

GEORGIA

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Papuna Lezhava, Temporary Alternate Governor
Vice President
National Bank of Georgia

Dear Governors, Dear Participants

It is my pleasure to be here presenting Georgia and to participate in the Annual Meeting of the European Bank for Reconstruction and Development (EBRD). At the same time, on behalf of the delegation of Georgia, I would like to express my sincere appreciation to the Government of Bosnia and Herzegovina for this excellent organization of the event, warm hospitality and welcome.

It is almost three decades since EBRD was founded and during this time the Bank confirmed to be a reliable institution and remains a valuable partner for development. Bank's role was crucial in helping countries overcome challenges and take opportunities of transformation into efficiently functioning market economies.

Looking forward, we are in front of another decade of challenges and opportunities. Therefore, dear Governors, I would like to focus on the importance of supporting **2030 global development agenda**. Allowing the EBRD member countries to overcome this challenge will be the biggest objective of the Bank.

In an era of globalization, which shaped our international economic governance system, major benefits in terms of economic development, social progress and peace have been delivered to the world so far. It is undoubtable that openness and partnership among countries played an important role in this considerable success. In this regard, I would like to underline that EBRD is an institution making an important contribution in countries of operation in constantly changing economic environment, through its actions and its shared values. It has set ambitious goals for 2019 in support of the global development agenda after another year of strong delivery in the economies of Operations.

EBRD countries of operation are quite diverse. There are countries which successfully completed the transformation stage and are European Union Members now. Georgia is a country with strong European aspirations following the pass of economic transformation, the way which advanced countries of operation already took. Probably all of us agree how important the role of EBRD in this process is.

We all agree that the primary objective of EBRD is to allow countries of operation to reduce the gap with developed world. In this respect, let me underline some specific aspects where EBRD enhanced focus and strengthened strategic approach will be instrumental:

First, the **role of innovation** is crucial. We are living in the era - called **Fourth Industrial Revolution** (Industry 4.0), which will disrupt digital, physical and biological systems. Robotics, Artificial Intelligence, machine learning, blockchain, virtual learning are going to disrupt economic systems.

This certainly is a challenge and at the same time an opportunity. Helping the countries catch up with advancements in new technologies should be one of the most important strategic directions for multilateral development banks and EBRD in particular.

Second, **Private sector is primary focus of EBRD**. To increase engagement more efficiently in private sector development higher risk tolerance should be accepted. Of course, this should be paired with effective and informed risk management.

Thirdly, we welcome the Bank's increasing effort toward enhancing **green economy** support to member countries. We hope that more resources will be available going forward and we are sure that many interesting projects will be implemented in the future with EBRD support in this regard.

Last, but not least, **education** sector can be a very important area of Bank's operations. University level education in particular is the area with quite high engagement of the private sector. EBRD with its knowledge and reputation has a big potential to contribute the development of this very critical sector.

With an optimistic view on higher geographic diversification of the Banks operations, it will be important to ensure that with the future expansion of EBRD, Bank continues to **maximize its activities in existing countries of operation**; in this regard we fully support the work under way on increasing the Bank's level of activities in current countries of operation.

Finally, I want once again to express my gratitude to the hosts of this wonderful event and wish everyone fruitful completion of the Annual Meeting.

Thank you!