

BELGIUM

STATEMENT BY BELGIUM

Dear Chair of the Board of Governors, dear President Chakrabarti, dear Governors;

First and foremost we would like to warmly thank the authorities of Bosnia and Herzegovina and the city of Sarajevo for hosting the 28th Annual Meeting of the EBRD. Reflecting on EBRD's recent activity, I would like, on behalf of Belgium, to express this year, again, our broad satisfaction. The operational and financial results of the Bank have remained robust in 2018 with strong deliveries, both quantitatively and qualitatively. We are also pleased to note that the Bank was responsive towards some of the operational points of attention discussed during our last Annual Meeting at the Dead Sea.

The call to reignite the Bank's equity activity has been heard and translated into concrete actions; also supported by an ongoing reorganisation of our equity practice and processes. Another example of corrective measures starting to bear fruit can be found in the growth of the Bank's portfolio in operating assets in 2018 following numerous years of stagnation. This renewed growth ambition, both in business volume and portfolio terms, is also anchored in the Strategic Implementation Plan 2019-2021 which assumed an ABI increase beyond 15 per cent in the next two years and in the current countries of operations. We see this objective as an important and positive message to the shareholders but remain aware of the important headwinds the Bank is facing as a demand-driven institution with a strong private sector mandate. We trust that the management of the Bank will continue to deploy its best efforts to capitalise on those strong results and maximise the Bank's impact.

Beyond those operational results the Bank has also undergone over the past year an ambitious strategic agenda whose takeaways are presented to us at this Annual Meeting. The work streams started after our Annual Meeting at the Dead Sea last year have mobilised substantial resources from all parts of the Bank and enabled the Board and management to take a closer look at the Bank's operating environment, its products offer, the challenges and trade-off entailed by certain operational or strategic choices. We are grateful to all staff and Board members involved and recognise it was a difficult and new endeavour, but we trust it will carry great value in the near future and on the road to the next SCF.

Overall, we think the Strategic Review and the Pre-Feasibility Study background documents have met our expectations to inform Governors' discussions and improve mutual understanding among stakeholders on key aspects of the Bank's activities. We recognise, however, that its strategic work is not yet complete. As outlined in the report of the Board of Directors, a road map will now deepen the Bank's analysis around five work streams to enable a decision in 2020 on the new Strategic and Capital Framework and, potentially, incremental geographic expansion. We are willing to walk into this new sequence with an open mind and trust each of those work streams will be built on some working assumptions, enabling a fact-based decision-making process.

Finally, we would also like to thank President Chakrabarti, the management of the Bank and its Board of Directors for reaching a broad compromise on the report of the Board of Directors to the Board of Governors, and the Resolution, which precisely allows for a balanced working approach to all work streams underpinning the next SCF. We therefore support the Resolution and look forward to contributing to those debates.