

# CANADA

**STATEMENT TABLED BY  
CANADA'S TEMPORARY ALTERNATE GOVERNOR  
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT  
2019 ANNUAL MEETING  
MAY 8, 2019, SARAJEVO, BOSNIA AND HERZEGOVINA**

On behalf of Canada, I would like to express our gratitude to the government of Bosnia and Herzegovina for hosting the European Bank for Reconstruction and Development's (EBRD) 28<sup>th</sup> Annual Meeting.

Canada sees the EBRD as an effective development partner that plays an important role in promoting an inclusive, sustainable, open and resilient global economy. The EBRD is delivering on its mandate to build well-functioning market economies, having achieved substantial transition impact in its countries of operations since its inauguration in 1991. Last year marked another successful year for the EBRD. Canada welcomes the Bank's strong investment performance, including the substantial private capital mobilized for development.

As the EBRD looks towards the future, defining its strategic priorities to 2025 and its contribution to the 2030 Sustainable Development Goals, Canada encourages the Bank to prioritize operations that focus on the countries and sectors with the greatest transition needs, advance gender equality, and support the transition to a green economy. Furthermore, Canada encourages the Bank to work increasingly with other multilateral development banks (MDBs) to help achieve outcomes that would be beyond the ability of each MDB acting alone, such as significantly increasing the volume of private investment mobilized for development.

Canada encourages the EBRD **to prioritize resources to areas with the greatest need**. As the EBRD delivers on its mandate and transition gaps narrow in its countries of operations, the Bank should focus its investments where it can achieve the greatest impact and demonstrate additionality. Canada strongly supports the EBRD increasing its investments in the Southern and Eastern Mediterranean region. We welcome the launch of operations in Lebanon and the West Bank and Gaza in 2018. Canada has the pleasure of working alongside Morocco, Jordan, and Tunisia as part of a shared constituency at the Bank. Canada also strongly supports the EBRD's high level of engagement in Ukraine.

Canada's Feminist International Assistance Policy prioritizes the empowerment of women and girls as the key to building a more peaceful, inclusive and prosperous world. Canada strongly supports the EBRD's efforts to increase women's access to finance and business support, employment and skills development opportunities, and services. Canada commends the Bank for the concrete steps it is taking to mainstream gender considerations in its operations, including tracking gender equality metrics at an institutional level, integrating gender in country and sector strategies, and working with the private sector to promote equal access to economic opportunities for women. We are confident that these actions will have a meaningful impact on addressing the systemic barriers that women and girls face in the countries where the Bank invests. Canada encourages the Bank to explore areas where it can do more to **promote operations that advance gender equality**, and in particular, play a leadership role in sectors that have yet to fully embrace the transformative effects of gender mainstreaming, such as infrastructure, mining and energy.

Canada recognizes the urgent need for global action to limit the impacts of climate change, while also fostering long-term economic growth that works for everyone. Canada encourages the EBRD

to work with MDBs on a **coordinated system-wide approach to tackling climate change and supporting the transition to low-carbon economies**. Canada greatly appreciates the EBRD's swift response to the global call for climate action, including prioritizing the mobilization of private financing for climate adaptation and mitigation. In 2018, the Bank recorded another year of strong green investments. Canada welcomes the EBRD's new Energy Sector Strategy, including commitments to end investments in coal, focus on decarbonisation of energy systems, and promote inclusion and gender equality in the energy sector.

Finally, there is growing recognition that MDBs can have a greater impact by operating together as a system – as was highlighted in the G20 Eminent Persons Group report *“Making the Global Financial System Work for All”* (October 2018). Canada encourages the **EBRD, and other MDBs, to work increasingly as a system**. Notably, shareholders have called on MDBs to coordinate a system-wide approach to mobilize private finance for development, including by contributing to the creation of an infrastructure asset class. Canada has taken note of the concrete actions the EBRD is taking to leverage their deep expertise in private sector financing to benefit the system as a whole, including scaling-up the use of innovative financing solutions.

Canada is of the view that the EBRD should anchor its Strategic and Capital Framework in the broader context of MDBs as a system. We welcome a discussion on the Bank's mandate and capital requirements noting that the Bank has made considerable progress over the past quarter century towards meeting its mandate of transition in Eastern and Central Europe. Given that the Bank has identified substantial surplus capital relative to its current mandate, we believe that all options should be on the table, including returning some capital to shareholders through a special dividend.

On behalf of Canada, I would like to thank President Chakrabarti, as well as EBRD staff, management and Directors for their unwavering commitment to fostering economic growth that works for everyone.

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Temporary Alternate Governor for Canada