

PUBLIC

**DOCUMENT OF THE EUROPEAN BANK
FOR RECONSTRUCTION AND DEVELOPMENT**

**INFORMATION & COMMUNICATION TECHNOLOGIES SECTOR
STRATEGY**

**REPORT ON THE INVITATION
TO THE PUBLIC TO COMMENT**

PUBLIC

1. INTRODUCTION

The objective of this report is to summarise key comments received from stakeholders during the consultation period on the Bank's Information & Communication Technologies (ICT) Sector Strategy and to provide the Bank's management responses. The comments received during the public consultation period were reviewed by the Bank's management and reflected in the Strategy as appropriate.

In accordance with the EBRD Public Information Policy (PIP), the draft ICT Strategy was posted on the EBRD website for 45 calendar days from 23 September 2019. The public was invited to submit comments on the draft strategy no later than 7 November 2019. The previous Strategy was also made available on the EBRD website at <https://www.ebrd.com/what-we-do/sectors-and-topics/ict/overview.html>.

Information about the public consultation process was posted on the EBRD's dedicated webpage "Have your say", which highlights the latest opportunities for the public to comment on the Bank's policies and strategies under review. In addition, targeted notifications of the consultation process were sent to national and international civil society organisations (CSOs).

One set of written comments on the draft ICT Strategy was received during the public consultation period.

2. PUBLIC COMMENTS AND BANK RESPONSES

Summary of comments	EBRD Responses
The Bank's Approach in the ICT Sector	
<p>A CSO indicated the significant greenhouse gas emissions and resource waste impacts of the ICT sector.</p>	<p>The Strategy specifies the potential and the objective to reduce emissions and waste, by supporting the development of green infrastructure investments as well as Climate Smart ICT. Not only the ICT sector, but also other industries are facing challenges due to climate change and energy efficiency and are relying on new and innovative technologies to manage and reduce energy consumption and CO2 emissions. The Strategy notes that the Bank aims to combat rising electricity consumption and CO2 emissions and will continue to engage on resource efficiency, re-use and electronic waste management.</p>
Environmental and social issues and impacts (Annex II)	
<p>A CSO expressed concern about potential supply chain impacts, in particular social and environmental impacts of raw materials mining and ICT manufacturing. In this context, the importance of safeguarding labour rights in line with national legislation and ILO standards was pointed out.</p> <p>The CSO suggested that the Bank should embed specific tools in the ICT Strategy to prevent potential negative supply chain impacts. The Bank should make compliance with relevant international standards mandatory for its clients. Mechanisms to ensure compliance should be indicated in the Strategy. Supply chain effective risk-based due diligence should be developed as well as guidance on responsible supply chain management and assessment.</p> <p>It was also suggested that the Bank should require the development of verification schemes for primary supply</p>	<p>Comment noted. According to the Strategy, the scope of the Bank's investments in the ICT sector and namely of its work with operators (rather than manufacturers), includes network infrastructure, new technology and early stage innovative companies, IT services, privatisation and commercialisation. Consequently, the sector's environmental and social impacts, including supply chain issues, are expected to be limited.</p> <p>Nonetheless, all EBRD projects are structured to comply with the Bank's Environmental and Social Policy (ESP) and associated Performance Requirements (PRs). PR 2 covers "Labour and Working Conditions" and makes reference to relevant ILO standards. The Bank's revised ESP and PRs (effective from January 2020), while continuing to focus on primary suppliers as is the case in the existing ESP and PRs, takes into account reported risks in lower tiers of clients' core supply chains. Furthermore, the Bank is developing internal guidance on addressing labour risks in supply chains. PR10 sets out the Bank's requirements on Stakeholder Engagement and Information Disclosure.</p> <p>The Bank is committed to the respect for human rights and promotes good international practice in all the projects it finances. Furthermore, all projects are structured to meet EU environmental principles, practices and substantive standards, regardless of their geographic</p>

<p>chains of clients to ensure compliance with best international standards and practices in terms of procurement.</p> <p>Furthermore, the need for increased transparency and meaningful stakeholder engagement in the ICT supply chain was pointed out alongside the need to conduct monitoring against potential negative human rights and environmental impacts, including for equipment suppliers and companies involved in all levels of production. The CSO suggested that the Bank should make provisions for independent supply chain monitoring.</p>	<p>location.</p>
<p>General/ cross-cutting issues</p>	
<p>Interconnection with other Bank strategies and initiatives, such as the Green City Action Plans, should be demonstrated in the ICT Strategy.</p>	<p>Slide 6 as well as Annex I and II list relevant Bank-internal cross-sector cooperation and point out the link with the Bank's Environmental and Social Policy. The Strategy highlights the need for increased cross-sector collaborations, and points to the importance of new technologies in supporting the closer integration of services such as telecom, banking and utilities. Moreover, the ICT sector features in the Bank's Smart City concept.</p>