

Civil
Society
Engagement



Working with the EBRD

A Guide for civil society
organisations



European Bank
for Reconstruction and Development

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Foreword

Building partnerships with civil society

Fostering transition towards well-functioning market economies in countries that respect the principles of democracy is the core mandate of the EBRD. Considering the role of individuals, youth groups, non-governmental organisations, trade unions and women's groups in the Arab uprisings, it is clear that vibrant civil society is an essential building block for the development of democracy and pluralism. Civil society also plays a pivotal role in enhancing the Bank's own accountability and transparency and enables us to deliver better projects and policies.

That is why the Bank engages in a proactive and ongoing dialogue with civil society regarding our investment projects, policies and strategies both in our traditional region from central Europe to central Asia and in the new potential recipient countries in the southern and eastern Mediterranean. The EBRD is constantly enhancing the scope and improving the manner in which we engage in dialogue as well as exploring new opportunities for building deeper partnerships with civil society.

It is one of my priorities as the new President of the EBRD to enhance further the positive impact of the Bank's operations on individuals and societies in our countries of operations. What contributes to that is not only the financing of high quality investment projects. We are also stepping up policy dialogue and targeted, results-oriented technical assistance in order to deliver our mandate even better. Building strong partnerships with our stakeholders, including civil society, is the best way for the EBRD to continue investing in changing people's lives.

We hope you will find this Guide useful and look forward to engaging with you.



Suma Chakrabarti
President, EBRD

About the EBRD

The European Bank for Reconstruction and Development (EBRD) is an international financial institution (IFI) established in 1991 in response to major political and economic changes in central and eastern Europe following the collapse of communism. Today the Bank supports investment projects in 35 countries. The Bank is the largest financial investor in its traditional region of operations from central Europe to central Asia. In 2012, it also started expanding its activities to the southern and eastern Mediterranean (SEMED) region, with an initial focus on Egypt, Jordan, Morocco and Tunisia.

The EBRD operates across different sectors of the economy, ranging from agribusiness to municipal and environmental infrastructure, transport, manufacturing and services, financial institutions to energy and natural resources.

The Bank is headquartered in London with a network of around 40 Resident Offices in its countries of operations.

The EBRD's mission is unique. It is the only IFI mandated to assist countries with economies in transition and the only one with a political aspect to its mandate. Article 1 of the Agreement Establishing the Bank sets out the purpose "to foster the transition towards market-oriented economies and to promote private and entrepreneurial initiative ... in countries committed to and applying the principles of multiparty democracy, pluralism and market economic s." To the EBRD's

founding shareholders it was clear that economic and political transition would go hand-in-hand and that supporting the private sector in a free and open market economy would be crucial for the democratic transition process in the long term. The focus on the private sector means that the Bank works primarily with enterprises, the vast majority of which are private corporates and financial institutions, with a particular emphasis on promoting entrepreneurship and small and medium sized businesses. In addition to project finance, we also provide technical assistance to our private sector clients and municipalities and engage in policy dialogue with the authorities in recipient countries. The Bank does not provide any budgetary support to governments.

Respect for good governance, environmental protection and inclusive, sustainable development benefiting both men and women across our countries of operations are parts of the strong corporate governance attached to all EBRD investments. The Bank also addresses the challenges of climate change and energy efficiency by integrating these issues into all of its operations as a core strategic component and competence of the Bank. An ongoing engagement with civil society in relation to our projects, policies and strategies is an integral part of our mission.

You can find out more about the EBRD on our web site: www.ebrd.com/aboutus.

Shareholders

Our shareholders include 64 countries from both the region of operations and the rest of the world, plus the European Union and the European Investment Bank.

Governance

The powers of the EBRD are vested in the Board of Governors to which each member appoints a governor, generally the minister of finance. The Board of Governors delegates most powers to the in-house Board of Directors representing shareholders, which is responsible for the EBRD's strategic direction.

Management

The President chairs the meetings of the Board of Directors and conducts the current business of the Bank. The Executive Committee advises the President.

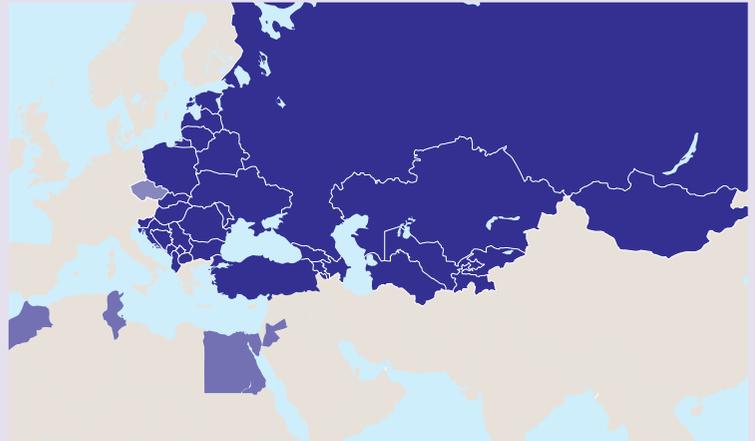
Staff

We are more than 2,000 individuals from all countries of operations and shareholder countries.

Core principles

The Bank operates under three core principles. “**Transition impact**” means that every EBRD investment must help move a country closer to a well-functioning market economy. We work to improve the structure and extent of markets as well as help develop private ownership and institutions that support markets. Also, we promote skills and market-based behaviour patterns, such as corporate governance. “**Additionality**” implies that the Bank should only invest when alternative sources of finance on reasonable terms are not available so as not to crowd out private investors. Finally, the investment should apply “**sound banking**” principles. In essence this means that the EBRD will look for a market-based risk/return balance, that is, the EBRD in its investments will aim to be appropriately compensated for the risk it is taking.

Where the EBRD operates



EBRD countries of operations

Central Europe and the Baltic states

Croatia
Czech Republic*
Estonia
Hungary
Latvia
Lithuania
Poland
Slovak Republic
Slovenia

South-eastern Europe

Albania
Bosnia and Herzegovina
Bulgaria
FYR Macedonia
Kosovo
Montenegro
Romania
Serbia

Eastern Europe and the Caucasus

Armenia
Azerbaijan
Belarus
Georgia
Moldova
Ukraine

Central Asia

Kazakhstan
Kyrgyz Republic
Mongolia
Tajikistan
Turkmenistan
Uzbekistan

Russia
Turkey

*as of the end of 2007, the EBRD no longer makes investments in the Czech Republic.

Potential recipient countries

Southern and eastern Mediterranean

Egypt
Jordan
Morocco
Tunisia

In 2011 the EBRD launched donor-funded activities in the southern and eastern Mediterranean (SEMED) region, in support of the countries which are undergoing important political and economic reforms.

Why do we engage with CSOs?

The EBRD's unique mandate also underpins our relations with civil society organisations (CSOs). As part of our commitment to democracy, sustainable development, transparency and inclusion, we strongly encourage CSOs to take part in an open dialogue with the Bank. CSO engagement is important to us because it supports the EBRD's activities in a number of ways.

Supports our mandate. Including civil society stakeholders in a dialogue with the Bank enhances our mission to foster market economies in the context of multi-party democracy and pluralism, in line with our Article 1 mandate.

Enhances sustainability of our activities. Inclusion of the local knowledge and expertise of CSOs helps to bring innovative ideas and solutions to local problems. This promotes environmentally sound and sustainable development, in line with Article 2 of the Agreement Establishing the Bank.

Assists in impact assessment. Local community groups and non-governmental organisations (NGOs) can help the Bank understand the direct local impact of our activities and provide important input to our decision-making regarding investments.

Manages expectations and reputation risk. As a public institution that promotes good governance in its countries of operations, CSO engagement helps hold the EBRD to the high standards expected of it by its stakeholders. Engagement with civil society helps manage local expectations and reputation risk.

Provides different perspectives for policy-making. Civil society stakeholders can highlight significant issues, offer valuable insights to supplement available data, and provide important perspectives regarding the EBRD's projects and policies.

About the Civil Society Engagement Unit

Since its establishment the Bank has engaged in a dialogue with local communities, NGOs and other civil society stakeholders across the region. Our relationship with civil society has gradually evolved from the early years into a current proactive engagement with a variety of civil society stakeholders on an ongoing basis. In 2000, the Civil Society Programme was founded as part of the EBRD's Annual Meeting of the Board of Governors and Business Forum in order to provide a platform for civil society stakeholders to engage directly with EBRD representatives about specific issues and concerns related to the Bank's investment operations, policies and strategies. In 2001, we strengthened our commitment and engagement with a broader range of CSOs by establishing a dedicated Civil Society Engagement (CSE) Unit.

The CSE Unit is primarily responsible for fostering relations and facilitating the engagement between civil society and the Bank as an institution, using a wide range of mechanisms for dialogue and information exchange.

2,000+

Number of CSOs registered with the Bank

2001

Civil Society Engagement Unit was set up in 2001

In order to enable a meaningful and constructive two-way dialogue, the CSE Unit regularly communicates with CSOs and informs them about developments at the Bank relevant to their particular interests through targeted email notifications, quarterly newsletters in English and Russian, dedicated web pages and social media, such as blogs, Facebook and Twitter. The Unit organises numerous consultation meetings between Bank officials and CSOs that occur throughout the year, both in London and in our countries of operations. The CSE Unit also coordinates responses to CSO information requests and correspondence and advises on addressing issues and concerns raised by CSOs, in close coordination with EBRD Banking teams, the Environment and Sustainability department, the office of the Secretary General, Political Counsellors and other relevant teams.

What are CSOs for the EBRD?

Civil society groups and organisations occupy the space between the state and the private sector and aim to represent a wide range of interests and values through voluntary collective action.

For the EBRD's purposes, CSOs include:

- NGOs (non-governmental organisations), such as environmental groups, human rights and women's rights organisations, development and anti-corruption groups, cultural heritage organisations, watchdog and advocacy groups, charities, philanthropic foundations, and so on.
- policy and research organisations, such as independent policy think-tanks, academic research institutes, etc.
- CBOs (community-based organisations), such as local community groups, indigenous peoples organisations, youth organisations, family associations, self-help groups, faith based associations, and so on.
- business development organisations, such as business forums, professional associations, chambers of commerce, SME development organisations, microfinance non-banking organisations, social enterprises, and so on.
- other socio-economic and labour-market actors, such as social movements, online groups and networks, social media communities, bloggers, consumer organisations, trade unions, labour movements, employers' organisations, and so on.



How can CSOs work with us?

Recognising that CSOs may operate in a difficult environment and in line with our commitment to transparency and accountability, we practise an open and inclusive CSO engagement. We welcome input from all civil society stakeholders, including but not restricted to those focusing on human rights and democracy, transparency and anti-corruption, environmental and social issues, inclusion and gender equality and climate change issues.

Also, we engage at all levels of the Bank — from technical discussions with staff to high-level dialogue with senior management, the President and the Board of Directors — both in the London Headquarters and on the ground in the countries of operations. Environmental and social experts directly engage with local communities, NGOs and other CSOs during due diligence, project implementation and monitoring of projects. Political counsellors and economists regularly engage with international and local political and economic think-tanks, research institutes and NGOs in the countries they cover. Bankers at the Headquarters and in Resident Offices engage with CSOs, especially during the reviews of country strategies and regarding investment projects.

During major policy and strategy reviews, the Bank often provides funding for travel and accommodation to a limited number of grassroots CSOs to enable them to take part in our consultations. These organisations are normally selected by an independent party according to the criteria agreed with the Bank.

The EBRD offers the following key opportunities for civil society engagement:

- dialogue on specific investment projects
- periodic reviews of policies
- reviews of strategies and other institutional documents.

Project dialogue

Environmental and social experts and bankers routinely address issues of interest and concern by CSOs through correspondence or meetings in relation to all EBRD-financed projects, particularly Category A projects.

As part of our commitment to environmental and social sustainability, we also promote good practices in information disclosure and stakeholder engagement among our clients. The Performance Requirement 10 of the EBRD Environmental and Social Policy outlines a systematic approach to stakeholder engagement that helps our clients build and maintain a constructive dialogue with locally affected communities, CSOs and other stakeholders.

In order to enable meaningful dialogue, in accordance with the Public Information Policy, the Bank discloses on an ongoing basis information about its projects and performance on environmental and social issues via project summary documents (PSDs) and Environmental and Social Impact Assessments (ESIAs). PSDs are available for all projects and can be found on our web site at www.ebrd.com/psd. For private sector

10-25

Number of Environmental and Social Impact Assessments (ESIAs) per year (on average)

200

Number of project summary documents (PSDs) per year (on average)

projects, the PSDs will normally be released for public consultation for a period of at least 30 calendar days and for public sector projects 60 calendar days before consideration of the project by the Board of Directors. During that period, stakeholders are able to provide their comments which are presented to the Board of Directors before the approval of the project. There are projects where market restrictions require a deferred disclosure which means that information cannot be disclosed to the public until a later date.

For large and complex Category A projects, Environmental and Social Impact Assessments (ESIAs) look at the environmental and social impacts associated with the proposed project, and recommend measures to prevent, minimise and mitigate adverse impacts. ESIAs also identify environmental and social improvement opportunities. They can be found on our web site at www.ebrd.com/eia ESIAs are released for public consultation for a minimum 60 days for private and 120 days for public sector projects. Interested CSOs that have registered with the Bank are notified about the start of the consultation period for Category A projects. To register please go to: www.ebrd.com/civilsociety.

How you can comment on the EBRD's projects

If you are registered with the Bank you will be kept informed about the Bank's Category A projects in your country.



To register with us please go to www.ebrd.com/contact.

What is an EBRD project?

The EBRD provides project financing for banks, industries and businesses, both new ventures and investments in existing companies in its countries of operations. Although it invests primarily in the private sector – with around 80 per cent of total investments in the private sector – the EBRD also works with publicly owned companies, to support privatisation, restructuring of state-owned firms and improving municipal services.

EBRD financing for private sector projects generally ranges from €5 million to €250 million, mainly in the form of debt or equity. The average EBRD investment is between €20 million and €25 million. Smaller projects may be financed through financial intermediaries or through special programmes for smaller direct investments in the less advanced economies. The EBRD typically funds up to 35 per cent of the total project cost for a greenfield project or 35 per cent of the long-term capitalisation of the project company. There must be additional funding and equity contributions from the clients, other co-financiers or generated through the EBRD's syndications programme.



Case study of CSO engagement: Khujand water supply project

The project

Filling up buckets of water from standpipes and hauling them up stairs to apartments became part of everyday life for tens of thousands of people in Khujand, the second biggest city in Tajikistan. As of 2007 up to 50 per cent of the Tajik population had no access to drinking water and supply for those who had access was often unreliable. This was the legacy of a seriously neglected infrastructure supplying drinking water. As well as the inconvenience, families had to contend with the risk of illness from the stored drinking water, especially during hot summer months. The poor supply system was expensive to maintain, and the city could not afford a loan to repair the entire system at once.

Responding to the critical situation, the EBRD launched the first phase of a major water supply improvement project for the city in 2004. The initiative, covering the upgrade of water supply for a third of the city's inhabitants, was the Bank's first such project in Central Asia. The Bank mobilised large capital grants, covering two thirds of the total investment, to help make the project affordable for the local population.

In the second phase of the project from 2008, the EBRD co-financed investments in water pipes, pumping stations and other essential infrastructure across the city. As a result of the project, most districts gained access to a 24-hour water supply. The success of this project acted as a model for other EBRD-funded water supply projects in Tajikistan.

Project engagement with civil society

The project included a dedicated stakeholder participation programme to build community awareness of the proposed project, manage people's expectations about its anticipated results and to promote the responsible use and conservation of water.

The programme communicated the timeframe and the stages of the project to manage people's expectations and explained why certain areas had priority over others. This meant that people had a better understanding of the proposed investment and why it was designed in a particular way. This in turn helped prevent complaints from the affected communities and equipped the utility company to deal with any issues that did arise.

Also, with the inhabitants' enhanced understanding of the importance of paying utility bills, the bill collection rate improved from around 50 per cent to 87 per cent in 2010, despite increased tariffs. This enabled the Khujand Water Company to implement the second phase of investment, and by the end of 2012 the entire city is expected to have a rehabilitated water supply system.

As a result of the project, a 24-hour water supply is now available for most Khujand districts

Bank's follow up

Stakeholder participation programmes have now become a standard feature of water projects in the early transition countries, where the need for increased awareness is greatest. In these projects, one of the main concerns of the community is usually related to the associated tariff increases and the perceived higher cost of water consumption.

Building on our experience in Khujand, the programmes aim to explain that more expensive water bills will not be the case if people use water responsibly, for instance by not leaving the taps running unnecessarily and by regularly maintaining appliances. The programmes' objective is to make people aware that their own actions can influence the size of their water bill, so that even if tariffs do increase, their individual water bills might be the same as before.



Reviews of policies

The Bank's periodic reviews of policies are an opportunity for CSOs to provide input to our decision-making at the strategic level. In addition to receiving guidance from the Bank's shareholders, and conducting policy dialogue with the authorities of the countries of operations, we seek to benefit from advice from a wide spectrum of stakeholders, including clients, civil society and public opinion at large.

Three policies are subject to periodic review, the Public Information Policy, the Environmental and Social Policy and the Project Complaint Mechanism. Other major policies are also reviewed from time to time, such as the Procurement Policy, Mining Operations Policy and the Evaluation Policy, and consultations with CSOs are normally part of the reviews.

We usually initiate a policy review by inviting comments from stakeholders on the basis of the existing policy or an issues paper. Once this first stage is closed, we review the comments received. Where appropriate, the comments are incorporated into the revised draft policy which is posted in English and Russian on the EBRD web site for 45 calendar days for further comments.

In parallel, dedicated consultation workshops with civil society representatives and other external stakeholders take place to ensure that as many interested stakeholders as possible are given an opportunity to take part in the review of the policy document. A summary of public comments received and management responses are later posted on the EBRD web site following the final Board approval of the new policy.

For example, in the preparation of the Bank's first Mining Operations Policy, adopted in 2012, the EBRD reached out to over 1,500 stakeholders representing a broad range of interests, including governments, regulators, mining companies, industry associations but also international and local civil society organisations and the academic community. The Bank also consulted local communities and grassroots organisations, some of which have rarely had the opportunity to comment on our documents.

Public meetings and workshops were organised in five cities (London, Sofia, Ulaanbaatar, Moscow and Toronto) and the draft Mining Operations Policy was also discussed with civil society

150+

Number of queries received by CSE Unit from CSOs per year (on average)



organisations at the 2012 Annual Meeting. About 100 stakeholders formally commented on the document during the meetings or via a dedicated email address. These extensive consultations allowed civil society and other stakeholders with particular expertise and interest in mining to provide valuable input into the Mining Operations Policy.

How you can take part in a policy review

If you are registered with us you will be notified when any given policy comes under review. You will be invited to submit written comments on the draft policy under review and to attend various events in the Bank's Headquarters and Resident Offices, including seminars and consultation workshops. Invitations to comment are also posted on our web site at www.ebrd.com/about. Registered CSOs are also notified about the disclosure of final documents and the summary of management responses to CSO comments.

If you would like to view our current policies, visit our web site at www.ebrd.com/strategy.



To register with us please go to: www.ebrd.com/contact.

Environmental and Social Policy

Through its Environmental and Social Policy (ESP), the EBRD seeks to ensure that the projects it finances: are environmentally and socially sound; respect the rights of affected workers and communities; and are designed and operated in compliance with applicable regulatory requirements and good international practice. The ESP is implemented by the Environment and Sustainability department. You can find the ESP at www.ebrd.com/esp.

Project Complaint Mechanism

Established in 2010 as part of the Bank's commitment to accountability, the Project Complaint Mechanism (PCM) gives individuals, groups and organisations an opportunity to make a complaint to the Bank about a specific project which allegedly has caused, or is likely to cause, harm. The PCM is administered by a dedicated PCM Officer who is located within the EBRD Office of the Chief Compliance Officer. Details on the PCM can be found at www.ebrd.com/pcm.

Public Information Policy

The Public Information Policy (PIP) is guided by the underlying presumption that, whenever possible, information concerning the Bank's operational and institutional activities will be made available to the public in the absence of a compelling reason for confidentiality. At the same time, to ensure that mutual trust is maintained between the Bank, its business clients and other partners, the PIP establishes clear lines of demarcation to distinguish information which is made publicly available from information which may not be disclosed on the grounds of confidentiality. The PIP is administered by the Office of the Secretary General. You can find PIP at www.ebrd.com/pip.

Reviews of strategies and other institutional documents

Country strategies

CSOs play a significant role in our country strategy reviews, which we undertake every three years for all of the countries in which we operate.

Before the scheduled review, senior Bank officials, including political counsellors and economists responsible for specific countries, conduct Country Strategy Missions during which they meet with civil society as well as the authorities, existing and potential EBRD business partners, donors and representatives of other IFIs to assess the latest economic and political developments in the country. The results of these meetings are reflected in the Bank's new draft country strategy. A draft version of the new strategy is available to download in English and the local language and is open for comments for 45 calendar days.

As part of the Bank's proactive engagement, we undertake dedicated consultation workshops with CSOs at the Resident Offices during the consultation period whenever possible. A summary of the comments received and the management responses are submitted to the Board of Directors before the final approval as well as published on our web site alongside the approved strategy.

Central to CSO engagement with the EBRD are Board Consultation Visits - the frequent visits by the Board of Directors to countries of operations, often linked to forthcoming reviews of country strategies. Every year, Board delegations visit six or seven different countries

or regions of operations. Directors meet representatives of civil society organisations in addition to central and local government, diplomats, local and international businesses to learn more about the key issues important for improving the work of the Bank in a particular country. The Board of Directors highly value the opportunity to familiarise themselves with the perspective of civil society on the Bank's operations in a country and discuss the recent political, economic, social and environmental developments.

Other institutional documents

With a view to implementing best practice in CSO engagement, we also undertake consultations on selected key institutional documents, including the Capital Resources Review and the Sustainable Energy Initiative (SEI). As part of the preparation of Phase 3 of the SEI, the Bank conducted a comprehensive stakeholder consultation process in 2011-12, including a series of meetings with CSOs in order to obtain their perspectives and practical ideas on the way the Bank can expand its activities under the proposed SEI Phase 3 development themes. International CSO experts attended meetings in London while local CSOs and other relevant stakeholders had an opportunity to participate in the regional workshops in Georgia, Kazakhstan, Russia, Turkey and Ukraine.

10

Number of country strategy reviews per year (on average)

6-7

Number of Board Consultation Visits in the countries of operations per year (on average)

How you can participate in a strategy review

The start of a new review period is announced on the Have Your Say section of our web site. Relevant CSOs that have registered with the Bank are also notified about strategy reviews and disclosure of final documents.

If you would like to view our current policies and strategies, visit our web site at www.ebrd.com/strategy.



To register with us please go to: www.ebrd.com/contact.



What is an EBRD country strategy?

The main aim of the EBRD country strategies is to determine the Bank's lending strategy for the next three-year period. To this end, country strategies describe the operational environment in the country concerned, identify the remaining transition challenges, set realistic transition objectives and devise a set of operational priorities and instruments that support those objectives. Country strategies contain an assessment of the Bank's past operations and effectiveness of its strategic approach and indicate how the Bank works with other multilateral and bilateral development agencies to promote transition in its countries of operations. Country strategies contain the assessment of a country's compliance with the political aspects of Article 1 of the Agreement Establishing the Bank.

Each country is at a different stage in its transition towards establishing a well-functioning market economy. Local conditions determine how the Bank can operate, shape its strategy and in some cases lead it to devise innovative ways of providing financing and reducing risk. The level and pattern of demand for EBRD financing varies depending on the country's stage of transition and its attractiveness to private sector investors.



Case study of CSO engagement: Western High Speed Diameter

The project

St Petersburg, home to nearly 5 million inhabitants, is one of Russia's key transport hubs. In recent years, the demand for heavy road transportation in the city has significantly grown due to an increase in imported goods transported by road, as well as an increase in private vehicle ownership. This has resulted in severe congestion and bottlenecks at peak hours on roads in and around the city.

The Western High Speed Diameter (WHSD) is a by-pass motorway, designed to relieve pressure from the road network and improve passenger and cargo flow by connecting the city's major commercial port with the St Petersburg Ring Road in the south and with the Scandinavia motorway to Finland in the north. The motorway will have a total length of 46.6 kilometres with estimated daily traffic of over 100,000 vehicles.

Project engagement with civil society

When the EBRD first started its review of WHSD in 2007, the project was strongly opposed by local civil society organisations (CSOs). They were concerned about its potential environmental and social impacts, as well as the project's financial and economic feasibility, its technical aspects, transparency and accountability.

The EBRD started its collaboration on WHSD with CSOs in St Petersburg in 2007 and since then has been engaged proactively with a number of interested CSOs. The Bank, together with the joint stock company WHSD, held its first ever joint project site visit with CSOs in 2008. The Bank has been mindful of bringing all parties together, encouraging open dialogue, promoting information exchange on the project's impacts and mitigation measures and ensuring that all CSO's concerns are adequately addressed.

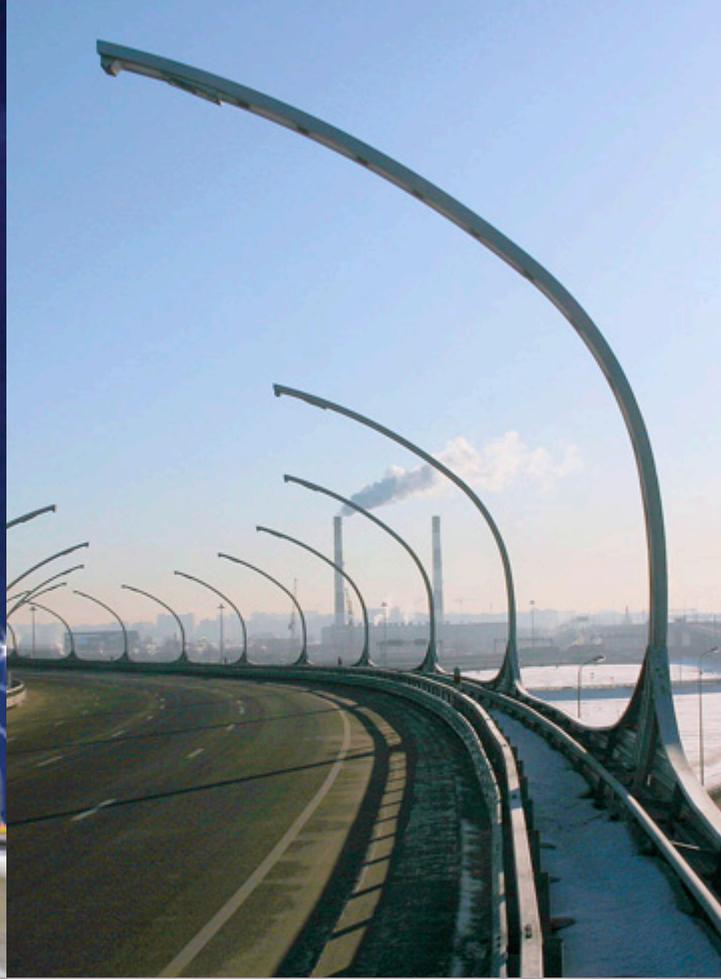
Importantly, the EBRD facilitated one of the very first exchanges of views between the city authorities and CSOs in 2008, as well as between the concessionaire and CSOs in October 2011, which aimed at establishing direct and clear channels of communication between all parties.

The Environmental and Social Impact Assessment (ESIA) for the project demonstrated that the potential impacts on residential areas, such as noise and air quality, could be effectively mitigated by noise screens and improved road layout. The road is planned to be built in an open trench/tunnel through much of Vasilievsky Island, which will prevent visual impacts and reduce significant noise and atmospheric pollution. Importantly, the ESIA took the CSO concerns into account, along with the results of the public OVOS (or "Assessment of the Impact on Environment"), conducted by CSOs in 2008, as well as existing studies of the WHSD by the independent scientific and research community of St Petersburg.

As a result, the city has undertaken the construction of the northern and southern sections through ongoing dialogue with CSOs and other public stakeholders. The concessionaire also followed the EBRD's example and held a series of "open houses", as well as two additional public meetings at locations affected by the project to enable residents and interested public, civil society and other stakeholders to learn about the project and voice any concerns. Following public consultation, the design of the WHSD project was amended to address the concerns of local residents and environmental mitigation measures were introduced to meet the EBRD's Environmental and Social Requirements.

EBRD's contribution

In the past many infrastructure projects in Russia have not given due consideration to those potentially affected, thus widening the gap between decision-makers and the general public. But with the WHSD the involvement of the EBRD ensured that the stakeholder engagement requirements far exceed local standards. It demonstrates how a large transport public-private partnership (PPP) can achieve compliance with the best industry environmental standards with proper preparation, consultation and stakeholder engagement.



Civil Society Programme at the EBRD Annual Meeting

The EBRD Annual Meeting and Business Forum bring together the Bank's Board of Governors with other stakeholders to review the EBRD's activities and to consider strategies for the future. It is an opportunity for an exchange of views and networking among leading investors, entrepreneurs and government officials from shareholders countries and countries of operations as well as media and CSOs. The Annual Meeting is held in a different location each year – for two years it is held in one of the Bank's countries of operations and every third year it is held at the EBRD's London Headquarters.

The dedicated Civil Society Programme (CSP) takes place alongside the EBRD Annual Meeting and Business Forum. It is the flagship for CSO engagement with the Bank, in which CSO participation ranges from around 60 CSOs in London to over 100 CSOs when the Annual Meeting takes place in countries of operations.

The Civil Society Programme consists of a facilitated discussion panel alongside a series of consultation meetings and parallel working groups. In the discussion panel, open to all Annual Meeting participants, speakers and audience are invited to discuss a particular theme of interest to CSOs, which may be informed by recent research published by the Bank. Panel speakers include representatives of NGOs, think-tanks, academics as well as private sector, government representatives from the region and EBRD officials who share their expertise and experience on the discussion topics and engage with the diverse audience.

To focus on particular issues of interest to civil society, consultation meetings are dedicated to the EBRD's projects, policies, strategies and initiatives. They are held exclusively between the Bank and CSOs and are closed to other Annual Meeting participants, which allows for open in-depth discussion of civil society concerns with the Bank's staff and senior management. In keeping with our commitment to transparency, discussion is not restricted, allowing CSOs to raise any subject of concern. Discussion typically centres on environmental and social issues, democracy and human rights, transparency, gender and business development issues related to the Bank's operations.

At the end of the CSP, civil society participants have an opportunity to raise their key issues during separate meetings with the Board of Directors and the President.

How you can take part in forthcoming CSPs

The participation at the Civil Society Programme is open to representatives of NGOs and other civil society stakeholders accredited and registered by the EBRD. CSOs attending the Annual Meeting for the first time should send a brief profile of their organisation to the EBRD's Civil Society Engagement Unit. The profile should include a mission statement, brief account of areas of activities and interests, projects, sources of funding and number of members, full contact details, web site link (if available) and relevant official documentation (if requested by the EBRD CSE Unit).

100+

Number of CSOs attending the EBRD's Annual Meetings (on average)

In the years when the event is held in London and we are obliged in the interests of space to restrict numbers for all participants, including CSOs whose number is capped at a maximum of 60, we make every effort to ensure that there is as wide a representation of CSOs as possible. The CSE Unit produces guidelines on a self-selection process that can be used by CSOs in the countries of operations. The guidelines aim to ensure that the CSP is attended by the most relevant and representative organisations able to put forward key topics of importance on behalf of the wider civil society community in their countries. The guidelines are sent to the registered CSOs.



To register with us please go to: www.ebrd.com/contact.



How good corporate governance, transparency and profitability fit together

A discussion panel entitled “Good corporate citizenship: managing public and IFI expectations”, organised as part of the Civil Society Programme at the EBRD Annual Meeting and Business Forum 2012 in London, brought together business people, representatives of civil society, journalists and EBRD staff for an interactive discussion.

The panel debated, among other related things, the role of civil society and IFIs in helping companies to develop their corporate transparency and enhance their social accountability. It was pointed out that good corporate governance and a commitment to sustainable growth were key to future profitability and that corporate social responsibility should be part of every business or company’s licence to operate. Meanwhile the need to communicate those attributes in a clear, accessible and timely way and provide real-time feedback where possible was strongly emphasised.

The discussion also looked into sustainability reporting guidelines and how the Bank can support its countries of operations in improving corporate governance and transparency in local companies. Details on the panel discussion can be found at www.ebrd.com/pages/news/features/good-corporate-governance.shtml

Moving forward: new region of operations, new tools and partnerships

In 2011 the EBRD responded to calls from its shareholders and the international community to extend its operations to the southern and eastern Mediterranean (SEMED) region. More than €59 million in donor funds were made available in 2011 for technical cooperation in order to lay the groundwork for forthcoming investments. To maximise its impact, the EBRD will be joining forces with other institutions already active in the region. The EBRD has the capacity to invest as much as €2.5 billion a year across the SEMED region, but for the Bank to begin investing, countries will need to demonstrate their commitment to and application of principles of multiparty democracy, pluralism and market economics, in accordance with the Bank's statutes.

In order to improve our knowledge of this new region of operations, the CSE Unit has been proactive in seeking out CSOs to gain a better understanding of the latest trends in the civil society development in SEMED. We have established initial contacts with over 150 international and local CSOs and acquired an understanding of how they perceive the situation in their country. We have also started raising awareness about the EBRD among the civil society stakeholders and listening to CSO views, suggestions and concerns about the Bank's potential future operations.

At the Bank we are always striving to improve how we engage with civil society and how civil society engages with us – both in the traditional region of operations and in SEMED. We recognise that CSOs often operate within limited

350+

Number of CSOs initially engaged with in SEMED



resources and capacity and therefore are not always able to engage with the EBRD or our private sector clients in an effective and sustainable manner. In order to address this challenge we are currently modernising our communications activities through greater use of social media and e-tools to enable us to diversify and expand the base of CSOs engaging with the EBRD. We are also enhancing the capacity of Resident Offices to engage with CSOs on the ground.

Lastly, we want to build closer partnerships with CSOs who have valuable local knowledge and recognised expertise on the issues of priority for the EBRD, including specific investment sectors and cross cutting issues, such as good governance, sustainable development and inclusion.

To learn more about our operations in the SEMED region as they develop, go to: www.ebrd.com/semед.



To register with us please go to: www.ebrd.com/contact.

First steps in SEMED: EBRD reaches out to over 150 CSOs

In 2012 the EBRD Civil Society Engagement Unit organised a series of face-to-face meetings between senior management and over 150 CSOs on the ground in Jordan, Tunisia, Morocco and Egypt.

As a new player in the region, the EBRD was not widely known among civil society. For this reason the meetings aimed at introducing the EBRD, its mandate and business model and our future role in the SEMED region.

The Bank had made a special effort to disseminate information about the meetings via international and local CSO networks as well the EBRD website, Facebook and Twitter pages to reach out to a broad range of civil society stakeholders. This outreach led to a wide participation of organisations and independent experts coming from diverse backgrounds including NGOs, academics, think-tanks, women's groups, business development associations, and so on.

Key themes that ran across most meetings were: the importance of improving the policy framework to reflect current challenges and social pressures and linking this to the Bank's policy dialogue; monitoring democracy and human rights; improving governance and integrity; business environment; gender and social inclusion; and social accountability.

The meetings in SEMED aimed at ensuring that civil society's views on the planning, implementation and expected impact of the Bank's future engagement in the four countries could be voiced. The outcomes of the discussions were recommendations, which have been reflected in the Country Assessments; strategic documents which will guide the EBRD's operations until the SEMED countries become full countries of operations. You can access the Country Assessments at www.ebrd.com/pages/about/policies.shtml#assess



BILJANA RUDOMIRIĆ AKA LINDA
HEAD OF NORTH EAST REGION
EBRD

How to keep up to date with our work

The Civil Society Engagement (CSE) Unit has a dedicated section on our web site. You can click directly on the civil society button on the home page, or go to:

www.ebrd.com/civilsociety

For an introduction to the Bank's annual civil society engagement activities, read the Civil Society factsheets.

To keep up to date with developments, click on our News and events page, where you will find our quarterly EBRD-CSO Newsletter.

Other reports on our engagement with civil society are available in the EBRD's corporate reports

www.ebrd.com/sustainabilityreport and

www.ebrd.com/annualreport



To register with us please go to:
www.ebrd.com/contact.

143 CSE brochure (E/1,000)

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