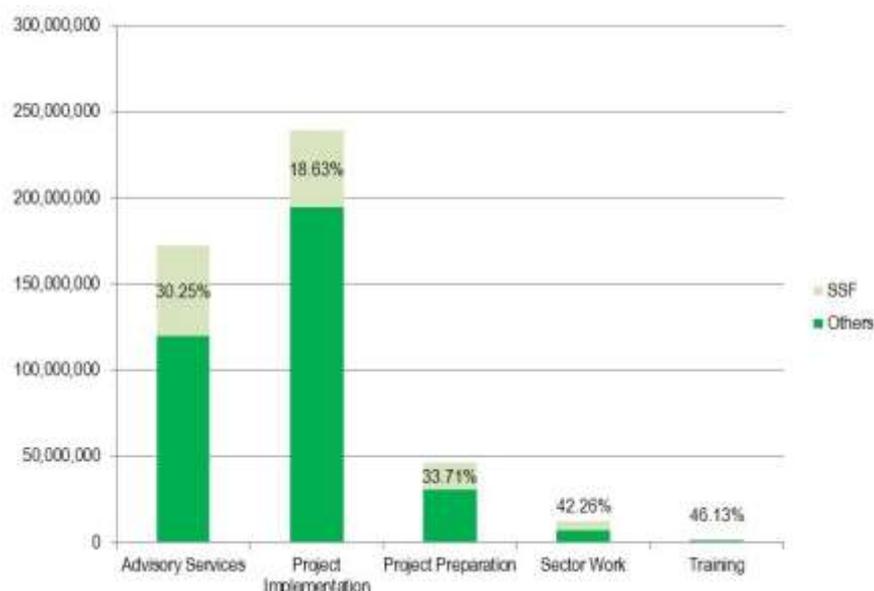
Chart 47: Distribution per country – SSF TC commitments (€) in ODA countries (2008-13)



Source: EvD's elaboration based on EBRD databases

In terms of TC type, the SSF has been mainly used in absolute terms for project preparation and advisory services, as well as TCs funded by other resources (Chart 48). SSF has been very important in relative terms to support Sector Work and Training TCs.

Chart 48: Distribution per type - TC commitments (€) in ODA countries (2008-13)



Source: EvD's elaboration based on EBRD databases

In terms of sectors, the SSF focused mostly on transport, manufacturing, finance and energy (Chart 49), while TCs funded by other donors have been mostly focused on energy, manufacturing, finance, local authority services and transport (Chart 50).

Chart 49: SSF funded TC commitments (€) in ODA countries by sector (2008-13)

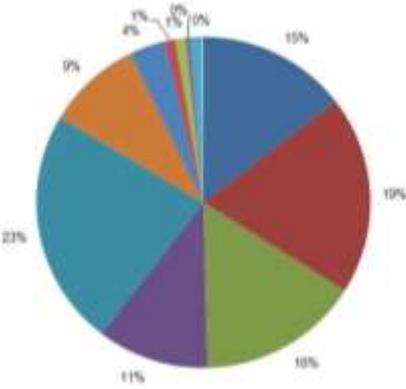
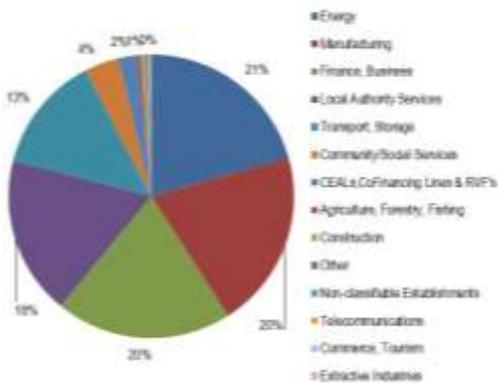


Chart 50: Others funded TC commitments (€) in ODA countries by sector (2008-13)



Source: EVD's elaboration based on EBRD databases

## Annex 7. SSF portfolio analysis – non-TC grants

This annex provides additional information and data to complement Section 3.5 ‘SSF portfolio overview’ of the main report.

### Limitations affecting the SSF portfolio analysis – non-TC grants

The same limitations identified in Annex 5 for the portfolio analysis of the TC grants are applicable for the non-TC grants.

Moreover, specifically with respect to non-TCs the analysis was hindered by the fact that the internal Bank’s systems insufficiently support systematic recording of non-TC components of investment projects. While the commitments to investment grants can be found in the DataWarehouse database by type of commitment (‘Work & Goods’), other types of non-TC such as incentive payments or risk-sharing are not readily available in aggregate.

Therefore the compilation of the list of SSF-financed non-TCs for the purpose of this evaluation had to be carried out on a best-effort basis, using primarily the information from DCF and banking teams, Board documents approving SSF allocations, and information from the funds accounting team. For this reason a comparison of the non-TC allocations against overall Bank non-TC allocations is not possible as there is no overall list of non-TCs available.

For non-TCs there is a relatively large difference between allocations (i.e. Board approvals for the use of SSF for specific projects/frameworks/facilities) and actual commitments – this is caused mainly by several large allocations from 2013 and 2014 that have not yet been committed. This affects for example the overview of geographic or sector distribution of SSF non-TCs (see Table 22, Table 23, and

Table 24).

The analysis considers data available up to June 2014.

### Overview of non-TC commitments

Non-TC allocations from the SSF complement the TC allocations, and represent a considerable part of the actual use of the SSF in accordance with the conditions set by all Board of Governors Resolutions, with the exception of Resolution N. 122 (corresponding to SSF Work Plan 2).

Since 2008, the SSF has made commitments for non-TCs of almost €60 million, which represented 23 per cent of the total SSF commitments. As indicated in Table 20, there is a relatively large difference between allocations (that is Board approvals for the use of SSF for specific projects/frameworks/facilities) and actual commitments – this is caused mainly by several large allocations from 2013 and 2014 that have not yet been committed.

Table 20: SSF non-TC allocations and commitments

	Framework	Standard	Total
Number of allocations	11	17	28
Total allocation (€)	26,000,000	53,352,014	79,352,014
Total commitment (€)	10,800,000	48,542,847	59,342,847

Source: EvD analysis from data extracted from EBRD databases

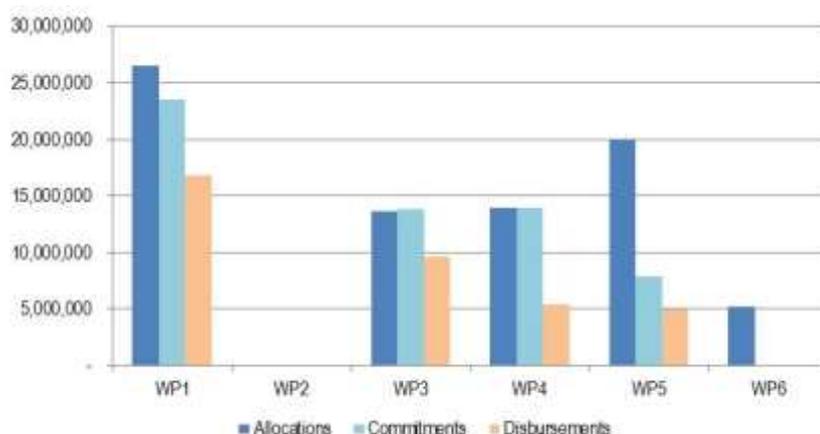
The individual SSF Work Plans outlined the use of the resources for non-TC grants in more detail within the geographic and sector lines specified. Annex 12 presents the allocations made for non-TC against the original planned amounts for each of the Work Plans. The aggregate allocations, commitments and disbursements for non-TC per each Work Plan are presented in Table 21 and Chart 51. The aggregate figures contain the allocations made to the ETC Local Currency risk-sharing fund (over €22 million in allocations, and over €20 million in disbursement). However, this particular case was specific in that it represented a transfer from the SSF to another fund, and therefore strictly speaking does not represent a ‘disbursement’ as such.

Table 21: SSF non-TC allocations, commitments and disbursements per Work Plan (WP) (€)

SSF WP	Allocation	Commitment	Disbursement
WP1	26,522,014	23,563,011	16,807,274
WP2	N/A	N/A	N/A
WP3	13,610,000	13,848,037	9,596,109
WP4	14,000,000	14,000,000	5,365,529
WP5	20,060,000	7,931,799	5,029,738
WP6	5,160,000	-	-
<b>Total</b>	<b>79,352,014</b>	<b>59,342,847</b>	<b>36,798,650</b>
(Local CCY Fund)	-22,260,000	-22,260,000	-20,100,000
	57,092,014	37,082,847	16,698,650

Source: EvD analysis from data extracted from EBRD databases

Chart 51: Non-TC allocations, commitments and disbursements per SSF WP (€)



Source: EvD analysis from data extracted from EBRD databases

### Geographic distribution

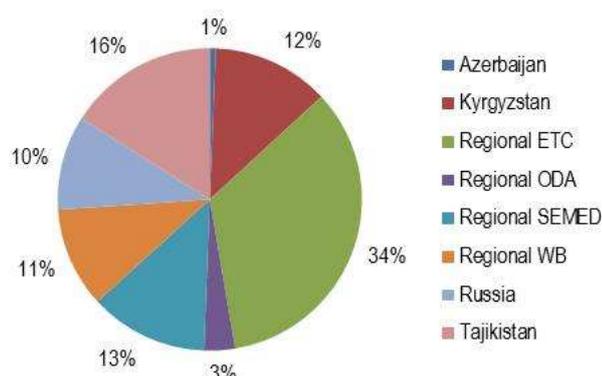
Due to the fact that a large number of non-TC commitments were made to investment frameworks, rather than stand-alone projects, the geographic assignment was frequently regional. Regional ETC projects have the biggest share of 37 per cent, which includes the large transfer to the ETC Local Currency Fund. Regional Western Balkans follows with 11 per cent share in commitments. Tajikistan and Kyrgyzstan are the largest single-country recipients (17 per cent both), followed by Russia (13 per cent). This distribution of non-TC commitments does not include the allocations from the last two work plans, which were not yet committed, and which include the first allocations made to SEMED countries under the SEMED SSF window (total of € 10 million or 13 per cent of allocations).

Table 22: SSF non-TC geographic distribution

Country/ Region	Non-TC allocation (€)	Non-TC commitments (€)
Azerbaijan	500,000	493,066
Kyrgyzstan	9,900,000	10,110,370
Regional ETC	27,160,000	22,000,000
Regional ODA	2,600,000	2,400,000
Regional SEMED	10,000,000	-
Regional WB	8,500,000	6,500,000
Russia	8,000,000	8,000,000
Tajikistan	12,692,014	9,839,411
<b>TOTAL</b>	<b>79,352,014</b>	<b>59,342,847</b>

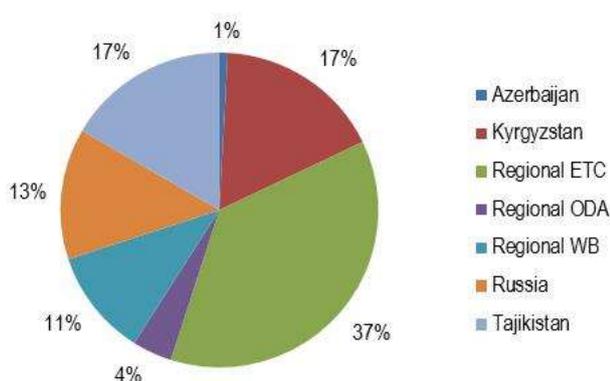
Source: EvD analysis from data extracted from EBRD databases

Chart 52: SSF non-TC allocations geographic distribution



Source: EvD analysis from data extracted from EBRD databases

Chart 53: Geographic distribution of SSF non-TC commitments



Source: EvD analysis from data extracted from EBRD databases

#### Distribution by sector

The largest share of non-TC commitments was made by the MEI team (47 per cent), which contributed to investment grants being the largest category by type of non-TC (54 per cent). E2C2 team (7 per cent of commitments) also received investment grants from the SSF. Risk-sharing accounted for 34 per cent of non-TC commitments, largely attributable to the ETC Local Currency Fund transfer. This transfer also accounts for the ETCI team covering 34 per cent of non-TC commitments. Incentive fees represented 11 per cent of non-TC commitments, while equity investment was used in one project only (1 per cent). Again, the distributions of commitment do not reflect the recent allocations to large non-TC projects, which have not been committed yet. The comparison between non-TC allocations and commitments by team and sector is provided in the following table and figures.

Table 23: SSF non-TC distribution by team

Team	Non-TC allocation (€)	Non-TC commitments (€)
E2C2	9,500,000	4,300,000
ETCI	22,260,000	20,100,000
Financial Institutions	8,500,000	3,493,066
LEF	5,000,000	-
MEI	30,592,014	27,949,781
Western Balkans	3,500,000	3,500,000
<b>Total</b>	<b>79,352,014</b>	<b>59,342,847</b>

Source: EvD analysis from data extracted from EBRD databases

Chart 54: SSF non-TC allocations by team

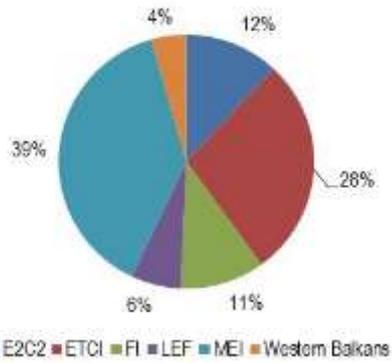
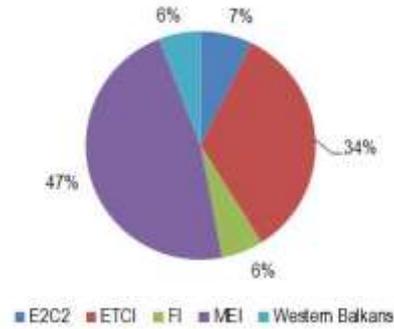


Chart 55: SSF non-TC commitments by team



Source: EvD analysis from data extracted from EBRD databases

Table 24: SSF non-TC distribution by type

Team	Non-TC allocation (€)	Non-TC commitments (€)
Equity investment	500,000	493,066
Investment grant	40,092,014	32,249,781
Risk sharing	29,260,000	20,100,000
Incentive payments/ fees	9,500,000	6,500,000
<b>Total</b>	<b>79,352,014</b>	<b>59,342,847</b>

Source: EvD analysis from data extracted from EBRD databases

Chart 56: SSF non-TC allocations by type

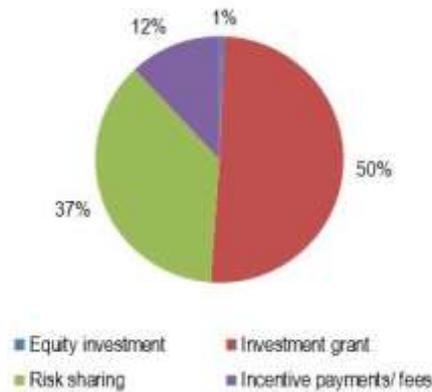
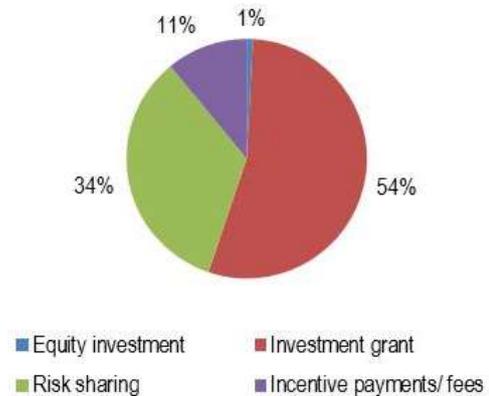


Chart 57: SSF non-TC commitments by type



Source: EvD analysis from data extracted from EBRD databases

### Non-TC co-financing

A large number of non-TCs were co-financed by other funds, which is evidenced by the inclusion of the details of the co-financing in the Board documents or fiches for the SSF contribution. However, there is no systematic way to aggregate or analyse these contributions, due to the fact that (i) there is no common identifier in the Banks' databases to link commitments for non-TCs from different funds, and some non-TCs are not even traceable as such in the Bank's data systems; (ii) in some cases the co-financing funds are not managed by the EBRD (especially some EU co-financing); and (iii) the funds and amounts provided in the SSF Board documents are often at pre-approval stage, so their values cannot be taken as given.

## Annex 8. Follow-up to 2010 SSF Initial Review

Audit Committee discussion 5 Nov 2010	Management's response to EvD's recommendations via SSF WP for 2011	What happened after 2010? Status as of July 2014 as <u>completed by Management</u>	Status as of July 2014 as <u>completed by the evaluation team</u>
<p><b>Recommendation No.1:</b> Similar to other TC work in the Bank, the fund could benefit from a <b>more rigorous monitoring of its transition impact</b>. This is particularly necessary with regard to the fund's <b>non-TC projects</b> that are currently only partly captured by the given monitoring systems.</p>			
<p>"The Committee strongly supported the recommendation that the SSF transition impact expectations in respect of a more vigorous pursuit of transition should be clarified (Recommendation 1). While it was noted that monitoring of transition impact attached to TC was inadequate, it was welcomed that OCE was already working on this with the aim of a closer linkage of TC funds to projects."</p>	<p>"OCE is working to improve monitoring of the transition impact of TCs. Currently underway is an OCE project aimed at linking relevant TCs to correspondent transition benchmarks as found in OCE's Transition Impact Monitoring System (TIMS). Linking benchmarks and TCs will allow OCE to better monitor, and understand the contribution of TC to transition impact, which will assist in undertaking more systematic reporting. In addition, OCE is working closely with Official Co-financing Unit in order to develop TC reporting, impact and donor visibility. A workshop at the Grant Planning Meeting focused on this and identified areas for further follow up.</p> <p>With respect to non-TC, transition impact will be monitored through TIMS, though further work is also required in this area in the context of growing non-TC volumes provided not so much by the SSF as by large multilateral donors."</p>	<p>OCE has developed non-TC guidelines; it will soon start consultations with key departments. DCF has provided initial comments and amended the donor results section. In terms of Results Measurement and Reporting, the guidelines requires the project team to monitor and report the results of the project based on the monitoring strategy (i.e. how and when to monitor and report on results). The Grant Co-Financing Strategic Review found that the Bank's reporting on non-TC grants was not systematic enough and made a recommendation that practice should be improved. There are two main areas to cover through the reporting on the use of non-TC grants:</p> <ol style="list-style-type: none"> <li>I. Internal requirements, covering the objectives of the non-TC grants, i.e. whether the use of non-TC grants yielded the expected results that supported the justification for its use; and</li> <li>II. Project/donor requirements, covering the overall results that the grant has delivered (or the EBRD operation has delivered through the use of the grant).</li> </ol> <p>The degree to which a transactional TC contributes to the defined transition impact criteria is measured as part of the related investment operation OPA. See the EvD Performance Evaluation Guidelines. It is not proposed to measure the same for non-transactional TCs in a TC Completion Report.</p> <p>The new TC results framework - in place since July 2013 - identifies how a specific TC operation contributes to a defined transition impact criteria as part of the related investment operation OPA (see EvD performance Evaluation Guidelines). The Bank</p>	<p><b>Under implementation</b></p> <p>To date EvD has not got evidence that TIMS is actually systematically monitoring transition impact of transactional TCs. No system is in place to link transition impact and non-transactional TCs. EvD does not have knowledge of any Management report about TC contribution to transition impact. TC design, impact and donor visibility have improved thanks to the Grant Co-financing Strategic Review (that is the introduction of a results framework for TCs), but so far this has not been connected with TIMS.</p> <p>Monitoring of non-TC in TIMS is not possible yet. The non-TC component of an investment is blended with the EBRD project.</p>

Audit Committee discussion 5 Nov 2010	Management's response to EvD's recommendations via SSF WP for 2011	What happened after 2010? Status as of July 2014 as <u>completed by Management</u>	Status as of July 2014 as <u>completed by the evaluation team</u>
		measures transition impact at investment, sector, and country level and the TC/non-TC operations are contributing towards this.	
<b>Recommendation No.2:</b> Pool the remaining resources from the fund's WP1 and WP2 together with newly allocated amounts for the year 2011 and beyond, <b>without further restrictions in respect of sector categories, or the distinction between ODA and non-ODA recipients.</b>			
<p>"The Committee noted that the recommendation to pool the resources from the Fund's WP1 and WP2 together with newly allocated amounts with the abolishment of the sector categories and the distinction between ODA and non-ODA recipients (Recommendation 2) would require a change in the governance structures embodied in the Governors' Resolution establishing the SSF and this needed further discussion and more in depth consideration.</p>	<p>"With respect to the pooling of remaining resources from WP1 and WP2 into the new Work Programme, it is proposed to pool the resources of WP2 with those of the new Work Programme. It would be less straightforward and less useful to do this with WP1 since: i) the Governors' Resolution for WP1 contains specificities incompatible with the orientations of WP3 as pre-defined by CRR4; ii) the resources remaining in WP1 are limited; iii) the bulk of these resources is "earmarked" for specific initiatives: the Northern Dimension Environmental Partnership and the Western Balkans Investment Framework, and therefore not possible to pool. However fully integrated administration and reporting will apply across WP1 and the new WP3.</p>	<ul style="list-style-type: none"> <li>- In light of the CRR4 orientation, Grant Planning Meeting, and the Recommendations provided in the Special Study by the Evaluation Department in 2010, when the new Work Plan (WP3) for the period January – December 2011 was introduced, only resources/balances from the WP2 were transferred into WP3, while WP1 was extended until December 2011 which for technical reasons could not be reallocated to WP3.</li> <li>- Between 2009 and 2011 there were two active Work Plans (WP1 &amp; WP2) operating in parallel. This was due to differences in the conditions attached by Governors to the respective Net Income Allocations. Since 1 January 2012 the principle of one Work Plan, one Year has been applied: resources are made available within an annual envelope and the specific allocations are not rolled over from one year to the next.</li> </ul>	<p><b>Not implemented</b> Amalgamating the balance from WP1 to other WPs was not possible because of the different conditions for use coming from the BoG (Board of Governors) Resolutions. Only in 2013 BoG Resolution N. 161 approved the variation in condition of use of previous Resolutions.</p>
<p>There was some discussion about the recommendation on removing ODA/non-ODA distinction. The Committee understood the reason for enshrining it in the SSF statutes was a political statement that the Fund would serve well the Bank's poorer countries to the detriment of those less needy. Therefore, even though the issue of eligibility for DAC was now not an issue anymore, the relevance of ODA status remained politically important for the SSF. A few Committee members wondered whether this category should be replaced by ETC /non ETC, which would more accurately reflect the progress in transition than the ODA/non ODA classification. The</p>	<p>With respect to removing distinctions and restrictions within the allocations, whilst there may be "no utility from an accurate allocation of ODA and non-ODA portions of the Fund" due to the confirmation from the Organisation for Economic Co-operation and Development (OECD)-DAC that the Fund resources would not count towards contributors' ODA, the Board of Governors' Resolution no. 127 nevertheless indicated a political prioritisation of ODA countries as beneficiaries of the EBRD Shareholder Special Fund. Since the ODA categorisation broadly coincides with regions where barriers to transition are the highest and therefore grants most needed, it appears</p>	<p>There is an on-going debate about changes to the methodology for measuring ODA on financial instruments with many donors and IFIs actively considering changes that will better reflect the contribution of various financial instruments to the ODA statistics. SSF resources are not recorded as ODA flows and DCF is in discussions with OECD about possibly changing this.</p>	<p>The ODA/non-ODA distinction has been kept over the years and repeated in all Board of Governors Resolutions allocating net income to the SSF. Such distinction has been used to maintain the focus of EBRD's interventions through the SSF on the poorest countries of operations. Management is in contact with OECD about the ODA/non-ODA classification, which would potentially allow reporting SSF TC as ODA flows. However, this is not the primary reason for the ODA focus, and the condition has remained in place regardless of the current status of the OECD position on the issue.</p>

Audit Committee discussion 5 Nov 2010	Management's response to EvD's recommendations via SSF WP for 2011	What happened after 2010? Status as of July 2014 as <u>completed by Management</u>	Status as of July 2014 as <u>completed by the evaluation team</u>
Committee supported however the view that the sectorial categories should be streamlined and made only indicative, so as to enhance flexibility and simplify approval procedures.”	appropriate to maintain the ODA / non ODA distribution as set out in the Resolution. With regard to the sector categories, past experience demonstrates that restrictions resulted in a number of requests to the Board to remove the restrictions, therefore, management agrees to the recommendation and this point will be reflected in WP3.”		
<b>Recommendation No.3: An increase of threshold amounts for TC projects requiring Board approval to &gt;€500,000</b> would save a substantial amount of administrative effort.			
“Most Committee members supported the recommendation to increase the threshold amounts for TC projects requiring Board approval to € 500,000 (Recommendation 3), if this increase would be accompanied by a much improved reporting on the use of the SSF funds (see Recommendation 4). A few preferred to stay with the current threshold as they considered the €300,000 limit for TC projects already a very substantial amount, which merited Board approval.”	“The €300,000 threshold is expressly provided for in Section 2.03(a) of the Rules of the EBRD Shareholder Special Fund, and changing this figure will require an amendment to the Rules requiring Board of Directors approval. Following the discussion at the BAAC on 9 December 2010, it was agreed that Management may propose this amendment at a later date when the Board is presented and satisfied with the new and comprehensive reporting encompassing all grant funds, which is detailed below.”	On the €300,000 threshold, Work Plan Jan-Dec 2011 refers to the SSF evaluation and notes that we did suggest to revise this upwards to €500,000 although the discussion at the BAAC on 9 Dec 2010 resulted in reviewing this and propose the amendment at a later date.	<b>Not implemented</b> Raising the threshold amount for the Board approval of TC has not been assessed favourably by the Board. Management put forward the BAAC even additional proposals for more delegation of authority but only few have been approved (non-TC funded by other multi-donor funds managed by the Bank).
<b>Recommendation No.4: Decrease the quantity and increase the quality of reporting.</b> Enlarge the cycle of reporting on the fund's implementation by adopting a <b>bi-annual sequence</b> instead of the current quarterly one. At the same time, management should seek to include all relevant aspects in its reporting in order to give a complete picture of the fund's utilisation.			
“The Committee supported the recommended decrease in the quantity and the increase in the quality of reporting (Recommendation 4), <b>reducing the reporting to a semi-annual sequence</b> instead of the current quarterly one, as well as the simplification of the current handling of the project pipeline (Recommendation 5).”	“Quarterly reporting is expressly provided for in the Rules of the Fund, therefore a proposal will be made to the Board of Directors for approval for amendment to semi-annual reporting in the Rules when submitting the proposal for the WP3. It is intended to implement the recommendation with increasing focus on quality of reporting, including assessing the impact as the SSF-funded portfolio matures. More broadly it is recognised that reporting on the SSF touches on a number of issues that of relevance to TC and non-TC funding in general, and all Donors. In this light it is proposed to institute a new Semi-	<ul style="list-style-type: none"> <li>– Quarterly reporting on the SSF only has been replaced and a new more comprehensive semi-annual reporting on all grant funds was introduced. The Rules of the Fund have been amended and amendments were approved by the Board together with the WP3.</li> <li>– From an operational as well as a donor planning perspective, the quarterly pipeline was deemed no longer an efficient way of communication as typically each quarter one third of the projects on the pipeline was abandoned and one third was rolled over to the next quarter. Instead, a</li> </ul>	<b>Fully implemented</b> Following the proposal put forward by Management, the Board of Directors approved the changes in the Rules of the SSF (Section 3.04 (a) that now reads “The Board of Directors shall be provided with a semi-annual report on the current status of approved, committed and disbursed uses of the resources of the Fund”. Accordingly, Management has submitted Semi-Annual Reports which name has been recently changed into Gran Co-financing Report. <sup>13</sup>

<sup>13</sup> CS/BU/11-11; CS/BU/11-20; CS/BU/12-07; CS/BU/12-25; CS/BU/13-05; CS/BU/13-17; CS/BU/14-06

Audit Committee discussion 5 Nov 2010	Management's response to EvD's recommendations via SSF WP for 2011	What happened after 2010? Status as of July 2014 as <u>completed by Management</u>	Status as of July 2014 as <u>completed by the evaluation team</u>
	<p>Annual Report on Grant Co-financing, to be transmitted to the Board ahead of each spring Annual Donor Meeting and autumn Grant Planning Meeting. This report would consolidate provision of information and provide updates to the Board on: i) replenishments and use of funds; ii) effectiveness and efficiency of management - including information on administrative systems and processes, fees and cost sharing; iii) impact, including TC and non-TC both ex ante and ex post."</p>	<p>semi-annual Funding Outlook has been introduced, which illustrates the priorities and needs of grants, funding availability and funding gaps by strategic areas. This is complemented by monthly donor newsletters which contain projects which require funding for expressions of interest from donors.</p> <ul style="list-style-type: none"> <li>– Since May 2011, each one transmitted to the Board and donors before the ADM and GPM. Report includes information on new agreements and replenishments; use of funds including TC and non-TC; updates on the implementation of the Grant Co-financing Strategic Review including effectiveness and efficiency, cost sharing, fees etc. Each SAR has a chapter on SSF. Impact is not a topic we have presented in each SAR but we provided in the first SAR a description of the status at the time of monitoring and studies/evaluation together with a roadmap of how results would be measured in future; in the fourth SAR a progress update on the results framework for TC projects together with a separate document entitled "A Synthetic Report on TC Results and a Donor Assessment Initiative"; and in the sixth SAR a "Synthetic Report on TC Project Completion Reports 2012-2013".</li> </ul>	
<p><b>Recommendation No.5:</b> Simplify the current handling of the project pipeline and SSF project list. <b>Electronic handling</b> of the project pipeline and an updated list of all SSF projects on the Bank's <b>intranet</b> is recommended, with <b>access provided to shareholders / donors</b> as necessary.</p>			
<p>"The Committee supported the recommended decrease in the quantity and the increase in the quality of reporting (Recommendation 4), reducing the reporting to a semi-annual sequence instead of the current quarterly one, as well as the simplification of the current handling of the project pipeline (Recommendation 5)."</p>	<p>"An inter-departmental project, led by the IT department and the Official Co-financing Unit, has commenced and is assessing business processes with the aim to obtain efficiency gains through the rationalisation of processes and systems related to donor funds. Once the analysis of business processes has been completed a comprehensive solution will be researched, which may include an</p>	<p>The Steering Committee of the Donor Funds IT Programme has endorsed the scope of the programme and recommended it to be presented to the IT Governance Committee in September. The scope of the programme includes a pipeline handling system covering both TC and non-TC projects, as well as updated and enhanced reporting that will include all approved amounts from all donors as well</p>	<p><b>Partly implemented</b> IT systems of the EBRD have not been enhanced since 2010 and this has indeed affected planning, monitoring, and accountability of the SSF and all other donor funds. After the Final Report of the Management has approved an IT project that will eventually serve the purpose. The quarterly project pipeline (a mere list of TCs and</p>

Audit Committee discussion 5 Nov 2010	Management's response to EvD's recommendations via SSF WP for 2011	What happened after 2010? Status as of July 2014 as <u>completed by Management</u>	Status as of July 2014 as <u>completed by the evaluation team</u>
	external electronic platform to reach out to donors outside the EBRD's existing IT systems.”	as overall fund amounts, fund eligibility, project portfolio and contracts information as well as disbursed amounts. The system also provides for reporting on all donor funded TC projects using the TC Results Matrix. Donors/Shareholders will receive regular reports derived from the system.	non-TCs in pipeline) was replaced only in Jan 2013 with a semi-annual outlook (and reflected in a change in the SSF Rules in Section 2.02). However, EvD notes that the semi-annual funding outlook had been already implemented before the formal change in the Rules. Moreover, a donor newsletter is sent to the donors every month and helps to keep them informed about the funding gaps.

## Annex 9. Changes to SSF work plans

Table 25: summarises all changes to the SSF work plans as approved by the Board of Directors.

Table 25: Changes to SSF Work Plans (WP)

Date	SSF WP	Type of change
14-Oct-08	WP1	Amalgamation of sub-sectors in the Western Balkans region to create a pool of funding to co-finance with the Western Balkans Fund.
20-Mar-09	WP1	Continue use of the balance of the uncommitted WP1 resources beyond June 2009.
26-Oct-09	WP1	Complete sectorial flexibility within the regional boundaries (ETC, Western Balkans, other ODA).
23-Nov-09	WP2	Enable the allocations under the EU financial sector to be utilised for MEI and SEI projects.
11-Feb-10	WP1 & WP2	No objection approval will be sought for all TC projects, regardless the size, that are in EU countries or that are regional projects which include the EU countries. <sup>14</sup>
11-Feb-10	WP1	Resources allocated to non-TC may be utilised for TC purposes in the event TC resources are exhausted in the regional category. This is not applicable to further TAM/BAS projects.
11-Feb-10	WP2	The resources will no longer be used exclusively in the financial sector for purposes of crisis response and will also be used for promoting the recovery in the real economy. This flexibility not applied for further funding to TAM/BAS.
28-Apr-10	WP1 & WP2	Extension of the balance of the uncommitted WP1 & WP2 to the fourth quarter of 2010 in order to allow WP3 to start in Jan 2011 and being aligned with the calendar year and the budget cycle
07-Jan-11	WP1	Maintained until its allocation is exhausted. The conditions for use as set in BoG Resolution N.112 does not allow for amalgamation of resources with WP2 or WP3.
07-Jan-11	WP2	Resources remaining under WP2 are transferred to WP3. The amalgamation is possible because the conditions for use under BoG Resolution N.122 and N.127 are compatible.
10-Oct-11	WP3	Reallocation of available resources across categories (€ 4M from Western Balkans to Others).
10-Jan-13	WP4	Roll over the balance of WP4 to WP5 as a special reserve for potential use in the ETC region.
04-Feb-14	WP1, WP2, WP3, WP4 & WP5	SSF WP6 will use the balances from all previous WPs plus cumulative interest income, balance from closed commitments and de-committed ones. This change is based on the provision of BoG Resolution N. 161 that has provided that the conditions attached to the use of unutilised balance of the various amounts which were allocated as contributions to the SSF under the terms of Resolutions N. 112, 122, and 127, are varied to the conditions indicated in Resolution N. 161.
02-Jul-14	WP6	Reallocation of unused resources (SBI) across categories and earmark SSF resources for co-financing with SEMED Multi Donor Account.

<sup>14</sup> The evaluation team notes that this rule has been created for possible technical assistance proposals to be allocated under WP1 and WP2. However, the rule has been rolled over the years to all TC proposals to be funded by the SSF, despite this has never been reflected formally in the SSF Rules (section 2.03)

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## Annex 10. SSF governance

### The EBRD Board of Governors

The SSF is governed by the Resolutions of the Board of Governors that decides the allocations to the Fund from the net income allocation of the Bank as well as the conditions for the use of the resources. Accordingly, the Board of Governors (BoG) approves the audited financial statements of the Fund for the previous financial year at the Annual Meeting of Governors. Moreover, a BoG Resolution will be needed to amend Section 2.01 (Purposes for which the resources of the Fund may be used) and Section 4.03 (Amendments) of the SSF Rules and Regulations.

### The EBRD Board of Directors

The EBRD Board of Directors has a strategic and oversight role according as specified in the SSF Rules and Regulations:

- Recommends to the BoG the adoption of resolutions pursuant to which the BoG allocates net income of the Bank for specific purposes in support of the Bank's operations and activities, such as the SSF;
- Establishes the SSF and decides to terminate it;
- Approves the SSF Rules and Regulations as well as related amendments (provided that Section 2.01 and 4.03 may be amended only following a BoG's resolution);
- Following submission by the President, approves the SSF work plans;
- Following the recommendation of the President, approves changes to the SSF work plans;
- Approves on a non-objection basis the financing by the SSF of technical assistance (presented as a short project fiche) where the amount of financing for such proposal exceeds €300,000 or, regardless the size, are in EU countries (including regional projects which include the EU countries);
- Approves any proposal for the financing of non-technical assistance operations;
- Approves any proposal in respect of nuclear safety and/or to fund a reserve against any actual or contingent loss or liability (as applicable) incurred as a result of the activities of the Fund;
- Receives SSF Work Plans semi-annual reports.

### The BAAC

The EBRD Board of Directors through its Budget and Administrative Affairs Committee:

- Discusses the SSF Work Plans as well as changes to them as submitted by Management;
- Discusses the semi-annual report on the status of the Fund and implementation of its Work Plans;
- Except where non-TC activities to be financed by the SSF are co-financed by multi-donor cooperation funds administered by the Bank, the BAAC discusses the fiche for a non-TC which is proposed to support an investment operation being financed by the Bank. Following discussion at BAAC, the fiche shall be presented to the Board as an Addendum to the Board Report in respect of the project which such grant, payment and/or investment supports.

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### The EBRD Management

The Bank administers the SSF as any other Special Fund according to the provisions of art.18 of the Agreement establishing the Bank and the SSF Rules and Regulations. Management, through the coordination role of its Donor Co-Financing unit within Vice Presidency Policy:

- Submits SSF Work Plans for BoD approval based on the outcome of the yearly Grant Planning Meeting with donors;
- Submits changes to the SSF Work Plans for BoD approval;
- On a semi-annual basis, provides a report containing an outlook of the funding needs for the next six months in respect of technical assistance and non-technical assistance;
- Approves (through a two-step process) the financing by the SSF of technical assistance where the amount of financing for such proposal does not exceed €300,000;
- Performs quality control on the fiches submitted to the Board for TCs>€300,000 and the fiches submitted to the BAAC for non-TCs;
- Provides the BoD a semi-annual report on the status of the SSF WPs;
- Maintains accounts of the Fund;
- Adopts implementing procedures for the appropriate and efficient administration of the SSF.

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## Annex 11. EBRD approval process for grants

### Approval process for TC grants

EBRD Operations Manual (10.7) reads:

“The steps for accessing TC funds from the Shareholder Special Fund do not differ from the steps to be taken for accessing donor funds. All projects that require funding should be included in the TC project pipeline and in the non-TC project pipeline (for non-TC projects) as described in more detail in section 10.4. The procedures in section 10.5 and 10.6 also.

Only if donors are not in a position to partly or fully finance a specific assignment with the appropriate type of funding will the Bank consider using the Special Fund. The decision will be taken after TC Committee by Official Co-financing Unit and will be formally approved by the Vice President, Risk Management and Nuclear Safety.

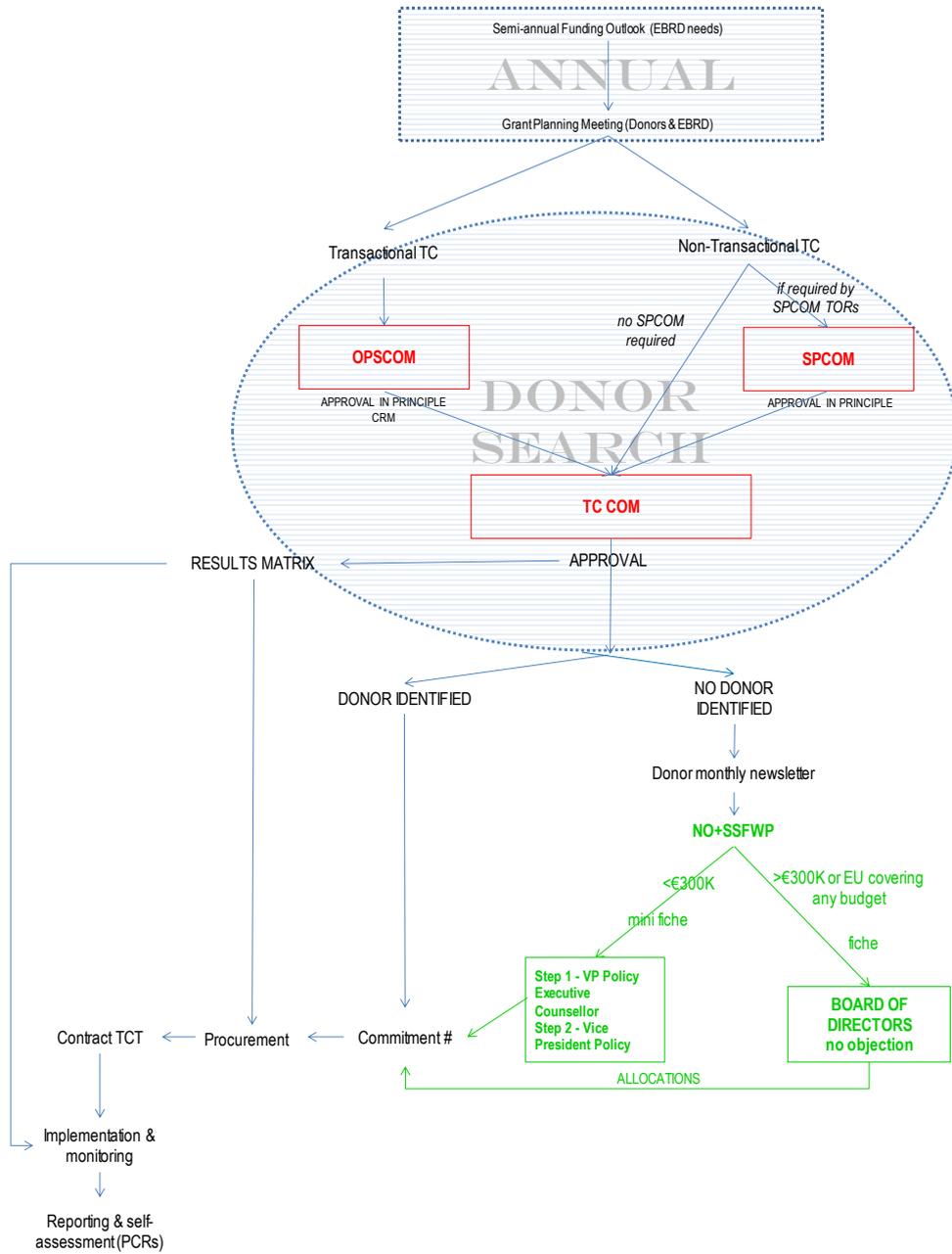
In cases where the contribution from the Special Fund for a specific TC project exceeds €300,000, such project needs to be approved by the Board of Directors on a non-objection basis via a short project fiche, which needs to be completed by the Operation Leader, including a short President's Recommendation and be submitted to the Board of Directors via Official Co-financing Unit and the Office of the Secretary General.”

In absence of any updated flow chart for grants approval process, the evaluation team has tried to capture the entire approval process of TC grants in Chart 58 (in green the specificities of the SSF). All technical cooperation projects that require funding should be approved in principle by the relevant committee (Operations Committee or Strategy and Policy Committee), and, once also approved on their merit by the TC Committee, included in the Donor Newsletter.

Only if donors are not in a position to partly or fully finance a specific assignment with the appropriate type of funding, and if in line with the SSF work plan for the current period, will the Bank consider using the SSF. The decision will be formally taken by the Vice President Policy, provided the endorsement of the Executive Counsellor, for proposals (presented in the form of a 'mini-fiche') that do not exceed €300,000 and by the Board of Directors for proposals (presented in the form of a 'fiche') that exceed €300,000 or, regardless the size, are in EU countries (including regional projects which include the EU countries).

Following that, the technical assistance project follows the same rules in terms of procurement, contracting, and reporting as any other TC project.

Chart 58: Approval process for TC grants (as of July 2014)



Source: EvD

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### Approval process for non-TC grants

EBRD Operations Manual (10.8) reads:

“Where envisaged in the Work Plan for the current period, the Special Fund can also be used to finance non-TC projects (investment grants, incentive fees).

Donors and the Board of Directors will be sent a Non-TC Project Pipeline on a quarterly basis. Only where there is no interest from the donors to fund a non-TC project can the EBRD consider using the Special Fund.

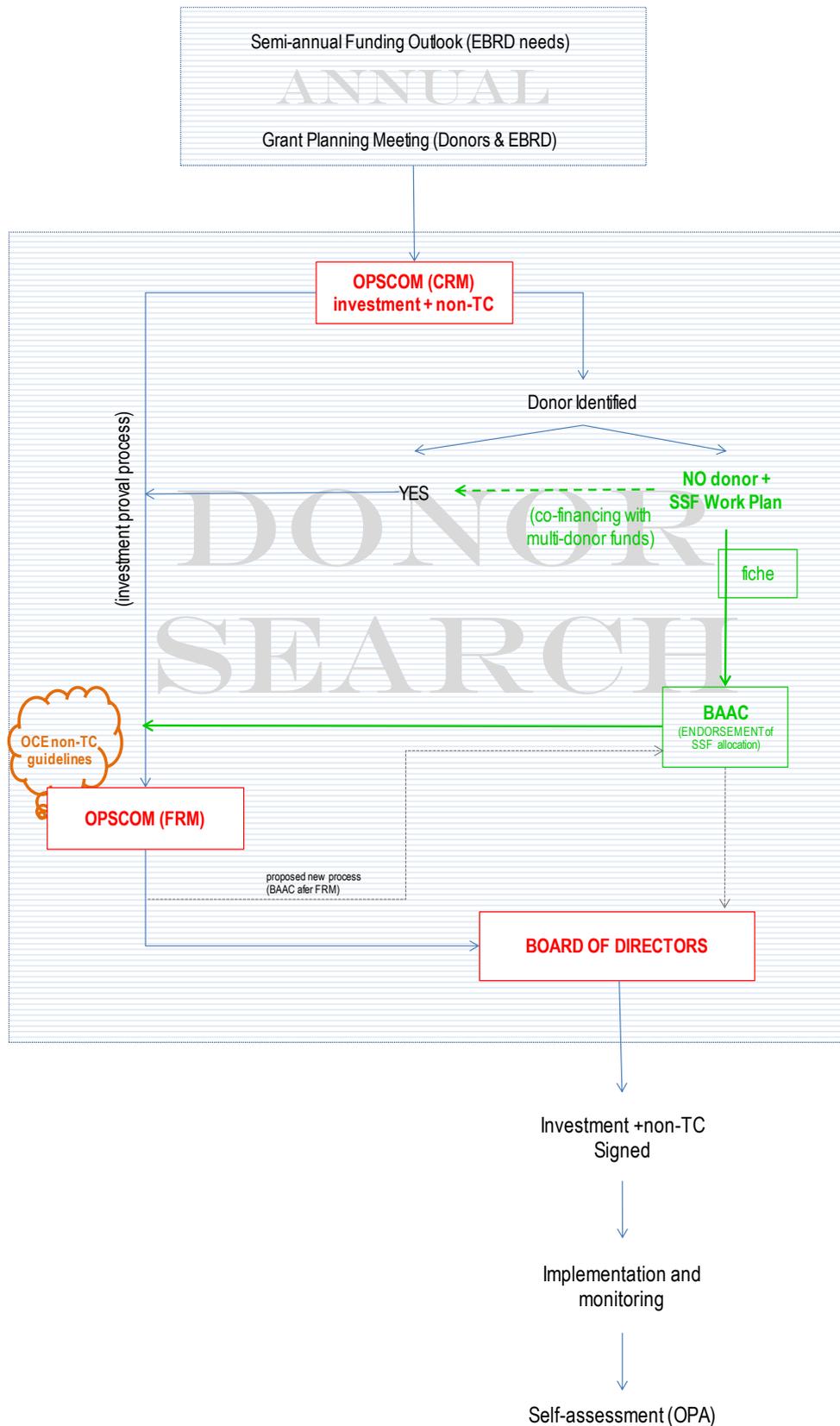
The use of non-TC grants will be approved by the Operations Committee together with the investment project (see section 10.15). However, the Rules of the Special Fund state that projects potentially involving non-TC grants from the Special Fund must be presented to BAAC. BAAC meetings are foreseen on a quarterly basis in order to provide an opportunity to the Board to comments on such projects before they are submitted to the Board for approval. Such presentations would be made by the OLs between Concept Review Memorandum and Final Review Memorandum stage.

The Office of the Chief Economist has produced guidelines for the use of Non-TC grants from the Special Fund which must be followed”

In absence of any updated flow chart for grants approval process, the evaluation team has tried to capture the entire approval process of non-TC grants in Chart 59.

The use of non-TC grants will be approved by the Operations Committee together with the investment project. When the SSF is going to be funding the grant component, the relevant “Staff guidelines for the use of non-TC grants from the Shareholder Special Fund” must be followed. As an additional step, the non-TC grant must be presented to the BAAC for discussion / endorsement before being submitted to the Board for approval together with the investment to which the grant is attached. Such presentations are be made by the relevant Banking team between concept review and final review stages.

Chart 59: Approval process for non-TC grants (as of July 2014)



Source: EvD

## Annex 12. Overview of non-TC grants SSF work plans allocations

The table below outlines the provisions made for non-TC grants in the relevant Board documents (WP planned allocations) and Board of Governors' resolutions.

Table 26: Overview of non-TC WP allocations

Title	Non-TC allocations
Establishment of the EBRD Shareholder Special Fund and Work Plan for the period July 2008 – June 2009 (WP1)	<p>€ 112.5 million total, 68 per cent TC, 32 per cent non-TC</p> <p>Non-technical assistance may comprise investment grants and incentive payments for the purposes specified:</p> <ul style="list-style-type: none"> <li>– infrastructure support (ODA countries) 11.0</li> <li>– Northern Dimension Environmental Partnership (NDEP) sponsored (non-nuclear) projects (Russia) 10.0</li> <li>– energy efficiency (ODA countries) 15.0</li> </ul>
Shareholder Special Fund: Proposal for Continuation and Work Plan for Period of July 2009-June 2010 (WP2)	Crisis response, TC only
Shareholder Special Fund: Proposal for the Work Plan January - December 2011 (WP3)	No specific non-TC provisions
EBRD Shareholder Special Fund Work Plan January - December 2012 (WP4)	<p>Proposed that use of WP4 resources for non-TC be limited to the ETC and Western Balkans regional windows, specifically for the following programmes:</p> <ul style="list-style-type: none"> <li>– ETC Local Currency Programme Risk Sharing Fund: up to €5 million</li> <li>– ETC MEI investment grants: up to €6 million</li> <li>– Western Balkans Energy Efficiency Direct Lending Facility: up to €1 million</li> <li>– Western Balkans Private Sector Support Facility: up to €3 million</li> </ul>
Shareholder Special Fund: Workplan 2013 (WP5)	<p>Proposed SSF funding for WP5 non-TC:</p> <p>From SEMED window total €24.75 million, to be fully used for non-TC, including:</p> <ul style="list-style-type: none"> <li>– climate change / energy efficiency / energy security up to €5 million</li> <li>– Small business finance / advisory support up to €10 million</li> <li>– Transition in infrastructure up to €10 million</li> </ul> <p>For the existing region for non-TC be limited to the ETC region for the following areas:</p> <ul style="list-style-type: none"> <li>– infrastructure (MEI and transport) up to €8 million</li> <li>– SEFF incentive fees up to €3 million</li> <li>– local currency risk share facility up to €5 million</li> </ul>
Shareholder Special Fund: Workplan 2014 (WP6)	<p>The expected non-TC needs are summarised as follows:</p> <ul style="list-style-type: none"> <li>– infrastructure MEI up to €5 million</li> <li>– infrastructure Transport up to €4 million</li> <li>– SEFF incentive fees up to €3 million</li> <li>– ETC Local currency risk share facility up to €3 million</li> </ul> <p>Proposed that the SSF SEMED window be opened to support TC activities as well as non-TC.</p>

### Overview of non-TC WP commitments

The following tables outline the planned non-TC allocations as approved by the Board of Directors for individual SSF Work Plans, and the actual commitments made against the same geographic or thematic

lines. As this “WP window” allocation is specific to the SSF, it is not captured by Banks’ databases, and is managed and kept exclusively by DCF.

The numbers need to be viewed with some caution. This is because to some extent the assignment of a non-TC to a specific WP window or budget line was often based on convenience rather than a strict alignment with the subject. This was done primarily to ‘use up’ non-TC allocations where still available on the respective WP, and includes instances of splitting one commitment over several budget windows (frequently done for facilities, but also for stand-alone projects – for example Bishkek public transport capex in split over ETC regional and Environment windows) or misaligned assignments (for example Millikart equity investment under Infrastructure investment grants in WP1). Another example is the allocation of funds to ETC Local Currency Risk Share Fund in 2013 – this was done under WP3, but the € 10 million commitment was split between WP1 and WP3, using the remaining non-TC funds under WP1 regardless of their original assignment – thus, the €4.1 million commitment under WP1, showing under ‘Infrastructure investment grants’ window, was actually used for the risk-sharing fund. The alignment of non-TC commitments with the WP budget lines improved in the later years, when WP were much simplified compared to WP1, and plans for non-TC WP allocations were usually based on specific projects already in the pipeline.

### Work Plan 1

The first SSF Work Plan was constructed in a rather complicated way, with thematic and geographic areas forming a matrix of small allocations. This was quite inflexible and resulted in re-allocations being requested for specific windows, and the eventual extension of the use of WP1 until exhaustion of resources. In fact, commitments under WP1 were still made in parallel with the following Work Plans.

Specifically for non-TCs, overall potential allocations up to €36 million were matched by commitments of over € 26 million. Distribution of WP allocations (left column) vs. commitments (right column) is outlined in Table 27: . Where actual commitments were lower than WP allocation, they are in green; commitments exceeding the initial allocations are in red.

Table 27: WP1 non-TC commitments (€ million)

	WP1 allocations	ETC		Western Balkans		Other ODA		Russia		Sub-total	
Infrastructure non-TC	WB Infrastructure	-	-	4.00	0.00	-	-	-	-	4.00	0.00
	Investment grants	4.50	4.96	1.50	0.00	1.00	2.80	-	-	7.00	7.76
	NDEP	-	-	-	-	-	-	10.00	8.00	10.00	8.00
SEI non-TC	Buildings EE	1.00	1.90	2.00	2.00	1.50	0.00	-	-	4.50	3.90
	Sustainable Energy FF			1.00	1.00	4.00	2.90	-	-	5.00	3.90
	MEI EE	2.50	<sup>15</sup>	2.00	0.00	1.00	0.00	-	-	5.50	0.00
<b>Total</b>	<b>8.00</b>	<b>6.86</b>	<b>10.50</b>	<b>3.00</b>	<b>7.50</b>	<b>5.70</b>	<b>10.00</b>	<b>8.00</b>	<b>36.00</b>	<b>23.56</b>	

Source: EBRD official documentation

### Work Plan 2

The second SSF Work Plan was a ‘crisis response’ work plan and contained no provisions for non-TCs.

<sup>15</sup> Yet uncommitted allocation (Board approval) made here for € 2.92 million

### Work Plan 3

The third SSF Work Plan did not specify allocations for non-TC along the priority budget lines. Table 28: presents WP3 planned allocations (TC and non-TC not separated) and the non-TC commitments. WP3 planned allocations are presented as per the WP3 last modification in October 2011.

Table 28: WP3 non-TC commitments (€ million)

	WP6 allocations (TC& non-TC)	Non-TC commitments
ETC Region	16.0	9.63
Western Balkan Region	5.0	
Climate Change/EE/Env/MEI	20.0	4.21
Others	9.0	
<b>Total</b>	<b>50.0</b>	<b>13.85</b>

Source: EBRD official documentation

### Work Plan 4

The fourth SSF Work Plan allocated non-TC provisions under the two geographic lines (ETC and Western Balkans) along four thematic sectors, which were almost fully exhausted by commitments, as indicated in Table 29.

Table 29: WP4 non-TC commitments (€ million)

	WP4 allocations	Commitments	
ETC Region	ETC Local Currency Programme Risk Sharing Fund	5.0	5.0
	ETC MEI investment grants	6.0	6.0
WB Region	Western Balkans Energy Efficiency Direct Lending Facility	1.0	0.0
	Western Balkans Private Sector Support Facility	3.0	3.0
<b>Total</b>	<b>15.0</b>	<b>14.0</b>	

Source: EBRD official documentation

### Work Plan 5

The fifth SSF Work Plan allocated the full amount of the SEMED window (€24.75 million) for non-TC use. It was committed only partially (€10 million), and the remainder was rolled over to WP6 for TC and non-TC use. In addition, another up to €16 million was allocated by the WP to the ETC region.

Table 30: WP5 non-TC commitments (€ million)

	WP5 allocations	WP5 commitments	WP5 uncommitted allocations <sup>16</sup>	
SEMED (max 24.75)	Climate Change / En. Efficiency / En. Security	5.0	0.0	5.0
	Small business finance / advisory support	10.0	0.0	5.0
	Transition in infrastructure	10.0	0.0	
ETC Region	Infrastructure (MEI and Transport)	8.0	2.93	
	SEFF incentive fees	3.0	0.0	2.0
	Local currency risk share facility	5.0	5.0	
<b>Total</b>	<b>40.75</b>	<b>7.93</b>	<b>12</b>	

Source: EBRD official documentation

<sup>16</sup> Based on Board approvals

## Work Plan 6

There were no commitments of WP6 for non-TC by June 2014. However, there were allocations to projects based on Board approvals, which were yet uncommitted. They are also presented in Table 31. This represented only three non-TC projects – SEFF incentive fees through CEEP (€1 million), ETC Local Currency Facility (€2.13 million), and Western Balkans Women in Business Financing Programme (€2 million). However, the Women in Business programme was not on the original WP allocation plan, and according to the DCF data, the allocation was distributed among four other lines of the WP, which originally had no non-TC allocations.

Table 31: WP6 non-TC commitments (€ million)

	WP6 allocations	WP6 Commitments	WP5 uncommitted allocations <sup>17</sup>
Infrastructure MEI	5.0	0.0	0.0
Infrastructure Transport	4.0	0.0	0.0
SEFF incentive fees	3.0	0.0	1.0
ETC Local currency risk share facility	3.0	0.0	2.16
Building stable financial sectors	0.0	0.0	0.2
SBI (catalytic window)	0.0	0.0	1.0
Small business finance / advisory support	0.0	0.0	0.3
WB region	0.0	0.0	0.5
<b>Total</b>	<b>15.0</b>	<b>0.0</b>	<b>5.16</b>

Source: EBRD official documentation

<sup>17</sup> Based on Board approvals

## Annex 13. SSF resources

According to Section 1.02 of the SSF Rules (see Annex 1) the resources of the Fund shall include:

- net income of the Bank allocated to the Fund by a resolution of the Board of Governors (a “Net Income Allocation Resolution”);
- resources transferred to the Fund from the EBRD SEMED Investment Special Fund to be utilised to support the operations and activities of the Bank in the SEMED region;
- funds received as return on, or reflow from, the use of the resources of the Fund in accordance with Article II;
- funds received by the Bank as reimbursement of costs of technical assistance, irrespective of the source of funding of such technical assistance;
- income derived from investment of the resources of the Fund made in accordance with Section 3.02 below; and
- such other funds received from other sources as the Board of Directors may approve from time to time.

Table 32 provides an overview of the inflows to the SSF from the sources listed under a), b), and f). Data about inflows from sources listed under c), d), and e) is not available to the evaluation team.

Table 32: Inflows to SSF General sub-account & SEMED sub-account<sup>18</sup>

BoG Res	Year	Total net income allocations to SSF (€)	SSF Nuclear Safety (€)	SSF WP grants (€)	SSF contingency (€)	SSF management fees (€)	Other
N. 112	2007	115,000,000	1,000,000	112,500,000	25,000	1,250,000	-
N. 122	2008	30,000,000	-	29,700,000	-	300,000	-
N. 127	2010	150,000,000	-	148,500,000	-	1,500,000	-
<i>None</i>	2012						21,300 <sup>19</sup>
N. 149	2013	25,000,000		25,000,000		250,000	
N. 161	2013	65,000,000	-	64,350,000	-	650,000	
N. 149	2014	25,000,000				250,000	
<b>TOTAL</b>		<b>410,000,000</b>	<b>1,000,000</b>	<b>380,050,000</b>	<b>25,000</b>	<b>4,200,000</b>	<b>21,300</b>

Source: Data extracted from EBRD documentation, and provided by Funds Accounting Unit

Resolution N. 112 allocated specific resources to the Nuclear Safety related activities of the Bank, that have been actually committed into three grants operations for the total amount of € 615,453. Moreover, under WP1 an allocation of €0.25 million has been planned as a contingency, but never used.

<sup>18</sup> Pursuant to Section 1.03 of the SSF Rules and in Regulation N.2 the SSF has three sub-accounts: (a) SBS Sub-Account to receive funds which constitutes reimbursement of costs of technical assistance in the framework of the SBS Programme; (b) a General Sub-Account to receive funds transferred from the TC Special Fund and any other funds as decided by the BoD; and (c) a SEMED Sub-Account.

<sup>19</sup> This is a transfer to the SSF on closure of the TC Special Fund