

BOSNIA AND HERZEGOVINA

STATEMENT OF MIRKO ŠAROVIĆ, GOVERNOR FOR BOSNIA AND HERZEGOVINA -2019

Dear President, Distinguished Colleagues,

Allow me to greet you as the Governor for Bosnia and Herzegovina and thank you for your support that Bosnia and Herzegovina is the host of the Annual Meeting of the Board of Governors this year. We have made great efforts to be successful organizers of the 28th Annual Meeting.

EBRD remains the largest institutional investor in Bosnia and Herzegovina and has invested 2.2 billion euro to date. The current portfolio of just over 1 billion euro is largely focused on the public sector (transport, municipal and environmental infrastructure). Our expectations are that the total annual investments of 200 million euro in the last few years will increase up to the record 300 million in 2019, which will affect the growth of BiH economy.

So far, 156 projects in BiH were financed by the EBRD out of which 70 are active. In the 2018, 15 new projects were launched.

Bosnia and Herzegovina has so far been a country with a small EBRD fund utilization rate and has now become a country that has made operating most of the approved funds in the past years and is now seeking more resources, with particular emphasis on continued successful funds, especially for private sector investment whose share in total investments is 33%, but also for the support of large local communities-towns for the development of their communal infrastructure.

With regard to current affairs, in particular further investment in infrastructure, which is the focus of the EBRD, it should be emphasized that Bosnia and Herzegovina has a large untapped potential in the energy sector, especially in the hydro power sector. Only 38 percent of this potential has been used, and more attention has to be paid to other sources of renewable energy, such as solar energy, biomass, geothermal energy, wind energy, etc.

I would like to take this opportunity to point out the following:

- Bosnia and Herzegovina supports the proposed Resolution of the Governors.
- I appreciate and emphasize the hard work of the EBRD staff that has made excellent operational results in 2018.
- Bosnia and Herzegovina supports the conclusions of the Strategic Review. We believe it is now time for the EBRD's management to focus on implementation.
- As I had already conveyed last year at the Annual Meeting in Jordan, we support the launch of the feasibility study for the possible expansion to Sub-Saharan Africa and look forward to reviewing its outcome. Bosnia and Herzegovina has been among the countries affected by the migration crisis. We believe it is best to help resolve the source of the crisis in its emergence.

- We mostly agree with strategic themes contained in the Medium-Term Directions paper. Among those of particular interest to us is the one related to overcoming the mismatch of skills. This is very important for the prospects of our economy and for retaining the young people in the country – something I have already stressed today during the Panel on Western Balkans.

The key objectives of our further cooperation with the EBRD have been defined through the implementation of the Strategy 2017-2022 with which we want to extend and improve our cooperation.

I would like to point out that EBRD has changed the image of Bosnia and Herzegovina with its presence and numerous projects.

We look forward to continuing successful cooperation with the EBRD.

I wish you a pleasant stay in Sarajevo and Bosnia and Herzegovina.