

KOSOVO

Annual Meeting 2019 in Sarajevo

Written Statement of the Republic of Kosovo by

Bedri Hamza – Minister of Finance,

Governor for the Republic of Kosovo

Mr. President,

Honourable Ladies and Gentlemen,

On behalf of the Republic of Kosovo, we extend our appreciation to Bosnia and Herzegovinian authorities for hosting this year's Annual Meeting. Organisation of this year's Annual Meeting in Sarajevo is encouraging for our Western Balkan region, as this sends a strong signal for the increasing commitment of EBRD and other relevant stakeholders to this important part of Europe.

We are pleased to witness yet another successful year for the EBRD activities, for which we congratulate the Management and the Staff. The increasing level of overall investments with an increasing transition impact across countries of operation is highly praised. Equally important, and as we have highlighted in numerous occasions based on our experience, we are pleased to see that the level of disbursement rates is increasing and receiving meritorious attention. Looking forward, we believe that the EBRD will continue to thrive amongst its IFI peers in the capital market development. Hence, we encourage the Bank to intensify its activities and increase both human and capital resources to this vital pillar for economic prosperity and accelerate the transition path in our countries of operation.

As with its overall operations, EBRD has been successful in its activities in Kosovo as well, both, in terms of volume as well as quality of investments. We are happy that private sector share of investments has increased significantly last year and now constitutes the majority of overall investments. Based on the last year's operation data and given the transition gaps that yet remain, we strongly believe that there is significant space for additional private sector activity in Kosovo. However, in order to fully utilize the investments in private sector, a further joint effort should be given to key strategic public investments as well. Our infrastructure connectivity agenda is progressing well, while more efforts are needed in energy diversification, modernisation of municipal services, exploration of natural resource sectors and certainly the ICT sector.

We are pleased to see that the Strategic Review foresees the needs and the opportunities for higher qualitative investments in Kosovo and the other countries of operations. Given this ambitious investment approach, we support the Strategic Review outcomes and we look forward to its implementation. In addition, with great interest we have viewed the strategic thrust outlined in the Medium-Term Direction paper. From our perspective and in the fast changing economic environment, Fostering Skills is especially important for us. We believe that EBRD with its unique expertise amongst the IFIs can contribute greatly to skills development at the business, sectorial and ultimately national level.

Looking forward, on behalf of Republic of Kosovo we express our support for draft resolution for the preparation of the Strategic Capital Framework 2021 – 2025.

We believe that we should adopt a progressive view for our future engagement, were the additional capital is used for closing as much as possible the current transition gaps in our existing countries of operation while yet have an open view for deploying the Banks expertise in new countries that fits best the mandate of our Bank. In this consideration, we are reluctant to the idea of returning of the dividend to the shareholders as we strongly believe that there are ample opportunities to narrow the transition gaps in the current countries of operation. In addition, as we have stated in Jordan during lasts years Annual Meeting, we support the idea of a feasibility study for possible expansion to Sub-Saharan Africa. In this consideration, we invite the Bank that in collaboration with Board of Directors to start its preparation and we look forward to review the findings in due time.

In conclusion, we reiterate Kosovo's commitment in working closely with EBRD to achieve our common objectives.