

UNITED KINGDOM

EBRD Annual Meeting 2018 – Statement by the United Kingdom

- The UK is grateful to EBRD management and staff and to the Government of Jordan for hosting and organising the EBRD Board of Governors meeting 2018.
- Jordan is an important country of operation for the Bank as well as a significant partner in the region for the UK bilaterally. We fully support the Bank's efforts to continue its strong track record of investment, reaching cumulative €989 million, and its positive engagement with the Jordanian authorities and private sector. The UK is proud to be a significant co-financer of EBRD operations in Jordan including further assistance to upgrade the Greater Amman Municipality's solid waste management operations to be signed in the margins of this meeting.
- This Annual Meeting comes at a time when the benefits of globalisation are being called into question. Recognising the role international trade and investment play in delivering a global economy that work for everyone, we will continue to make the case for the rules-based international system, free trade and multilateral cooperation, which together foster both in a stable and secure way.
- The Bank's mandate to create inclusive, well-functioning and sustainable markets gives it a key role in supporting countries in its region of operation to meet the Sustainable Development Goals and COP21 commitments. The Bank's experience in working commercially with the private sector and catalysing private investment are also of increasing importance given the need to mobilise extensive private finance.
- In 2017 the Bank delivered ambitious objectives and demonstrated the value of its unique expertise: 412 projects, €9.67 billion Annual Bank Investment and 43% green investment. The Bank continues to display its ability to adapt quickly and robustly to changing global circumstances and scale up operations quickly.
- In this context of strong performance but continuing global economic challenges, the UK recognises there are key questions of how the Bank

can strengthen the intensity of its operations in current countries of operation (COOs), the EBRD's role in the global and European financial architecture, and the potential for the Bank to expand in the future. In this context:

- The UK agrees the Bank should aim to maximise impact in its existing region, specifically focusing on early transition countries, and on those countries in the Middle East and North Africa where the transition needs are greatest. In advanced transition economies, the UK supports the Bank targeting resources where there are clear outstanding transition gaps and remaining rigorous in ensuring that it deploys its resources only where it can provide additionality.
- The UK supports the Bank thinking about where it can best remain additional in the multilateral architecture and encourages the Bank to continue to work collaboratively with other institutions to avoid harmful duplication and competition. The UK supports the Bank's close engagement with the Eminent Persons Group on Global Financial Governance. We are grateful to the President for leading the MDB panel and look forward to its findings later this year.
- The UK would review any expansion of Bank's activity to new COOs in the Middle East and North Africa on a case by case basis, bearing its strong track record in scaling up quickly in the region in mind. In this regard we note the request by the Iraqi authorities for membership and ask the Bank to come forward after these meetings with a thorough analysis of this request including on the future prospect of country of operation status.
- The UK supports the Bank's proposal to conduct analysis into whether its capital capacity and expertise could be usefully deployed beyond the current region of operation. This analysis should reassure shareholders that all opportunities have been identified and exploited in existing COOs, and demonstrate potential additional capital capacity. The analysis should also indicate identifiable transition gaps

that would benefit from the Bank's expertise, in particular in supporting private sector development and commercialisation of state-owned enterprises.

- We note the strong co-operation that developed between the EBRD and other institutions as it expanded into the SEMED region, in particular with the World Bank group, EIB, and the African Development Bank. The analysis should therefore demonstrate at every step how the EBRD's involvement would be additional to and complement the support already provided by other IFIs, and include an exploration of all possible means to strengthen and deepen this co-operation between institutions.
- The UK looks forward to the outcome of these discussions and is confident that the Bank will complete the proposed analysis with professionalism, dedication and excellent analysis, supported by its high-performing international workforce and its ability to leverage its position in the heart of the City of London.