

# SPAIN

## STATEMENT BY MR CARLOS SAN BASILIO, TEMPORARY ALTERNATE GOVERNOR FOR SPAIN

On behalf of Spain I would like to express my sincere gratitude to the Government of Bosnia and Herzegovina for its hospitality and assistance with the organization of the 28th Annual Meeting of the EBRD Board of Governors. We are particularly pleased that this EBRD Annual Meeting is being hosted by Bosnia and Herzegovina.

Over the past 28 years, the EBRD has played a crucial role in its countries of operations, fostering transition and economic growth. The EBRD's DNA and core competences are the Bank's unique focus on developing the private sector. From this perspective, the EBRD is an institution with unique capabilities to empower aspirational nations to become more successful and prosperous societies.

We also highly appreciate the alignment of the policy and strategies of the EBRD with the Sustainable Development Goals. Given the significant experience gained over the past few decades, EBRD can play an important role as catalyst for foreign direct investment and channeling equity and private financial flows into emerging market countries.

We are pleased that in 2018 the EBRD has successfully achieved a historical maximum of business activity. However, its financial results have not been as remarkable as in recent years and the cost to income ratio has exceeded the 40% operational level threshold. Therefore, we welcome all the measures adopted to revert this upward trend and we highly appreciate Management's robust commitment to instill financial discipline within the Bank.

We highly appreciate the work done by the Management on the three documents that accompany the draft resolution. The draft resolution presented by Management, and approved for submission by the Board of Directors, is a good starting point for future works and help for the discussions for the preparation of the new Strategic and Capital Framework. Aiming at this goal, in the same spirit of the draft resolution, the interests and concerns of all the shareholders should have their space in the in-depth analysis and reflections that are necessary to shape the directions of EBRD's future activity.

Looking ahead, the discussion should be framed in terms of evaluating the viability of the Bank going forward to help countries to be competitive, inclusive, well governed, environmentally friendly, resilient and integrated. Current countries of operations still face gaps in a number of these qualities, though with different intensity, and of course the Bank should strive to do more, wherever it is considered additional. Yet, the transition impact and the quality of its operations have to be the main driver of EBRD's activity. In this regard we support the Bank working closely with countries of operation in order to effectively address the needs of these countries.

The EBRD has the capacity and the potential to do more and better. Spain encourages the Bank in further promoting operations that advance gender equality. The bank should also scale up its ambitions relating to SME activities and the fight against climate change. Finally, the Bank must increase its efforts in order to help countries strengthen governance capacity and human capital, as the foundation for an attractive investment climate, job creation, and social stability. Spain, as a committed partner, will continue working closely with the EBRD to achieve these goals.

Likewise, the EBRD should foster its collaboration with international financial institutions (IFIs), as well as with other development partners, for the sake of a higher development impact in countries most in need. Consequently, the work on the Strategic and Capital Framework for 2021-2025 should be nourished by the outcomes of the G-20 Eminent Persons Group on Global Financial Governance and the conclusions of the Wise Persons Group on European Financial architecture.

And, finally, let me thank the President, the management and all the staff for their excellent work in a challenging business environment.