

# SWEDEN

**EBRD Annual Meeting, 18-19 May 2008, Kiev**

**Statement by Björn Fritjofsson, Director, Ministry of Finance and  
Temporary Alternate Governor of the EBRD for Sweden**

*Check against delivery*

Mr Chairman, Mr President, Governors, Ladies and Gentlemen,

The EBRD is a very well-functioning institution with proven competence in private sector development and an effective business model. I especially appreciate EBRD's risk-taking and innovation capacity, its conditional financing and its effective review systems. To be effective in its transition mandate, it is crucial, and it will continue to be absolutely central, that the EBRD adheres to the highest standards when it comes to integrity and corporate governance. Another important challenge for the Bank is gender equality mainstreaming and Sweden welcomes recent initiatives taken by the Bank in this respect.

EBRD's success is demonstrated by the good performance of the businesses that EBRD invests in and the profits of the Bank. I fully support the proposed allocation of 2007 net income. We should build up EBRD's reserves to be able to withstand economic downturns and be responsive to the needs of the region in the future. I also welcome very much to use part of the profit to provide complementary technical and grant assistance in connection with EBRD's operations and to Chernobyl nuclear safety.

Bilaterally, Sweden appreciates the large and long-standing donor cooperation with the EBRD and look forward to continued cooperation in the future. In a regional context, an improved environmental situation in the Baltic Sea is a high priority for Sweden. The work in the Northern Dimension Environmental Partnership should continue and the focus should be on projects with the largest cross-border environmental effects. I welcome the allocation of part of EBRD's profit for this purpose and look forward to a successful replenishment.

Sweden fully supports Turkey's application to become a country of operation of the EBRD. I believe that EBRD's business model can be of good use to support further development and EU integration in Turkey. Regarding the process forward, we support and fully adhere to the proposed roadmap and expect the Board of Governors to take a decision in October.

Let me now turn the attention to the perhaps most important global challenge that we face – climate change. The international community should work hard to agree on a comprehensive global strategy, centrally featuring a post-Kyoto Protocol climate treaty to be adopted at the international climate conference in Copenhagen in 2009. I also want to underline that economic growth and emission reductions should and indeed can be combined. The Swedish economy has for example grown by 44% since 1990 and at the same time, emissions have been reduced by 9%. I believe that pricing mechanisms are needed to promote an environmentally-friendly society in an economically efficient way.

We need to build a global carbon market to redirect financial investments and to deliver sufficient funding. We also need investments in research and new technology. This is crucial in order to be able to achieve a global solution.

International financial institutions, including the EBRD, have an important role to play and should cooperate closely. I strongly support EBRD's Sustainable Energy Initiative and continued scaling-up of the Bank's investments in energy efficiency and cleaner energy. I therefore strongly welcome to use part of EBRD's profit to support EBRD's work on climate change. Sweden is very pleased to contribute to this effort also bilaterally. We must act together to make a difference and tackle global warming efficiently and effectively.

I would like to take this opportunity to express my sincere appreciation to Mr Lemierre for his excellent work as President of the EBRD. Under the committed leadership of Mr Lemierre, the Bank has developed in a very successful way. I would also like to very much welcome Mr Mirow as the new President of the Bank.

Finally, I would like express my warm thanks to the Ukrainian authorities for their hospitality in welcoming us all to Kiev.

Thank you!