

AUSTRALIA

Country Statement – Australia
EBRD Annual Meeting 2017 – Nicosia, Cyprus
Phil Barresi (Temporary Alternate Governor)

Since our meeting in London a year ago, the global economic outlook is starting to show signs of improvement. Global growth is expected to edge higher over the next few years following a subdued 2016.

However, political upheaval and turbulence across a number of countries casts a shadow of uncertainty over this global economic outlook. The Bank's key regions of operation, South Eastern Europe, Central Asia and Southern and Eastern Mediterranean regions, are areas of heightened volatility, presenting ongoing challenges.

Looking back over the past 26 years of the EBRD and beyond, it is clear that a strong international financial architecture is a crucial dimension of our shared prosperity. In a highly interconnected global economy, if we are to maintain growth and stability, we must remain committed to the cooperative pursuit of shared objectives, through multilateral and regional forums, working together and supporting international economic cooperation.

We must be able to show the relevance of the international financial architecture and how it delivers benefits for all. The EBRD's mission of helping countries transition to open-market oriented economies will help share the benefits of global growth, and reduce the drivers of instability. We would encourage the EBRD to ensure that it targets those economies which are furthest away from transition.

Australia encourages the EBRD to continue to collaborate with the G20 and international financial institutions to ensure that we are making the most of their substantial knowledge, resources and abilities to support inclusive and sustainable growth domestically, regionally and globally. There is an opportunity for the Bank to leverage its private sector experience to engage in development opportunities in infrastructure, energy and the ICA sector.

We welcome the leadership role the EBRD has taken with the World Bank to build the strength and commitment of multilateral development banks to work with private sector investors and crowd in private finance for development.

We welcome the EBRD's Strategy Implementation Plan for 2017 - 2019, particularly its focus on policy capability and delivery, energy and infrastructure investments. The unique mandate of the Bank to work through the private sector must continue to have primacy of place.

The EBRD's recent Transition Concept refresh will help ensure the Bank's operations remain relevant. It brings the focus to key transition characteristics of a modern market economy. The shift to an investment and assessment framework that is more reflective of a country of operational circumstances will enhance effectiveness.

Overall, Australia commends the EBRD's strong commitment to investing in new projects across a number of regions, while generating a modest profit, with minimal financial contributions from its

member economies. We welcome the EBRD's maintenance of its triple-A credit rating. It is important that the EBRD continues to achieve financial sustainability through investments that reflect the EBRD's core mandate.

I would like to express my thanks to the people of Cyprus for their hospitality in hosting the 26th Annual Meeting of the European Bank for Reconstruction and Development.

It is important to highlight the significance of Cyprus hosting the Annual Meeting, in light of the ongoing efforts aimed at resolving differences which go back many decades. I note that Australian federal police officers have served as part of the UN Peace Keeping Force in Cyprus continuously since 1964.

Should there be a resolution to the current political division, the EBRD should be ready to consider what opportunities exist to increase investment as it continues to assist the economic development of Cyprus.

We look forward to another successful year's operation of the EBRD.

Thank you.