

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

**29<sup>th</sup> EBRD Annual Meeting, London  
7-8 October 2020**

**EBRD Board of Governors – Opening Session  
7 October 2020**

**Nadia Calviño  
Third Vice President and Minister of Economy and Digitalisation  
EBRD Governor for Spain  
Chair of the Board of Governors of the EBRD**

Your Royal Highness, Chancellor, Your Excellencies, Governors, Acting President, Ladies and Gentlemen.

I am delighted to welcome you all –virtually– to the 29th Annual Meeting of the European Bank for Reconstruction and Development in London.

It is a great pleasure for me to chair this Meeting of the EBRD during this critical and challenging time.

I am confident that, even though this is a most unconventional format, our Annual Meeting will be just another hurdle that this resilient institution will have overcome in this extraordinary year.

I am particularly pleased that we can continue with our important work and approve the Bank’s five-year *Strategic and Capital Framework* later today, with its strong focus on accelerating transition.

The current crisis has been energy consuming, but the events of 2020 should not overshadow the outstanding results achieved by the EBRD in 2019. It was a special year with record levels of investment, projects and green economy transition financing – a successful legacy for our last President Suma Chakrabarti.

The Covid pandemic has hit all our countries of operations hard. Our priority now is on crisis response, on recovery, and on building back better to accelerate transition.

This challenge can only be tackled successfully through a collective and coordinated effort. The EBRD and the other international financial institutions must play a meaningful role in getting our countries, our world, back on track. It is therefore more important now than it ever has been, that we, as shareholders across these institutions, work together with the aim of promoting economic development and encourage them to be more efficient and avoid overlaps.

I would like to call your attention to EBRD's prompt response in the last few months with two relevant crisis packages, targeted at addressing the most urgent needs: providing liquidity and working capital for the private sector and for vital infrastructure in our countries of operations. In these difficult times, the EBRD is delivering real benefits that we can all be proud of.

It is important that in all its work, the Bank continues to keep the bar high, ensure quality, and be guided by its mandate and the principles of transition impact, additionality and sound banking. I am glad to say that these principles remain at the heart of the Bank's Strategic and Capital Framework that we will be discussing later today and I would like to take this opportunity to highlight some of the key features of the Bank's future strategy.

We, the shareholders, set the tone for the Bank's investment and policy strategic directions when we agree the Strategic and Capital Framework. It is indeed timely, that under the current circumstances we have the opportunity today to send a strong signal about the

EBRD's planned impact, and our aspirations for the Bank over the next five years.

The building block of this strategy is the Bank's financial strength. There is sufficient capital for the Bank to be ambitious in developing its business model across our countries of operations, and also to eventually expand its regional footprint.

The EBRD purpose remains the fostering of transition towards open-market economies, and the promotion of private initiative in recipient countries, that are committed to and applying the principles of multiparty democracy, pluralism and market economy. This political mandate is a strength amongst Multilateral Development Banks (MDB), and remains a crucial anchor for this Institution.

The ability to combine private sector finance, policy engagement and donor support in a wise and practical manner is an invaluable asset of the EBRD. This is a strength that the Bank should continue to deploy in all its countries of operations.

The Strategic and Capital Framework advocates a thoughtful distribution of the Bank's toolkit. Our decisions should allow the Bank to set the path to increasing the proportion of its investment and policy activities in countries less advanced in transition.

Also, and as has always been the case in EBRD, success in the transition journey is still marked when a country itself decides to graduate from the use of Bank resources.

Looking forward, the Bank's successful experience in previous expansions has shown that its business model is complementary to

other development finance actors. This gives us, as Governors, a starting point to decide on the possibility to expand the Bank's transition mandate to sub-Saharan Africa and to Iraq during the Strategic and Capital Framework period, at the point when it makes sense and creates value.

This Strategy sets out the many ways in which the Bank will go from strength- to-strength. The Bank's key focus of preserving and accelerating transition in its countries of operations will be underpinned by three strategic themes of:

- Fostering the transition to a green, low carbon economy;
- Promoting equal opportunities; and
- Accelerating the digital transition.

I look forward to the new innovative approaches and strategies that will be crafted along these themes. I call on shareholders to support the Bank in these endeavours and the generosity of donor countries will be needed more in the coming years than ever before. I am confident that in this context the European Union will play as significant a role as it has done in the past.

Our approval of the Strategic and Capital Framework also aligns with the implementation of the Bank's new *Green Economy Transition* approach for the next five years. Part of "building back better" from the effects of the crisis will be a focus on green recovery. The Bank is ready to seize this opportunity and will no doubt do so in a determined and effective way. Reflecting its strong commitment to support the transition to a green, low carbon economy in its countries of operations, the Bank has set an ambitious target green finance ratio of more than 50% by 2025. This is very much welcomed.

These are but a few of the many highlights, and I am very much looking forward to chairing the Plenary Session and hearing Governors' views on areas important to them in the Strategic and Capital Framework, as we take this very important decision.

In my capacity as Chair of the Board of Governors, I would like to take this opportunity to convey Governors' heartfelt thanks to all Staff for the outstanding results in 2019 and their readiness to keep the Bank going especially during these difficult months.

I would like to extend sincere thanks to former President Chakrabarti for his exceptional efforts, achievements and dedication to the institution and its mandate during his eight years at the helm.

And, on behalf of us all, I would also like to thank Acting President, Jürgen Rigterink, for stepping into the breach during the interim leadership period, and for his calm approach to navigating the Bank safely through the choppy waters of this most challenging of years.

This is already a momentous meeting in the Bank's history. And there is more. At this Annual Meeting, we will be electing the Bank's new President for the next four years. I am confident that with the candidates' strong experience and leadership skills, the Bank will be in safe hands as we move into the future with confidence and ambition.

Moving to the institutional matters before us at this Annual Meeting, I look forward to Governors deciding on the application from Iraq. We have already approved Algeria's membership application earlier this year, and I look forward to being able to welcome both of them as the 72<sup>nd</sup> and 73<sup>rd</sup> members of the EBRD. Since our last Annual

Meeting in Sarajevo, the Bank has expanded its shareholder base, and so I would like to extend a warm welcome to San Marino as the newest member of the EBRD. Welcome!

2020 has been a difficult year globally and the challenges ahead are unprecedented. For many of the EBRD's countries of operations, the road to recovery will be steep and rocky. But, with the ambitious Strategic and Capital Framework and the Bank's strong capital base, ambitions on the green agenda, and commitment and active engagement in its regions of operations, and not forgetting its crisis response activities, the Bank is well equipped with the tools needed to help smooth and level that road towards recovery.

Thank you.