

**Written Statement by Ms. Debbie Cachia, Temporary Alternate Governor for the Republic of Malta.**

On behalf of the Government of Malta, it is a great honour to participate the Thirty-fifth Annual Meeting of the EBRD. I would like to sincerely express our gratitude and appreciation to the Government of Latvia for welcoming us warmly and hosting this event in the beautiful city of Riga.

The world has repeatedly faced periods of uncertainty ever since the EBRD's start of operations in 1991, and the present reality brings with it several challenges. In 2025, the international economic landscape continued to be shaped by the prolonged consequences of the war in Ukraine, conflict in the Middle East, persistent geopolitical fragmentation, heightened trade and security tensions and continued pressures on public finances.

In these circumstances, the work of the EBRD is commendable as it continued to demonstrate agility, expertise and resilience in supporting economic stability, private sector development and long-term investment confidence across its regions of operation. This has been particularly evident in economies facing the greatest vulnerabilities, where external shocks, conflict-related disruptions and constrained fiscal space continue to have a disproportionate impact. The Bank's sustained commitment to Ukraine, its record investment levels, and its expanding engagement with emerging economies, including in Sub-Saharan Africa, further underline the important role it continues to play in promoting resilience, sustainable growth and economic opportunity. On a more operational level, Malta welcomes the EBRD's 2025 financial performance with profits of €1.3 billion, as well as the EBRD's record investment of €16.8 billion across 640 projects.

This was also a year in which the EBRD launched projects in new areas. This included a €30 million loan to support electrification in Benin's rural areas, as well as a \$100 million trade finance facility to the National Bank of Iraq. This followed the Bank's expansion of operations as underlined in the Strategic Capital Framework to sub-Saharan Africa and Iraq.

Given Malta's position in the Mediterranean, we strongly welcome the EBRD's continued engagement in the Southern and Eastern Mediterranean (SEMED) region, which remains an area of significant strategic importance and untapped potential. In 2025, the Bank invested more than €2.4 billion across 50 new projects in the region, reflecting a sustained commitment to supporting growth and resilience. Within the region, the bank also mobilised €514 million from other investors, which is a testament to the EBRD's unique role in mobilising the private sector, even in challenging times.

The EBRD plays an important role in supporting economic stability and resilience in economies affected by conflict and geopolitical instability. As a small and open economy, Malta is familiar with the importance of targeted financial support that is needed to maintain critical infrastructure, sustain essential services and preserve the conditions necessary for future investment. Malta believes the EBRD can continue to meaningfully contribute to maintaining economic resilience, safeguarding essential services and supporting long-term recovery in vulnerable regions.

At the same time, support in conflict-affected areas should remain grounded in sound financial governance and a clear strategic rationale. In line with this year's theme, *'Economies Innovating in a Changing World'*, Malta underlines the importance of ensuring that the EBRD's projects retain a strong forward-looking dimension. While developmental and crisis support remain essential, the Bank's expertise is equally crucial in directing investment towards initiatives that drive long-term resilience, innovation, and the transition to sustainable market economies.

This year, the Bank has been operating under the new Strategic and Capital Framework (SCF) 2026-2030 with a focus on continued support to Ukraine and the expansion of operations to sub-Saharan Africa and Iraq. We also welcome the efforts to finalise the Green Economy and Transition Strategy for 2026-2030 as well as the Gender Equality and Human Capital strategy which pave the way for focused investments with policy priorities at their core. Furthermore, Malta welcomes this first dedicated Economic Governance Strategy developed by the EBRD. It is an important foundational pillar for supporting a stronger investment environment and enabling a swifter transition in countries of operation towards better performance and sustainability. Malta also welcomes the strategy's strong focus on implementation and measurable impact, ensuring that governance reforms translate into tangible outcomes for both the public and private sectors.

The EBRD's continuous support to the private sector, is critical, more so at a time where instability is affecting markets globally. Malta continues to support efforts in extending cooperation with other Multilateral Development Banks, as this remains a key node in the bank's efforts to leverage resources and maximise impact.

In closing, on behalf of the Government of Malta, I would like to reiterate my appreciation to President Renaud-Basso, the Board of Directors and the entire EBRD team for their stellar work during the past year. At a time marked by considerable global uncertainty, we remain encouraged by the Bank's ongoing efforts to foster economic resilience and stability through its operations and partnerships. Malta continues to stand firmly behind the EBRD's strategic direction, policies and initiatives. We strongly believe that the institution will continue to build on its strong legacy and deliver meaningful impact in the years ahead.