EBRD and EC sign Framework Administrative Agreement

The European Bank for Reconstruction and Development (EBRD) and the European Commission (EC) have signed their first ever Framework Administrative Agreement that allows the two organisations to continue their close and fruitful cooperation.

EBRD Vice President Philippe Le Houerou and Neven Mimica, European Commissioner for International Cooperation and Development, signed the agreement in Brussels today.

The document sets the standard terms and conditions for all EC-EBRD Agreements. It provides a comprehensive framework to align EBRD-EC activities, to standardise procedures and bring cooperation to a new level. The Framework Agreement provides the basis for future enhanced cooperation, funding arrangements and concrete common activities and projects between the two institutions.

Vice President Le Houerou said: “This document is the cornerstone of our partnership with the EU. The EU is by far our biggest donor, and this agreement represents the deep commitment from both sides to increase our cooperation and our impact. Within this framework we will pursue our common goals of reenergising transition and changing people’s lives in the countries where we invest. From support to small and medium-sized enterprises, infrastructure development, climate change mitigation and energy efficiency, together we have the tools to achieve lasting change.”

Neven Mimica, European Commissioner for International Cooperation and Development said: “The EBRD is one of our key partners in Central Asia and the Neighbourhood and we are very pleased to strengthen even further our already excellent cooperation, to increase the use of innovative financial mechanisms and to support small and medium-sized enterprises. I am therefore delighted to sign this agreement which will facilitate cooperation between both organisations to achieve sustainable development in partner countries.”

Background Information

The European Union is the EBRD’s largest single donor, having contributed 33 percent of donor funding over the last five years in support of EBRD activities across all countries where it works. Funding channels include the Instrument for Pre-Accession Assistance (IPA) for Turkey and the Western Balkans, the European Neighborhood Instrument for countries on the eastern and southern edge of Europe and the Development Cooperation Instrument financing EBRD projects in Central Asia. The EBRD is also an active participant in the regional
blending facilities, which combine grants with investments from European financial institutions.

These facilities include:

1. The Neighbourhood Investment Facility (NIF) is currently the largest blending facility for the EBRD, covering Eastern Partnership countries and the southern and eastern Mediterranean (SEMED) region. The NIF provides grant resources for projects in the transport, energy, financial, social and environmental sectors.

2. The Investment Facility for Central Asia (IFCA) is key for EBRD activities in Central Asia. It covers Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan, and is aimed at promoting investments in the energy, small and medium-sized enterprise (SME), and social sectors.

3. Western Balkans Investment Framework was established in 2009 and it provides technical assistance, grant co-financing and other grant-funded instruments to support sustainable growth in the region. It pools resources from the EU, partner financial institutions including the EBRD, and 19 bilateral donors for investments in the transport, energy, environment and social sectors, and in private-sector development.

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