

**OPENING STATEMENT BY
THE CHAIR OF
THE BOARD OF GOVERNORS**

**28th EBRD Annual Meeting, Sarajevo
7-9 May 2019**

**EBRD Board of Governors – Opening Session
8 May 2019**

**Vice President Jyrki Katainen,
Commissioner for Jobs, Growth, Investment and Competitiveness
EBRD Governor for the EU
Chair of the Board of Governors of the EBRD**

Chairman of the Council of Ministers of Bosnia and Herzegovina,
Excellencies,
Distinguished Governors, President,
Ladies and Gentlemen,

After the inspiring video that we just watched, I am honoured to welcome you all to the 28th Annual Meeting of the European Bank for Reconstruction and Development.

May I take this opportunity to welcome the Chairman of the Council of Ministers, of Bosnia and Herzegovina, His Excellency, Denis Zvizdić. It is an honour for me personally, to Chair this year's gathering of Governors here in Sarajevo – a beautiful multicultural city in the heart of a dynamic region with huge potential for development.

This meeting is, of course, important for Bosnia and Herzegovina. But it is also important for the whole Western Balkans region, especially as an integral part of this Annual Meeting is the panel that will be led by the six

Western Balkans Leaders who we are lucky enough to have with us today, immediately following this Opening Session.

The theme of the EBRD's 28th Annual Meeting – Connecting Economies for Stronger Growth - is relevant not just for the Western Balkans, but for all the Bank's countries of operation.

From my perspective as Vice President of the European Commission, this year also marks a milestone for the EU as our Western Balkans Strategy has been in place for one year.

The EU has long been deeply engaged in the region, which shares strong geographic and cultural links with its neighbouring EU Member States.

The Western Balkans countries are part of Europe. The peoples of the EU and the region have a shared history and heritage, as well as a future defined by shared opportunities and challenges: a reality, which we can all recognise.

This country and the region provide many lessons from which we can all learn. Lessons about resilience, lessons about entrepreneurship, lessons about integration and lessons about reconciliation.

When we think about these lessons – let us recognise the impact of the EBRD, and the importance of all of the Bank's shareholders and key players as vital partners working together to address common challenges.

Shareholder support is a great strength of the EBRD and it is a privilege to see so many of us here today. We come together to forge a common vision of how to help accelerate progress on the transition journey to building more stable, secure, and prosperous economies.

Let me extend a warm welcome to the Indian delegation, who are attending their first EBRD Annual Meeting. But also to the delegations from Iraq and San Marino, whom we hope to welcome as new members of the EBRD soon.

The Annual Meeting provides Bosnia and Herzegovina with a unique platform to present itself and the Western Balkans region as an attractive investment destination for business.

Bosnia and Herzegovina benefits from the European Western Balkans Joint Fund, a multi-donor fund managed by the EBRD and the European Investment Bank under the Western Balkans Investment Framework. The EU is proud to be a key part of these initiatives working with the EBRD, the EIB and others.

To create an appropriate business environment, the EU's enhanced engagement in the Western Balkans more generally is relevant, since many challenges remain. The European Commission was very clear about this in its Western Balkans Strategy published in February 2018. The upcoming enlargement package will present in detail the developments in the region.

In the last year EBRD management has undertaken a strategic review as an important follow up to last year's Annual Meeting. I understand there has been some good work done, some of which has already been captured in the Bank's latest Strategy Implementation Plan for 2019-21. But I look

forward to hearing more from countries of operation today on your aspirations for building on the strategic review to ensure your transition objectives are fully realised in the years to come.

Building on its strong reputation, the EBRD agreed many new Policies since we last met: the Environmental and Social Policy, the Access to Information Policy; and the Project Accountability Policy.

These Policies complement the EBRD's Green Economy Transition objectives, which continue to be a very high priority.

A new Domiciliation Policy has also been approved, which promotes more stringent international and EU standards through which we can help protect our countries against practices that erode the tax bases our societies rely on.

It is important that the Bank maintains its Triple-A rating. This has been confirmed with the three largest credit rating agencies despite the regional and global financial and economic challenges in recent years.

I thank the President of EBRD and the Board of Directors for their work, and in particular for the Draft Report and Resolution on Preparatory work for the Strategic Capital Framework 2021-2025. I ask them to continue to work together for conducting the current business of the Bank.

Over the next two days we will discuss a robust set of issues of relevance for all the Bank's countries: economic transition, climate change, innovation, SME access to finance, migration, tourism, and digitalisation; issues which

will shape our future and our investment opportunities in the Western Balkans.

As we enter the final year of the Strategic Capital Framework 2016-2020, we will later today ask the Bank to set a strong path to prepare our decisions in 2020 on the future Strategic and Capital Framework for 2021 - 2025.

Fellow Governors, at our meeting today, we should not only reflect on the experience and lessons learnt in the past year, but we should also look ahead at our collective future vision for this Bank. The state of our world is such that we need vibrant, creative, and delivery-focused multilateral institutions to lift and carry our ambitions for a better world.

The EBRD is one such institution, and many of its attributes are exactly the ones we are discussing as key for the future as we negotiate the next Multi-Annual Financing Framework. The Bank has a healthy risk appetite. Is a regional partner with a strong local presence. And has a unique business model of building sustainable markets through leveraging private sector investments and combining commercially oriented project support with policy reforms. In this, the Bank is a leader among development banks and its model should act as a recipe for others to follow if we are to be successful in achieving transition and economic development.

I very much look forward to a free-ranging and constructive discussion on these issues – a discussion that will certainly enhance our sense of what direction the Bank should be taking in the coming years.

Delivering innovative, tailored, high impact and high quality investments and policy dialogue reforms requires energetic engagement on the part of everyone in the Bank. Not only from President Chakrabarti and his management team, but also from all EBRD staff.

So, on behalf of all Governors, I should like to thank the President and all the staff for their commitment in these challenging times, and also the Board of Directors for guiding the strategic directions of our EBRD.

And finally, I should like – on behalf of the Governors and myself – to express our deep gratitude to the authorities of Bosnia and Herzegovina in hosting this Meeting.

Thank you.

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