

OeEB Management Response

We particularly welcome the following results of the external evaluation:

OeEB has grown in just 14 years to become the 7th largest European DFI with an investment portfolio of approximately EUR 1.47 bn by the end of 2021 and is showing a significant development impact. It has a relatively large and diversified climate investment portfolio, being the largest private contributor to international climate finance in Austria. OeEB shows a robust business model with a high resilience to financial shocks.

OeEB appreciates the finding that it shows strengths with regards to its motivated and knowledgeable staff, a good structuring knowledge with a high proportion of bilateral deals executed by OeEB itself (>85%) and a high efficiency compared to its peers with the conclusion of being the most efficiently operating European DFI both in terms of assets under management and annual commitments per staff member.

OeEB strives to solve and balance conflicts of interest between various stakeholders to further sharpen OeEB's strategy, organization, impact, etc. and we appreciate the finding that most of the recommendations will need commitment of OeEB's various stakeholders. This concerns for instance the creation of framework conditions that allow further progress towards achieving certain strategic objectives (e.g. the evaluation of risk appetite and guarantee fees in relation to impact expectations), the consideration of OeEB's limited resources, cost constraints and regulatory banking requirements embedded in the bank's business model in cooperation with OeEB's owner OeKB, as well as the recognition that several recommendations require additional funding and resources (such as local offices, business advisory services, climate adaptation projects, new challenges Ukraine, etc.) that need to be discussed and approved by OeEB's owner OeKB in cooperation with MoF.

The evaluation provided OeEB with valuable considerations especially regarding the formulation of objectives for the 2024 – 2028 strategic period. OeEB is already working on the implementation of some prioritized recommendations (e.g., adjusting the DERA as the bank's impact measurement and rating tool to better align with OeEB's strategic objectives).

In this sense, OeEB wants to particularly highlight the following strategic recommendations for its forthcoming strategy development process:

- Remain a thematically focused development bank
- Broaden the strategic climate finance objective beyond the renewable energy focus
- Review the methodology how to track the climate investment KPIs
- Sharpen focus between the strategic objectives
- Create framework conditions where certain KPIs can be met realistically
- Increase the equity instrument to take more risk and to reach better strategic KPIs (OeEB's equity business is the smallest among EDFIs).

Sabine Gaber
Member of the Executive Board

Michael Wancata
Member of the Executive Board