

BELGIUM

ANNUAL MEETING OF THE EBRD

KIEV, 19 May 2008

Statement by Didier Reynders

Deputy Prime Minister and Minister of Finance of Belgium

Mr. Chairman of the Board of Governors, Mr. President of the Bank, Colleagues, Ladies and Gentlemen,

I should like to begin by thanking the Ukrainian authorities and in particular those of the city of Kiev for the warmth of their welcome and their efforts to enable the 2008 Annual Meeting to be held in one of our countries of operations, as shown by the opening of an additional regional office at Dniepropetrovsk.

The 12 months which have elapsed since our last meeting at Kazan have been particularly eventful and important for our institution.

With regard to the operational results, some statistics will illustrate the dynamism of the Bank's teams: 5.6 billion euros of new projects, the highest volume of operations ever achieved, 353 projects signed and continuing very high quality of projects, the transition impact of which has been rated as good or excellent in 89 per cent of cases. The Bank's financial results are also very good, as a result of which we are today, for the second time in the life of this institution, taking a decision on the distribution of profits. The Board of Directors has submitted a proposal for distribution under three headings: support for the Bank's activities, advancement of the work to make Chernobyl secure and the establishment of a framework guaranteeing the sustainability of the EBRD's work. I fully endorse this proposal, because it offers us a balance between present and future activities and shows the way for enhanced cooperation between the Bank and donors. So far as Chernobyl is concerned, I should like to tell our Ukrainian friends how much Belgium has always shown solidarity with the efforts made, with the assistance of the international community, to ensure its safety. But I should also like to emphasize that the Bank has been strengthened following the discussions which enabled us to reach this proposal: the process has helped to clarify the Bank's priorities up to the end of 2010 and to set out a framework for its activity which will enable us to start the next programming period with adequate financial resources.

The past 12 months have been very much marked by the consequences of the sub-prime mortgage crisis. These circumstances have strengthened the role of, and the need for, an institution like the EBRD, because it can provide the security which economic actors need.

The success of the Bank's work can also be seen in 2007 in the decision taken by the Czech Republic no longer to request the Bank's support to finance new operations. The Czech economy has reached a stage of economic transition which enables the EBRD to withdraw, because private financial entities now offer the products and conditions that meet the need for economic development. This is a success for the EBRD and the Czech authorities, to whom I express all my congratulations. Other EU members are preparing to adopt the same decision in the months or years to come, and we welcome this.

Today, we are also adopting another resolution that is important for the EBRD, initiating the process of conferring the status of a country of operations on Turkey. I am strongly in favour of this, because EBRD assistance for the modernisation of the Turkish economy will contribute to the development of the entire region stretching from the Balkans to Central Asia. The EBRD will have to assume its role there in effective cooperation with other international financial institutions, particularly the EIB, and the European Commission.

I should like to end by referring to an event which will have a profound impact on the Bank: the departure of Jean Lemierre after eight years as President. I should like to express to you, dear Jean, my appreciation for the work you have done. Under your presidency, the Bank has been strengthened, has greater credibility and has gained in efficiency. We owe this to your personality, your professionalism and your passion for the Bank's mandate. I thank you and your family.

Your succession will be a great challenge and I wish to assure Thomas Mirow of my personal support and that of the Belgian delegation as he takes it up. I have no doubt that the human and professional qualities of our future President will enable the EBRD to continue to work along the lines set out by his predecessors.

Thank you.