

IFI Bootcamp Victoria, Canada 2007

**The Changing Face of Aid
and the Rise of the Private Sector**

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Trends in Donor Funding

- Donors increasingly focus on poorer countries (Official Development Assistance or ODA eligible)
- Harmonisation agenda – OECD/DAC
- Move away from bilateral to multilateral funds
- Climate Change - Sustainable Energy Initiative (SEI)
- Reporting and results
- Increased demand for grant investment co-financing – donors still reluctant
- Involvement of recipient countries
- EBRD Countries of operations becoming donors: Czech Republic, Slovakia, Slovenia, Poland



EBRD TC Funds Programme

- Almost €1.3 billion TC mobilised since 1991 (€118 million in 2006)
- 40 Donor Agencies, over 160 funds
- Focus on
 - Investment project preparation and implementation
 - Investment climate improvement (Legal Transition, TAM/BAS)

Cont'd



EBRD TC Funds Programme *cont'd*

- Reliance on donor funds is greater further South and East
 - About 48% of all EBRD investments receive TC but in ETCs it is 80%
 - Every €1 of TC supports €52 in signed EBRD investments



EBRD TC Funds Programme 2006

- €73.8 million committed to 399 assignments
- EBRD moving East and South
 - Early Transition Country Initiative
 - Western Balkans Fund
 - Bilateral donor efforts
- Significant challenges remain in Western Balkans, Russian Regions, Ukraine, Kazakhstan
- 64 investments, (€987 million EBRD , €2.1 billion total project cost) supported by TC.



Bilateral Canadian TC Funds

- *General Fund*
 - Over 60 assignments since 1992
 - €11.5 million committed
 - All EBRD countries of operations not covered by other regional CIDA funds, and not EU8.
 - Municipal Infrastructure, Transport, Environmental, Legal Transition, Financial Institutions
- *Regional/ Program Specific Funds*
 - CIDA Fund for South Eastern Europe
 - Central Asia Southern Caucasus Fund
 - TurnAround Management Fund
 - Ukraine Micro Credit and Mortgages

To 2006, CIDA funds supported 45 EBRD investments totalling over €2.7 billion



Bilateral Canadian TC Funds

- Total of €31 million provided by Canada through Bi-lateral Funds (including project specific funds)
- €24.7 million committed to consultancy assignments to date
- €7.1 million remaining for new assignments



Multi- Donor Funds with Canadian Participation

- *Early Transition Countries Fund*
 - 12 Donors including CIDA
 - €43 million, untied, pledged for TC support in EBRD's poorest 8 countries
- *Western Balkans Fund*
- *Northern Dimension Environmental Partnership (NDEP) Support Fund*
 - €242 million with €150 million earmarked for nuclear projects and €92 non-earmarked.
 - Canada's contribution from Global Partnerships Program
 - Contribution of €20 to the nuclear window



Canadian Companies are eligible for other TC Funds

- *Untied funds*
 - Japan
 - UK
 - Taiwan
 - Switzerland (in C Asia and S Caucasus)
 - Multi-donor funds
 - Some EBRD Special Funds
- EBRD Consulting Budget
 - Due diligence work
 - Legal counsel
 - Project preparation and implementation

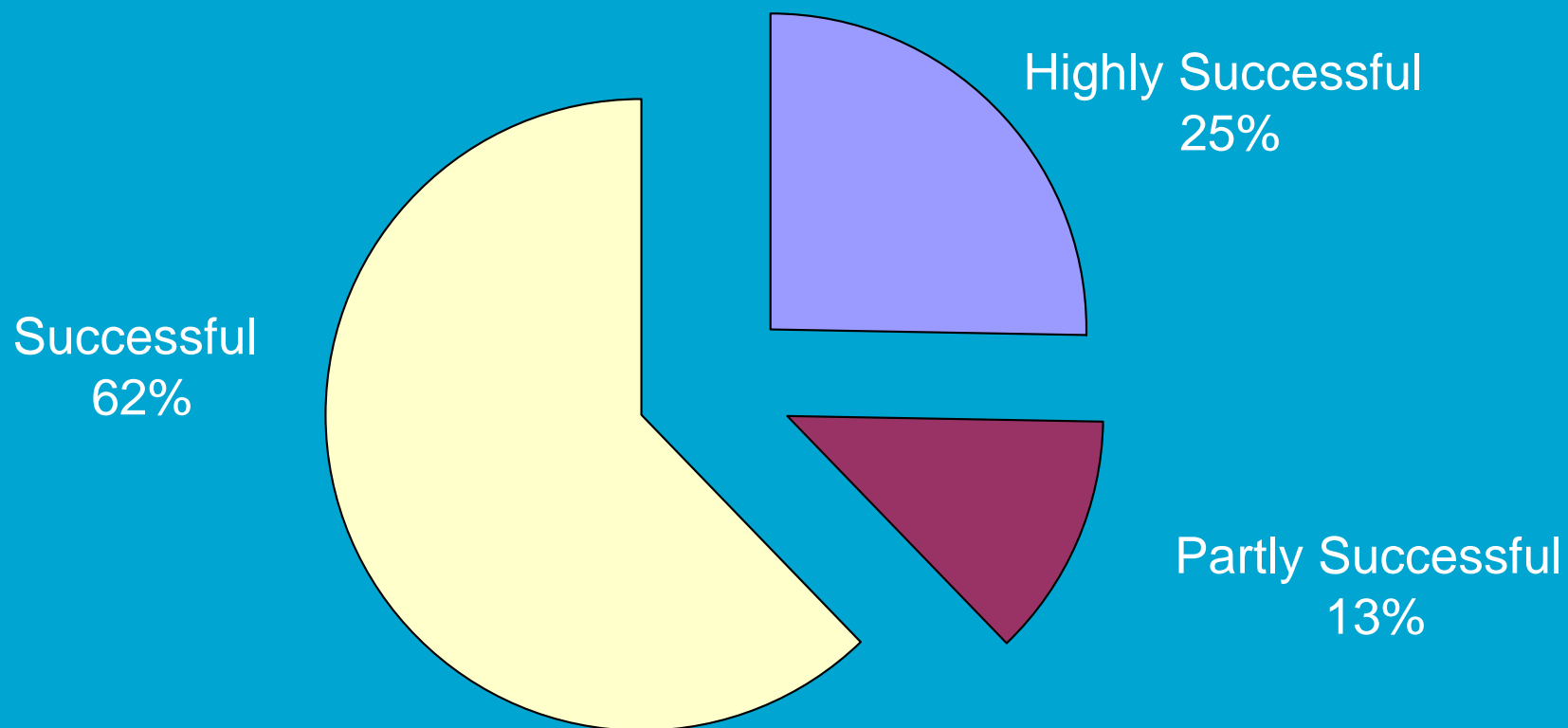


EBRD TC Funds – Tied vs. Untied

- EBRD currently administers 47 untied funds for a total of approximately €462 million (including multi-donor funds)
- A further 76 tied funds are currently being utilised for a total of approximately €420 million.
- On average, tied funds tend to be smaller in size than untied funds.



Performance of Canadian Consultants 2006*



*Contracts awarded by the EBRD or its clients; financed from TC funds (tied & untied) based on project completion reports



Useful EBRD Publications

- Annual Donor Report
- Procurement Policies and Rules
- Country and Sector Strategies
- Download at EBRD.COM

