

**OPENING STATEMENT BY
THE ACTING CHAIR OF
THE BOARD OF GOVERNORS**

EBRD Board of Governors' Opening Session

Wednesday 11 May 2022, 09.00 - 09.45

Auditorium des Ministres, Palais des Congres, Marrakech

STATEMENT BY MS KEIT PENTUS-ROSIMANNUS, ACTING CHAIR OF THE BOARD OF GOVERNORS

Your Excellencies, Distinguished Governors, President, Ladies and Gentlemen,

It is truly an honour to address you as Acting Chair of the Board of Governors, and to welcome you all, and especially you, Monsieur le Chef du Gouvernement, to this, the 31st Annual Meeting of the EBRD. It is really wonderful that after two years of mainly virtual events, so many of you are attending in person.

We are really fortunate to be here in this beautiful place, which is steeped in such rich history. We are honoured to have received the High Patronage that His Majesty the King has granted to this event. I would like to thank you, Monsieur le Chef du Gouvernement, and all the Moroccan authorities for hosting us here in this vibrant city.

I would also like to welcome Algeria and the United Arab Emirates, who are two new members that have joined the Bank since we last met. We look forward to cooperating closely with both of you in the future. I would like to particularly welcome the delegation of the United Arab Emirates to their first Annual Meeting.

From our own, Estonian experience, I can testify that EBRD has been a unique partner in delivering a successful and private sector driven development model of the Estonian economy. This will remain relevant for our green transition challenge in years to come.

The EBRD offering, its focus on the private sector, combined with the Article 1 imperative of democracy, has been hugely successful. Sadly, today we also witness – in extreme - the result of countries failing in respect of EBRD core values. There are difficult lessons here for us all.

Before turning to the focus of our discussions today, it is important to recall the Bank's achievements since our last Annual Meeting in July 2021.

Under your leadership, President, the Bank has continued to deliver strong results within the current Strategic and Capital Framework, which we, as Governors, approved in 2020.

The Implementation Report on our agenda later today shows the great work that has been done on the key pillars of digital transition, gender, equality of opportunity, and of course, the mobilisation of private finance.

Crucially, the Bank has met its goal of investing more than half of its total annual investment in Green Economy Transition projects last year.

However, 2021 will feel very distant for the people of Ukraine and those in many of Ukraine's neighbouring countries. This is a direct result of the senseless aggression by the Russian Federation, supported and facilitated by Belarus.

The war has radically altered the global context, and notably so for the EBRD, which over the last 30 years became the largest institutional investor in Ukraine. The EBRD is also a key partner in Ukrainian reforms. And it has made Chernobyl safe.

Millions of people have fled their homes, more than a million have been forcefully deported, many thousands of civilians have been tortured and killed. The economic and political consequences of this war will be long-lasting and profound. Many EBRD Staff have also been directly affected, and I truly commend the work undertaken by the Bank to safeguard their security and wellbeing.

To emphasise these impacts, there will be a High-Level Ministerial panel after this Opening Session, which will include the Governors of Ukraine, Moldova and the European Union. The EBRD Chief Economist Beata Javorcik will outline the war's economic implications for the Bank's countries of operations.

As Governors, we have already acted.

Our decision to suspend operations in the Russian Federation and Belarus under Article

8.3 of the Agreement Establishing the Bank reaffirms the enduring importance of our values and the objectives that the Bank was created to support. We stand in full solidarity with the people of Ukraine. EBRD will be there to help reconstruct Ukraine, so that it can be free and prosperous.

The Bank has also acted.

The approval of the Resilience Package for Ukraine and affected countries means that financial support is being provided now, and a reconstruction programme is ready for the future.

The continued delivery of this support depends on us – as shareholders and donors. The Annual Donor Meeting yesterday helped develop a shared understanding of the most pressing needs and priorities. It is clear that we all need to work together on this.

At our Plenary Session this afternoon, I will be asking you, as Governors, to provide strategic guidance to the EBRD, so that it can build on its track record of delivery, and continue to make a real-world difference to people's lives.

Beyond these immediate issues, however, we also need to recall the long-term challenges – such as green transition - which of course remain a key priority.

Governors, you will also be asked to approve an in-principle decision on a limited and incremental expansion of the geographic scope of the EBRD's operations to countries in sub-Saharan Africa and Iraq.

It seems only appropriate that we are taking this decision here in Marrakech, the first Annual Meeting on the African continent. Our ties with Morocco and other North-African countries are strong and the Bank has proven it can deliver in this region.

To conclude: We face many challenges.

But the EBRD continues to step up in order to tackle them head on.

The Bank is blessed with many qualities:

- The agility, professionalism and commitment of its staff;
- Its resilient and sustainable financial position;
- Its core operating principles of sound banking, transition impact, and additionality;
- And finally, its mandate to support the transition to sustainable market economies in countries committed to, and applying, the principles of multiparty democracy, pluralism and market economics.

These qualities endure and have never been more relevant.

All of us – Governors, the Board of Directors, and all the Staff – should be really proud of the Bank’s track record and recent achievements.

I offer heartfelt congratulations to you President Renaud-Basso and your team on your record of success in responding to challenges in a turbulent world, as the theme of our Meeting very correctly describes it.

Ladies and Gentlemen, Thank you