

BELGIUM

EBRD Board of Governors

October 7, 2020

Statement on behalf of BELGIUM

Ronald De Swert, Temporary Alternate Governor

Dear Chair, dear Colleagues,

We would like to praise all parts of the Bank for the strong operational and financial results achieved in 2019. Those results, following several years of strong financial performance, enabled the institution to face the COVID-19 crisis, in a position of strength, resting on a comfortable capital headroom.

Upon the start of the Covid19 crisis, the Bank managed to design swiftly its crisis response resting on 3 key principles: EBRD strengths, simplicity and flexibility. The reactivity of the Bank has been crucial for many of its clients benefiting from repayment holidays, liquidity support or restructuring. As we are entering a new stage of the COVID-19 crisis, the Bank should stay true to its mandate and its core operating principles as it faces the more long term consequences of the crisis.

Turning to the Strategic Capital Framework, it forms a sound basis to continue to foster transition within the EBRD countries of operation in the next 5 years, but also, hopefully, avoid possible transition reversals induced by the crisis. Adaptability and operational flexibility will be key during the Framework's implementation period in order to best accompany the Bank's countries of operation on the path to recovery.

The Bank should continue to build on its key strengths across all sectors of activity to deliver transition, such as capital market transactions, local currency provision, equity activities, as well as its wide range of debt products and non-transactional support. Moreover, we welcome the desire expressed in the Framework for the Bank to innovate "alongside its clients", in order to push further the transition agenda or the renewed ambition attached to the green economy transition program of the Bank.

As this path to recovery will differ from one country to another, the network of Resident Offices will be an important comparative advantage to “build back better” and tackle from the ground up regional disparities.

The coming years will offer a unique opportunity to improve the resilience of developing economies and develop new tools to anticipate future crisis and tackle current issues, such as environmental challenges, supply chain resilience, demographics and technological transformation. The EBRD has to play its role in full and contribute to that effort acting as a chain of the Multilateral Development Banks’ network.

Finally, in these troubled times, given its economic and democratic dual mandate outlined in its Charter, it is paramount for the EBRD to stay firm on the compliance of its countries of operation with Article 1 throughout the SCF Period.

Thank you.