

BELARUS

**Written statement by Mr D N Krutoy, Minister of Economy
Governor for Belarus of the European Bank for Reconstruction and Development**

Mr Chair
Mr President
Governors and delegates
Ladies and gentlemen

On behalf of the Belarusian delegation, I would like to thank the government of Bosnia and Herzegovina for their hospitality at the Twenty-eighth Annual Meeting of the EBRD Board of Governors.

We would also like to thank the EBRD team, whose determined work has contributed significantly to the organisation of this largescale event.

Last year saw the world economy grow by 3.6 per cent. However, leading international organisations are forecasting a slowdown in growth for 2019. Reasons for this include increasing trade pressures.

In that regard, we should build dialogue among states and integrate economies so that the global economy continues to grow, something in which we believe the entire international community has an interest.

Belarus has familiarised itself with the Strategic Review and thanks the Bank's management for the effort it has made to prepare the Review. We believe that, by ambitiously increasing investment levels in its current countries of operations, by widening its geographic scope, and by gradually expanding its operations into potential new countries, the EBRD could provide an invaluable contribution to strengthening the growth of the global economy in line with the Bank's fundamental objective of helping to establish stably functioning markets and working together to bring about systemic reform in regions where that is genuinely needed. We therefore support the proposal to carry out more detailed work on that subject before the next Annual Meeting. In that regard, it will be important to take a balanced approach when drafting the Strategic and Capital Framework for 2021–2025, so ensuring that the Bank's top AAA credit rating and the sustainability of its capital are maintained. We therefore call for the issue of possibly returning capital to be broached with particular caution.

As part of delivering macroeconomic and financial stability across the country, Belarus is making every effort to maintain the positive momentum of 2017 and to support a balanced macroeconomic approach.

Results from 2018 confirm that measured decisions are the hallmark of economic growth: GDP grew by 3.0 per cent in 2018; inflation stood at 5.6 per cent; and because international trade in goods and services was balanced, the current account deficit reached a record low of 0.4 per cent of GDP.

Looking ahead, we are determined to continue pursuing a balanced macroeconomic policy for stable economic growth.

In addition, given the highly complex circumstances of the geopolitical situation, the support of international financial institutions is particularly important.

The EBRD is undoubtedly an authority among development institutions. By providing its financial resources and sharing good practices, it supports its countries of operations in building a stable economic system.

Belarus is therefore grateful that the EBRD has significantly increased its efforts in our country. This has led to excellent results for 2018 in which the Bank's operations reached a historically high level of Annual Bank Investment (€360 million).

Traditionally, developing the private sector has been a significant and undoubtedly important contribution of the Bank. The Government of Belarus sets great store by the development of entrepreneurial initiatives and the encouragement of business activity.

The development of small and medium-sized enterprise is seen as one of the drivers of future economic growth. We therefore hope that the EBRD will continue to support this approach.

We are optimistic about the growth of the Bank's public-sector operations; it is an invaluable contribution to the country's sustainable socioeconomic development.

In 2018, agreements were also concluded to deliver three transport and public-utilities investment projects where the EBRD's overall level of financing was around €30 million.

Preparatory work is also underway on projects in the water and transport sectors, as well as on energy efficiency.

For its part, Belarus is actively implementing green and energy-efficient technologies and ways of working. We are grateful that our partners make the efforts that they do and support us so fully.

We are entirely convinced that delivering projects in these sectors will allow us to improve our citizens' quality of life.

Therefore, 2018 has been yet another watershed moment in the development of our partnership. The EBRD's Belarus Country Strategy 2016–2019 will definitely give rise to strong results that once again confirm how important it is that both sides be engaged and ready for inclusive and open dialogue.

We hope that this sort of approach to constructive partnership will also continue into the future, as it allows for a wider EBRD investment portfolio and the delivery of significant new investment projects.

We are focused on further developing our cooperation with the EBRD, and on expanding the Bank's operations in Belarus, including within new areas and formats of joint working.

On behalf of the Government of Belarus, I would like to thank the Governors, Board of Directors, the President and staff of the EBRD for their support and effective partnership.