

# ICELAND

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**Written Statement by  
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I would like to start by thanking the outgoing President of the EBRD, Suma Chakrabarti, for eight years of success by leading the Bank to excellent shape to embrace future challenges. His tenure at the Bank has been characterised by vision and dynamism, and the courage and boldness required to take the Bank forward. I would also like to congratulate the Management team and the entire Bank's staff on the excellent results achieved in 2019 with the best performance in almost 30 years of history. It is particularly pleasing to witness the high level of investment in the green economy and the increased impact in the 38 economies where the Bank operates. As well as the Bank's best outcome since 2007, with net profit of more than 1,4 billion euro.

Iceland highly appreciate how EBRD quickly and effectively responds to the crisis of COVID-19 pandemic, its unfolding economic consequences present an unprecedented challenge to the EBRD's countries of operations. We believe that the bank has created and launched important action in the Solidarity Package where EBRD provide focused support through lending instruments, advisory and policy engagement along with approach which the Bank has put forward, Resilience Framework and Trade Facilitation Programme. It can be expected that Bank's business this year and next will contribute to an evolving and dynamic Solidarity Package through which the EBRD will need to respond to the crisis and contributes by putting in place foundations of an eventual recovery.

Iceland supports the three cross-cutting themes in the new SCF strategy – Green Economy Transition (GET), deploying innovated and new methods and technology and promoting equal opportunity. We encourage that the bank is ambitious and that its investments support these areas of focus to highlight the importance of Green Economy Transition.

Iceland supports the new approach to GET which will become more effective of the Strategic and Capital Framework (SCF) 2021-2025. We also appreciate the new approach that aims to further scale-up existing activities to develop and contribute to a green economic recovery following the severe impact of the Covid-19 health emergency. Furthermore, we cherish how the Bank has established clear areas of expertise in energy efficiency, renewable energy, green banking, and in mobilising climate finance. We encourage Management to continue to focus on GET projects and especially renewable energy and energy efficiency to tackle climate change in line with the goals set out in the Paris Climate Agreement. It is an impressive challenge to set a goal to raise the share of green finance to at least 50 per cent and to deduce net CO2 by 25 to 40 mega tonnes by the end of the SCF periods, thereby aiding the acceleration of the transition to a green, low-carbon and resilient economy.

Iceland sees big opportunities to scale-up investment in renewables and to increase their share in the energy mix. We therefore welcome the increased emphasis on renewables in the bank's strategy and on the flip side the clear commitment not to finance coal projects. Iceland leads Europe in terms of renewables as a share of total energy production and consumption and we are eager to assist EBRD countries using our experience and highly developed expertise - especially in hydropower and geothermal power.

In light of this emphasis we are supportive of the strategic thrusts put forward in the Strategic Capital Framework (SCF) 2021-2025 as we are very much focused on the green agenda, equality and digitalization. We need to ensure that the Bank in the coming years develops its capacity and efforts to address climate change by accelerating low carbon transition, promoting sustainable and smart cities and applying and deploying new technologies in that field. We would like to see those thrusts developed further carved out into clear goals and priorities in the near future.

Finally, these past months have been trying times for the whole world and has coloured the work of the bank, its staff, and impacted its clients due to impact of COVID-19. I want to thank Acting President, the board, management and the staff for their good service during these times and wish them and their families good health going forward.

Bjarni Benediktsson