

AUSTRALIA

Country Statement – Australia

EBRD Annual Meeting 2019 – Sarajevo, Bosnia and Herzegovina

- On behalf of Australia, I would like to thank the Government of Bosnia and Herzegovina and the European Bank for Reconstruction and Development (EBRD) for hosting the Bank's 28th 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.
- As we are all aware, global economic growth is slowing and the EBRD's key regions of operation – South Eastern Europe, Central Asia and Southern and Eastern Mediterranean – continue to experience pockets of volatility. The EBRD's unique transition mandate, coupled with its significant capital stock, positions it well to support countries through these uncertain times.
- The Bank should be proud of its achievements, not only over the last year, but in the 28 years since it was established. The EBRD has built on its comparative advantage and leveraged its strengths. In Australia's view, the Bank's focus on private sector development 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.
- As the EBRD looks to develop its next Strategic and Capital Framework for the 2021-2025 period, Australia encourages it to reflect on its strengths and comparative advantage. The Bank should continue to focus on where it can add the most value within the international financial architecture. It should prioritise complementarity over searching for return, and lending its expertise where it is needed. The EBRD must not lose sight of its founding mandate as it carefully considers its strategic direction.
- In particular, the EBRD should remain committed to its stated purpose of fostering transition to open market-oriented economies in countries that are pluralistic, multi-party democracies or trending towards such systems. Countries that uphold these principles have always been more likely to efficiently allocate resources that contribute to economic growth.
- Australia sees a key role for all multilateral development banks (MDBs) to catalyse private sector and institutional finance to support development, particularly to address infrastructure gaps. The EBRD is already a leader amongst MDBs in this area and we encourage it to continue to be innovative with ways to crowd in more private sector finance. This will be particularly important in meeting the Sustainable Development Goals in its countries of operation.
- Australia encourages the EBRD to continue to collaborate with the G20 and international financial institutions to ensure that our shared goals are progressed collaboratively and coherently. In particular, we encourage the EBRD to continue to work closely with the G20 to implement the recommendations of the G20 Eminent Persons Group on Global Financial Governance that will enhance the effectiveness of the international financial system. We also look to the EBRD to encourage debt sustainability and transparency in all its countries of operation.
- 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 weakens incentives to innovate and

creates distortions that prevents the efficient allocation of resources, which in turn reduces economic growth. EBRD shareholders should continue to remind our citizens that profitable businesses and economic prosperity depend on trade and open markets.

- I would like to commend President Chakrabarti, as well as EBRD staff, management and Directors for their accomplishments in the past year.