

BULGARIA

STATEMENT OF MR. KIRIL ANANIEV
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EBRD GOVERNOR FOR REPUBLIC OF BULGARIA
ON THE OCCASION OF THE 29TH EBRD ANNUAL MEETING

First of all, let me express my sincere thanks to the management and the staff of the Bank for the organization of the Twenty-ninth Annual Meeting of Board of Governors, even in virtual format due to the current pandemic situation.

This is a good opportunity to congratulate former President Sir Suma Chakrabarti for his excellent track record over the past eight years and for the way he has led this institution in the wake of uncertain and rapidly changing economic conditions.

The EBRD maintained strong operational and financial performance in 2019, with EUR 10 billion in new business investments across its region of operations. The EBRD has succeeded to maintain its high standards both in terms of volume and quality of the projects, and to reaffirm its AAA rating. More importantly, the Bank has consistently delivered projects with significant transition impact.

We appreciate the swift and determined manner in which the Bank responded to the needs of its countries of operations and its clients since the beginning of the global Covid-19 crisis. We would like to encourage the Bank to continue delivering strong support through the recovery phase towards sustainable economies.

The Strategic and Capital Framework 2021-2025, which is proposed to be adopted during the Annual Meeting, determines the future strategic directions of the Bank on overcoming the challenges in the context of Covid-19 and helping build highly competitive, resilient and stable economies in the EBRD region of operations. We hope to see results that contribute further to the promotion of sustainable and inclusive market economies in our current countries of operations.

We note the ambition of the Bank to reinforce its efforts to the development agenda and the strategic options in respect to the European financial architecture for development. We are fully supportive to the initiative for conducting independent Feasibility Study in order to analyse the options of the Wise Persons Group report. It is our firm conviction that the conclusions of the Feasibility Study will help to make a wise decision in respect to the rationalisation and optimisation of the European financial architecture for development.

Turning now to Bulgaria, we would like to note that the good track record of macroeconomic and sustainable budgetary framework was very supportive to the economic stability in the current difficult environment. In July 2020 Bulgaria has been accepted to join the Exchange Rate Mechanism (ERM2), which is a clear proof of the firm commitments of the Bulgarian Government to pursue sound economic policies with the aim of preserving economic and financial stability.

During decades the EBRD has been a reliable partner for Bulgaria through financial resources, technical assistance and expertise. In this context, we would like to stress on the valuable importance of the current EBRD operation in the water sector under the Agreement between the Bank and the Fund Manager of Financial Instruments in Bulgaria, aiming to leverage public resources with additional private financing to improve infrastructure in the water sector.

The new EBRD Strategy for Bulgaria (2020-2025), which was approved in January 2020, provides a platform for further successful cooperation in many areas. We would like to encourage EBRD to more

active support in the corporate sector, especially for small and medium-sized enterprises and innovative local companies. Other priorities include introduction of innovative financial instruments, notably for municipal infrastructure, wider dialogue and cooperation in the field of energy efficiency and energy security, efforts to promote regional integration through cross-border investments and exports. The EBRD has its place in the implementation of these ambitions. We are ready to work with the Bank so that the policies and priorities are properly reflected in into future projects for the benefit of the Bulgarian business and the Bulgarian society. We also encourage the persistence of the Bank to finalize the existing pipeline of projects in Bulgaria. Finally, we would rely on the support of the EBRD in the context of Covid-19 to combat the negative economic impact in the most affected by the crises sectors.

In conclusion, I would like to thank the Board of Directors, the Management, and the staff of the EBRD for their efficient and dedicated work.

Thank you.