

# AUSTRALIA

## Country Statement – Australia

### EBRD Annual Meeting 2018 – Dead Sea, Jordan

- On behalf of Australia, I would like to thank the Government of Jordan and the European Bank for Reconstruction and Development (EBRD) for hosting the Bank's 27<sup>th</sup> Annual Meeting. Australia would also like to thank the members of our constituency – the Republic of Korea, Egypt and New Zealand – for their cooperation and support over the past year.
- Once again, we meet at a time when the global economic outlook is improving but the EBRD's key regions of operation – South Eastern Europe, Central Asia and Southern and Eastern Mediterranean – continue to experience pockets of volatility and political upheaval. The EBRD's unique mandate positions it well to support those countries in need to remain or get back on their feet, though we acknowledge this transition process can be lengthy, challenging and require flexible approaches.
- The Bank should be proud of its achievements, not only over the last year, but in the 27 years since it was established. The EBRD has built on its comparative advantage and leveraged its strengths. In Australia's view, this private sector focus is what has made the EBRD and the economic transition of its original recipient countries such a success. Australia supports the pursuit of economic development via building strong, sustainable businesses, as it sets a long-term foundation for entrepreneurship, employment and investment.
- Australia also sees a key role for multilateral development banks (MDBs), including the EBRD, in catalysing private sector and institutional finance to support development, particularly to address the infrastructure gap. There is insufficient finance from sovereign governments and the MDBs to meet global development challenges. The EBRD already provides innovative products and modalities to crowd in private sector finance and we encourage it to continue to expand on this important part of its operations. With its strong capital base, it could potentially take on more risky financial instruments.
- Australia welcomes efforts by the EBRD to reflect on its mandate and mission as it develops its next Strategy Implementation Plan. The structure of the global economy is shifting and so it is imperative that all institutions which support the international financial architecture reflect on their purpose and mode of operation to remain relevant.
- In this regard, Australia encourages the EBRD to continue to collaborate with the G20 and other international financial institutions to ensure that their shared goals are progressed collaboratively and coherently. In particular, we encourage the EBRD to work closely with the G20 Eminent Persons Group which is, among other things, assessing coherence between institutions. This is essential – our collective resources cannot be wasted in the effort to deliver on global objectives, such as the Sustainable Development Goals.
- Australia is therefore pleased to see the EBRD considering how it can work with other institutions to fill gaps in the international financial architecture. This goes to the heart of the EPG's mission and warrants the full attention of shareholders.
- The EBRD should be open and honest about its capabilities – its strengths and weaknesses – and prioritise complementarity over searching for return, and lending its expertise where it is

needed. The EBRD must not lose sight of its founding mandate and consider carefully its value add as it looks to future operations.

- An open and rules-based international trading system is essential if the EBRD's work to promote market-oriented economies is to bear fruit. Restricting trade will hurt workers, drive up prices and weaken incentives to innovate. Australia therefore calls on EBRD shareholders to remind our citizens that profitable businesses and economic prosperity depend on trade and open markets.
- I would like to thank President Chakrabarti, as well as EBRD staff, management and Directors for their accomplishments in the past year.