

Czech Republic – EBRD 2025 Annual Meeting

Final Statement (for publication)

Dear Madam President, esteemed Governors, dear colleagues,

It is a pleasure for me to address this assembly today on behalf of Czechia.

We are meeting at a time of profound geopolitical and economic uncertainty. The war on Ukraine remains the defining challenge of our region first and foremost for Ukraine itself, but with far-reaching consequences well beyond its borders. Its impact is being felt across many regions, disrupting energy markets, trade flows, investor confidence, and geopolitical stability. In this context, we strongly welcome the EBRD's new Strategic and Capital Framework, which comes at a critical juncture.

We particularly welcome the clear prioritisation in the SCF: exceptional support to Ukraine, the green transition, and a sharpened focus on the areas where the Bank's value-added is greatest. Czechia congratulates the President and her team for forging consensus around a balanced and forward-looking agenda. These priorities reflect not only the urgent needs of the present, but also the areas where the EBRD is uniquely positioned to deliver long-term impact.

Czechia has been a strong and consistent advocate for Ukraine since the outset of the war. We welcome that the SCF places Ukraine where it must be at the top of the Bank's priorities. The capital increase agreed in 2023, to which Czechia subscribed, was designed to provide the resources needed to sustain and scale this exceptional support. We believe it is important that these resources remain clearly focused on Ukraine's recovery and reconstruction, in line with the consensus reached among shareholders.

We are pleased to see the green transition reaffirmed as a defining pillar of the Bank's work. In Czechia, decarbonization remains a major structural challenge. The Bank's role in helping countries reduce their dependence on fossil fuels, expand renewables and energy efficiency, and deliver a just transition in carbon-intensive areas is crucial. These investments also contribute to energy security, where the EBRD has supported diversification efforts, and in our opinion should also include responsible use of nuclear energy.

At the same time, we must recognise a growing constraint: many countries in Central and Eastern Europe - and increasingly beyond - will need to significantly increase defence spending to ensure national and regional security. While necessary, this shift will reduce the fiscal space available for long-term investments in decarbonisation, infrastructure, and economic transformation. That emerging reality makes the EBRD's catalytic role more vital than ever. Without crowding in private capital and providing targeted support, the green transition risks slowing - especially in regions already exposed to elevated geopolitical risk.

This evolving fiscal and security context only reinforces the case for the Bank's continued engagement in advanced transition countries and across its broader region of operations. While many countries have made substantial progress in their transition, important structural gaps persist in capital markets, SME access to finance, and climate-aligned infrastructure. Public sector delivery capacity also remains uneven. Moreover, geopolitical instability continues to weigh on investor confidence. In this environment, the EBRD's presence is not only justified but

essential to sustain transition, support resilience, and ensure that these economies remain strong partners in Ukraine's wider recovery.

Looking beyond the Bank's current region, we recognize the decision to expand the Bank's operations to Sub-Saharan Africa and are pleased to greet representatives from this new region at the Annual Meeting. This is a natural and measured evolution of the Bank's mandate. At the same time, we believe the Bank must follow the agreed principles of gradual, limited, and carefully managed expansion. Financial resources dedicated to Ukraine - particularly those stemming from the 2023 capital increase - must remain clearly prioritised and protected. Costs associated with this expansion must be transparently managed and should not detract from the Bank's commitments to Ukraine and to its existing countries of operation.

A core strength of the EBRD lies in its ability to mobilise private capital where public resources are constrained. This will become even more critical as governments in our region shift more of their fiscal capacity toward defence and security. We therefore encourage the Bank to deepen its support for SMEs, capital markets, equity investment, and Public-Private Partnerships particularly in areas aligned with the green transition and long-term competitiveness. These are the tools that will ensure the EBRD continues to deliver impact where it is most needed.

In conclusion, Czechia strongly supports the EBRD's mission and the new Strategic and Capital Framework. The scale of today's challenges demands clarity of purpose, operational discipline, and deep partnerships. With this, the Bank can deliver meaningful and lasting impact for Ukraine, for Central and Eastern Europe, and across all its regions of operation.

Thank you.