

# TRANSITION REPORT PRESENTATION CAIRO

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**European Bank**  
for Reconstruction and Development



Introduction to EBRD

EBRD in Southern and Eastern Mediterranean

# What is the EBRD?

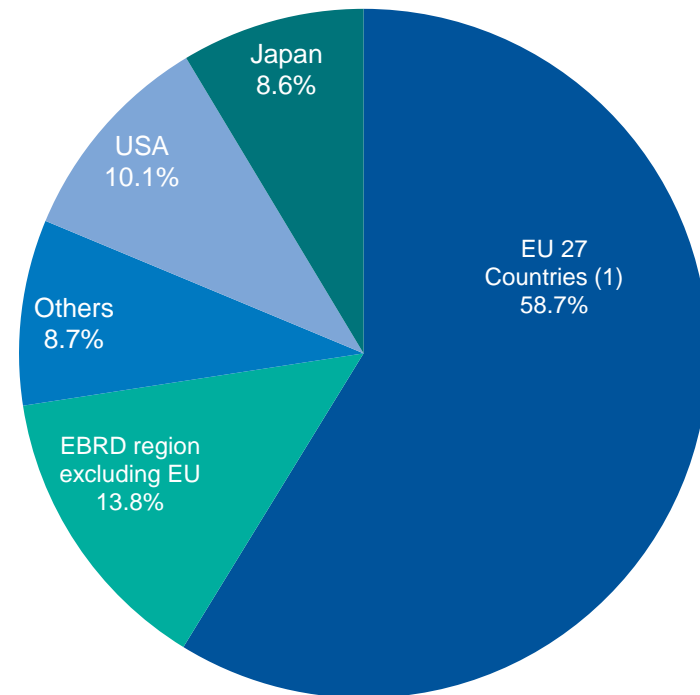
International financial institution, promotes transition to market economies in 35 countries from central Europe to central Asia and the Southern and Eastern Mediterranean – SEMED region.

Owned by 65 countries and 2 inter-governmental institutions (EU, EIB).

EBRD has a AAA rating from all three main rating agencies (S&P, Moody's and Fitch)

Capital base of €30 billion.

In May 2014, during the EBRD annual meeting, Cyprus became a recipient country and Libya's membership was approved.



Shareholding Structure

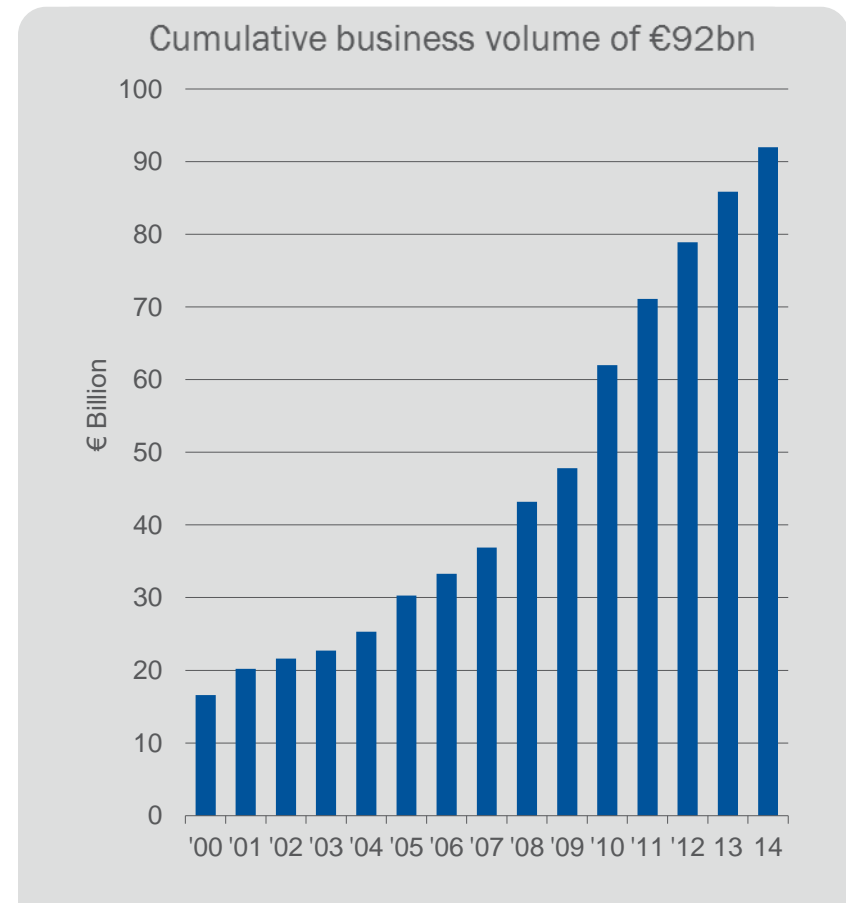
# EBRD's objectives achieved through financing the private sector

Invested over €92 billion in more than 4,105 projects since 1991

As at end of October 2014:

- €5.9 billion invested in 246 projects
- Private sector accounted for 70% share
- Debt 86%, Equity 9% & Guarantee 5%

Note: Unaudited as at 31 October 2014





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# EBRD: in the SEMED Region

- The civil uprising of 2011 created major new transition challenges in the SEMED region.
- In 2011 EBRD shareholders approved an expansion of EBRD's mandate to include four SEMED Countries (Egypt, Jordan, Morocco and Tunisia).
- In November 2013, EBRD Board of Governors granted full Country of Operation status to Jordan, Morocco and Tunisia. The status of Egypt will be reviewed in 2015.
- In 2013 Host Country Agreements were signed with Egypt, Tunisia and Jordan; and in September 2014 with Morocco.



- Permanent offices were opened in Tunis and Amman in 2013. The opening of a permanent office in Egypt took place in November 2014 and is planned in Morocco for 2015.
- Overall the Bank has increased its staff by 107 employees.
- 51 Projects have been signed to date for a total value of €1.4 billion.
- As of end October 2014, over 120 TC projects totalling €67 million have received funding.
- Local currencies are available in Jordan and Egypt. In Morocco a swap agreement has been signed and a local currency investment is being processed. The Bank is negotiating currency swap arrangements in Tunisia.

## Equity

- Common stock or preferred
- Minority position only (up to 35%)
- Mezzanine
- Other
  - guarantees
  - currency swaps

## Loans

- Senior, subordinated, convertible
- Long Term (up to 10 years or more) or Short Term revolving
- Floating/ Fixed rates
- Choice of currencies (€, US\$, Local Currency)





## Operational

- Extensive knowledge of local economy, business environment and practices, local presence
- Engaged minority partner for business
- A business partner who shares risks, including political
- Catalyst to access additional equity, debt and trade finance
- Provides finance to both private and public sector clients
- High standards for corporate governance and compliance

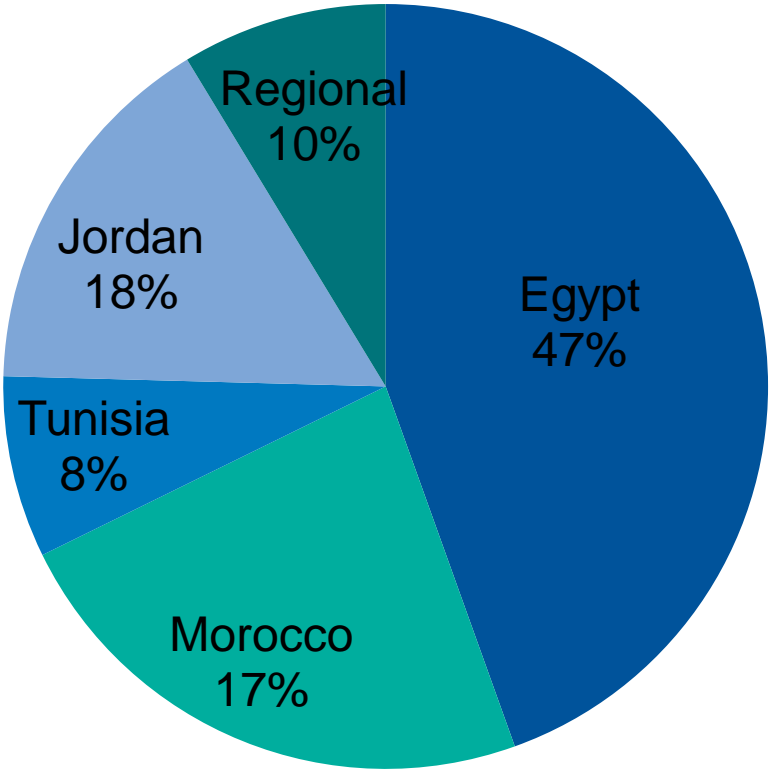
## Institutional

- Strong, internationally recognised financial partner with long-term perspective
- Close working relationships with governments and shareholders
- Political leverage due to EBRD's unique mandate and shareholder structure
- Preferred Creditor Status
- AAA credit rating
- Work closely with market sources of capital to fill “market gaps”

# EBRD: SEMED Investment Projects

	2012		2013		2014 (to date)		Total	
	No.	€M	No.	€M	No.	€M	No.	€M
Projects Signed	6	135	21	446	26	824	53	1406
TFP Agreements Signed	2	29	3	133	6	152	11	314
<b>Class</b>								
Private	6	135	20	386	23	485	49	1006
State	-	-	1	60	3	340	4	400
<b>Instrument</b>								
Debt	4	105	18	405	22	782	44	1292
Equity	2	30	3	41	4	43	9	114

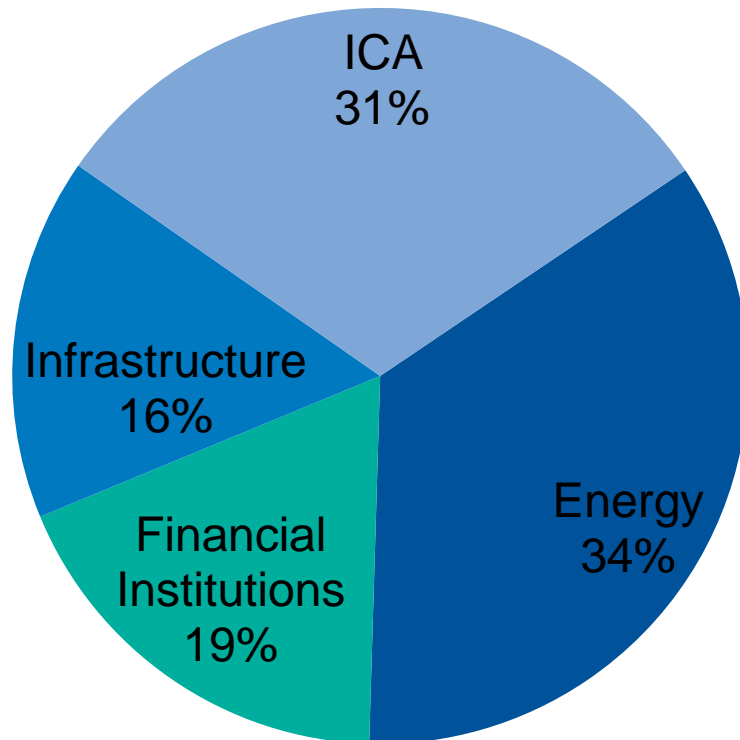
Total Signed Projects by Country



- Egypt - €625 million (15 projects)
- Morocco - €326 million (12 projects)
- Tunisia - €108 million (8 projects)
- Jordan - €223 million (11 projects)
- Regional - €122 million (7 projects)

**Total: €1.4 billion (53 projects)**

Total Signed Projects by Sector



- Energy - €491 million (12 projects)
- Financial Institutions - €257 million (11 projects)
- Infrastructure - €224 million (5 projects)
- ICA: Industry Commerce and Agribusiness - €434 million (25 projects)

**Total: €1.4 billion (53 projects)**

Total project pipeline is estimated at €1.5 billion:

- **Egypt:** 12 projects representing €750 million.
- **Jordan:** 12 projects representing €150 million.
- **Morocco:** 10 projects representing €450 million.
- **Tunisia:** 9 projects representing €150 million.

# EBRD: Operational priorities in SEMED



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for Reconstruction and Development

- Support for the private sector with particular emphasis on SMEs.
- Developing non sovereign financing solutions for infrastructure including PPP structures.
- Promoting sustainable energy and energy efficiency initiatives.
- Supporting and developing local capital markets.



**Thank you!**