

GEORGIA

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Ivane Matchavariani, Governor
Minister of Finance of Georgia

Dear Honorable Chairman and Governors, Distinguished Guests, Ladies and Gentlemen,

It is my pleasure to be here presenting Georgia and participate at the Annual Meeting of the European Bank for Reconstruction and development (EBRD). I am grateful to EBRD team for organizing this event in these difficult circumstances. I would like to thank organizers for coping with the challenges and giving us opportunity to meet, though virtually.

The impact of Pandemic will not be only on the form of the meeting but certainly on the context. COVID-19 created dire environment when people suffer, economies are severely hit affecting living standards of everyone around the globe. Despite the fact that there are hopes for vaccine coming soon, economic consequences of the Pandemic seem to be long-lasting. So called “V” or even “U” shaped recovery cannot be easily achieved. This will be especially true for developing states facing the loosening pace of investments and capital formation thus affecting potential GDP growth.

Economic and sustainable development objective of the Bank’s 2030 Global Development Agenda is under big risk. There is a need for the Bank to elaborate comprehensive post Covid economic recovery agenda which can be a strong framework for supporting countries of operations in supporting quick economic recovery.

Bank’s role in supporting countries during post COVID-19 period is immense. The initiatives should be focused around the ideas of helping countries to overcome their main economic vulnerabilities. In this respect, let my underline some specific aspects where EBRD enhanced focus and strengthened strategic approach will be instrumental:

1. Supporting openness to international trade and attempts to diversify economies will allow countries to challenge the obstacles and structurally upgrade their economies;
2. Inefficiencies in State Owned Enterprises are big impediment to economic development. Georgia is undertaking comprehensive SOE reform and we wish to see EBRD part of our ambitious initiative;
3. Covid explicitly showed us how important is the Green aspect of the economic growth. Sustainable economic development means climate friendliness and vice versa. We welcome the Bank’s increasing effort toward enhancing **green economy** support to member countries. We believe that the partnership and inclusion of EBRD’s investment for enhancing green economy in countries will continue.
4. COVID enhanced the need of other important aspect – that is SMART Economy. Digitalization is very vivid answer to Pandemic related challenges. In addition to that, we are living in the era – which sometimes is called **Fourth Industrial Revolution** (Industry 4.0) and is expected to disrupt digital, physical and biological systems. Robotics, Artificial Intelligence, machine learning, virtual learning – all these are opportunities for developing countries and I think, helping the countries of operations to catch up with advancements in new technologies should be one of the most important strategic directions for multilateral development banks. We would like to see EBRD in the frontline of supporting the countries in this area.

In addition, I would like to underline that the impact brought by EBRD in Georgia is huge. In this unprecedented difficult times Georgia is ready for challenges and I strongly believe that the EBRD will continue to be an important partner for my country.

Thank you!