

KOSOVO

Annual Meeting 2018 in Amman

Written Statement of the Republic of Kosovo by

Bedri Hamza – Minister of Finance,

Governor for the Republic of Kosovo

On behalf of Republic of Kosovo we would like to extend our gratitude to the Kingdom of Jordan for hosting this year's Annual Meetings of the European Bank for Reconstruction and Development (EBRD). Also, we would like to praise the Jordanian authorities for their efforts and continuous contribution toward achieving tranquility during the recent turbulent times in this region.

We arrive at this annual meeting with two records achieved by EBRD for which we congratulate the EBRD management and staff. First, the record of investment achieved at the end of last year is impressive. The EBRD's ever-increasing level of investment shows the relevance of this institution for helping countries of operation in terms of narrowing their transition gap and increasing economic development, while still ensuring social and environmental protection. The Republic of Kosovo, as a shareholder, supports and encourages the management to further step up investments – especially in countries with larger transition gaps – while maintaining and improving the Banks's financial strength. In addition, I am grateful for the letter by the President of EBRD to the Governors dated 2 May. We strongly support the idea of the feasibility study by the Management of the EBRD for possible expansion. We would like to see this study carried out early on in order to have sufficient time to make informed decisions, but we can certainly support the sequenced approach set out by the President of EBRD in his letter of 2nd of May. We look forward to progress reports on both work streams at the next Annual Meeting in Sarajevo in 2019.

Secondly, the year 2017 was an impressive year for EBRD's activities in Kosovo as well, with a record business volume achieved. Our joint concentration for improvement in infrastructure is nearly mission accomplished and thus, we can gradually shift our main investment focus to other sectors of the economy. Beside some investments to date, energy sector remains a challenge. Given the specificities and uniqueness of resource composition for power generation in Kosovo, in the short-run, our engagement should take into consideration the existing condition while working for resource diversification in the medium-term. Also, our private sector through the years has benefited greatly from the EBRD in terms of financing as well as advisory services. However, we strongly believe that with an innovative approach, we can further increase our private sector activity and ultimately unlock our growth potentials. This can be done by creating opportunities and a favourable environment for start-ups – especially those owned by youth and women – to successfully penetrate markets.

Also, the Memorandum of Understanding between EBRD and the Government of the Republic of Kosovo signed during Annual Meetings is an important tool to support the municipalities in upgrading the environmental infrastructure and utility services.

In addition, beside investments – with Western Balkans Investments Summit – the EBRD is playing an important role in promoting our region as an investment destination and thus contributing to regional stability and strengthening of regional cooperation.

By building on this past excellent cooperation and seizing the numerous opportunities ahead, the Government of the Republic of Kosovo is committed to deepening of our cooperation in addressing our remaining challenges.