

# EIB

## **STATEMENT BY THE EIB**

First of all, I would like to thank Bosnia and Herzegovina for hosting the annual meeting of the EBRD in this beautiful country. The selection of Sarajevo as venue for this event shows the importance and relevance of the city and the country for the Western Balkans and for Europe.

With regard to the important roundtable discussion on the future strategic options for the EBRD, we recognise the merits of the EBRD's business model and the significant results achieved so far in the implementation of the Bank's Strategic and Capital Framework 2016-2020. The success of the EBRD is built upon its sharp focus on concentrating in working primarily with the private sector in order to mobilise private finance. The Bank's mandate of supporting transition towards modern, sustainable market economies remains fully relevant. It enables the Bank to have a special role in the system of IFIs: Transition is different from Development. It sometimes goes along with Development but not necessarily in every case as we can see from the Countries of Operation that are not Developing Countries.

With regard to the deliberations on the new Strategic and Capital Framework for 2021-2025 and the related topics for discussion highlighted in the background notes, the EIB, as a shareholder, supports continuation of increasing and strengthening delivery in EBRD's existing countries of operations, within its limits of its financial sustainability. Priority should be in the provision of financing for projects and products with an identified market gap justifying EBRD intervention. EBRD should continue to utilise its wide range of products from debt to equity depending on the local market conditions and needs, complementing the gaps in other IFIs' capabilities and taking into consideration its transition mandate which is different from other IFIs mandates.

To include new countries in the current regions of operations - like Algeria, Libya and Syria in the SEMED region - could be supported. But in light of the EBRD's focused role EBRD should not spread its resources too thinly. The Bank should capitalise on its strong local presence on the ground and its deep market knowledge in its regions of operation. Were the EBRD to expand its activities into new regions it should not be at the expense of its current successful business model and of its complementary role as a key player in the global and European IFI architecture. Publicly financed institutions should not compete, but complement each other, to make best use of the resources given to them and to have the best impact in the economies where they operate.

In the coming months we will have to carefully reflect what EBRD can do to strengthen its role and I welcome the five workstreams that the Board of Directors will follow in the coming months to prepare our strategic discussion at the AGM 2020 in London. In order to take an informed and well-balanced decision on the Strategic Capital Framework 2021-2025 further reflections are necessary and all available options should be thoroughly assessed. As shareholders of this very relevant institution we have the responsibility to develop a vision for EBRD's immediate future. It is not the number of regions or volumes that make a difference but output and impact for the countries of operation and their people.

We look forward to the continuation of the discussion on the new Strategic and Capital Framework at the latest in the next annual meeting in London in 2020.