

REPUBLIC OF KOREA

Governor Statement
Republic of Korea
Yuncheol-Koo, Temporary Alternative Governor

Mr. Jyrki Katainen, Chair of the Board of Governors,
Mr. Denis Zvizdić, Chairman of the Council of Ministers of Bosnia and Herzegovina,
Sir Suma Chakrabarti, President of the EBRD,
Fellow governors, ladies and gentlemen,

It is my great pleasure to be here representing Korea in this historical city of Sarajevo. On behalf of the Korean government, I would like to express my deepest appreciation to the government of Bosnia and Herzegovina and the EBRD staff for successfully organizing this meeting.

This year, the global economy is facing stronger headwinds from uncertainties arising from trade tensions and Brexit. Hence, it is more crucial than ever that we join our efforts to regain the momentum for global growth.

There is a saying, “Don’t take the umbrella away when it rains.” At times like this, we need to keep up the drive for growth with more active investment and financial support to vulnerable countries.

In this respect, I welcome the EBRD’s target to continuously expand the size of its investment over the next 3 years. We must also continue to improve the quality of our investments through effective policy dialogue and technical support for Countries of Operations (CoOs).

This year marks the 30th year since the idea of establishing the EBRD was first proposed in 1989. Over the years, the EBRD has become an expert and accumulated experience in stimulating the transition towards market-oriented economy and supporting private sector development.

As we prepare for the next 30 years, I hope that this year’s Annual Meeting provides the venue for us to share valuable ideas and wisdom for the 2021-2025 Strategic and Capital Framework (SCF), which will be decided next year.

In this regard, I would like to emphasize 3 directions, on which the EBRD should focus.

First, we need to strengthen the EBRD’s demand-oriented support system through more active knowledge sharing. The Bank’s experience in over 5,200 projects, an investment of 130 billion Euros, has become an invaluable asset that can be used to improve the effectiveness of future projects. We can categorize the experiences by region, sector and type, and build a system that supports CoOs based on their specific needs and conditions.

Korea will also continue to take part in this through the EBRD's Knowledge Management Program by sharing our experience on how we developed economically.

Second, we need to focus on capacity building of CoOs by facilitating innovation in the private sector. Since the private sector plays a critical role in achieving the Sustainable Development Goals (SDGs), I hope that the EBRD's private sector support will contribute to utilizing new technologies and ideas, and inspire entrepreneurship, thereby ultimately leading to positive changes and innovation in CoOs.

Related to this, I would like to share that the Korean government is actively pursuing policies for innovation in order to secure future engines for economic growth. These policies include supporting investment for new technologies and creating a favorable ecosystem for startups. The Korean government recently also introduced a Regulatory Sandbox, which provides temporary permits or allows special testing for the rapid launch of new products. I hope to soon share more of our policy achievements in innovation-led growth with other member countries.

Third, the EBRD needs to play a more active role in cooperating with other development institutions around the world. Despite continued global efforts to achieve sustainable development, there still remains a financing gap in funding the various development projects.

In this sense, we need to explore various ways to complement each other among Multilateral Development Banks based on their strengths and expertise, to maximize the effectiveness and efficiency of our support.

Related to this, I would like to express my support for the Bank's direction toward expanding its CoOs to those that can utilize the EBRD's expertise in private sector development as well as hold active channels of economic cooperation with current member countries.

Given the substantial demands for development in the Sub-Saharan region, for instance, the EBRD may be able to contribute to private sector development, while our partnering MDBs can focus more on the public sector. I look forward to the EBRD further expanding its cooperation with other MDBs.

As a major partner of the EBRD, Korea will continue to share our development experience with other member countries. Thank you.