Introduction

Boosting impact with record investment and a drive for greater effectiveness

The EBRD unveiled historic decisions in 2023 that will strengthen and expand its reach and boost its long-term impact, all while continuing to provide rapid and comprehensive support for Ukraine during the second year of Russia's war on the country.

The Bank secured the support of its shareholders for a €4 billion increase in paid-in capital that will allow it to continue investing at high levels in Ukraine throughout the war and into a subsequent long period of reconstruction.

It also took steps to extend EBRD operations into sub-Saharan Africa and Iraq from 2025.

Further progress was made on its key strategic objectives, addressing the challenges of climate change, promoting inclusive development and accelerating the digital rollout.

At the same time, the Bank continued to streamline its own processes to ensure maximum effectiveness in helping the economies it serves to achieve their own development ambitions.

EBRD investment in 2023

In 2023, the EBRD's own investments hit a new record of €13.1 billion, up €58 million from the previous year. The Bank financed an unprecedented 464 individual projects, up from 431 in 2022.

Total mobilisation – the overall amount of investment the Bank directly mobilised and indirectly unlocked from private sources – in 2023 was €26.2 billion, including direct mobilisation of €2.8 billion.

The EBRD made a net profit of €2.1 billion in 2023, making it the third most profitable year in the Bank's history. This followed a net loss of €1.1 billion in 2022 that was primarily driven by the impact of Russia's war on Ukraine.

Green economy financing amounted to 50 per cent of the Bank's total annual investment volume.

Trade finance made another significant contribution to the EBRD's support for its regions in 2023, with the Bank delivering 1,916 trade deals under the Trade Facilitation Programme worth a record €4.2 billion turnover, up from €3.6 billion in 2022.

The Bank mobilised nearly €1.6 billion in donor funds, including unfunded guarantees, over €409 million of which was signed for Ukraine. The European Union (EU) provided nearly half of the donor resources, in addition to significant contributions from others including Canada, the Netherlands, Norway and Spain.

Ukraine

In Ukraine, the Bank deployed €2.1 billion in 2023, bringing the total finance deployed in the two years since the start of the war to €3.8 billion. The Bank was therefore able to make an immediate difference to people's lives and equip businesses to meet the current challenges and those of the future.

The EBRD's €4 billion increase in paid-in capital – just the third such increase in its 32-year history – will allow the Bank to invest €1.5 billion a year in Ukraine during wartime and to boost its annual investment in the country to up to €3 billion in the future for reconstruction.

Expansion to sub-Saharan Africa and Iraq

After a change to the EBRD's statutes, agreed at the 2023 Annual Meeting in Samarkand, Uzbekistan, momentum gathered behind a gradual expansion of EBRD operations into sub-Saharan Africa and Iraq. EBRD shareholders concurred that the Bank could start investing in six sub-Saharan African countries – Benin, Côte d'Ivoire, Ghana, Kenya, Nigeria and Senegal – and Iraq from 2025.

Türkiye and Morocco

Following deadly earthquakes in Türkiye and Morocco in 2023 the Bank sprang into action with a response plan. Türkiye was provided with emergency and reconstruction financing of €1.5 billion over two years, while Morocco was allocated an earthquake relief and livelihood preservation programme of €250 million over 2023-25.

West Bank and Gaza

The EBRD demonstrated its commitment to supporting the private sector in the West Bank and Gaza, providing a loan of €8.2 million to Pharmacare, a pharmaceutical company, based in Ramallah. It was the EBRD's first transaction with a Palestinian corporate client.

Transformation

As global challenges mounted in 2023, the EBRD continued to deliver on a commitment to shareholders to transform and modernise its processes, and work as effectively and efficiently as possible so as to maximise its impact on economic performance and quality of life in the EBRD regions.

At the heart of this transformation are steps to invest in the IT estate and to modernise, by investing in core client business processes and systems. This will create the right environment to innovate for the future.

But the EBRD does not act alone; it works in lockstep with partner development banks. For example, at the World Bank Group/International Monetary Fund meeting in Marrakech in October, the heads of multilateral development banks (MDBs) pledged to strengthen their collaboration and align individual actions to make a greater impact. They also vowed to explore further ways of expanding their lending capacity.