Position Specification

European Bank for Reconstruction & Development (EBRD)

Vice President, Risk and Compliance (Chief Risk Officer)
The European Bank for Reconstruction and Development

The European Bank for Reconstruction and Development is a regional multilateral development investment bank. It was founded to contribute to a new post-Cold War era in Central and Eastern Europe, fostering transition towards ‘market-oriented economies and the promotion of private and entrepreneurial initiative’. The EBRD is owned currently by 68 countries from five continents, the European Union, and the European Investment Bank. Uniquely for a development bank, the EBRD has a political mandate in that it assists only those countries ‘committed to and applying the principles of multi-party democracy [and] pluralism’. It is active currently in 38 countries and territories across Europe, Central Asia and the Southern and Eastern Mediterranean, where it is a leader amongst international financial institutions and beyond. In 2018, the Bank made its first investments in Lebanon and the West Bank and Gaza, and resumed major investment in Uzbekistan.

The EBRD invests more than €9 billion each year in project financing for banks, industries and businesses, both new ventures and investments in existing companies, and continues to attach particular importance to investments linked to ‘transition impact’ - a measure of the impact of a project on the progress of a country’s transition to becoming a mature market-based economy. Each of the Bank’s projects is tailored to the needs of the client and to the specific situation of the country, region and sector. More than 70 per cent of EBRD’s investments are in the private sector, but it also works with publicly owned companies (in particular in the context of commercialisation and privatisation). The EBRD provides loan and equity finance, guarantees, leasing facilities, and trade finance. It is an active investor in multiple strategic sectors fostering sustainable long-term growth: financial (with SME support a priority); diversified corporate; agribusiness; and infrastructure such as transport, energy and municipal services. It also manages six nuclear safety and decommissioning funds.

Looking to the future, the Bank and its shareholders remain committed to their Medium-Term Directions (MTDs) to re-energise transition through three main areas:

▪ building transition resilience through strong policies, institutions, and economic structures;
▪ supporting market integration to reinforce efficient markets and promote reform; and
▪ addressing common global and regional challenges such as climate change and food security.

In 2018, the Bank signed 395 projects and invested €9.5 billion, demonstrating that quantity, quality and innovation have gone hand in hand. High-impact initiatives such as the Investment Climate and Governance Initiative (ICGI) and Green Economy Transition demonstrated early, strong results. The Bank devoted 36 per cent of its total 2018 investment (€3.4 billion) to the green economy, demonstrating the EBRD is well-placed towards the 2020 green investment target of 40 per cent.

Moreover, the Bank continues to galvanise other actors, including the private sector, to ensure that the EBRD and its partners best deliver the Sustainable Development Goals by 2030. As major
economic and political challenges affect the pace of transition in many EBRD countries, the Bank launched additional high-impact initiatives focused on increased lending in local currencies, financing for women entrepreneurs, and legal reform projects. In 2019, the Bank will begin implementing its new strategy for the energy sector, increasing investment in renewable energy and eliminating financing for coal. Country strategies will now start featuring enhanced statements on compliance and revised good governance policies will be launched.

Leveraging these areas in which the EBRD has a distinctive advantage, the EBRD may expand into new countries of operation throughout Sub-Saharan Africa and new parts of the Middle East; this could raise its lending by as much as a third. In keeping with these priorities, the EBRD combines investment activities, policy dialogue, and capacity building to ensure balanced impact. It strives in all its work to support its countries of operation in becoming more competitive, better governed, greener, more inclusive, more resilient and more integrated.

The Role

The Vice President, Risk and Compliance (Chief Risk Officer) (VP CRO) leads the EBRD’s Risk and Compliance functions. Risk and Compliance are a fundamental pillar of the Bank’s business with the prime responsibility of ensuring the independent risk management of the EBRD’s Banking (including environmental and social considerations) and Treasury exposures.

This role reports directly to the President of the European Bank for Reconstruction and Development, and is a key role, which is part of the executive leadership of the EBRD, leading and managing change, and contributing to the Bank’s future strategic direction.

The Risk and Compliance Vice Presidency totals about 220 staff and comprises four teams:

1) **Risk Management** - Risk Policy & Analytics, Corporate and Project Finance and Country and FI Credit Risk Management, Equity Risk Management, Corporate Recovery, and Operational Risk Management; responsible for the independent management of credit and market risks arising from the Banking and Treasury portfolios, and operational risks arising in of the EBRD’s activities.

2) **Environment & Sustainability** - EBRD’s Environment and Social Policy; assessing environmental and social risk and impacts of projects, working towards high international standards with client action plans; and administering two key multi-donor environmental funds.

3) **Procurement, Policy and Advisory** – EBRD’s procurement policies and rules; ensuring and enabling proper implementation of these by the Bank’s clients in the Bank’s investment projects.
4) **Office of the Chief Compliance Office** (administrative reporting line to this role) –

Policies related to code of conduct, project integrity, information barriers and domiciliation. Ensuring high standards of integrity, ethics and governance are applied to all activities of the Bank in accordance with international good practice.

**Key Responsibilities and Deliverables**

The Vice President, Risk and Compliance (Chief Risk Officer) is responsible for the formulation, delivery, communication and implementation of the Bank’s strategies and policies in the area of risk management regarding risk appetite, Banking (including environmental and social policy, integrity, domicile and procurement considerations) and Treasury exposures, operational risks and information security.

S/he will work proactively with the Board and Executive Committee in implementing a sound risk and compliance management frameworks that provides an efficient and flexible risk-based approach to identifying, reporting and monitoring on risk and compliance across the bank and to manage planned and unplanned events. The frameworks will need to cover all principal risks faced by the bank including (but not limited to) Operational, Strategic, Conduct, Credit, Market, Compliance (Regulatory) and Prudential risks. Where change may be required, the VP CRO will ensure that the Bank complies with all relevant legal and regulatory requirements.

S/he will ensure the risk appetite and compliance culture is embedded within the organisation and appropriate limits, escalation, and reporting are established via teams across all risk disciplines within the bank. The VP CRO will assess on an on-going basis whether risks are being adequately controlled and where future issues may arise, and will identify potential solutions. Through careful observation, s/he will identify whether there are any thematic risks arising across the organisation, and will offer proactive advice and solutions in ensuring the currency and relevance of the Bank’s approach to risk and compliance.

**Leadership and supervision of:**

- Second line of defense through the independent assessment of the credit quality of Banking projects throughout the project creation and repayment cycle, based on the principle of sound banking;
- The assessment, approval and surveillance of the credit process for Treasury activities;
- The ongoing oversight and management of the portfolio, market risk, portfolio credit risk modelling, and economic capital calculation;
- The work-out team for impaired Banking assets;
- The assessment and management of environmental and social considerations associated with Banking operations;
- The assessment of integrity and domiciliation aspect of the Bank’s counterparties (Banking and Treasury);
- Client procurement associated with Banking Operations; and
Position Specification

Ref: Vice President, Risk and Compliance (Chief Risk Officer)
European Bank for Reconstruction & Development (EBRD)

- Operational risk and information security.

In addition, the VP CRO oversees the administration of two multi-donor environmental funds operated by the Environmental and Sustainability Department:

1) The Northern Dimension Environmental Partnership (NDEP) Support Fund deals with nuclear and environmental challenges in the north-west of Russia and northern Belarus.

2) The Eastern Europe Energy Efficiency and Environment Partnership (E5P) Fund. The E5P fund aims to facilitate investment in energy efficiency and environmental projects, reduce greenhouse gas emissions and promote policy engagement and regulatory reforms in Ukraine, Armenia, Belarus, Georgia and Moldova.

The Vice President, Risk and Compliance is also responsible for:

- Effective leadership, motivation and management of the staff in the Vice Presidency to deliver on annual and strategic objectives to the highest possible service standards.
- Providing advice and guidance on all matters pertaining to risk management to the Executive Committee and relevant leadership
- Developing and implementing strategies, which ensure a balance between the overall risk assumed in carrying out the Bank's transition mandate.
- Establishing and maintaining, within her/his extensive international network and together with direct reports, highly respected and collaborative relationships at the most senior levels in counterparty international institutions in order to remain apprised of global best practice in all areas of responsibility.
- Identifying with diversity as a strategic imperative and, with senior management colleagues, promoting the value of diversity throughout the organization.
- Assisting the President by representing the Bank in high-level external business and political fora.

Committee Memberships

The Vice President, Risk and Compliance (Chief Risk Officer) is a member of EBRD’s Executive Committee, the Management Committee and the Bank’s Operations and Equity Committees. S/he chairs the Risk Committee. The VP CRO will make a positive and effective contribution to the Executive Committee and other committees of which s/he is a member, providing input into the development, presentation and implementation of the strategic and annual business plans specifically where risk exposures may change. S/he will provide an appropriate level of challenge to and act as the ‘risk conscience’ of the Executive Committee on all strategic and commercial matters.

Candidate Profile

The Vice President, Risk and Compliance (Chief Risk Officer) role requires a seasoned risk leader, who will have the gravitas and experience to have immediate credibility with the Board, Executive
Position Specification

Committee and the wider business. The role requires someone who is pragmatic, professional and highly experienced, knowing what the material issues are and what does not require time and resource.

S/he will be a strategic risk leader, adept in driving and managing significant functional improvement and elevating the risk function’s status and role within the business. S/he will be a strong people leader and manager with a results-orientation and who excels in a complex, culturally diverse environment. The VP CRO will be a compelling communicator and a trusted partner and advisor who can challenge and support the business effectively.

Candidates for the role will possess the following:

Knowledge, Skills, Experience & Qualifications

▪ Degree or post graduate degree or equivalent experience.
▪ A proven professional track record in Risk and Compliance management and leadership as well as extensive knowledge and relevant experience in banking, capital markets, emerging markets in particular, gained in the commercial or public sector.
▪ In depth technical knowledge and practical experience of risk management methods and PRA/FCA regulation and regulatory processes.
▪ A good understanding of the EBRD’s mandate and its implications for the contribution of the work of the Vice Presidency to the Bank’s overall delivery.
▪ Highly developed negotiation skills proven to yield positive outcomes with senior counterparts, both internal and external.
▪ Strong general business acumen.
▪ Strong presentation skills and ability to represent the Bank at international fora, including presenting to large multi-cultural audiences.
▪ Demonstrable corporate behaviour and track record in being part of a cohesive executive leadership team, encompassing experience of change management. Proven ability to serve as an inspirational and effective leader and manager of a large, diverse team.
▪ Strong partnership skills to enable positive engagement and contribution to the Executive Committee, and other senior management committees, to contribute to the cohesiveness of the Bank’s senior management and its drive behind the EBRD’s continuous improvement programme.
▪ Personal integrity and a commitment to highest ethical standards.
▪ Commitment to the mandate and multi-cultural environment of the Bank.

Desired Competencies

Setting Strategy

▪ The ability to create and articulate an inspiring vision allied with the ability to map business strategy into workable and sustainable long-term risk mitigation strategies.
▪ The inclination to seek and analyze data from a variety of sources to support decisions and to align others with the organization’s overall strategy.
▪ An entrepreneurial and creative approach to developing new, innovative ideas that will stretch the organization and push the boundaries within the industry.
The ability to effectively balance the desire/need for broad change with an understanding of how much change the organization is capable of handling, to create realistic goals and implementation plans that are achievable and successful.

**Executing for Results**
- The ability to set clear and challenging goals while committing the organization to improved performance; tenacious and accountable in driving results.
- Comfortable with ambiguity and uncertainty; the ability to adapt nimbly and lead others through complex situations.
- A smart risk-taker who seeks data and input from others to foresee possible threats or unintended circumstances from decisions.
- A leader who is viewed by others as having a high degree of integrity and forethought in his/her approach to making decisions; the ability to act in a transparent and consistent manner while always taking into account what is best for the Bank.

**Leading Teams**
- Demonstrable corporate behaviour and track-record of being part of a cohesive executive leadership team.
- Strong leadership, management and communication skills combined with an ability to motivate highly skilled senior professionals to deliver business objectives effectively in a multi-cultural, results oriented organisation.
- Champion and role model the Bank’s Behavioural Competencies and Corporate Behaviours, ensuring adherence within the team(s) so that the highest standards of integrity and ethical conduct are exhibited at all times.
- The ability to attract and recruit top talent, motivate the team, delegate effectively, celebrate diversity within the team, and manage performance; widely viewed as a strong developer of others.
- The ability to persevere in the face of challenges, and exhibit a steadfast resolve and relentless commitment to higher standards, which commands respect from followers.

**Relationships and Influence**
- Naturally connects and builds strong relationships with others, demonstrating strong emotional intelligence and an ability to communicate clearly and persuasively.
- An ability to inspire trust and followership in others through compelling influence, powerful charisma, passion in his/her beliefs, and active drive.
- Encourages others to share the spotlight and visibly celebrates and supports the success of the team.
- Creates a sense of purpose/meaning for the team that generates followership beyond his/her own personality and engages others to the greater purpose for the organization as a whole.

**Personal Attributes**
- Proactive with strong personal integrity and a commitment to the highest ethical standards.
- Strong interpersonal skills with the ability to build positive relationships by promoting co-operation internally and externally.
Position Specification

- Independence of mind, with a reputation for a high standard of professionalism and for engaging in a forthright manner.
- Sound judgment combined with humility and a focus on personal development and learning, professional adaptability with the ability to innovate and deliver new policies and systems.
- Strength of personality and robustness of intellect.
- Familiarity and ease with a variety of cultures and comfort with diverse groups.

This scope of this role is dynamic and is not limited to responsibilities set out above. It will evolve over time and as a result of further organisation reviews.

Additional Requirements

- Knowledge of a language(s) of Bank member countries, in addition to fluency in English, would be desirable.

Terms of Appointment

The role will be based in London, UK out of the EBRD’s headquarters. The Vice President, Risk and Compliance (Chief Risk Officer) will be appointed for an initial four-year term with the opportunity to renew for a second term through mutual agreement.

Nationals of EBRD shareholder countries are eligible to apply. For more information on eligibility, please refer to the EBRD website: http://www.ebrd.com/careers-at-the-ebrd.html
How to Apply

To apply, please send a full CV together with a supporting statement, briefly highlighting your experience and skills against the requirements of the role, to responses@russellreynolds.com. Please include the role title in the subject of your email. All applications will be acknowledged.

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