

**Statement from the Governor for the United Kingdom,
The Rt Hon Rachel Reeves, Chancellor of the Exchequer
Annual meeting of the European Bank for Reconstruction and Development
15 May 2025**

1. Thank you, Chair, and thank you Madame President. It is my great pleasure to welcome the EBRD back to its home city of London for the first in-person Annual Meeting in nine years, and I am proud of the strong partnership that has endured between the UK and the Bank since its founding in 1991.
2. Being here in Canary Wharf, home to the Bank and some of the UK's most successful financial services firms, is a reminder of the importance of private enterprise in creating the conditions for growth and sustainable development in the EBRD's countries of operation. This is something rooted in the DNA of the Bank, and I look forward to seeing even greater collaboration with firms in the City of London and beyond. I will focus my remarks today on the UK's five shareholder priorities for the EBRD: Ukraine, climate, gender, private capital mobilisation, and SSA expansion, as we today agree the five-year Strategic and Capital Framework (SCF) for the Bank.
3. **First, on Ukraine.** The United Kingdom condemns Russia's illegal war on Ukraine and will continue to stand united with the international community against Russia. With strong shareholder support, the EBRD has made an impressive contribution to Ukraine's resilience and reconstruction, with more than EUR7bn having been invested in vital sectors of Ukraine's economy since February 2022. I am pleased to confirm that the UK has paid in the first part of our contribution to the capital increase which will allow the Bank to build on this investment, and I strongly support the commitment set out in the SCF to put Ukraine at the centre of the Bank's work going forwards. The Bank should seek to leverage this capital base and implement the recommendations of the G20 Capital Adequacy Framework review in order to maximise the impact of shareholders' contributions.
4. Lasting prosperity in Europe will require commitment to a strong and enduring recovery and reconstruction effort in Ukraine. To achieve this, there will need to be a significant scaling up of the Bank's operations,

including project pipelines and innovative financing mechanisms. I welcome the Bank's role in catalysing private investment to meet Ukraine's vast financing needs. The Ukraine Recovery and Reconstruction Guarantee Facility is a prominent example of how the Bank can use innovative financial solutions to encourage private sector investment by making insurance premiums widely available and affordable to investors within Ukraine. The UK also commends the Bank's partnership with British International Investments and the Agence Française de Développement to facilitate Ukraine's cross-border trade. The Bank must continue to innovate in the way that it mobilises private capital to address critical barriers to Ukraine's economic resilience and prosperity, particularly as we look ahead to the vast costs of reconstruction.

5. **Second, on climate**, the Bank has played a leading role through its involvement with the London-based Climate Investment Funds' Capital Markets Mechanism last year, which the UK strongly supports. As agreed at COP29, MDBs play a vital part in mobilising climate finance. I congratulate the Bank in achieving green economy financing of 58% of the bank's total investment volume last year, exceeding the 50% target. The Bank should continue in its ambition to grow its volumes of green finance and this should be captured in the Green Economy Transition Strategy that the Board of Directors will discuss and agree over the coming months. Assisting Countries of Operation in achieving their Nationally Determined Contributions under the Paris Agreement should remain a key objective of the Bank, and alignment of the EBRD's own operations with the Paris Agreement should continue as it has since the end of 2022. Further, I would like to see a renewed focus on measuring and assessing the impact of the Bank's activities, not just on climate but across all areas of the Bank's business, across the next SCF period and particularly a shift towards outcome and impact results.
6. **Third, the UK also welcomes the continued focus on gender and inclusion** in the SCF, which remains one of our key priorities. I was pleased to see that almost half the Bank's projects in 2024 contributed towards promoting gender equality, and look forward to seeing the Bank's priorities on gender and inclusion further articulated in the Gender strategy to be discussed and agreed by the Board of Directors in the coming months.

7. **Fourth, the Bank must focus on the mobilisation of private capital** to deliver the objectives of the SCF, especially in a world where less is being spent on aid directly from donors, I was pleased that 2024 was a record year for direct and indirect private sector mobilisation. Nonetheless, and as discussed at the roundtable I held with the Bank President and business leaders from the City of London in February, there remains scope to go further to achieve mobilisation at scale. In particular, the EBRD and other MDBs should: reform their business models so they transfer risk to private sector investors; collaborate to standardise investment opportunities to create an MDB asset class; expand the pipeline of investable projects through operational de-risking at the project preparation stage; increase lending in local currencies; and collectively provide more granular data, on a harmonised basis. I am delighted that the EBRD is taking some of this work forward together with the private sector including through the private capital mobilisation taskforce launched during this Annual Meeting.
8. **Finally, it is a highlight of this Annual Meeting that the EBRD is poised to begin its expansion to Sub-Saharan Africa and Iraq**, and I am pleased to support the recognition of Benin, Côte d'Ivoire and Nigeria as members with recipient country status. My remarks at the Opening Ceremony touched on the importance of multilateralism and the rules-based system. One aspect of that is stepping up MDB co-operation so that institutions work more effectively as a system. It is important that as the expansion proceeds, the EBRD continues to work in close partnership with other MDBs and DFIs in the region, complementing their operations and focusing on its unique mandate. In particular, I would welcome the EBRD's continued engagement with British International Investment and UK Export Finance, the UK's Development Finance Institution and Export Credit Agency respectively, which together have a wealth of experience operating in the region.
9. I take the opportunity to thank the President of the Bank, Management and Staff for their leadership and efforts to deliver for all of the Bank's Countries of Operation and for strong performance and results in 2024. I also offer my thanks to all Governors and delegations who have come to

London for this Annual Meeting. We look forward to seeing you again in Riga next year.