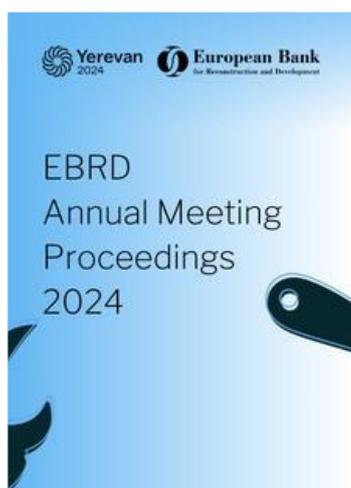


Annual Meeting 2024

Proceedings



The EBRD Annual Meeting and Business Forum 2024 took place between 14 and 16 May in Yerevan, Armenia. Under the theme *Delivering Impact Together*, it brought together government officials, financial and corporate executives, entrepreneurs, civil society and media from all over the world.

Governors elected Odile Renaud-Basso to serve a second four-year term as President of the EBRD.

The Board reviewed the Bank's current Strategic and Capital Framework and Governors gave guidance for the preparation of the next Framework, due for approval at the 2025 Annual Meeting.

The Board of Governors approved resolutions that admitted Kenya and Nigeria as potential members of the Bank, joining Benin, Côte d'Ivoire, Ghana and Senegal, and consistent with Governors' approval in 2023 of amendments to the Bank's statutes to enable the limited and incremental expansion of its operations to sub-Saharan Africa and Iraq.

The Proceedings constitute the official record of the Thirty-third Annual Meeting of the Board of Governors.

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RECORD OF THE PROCEEDINGS

The Thirty-third Annual Meeting of the Board of Governors was held in Yerevan, Armenia on 15 and 16 May 2024. Participants took part from a variety of locations, both in person and via video link.

The Governor for the Netherlands, Mr Steven van Weyenberg, was the Chair of the Board of Governors. The Governor for Egypt, Ms Rania Al-Mashat, and the Governor for Lithuania, Ms Gintarė Skaistė, served as Vice Chairs.

1. Procedures Committee

The Procedures Committee for 2023-2024 submitted to the Board of Governors a report about matters in the Committee's terms of reference, including recommendations on the provisions for the conduct of the 2024 Annual Meeting, and on the Chair and Vice Chairs of the Board for 2024-2025, who would also serve as the Procedures Committee for that period.

2. Opening session

After Vice Chair Skaistė had called the Meeting to order, the Board adopted the Agenda, and approved the provisions relating to the conduct of the Meeting, which were included in the Report of the Procedures Committee that had been circulated to all Governors.

The Board was then addressed by His Excellency Mr Nikol Pashinyan, Prime Minister of Armenia, Ms Gintarė Skaistė, Vice Chair of the Board of Governors, and Ms Odile Renaud-Basso, President of the EBRD.

Governors provided guidance to the Bank in the form of written statements, which were distributed during the Meeting and are incorporated in the Proceedings.

3. Election of the President

In accordance with Resolution 232 (*Amendments to the Rules for the Election of the President and Term of the New President*), an election was held during a closed session of the Board of Governors. Following a secret ballot, Ms Odile Renaud-Basso was re-elected President.

The Board of Governors then adopted Resolution 272 (*Election of the President*).

Plenary session

a. Governors' Roundtable

Governors provided their views on two documents: a report of the Board of Directors entitled *Review of the Implementation of the Strategic and Capital Framework 2021-2025*; and a second document, *Questions to Governors: Preparing the next Strategic and Capital Framework*.

b. Institutional and financial matters

i. Membership of Kenya

The Board of Governors adopted Resolution 273, *Membership of Kenya*

ii. Membership of Nigeria

The Board of Governors adopted Resolution 274, *Membership of Nigeria*

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iii. Annual Review 2023

The Board of Governors took note of the Annual Review 2023.

iv. Financial Report 2023

Financial Statements and Independent Auditors' Report for 2023.

The Board of Governors adopted Resolution 275, *Financial Statements and Independent Auditors' Report for 2023*. The Board also took note of the Financial Report 2023.

v. Special funds' financial statements 2023

The Board of Governors adopted Resolution 276, *Special Funds' Financial Statements 2023*.

vi. Strategy implementation plan 2024-2026

The Board of Governors took note of the Strategy Implementation Plan 2024-2026.

vii. Diversity and Inclusion in the EBRD Board of Directors 2023

The Board of Governors took note of the Report, *Diversity and Inclusion in the EBRD Board of Directors 2023*.

viii. Annual Meeting Cycle 2026-2027

The Board of Governors adopted Resolution 277, *Annual Meeting Cycle 2026-2027*

c. Election of Chair and Vice Chairs for 2024-2025

At the end of the plenary session, the Board elected the Governor for Slovenia as Chair of the Board of Governors, and the Governor for Iceland and the Governor for Türkiye as Vice Chairs, to hold office until the close of the 2025 Annual Meeting. The Board appointed a Procedures Committee for 2024-2025 composed of the Chair and the two Vice Chairs, to be available until the end of the 2025 Annual Meeting for consultation at the discretion of the Chair, and also to meet immediately before the 2025 Annual Meeting if required.

4. Appreciation

Governors expressed their appreciation for the generous hospitality of the city of Yerevan and the Government and people of Armenia throughout the Thirty-third Annual Meeting.

5. Closing

The President of the EBRD and the Chair of the Board of Governors addressed closing remarks to the Board. The Chair then declared the Thirty-third Annual Meeting of the Board of Governors of the EBRD officially closed.

ADDRESS BY MR NIKOL PASHINYAN, PRIME MINISTER OF ARMENIA

Honourable EBRD President, esteemed Heads of Delegations, distinguished attendees

I would like to welcome the EBRD Annual Meeting to the Republic of Armenia. It is an honour for us to host this reputable European institution of which Armenia is a member. We highly value our partnership with it.

The economy of the Republic of Armenia has experienced a significant rise in recent years. Since the Non-Violent Velvet Revolution of the People in 2018, the economy of Armenia has grown by almost 30 per cent. State budget revenues have increased by more than 91 per cent, about 200,000 jobs have been created, the average nominal salary has increased by about 87 per cent as compared to 2017, and GDP per capita has almost doubled. And please note that meanwhile, we were experiencing the Covid pandemic, a 44-day war, a humanitarian crisis, and the forcible displacement of over 100,000 Armenians from Nagorno-Karabakh, the occupation of more than 200 km² of the sovereign territory of the Republic of Armenia, and domestic political and regional escalations. But thanks to the abovementioned economic indicators, we have been able to counter all those challenges. I must note, however, that the economic indicators I cited have been achieved precisely due to the changes brought about by the Non-Violent Velvet Revolution of the People in 2018, and the Government's firm commitment to democratic reforms.

After the revolution, all businesspeople in Armenia were given an opportunity to engage in economic activity freely and without any restrictions. Before that, the most profitable branches of the economy in the Republic of Armenia were actually split among a small group of beneficiaries; the import and export of many commodities was impossible without the permission of political authorities.

Since 2018, these phenomena have been eradicated in Armenia and now, all those who have the necessary skills, abilities and willingness can make a profit in our country. It is a tribute to these people that the economy has been developing, and the revenues of the State budget have been increasing; and these people have served as the locomotive of our country's development.

Economic growth is, of course, influenced by various factors. But in Armenia, by and large, the rate of economic growth is directly proportional to the course of democratic reforms. We have significantly reduced the grey economy, and are relentlessly fighting corruption. According to Transparency International's Corruption Perceptions Index, the Republic of Armenia has improved its position by 45 points since 2018, moving up from 107 to 62.

Dear Attendees

As a result of all these developments, the potential of Armenia's economy has increased significantly. And tapping that potential is a new challenge for our country, because the proper fulfilment of that potential is of the utmost importance for our country to develop further. To solve this problem, we have thought of three key interventions: reforms in education, institutional capacity-building, and implementing the peace agenda.

In education, we are at a very intense stage of reforming education content and improving physical infrastructure. We have adopted a new core curriculum for pre-school and general

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education, and have launched a teachers' certification process, one of the key goals of which is to double teachers' salaries, based on qualification verification.

Also, to ensure access to education across the territory of the Republic, we have undertaken the construction of 500 kindergartens and 300 schools. As a matter of fact, during the implementation of this project, we often identified institutional capacity gaps in the education sector *per se*, as well as in the public and private sectors. In any case, it is noteworthy that, compared to 2017, the budgetary financing of the education sector in 2024 has more than doubled, increasing by 119 per cent.

Science funding has increased by 147 per cent compared to 2017, and processes to sometimes triple the salaries of scientists have been underway in this sector too.

In this context, we ascribe special importance to reforms in vocational education and training, as well as higher education. We are at the stage of active discussions on the *Academic City* project. The idea is as follows: to build an academic city from scratch, which will become a higher education and IT centre for the country, as well as a popular place for intellectual entertainment. I would like to draw investors' attention to this project; the preparation of the master plan will be completed soon.

Reforms in education are crucial for us, because a new quality of education is necessary to ensure our country progresses further. Education is also a tool to ensure democracy, anti-corruption practices, and institutional capacity-building. After all, the work on all these agendas is done by people, and the larger the number of highly qualified specialists, the easier it will be to implement any project, even the most ambitious ones.

But the idea is not only that the next generation will have an incomparably higher level of education and will be more competitive in the global and local labour markets. The issue is also that, in the course of our education reforms, we also learn. And in general, our strategic concept for the education sector is to make education a lifelong process and State ideology. As I have already noted, while implementing the reform and development agenda, we have frequently encountered gaps in our educational system and our deeply rooted attitude towards education; and this is true for both the public and private sectors.

The private sector is also in dire need of highly qualified specialists today, often so as to reduce production costs, access new markets, and develop production and labour standards. Of course, the Government has been implementing targeted programmes, but our ability to implement and improve these programmes also needs to be enhanced. And development is not possible without education, without learning.

No creative change is possible without learning. I started my speech with reference to the peace agenda. But it is impossible to live peacefully without learning, because some countries in our region – for example, Armenia and Azerbaijan – do not have the experience and knowledge of peaceful coexistence. They have been in conflict since the first days of independence, whereas there is an important precondition beyond political negotiations and principles of peace: learning to live in peace, which is an extremely challenging process because, let me reiterate, neither Armenia nor Azerbaijan know what that is – in the case of Azerbaijan, what it means to live in peace with Armenia, and in the case of Armenia, what it means to live in peace with Azerbaijan.

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And the unknown leads to uncertainties – concerns that one understandably formulates and perceives based on one's own historical experience. And historical experience says that this is not possible.

This is where the need to learn arises, because the historical experience of humankind should have told us that space travel was impossible. And it really was impossible until humanity started learning to fly into space. And now, space travel is no surprise to anyone.

And this happened only after humankind learned to make tools that enabled what previously seemed impossible. In the course of such learning, people were burned at the stake, but the globe did not stop revolving, and the learning process never ceased.

In the case of Armenia and Azerbaijan, we also need tools to learn to live in peace. One of those tools is the *Crossroads of Peace* project proposed by the Government. And one of its important provisions is that Armenia and Azerbaijan will reciprocally open their highways and railways, enable pipelines, power lines and cables to be installed across each other's territory, on the basis of respect for each other's territorial integrity, sovereignty, and jurisdiction according to the principles of equality and reciprocity. These principles for the opening of regional communications were agreed in Brussels on 15 July 2023 during a meeting between the President of Azerbaijan, the President of the European Council Charles Michel, and me. The principles were published by President Michel.

And on 6 October 2022, in Prague, Armenia and Azerbaijan agreed to recognise each other's territorial integrity on the basis of the Alma-Ata Declaration of 1991.

That declaration was signed by 12 republics of the former Soviet Union to establish that the Soviet Union would cease to exist, and that the existing administrative borders between the Soviet republics of the time would become their State borders, because the Soviet republics would become independent States.

Hence, on 6 October 2022, in Prague, through the mediation of French President Emmanuel Macron and European Council President Charles Michel, Armenia and Azerbaijan agreed that the Alma-Ata Declaration must serve as the basis of border demarcation between the two countries.

The border demarcation process between Armenia and Azerbaijan has started recently, and should become one of the tools to teach Armenia and Azerbaijan to live in peace.

Honourable EBRD President, esteemed Heads of Delegations, distinguished attendees, thank you for your attention, and I wish every success to the EBRD Annual Meeting.

OPENING STATEMENT BY MS GINTARĒ SKAISTĒ, VICE CHAIR OF THE BOARD OF GOVERNORS

1. Introduction

Your Excellencies, distinguished Governors, President, ladies and gentlemen,

It is truly an honour to address you as Vice Chair of the Board of Governors, and to welcome you all, and especially our distinguished guest speaker, His Excellency Nikol Pashinyan, to the Thirty-third Annual Meeting of the EBRD.

Thank you, Your Excellency, for sharing your perspective with us on the socioeconomic situation and developments of Armenia. As EBRD shareholders, we are ready to support Armenia in line with the mandate of the EBRD.

We are also grateful for the warm hospitality of Armenia and the beautiful city of Yerevan in hosting this forum.

As we convene for this Annual Meeting, we cannot ignore the challenging global landscape. The global situation is worrying, and this Meeting takes place in an environment of heightened geopolitical tensions, wars and conflicts in our regions of operations.

The most significant one is Russia's war of aggression against Ukraine that brutally violates international law and the rules-based order. It has huge global implications, including on energy, food markets and global supply chains; it causes devastation and suffering to the Ukrainian people and reverses global development achievements made over 30 years.

2. Overview of 2023 achievements – Ukraine

I recently visited Kyiv and was encouraged by the resilience and bravery of the Ukrainian people. In this context, I am very glad to see that the EBRD has stepped up its efforts to help Ukraine. The Bank has been for a long time Ukraine's largest institutional investor and has increased its support following the Russian invasion. Since then, the Bank has made a significant contribution to the real economy of Ukraine, extending €4.1 billion since February 2022.

In 2023 alone, €2.1 billion was provided, and some €300 million has already been deployed in 2024. The Bank's financing has been directed towards both the public and private sectors, aligned with core priorities: energy security, vital infrastructure, food security, private-sector resilience and trade facilitation.

The EBRD must keep up the pace and continue to play an important role in mobilising the necessary resources to continue supporting Ukraine's real economy now and in the coming period.

3. Overview of 2023 achievements – general capital increase

In order to help Ukraine further, as well as maintain support to other EBRD countries, a historic decision was made at the end of 2023 – we approved a resolution to increase the Bank's paid-in capital by €4 billion, bringing its capital base to €34 billion.

This decision provides significant and sustained resources for investment in Ukraine's real economy, both in wartime and in reconstruction, and helps support the EBRD's priorities in other affected countries.

As my country, Lithuania, is located in a region negatively affected by Russia's war against Ukraine, we strongly value the EBRD's involvement and investments, which not only contribute to the development and resilience of our economy, but also give a signal of trust for private investors.

With regard to the Bank's capital increase, I am pleased to see that we had an inclusive process and good compromises were reached in a timely manner, in which our Board of Directors played a critical and constructive role, and I thank them for their hard work.

I now invite all members to show their support by subscribing to their full allocations as my own country fully intends to do. We all know that budgets are stretched, but this is an investment in our shared future that will pay back several times over, including through our continued support to Ukraine and for the benefit of all the Bank's recipient countries.

4. Overview of 2023 achievements – expansion

Twenty twenty-three was a historic year for the Bank in another respect: we, the Bank's Governors, approved amendments to the Bank's founding agreement, enabling limited and incremental expansion of its operations to sub-Saharan Africa and Iraq, and approved membership applications by Benin, Côte d'Ivoire, Senegal and Ghana through a written procedure. Tomorrow at our plenary, we will also vote on the membership of Kenya and Nigeria.

Since our last Annual Meeting, the Bank welcomed Iraq and Benin as its latest members, bringing the total number of shareholders to 75. We are delighted to welcome the Governors for Iraq and Benin, who have joined us here today, to their first EBRD Annual Meeting.

The EBRD's limited and incremental expansion into sub-Saharan Africa and Iraq demonstrates the Bank's ability not only to address the existing challenges in war-torn Ukraine and the affected region, but also to take on new challenges and responsibilities, transferring its expertise, particularly involving the private sector, to this important new region.

As members, we now need to do our part by formally accepting the resolutions we ourselves approved last year in Samarkand.

5. Overview of 2023 achievements – other

I am sure the President will elaborate more on the Bank's operational performance last year. I just would like to stress more generally that the EBRD achieved a record volume and number of investments, green financing, disbursements, support to the private sector, and projects with a gender component.

The EBRD financed 464 projects in 2023, with the vast majority of investments in the private sector. The overall amount of investment the Bank unlocked from all sources in 2023 amounted to €26.2 billion.

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I would like to stress the importance globally – and particularly for the EBRD regions – of the green transition, and to pay tribute to the work of the EBRD in this regard.

Green transition is the only way to achieve energy independence and to increase our resilience to future shocks. However, it requires huge investments that cannot be covered by public finances alone. International financial institutions are therefore key partners in helping their members to achieve ambitious goals. I am particularly pleased that the EBRD is making an effort and focusing its investments on sustainable and green transition solutions in its regions, including in my country, Lithuania.

6. Agenda setting for Governors at this Annual Meeting

Turning to our agenda for this Annual Meeting, I would like to highlight tomorrow's plenary session, where we will provide guidance for the Bank over the next Strategic and Capital Framework period.

Your voice really matters, and I know management and the Board of Directors will take careful note of what they hear before the drafting of the next five-year strategy gets underway. The Strategic and Capital Framework comes back to us for final approval next year at the London Annual Meeting.

We have another important decision to take tomorrow: the EBRD Presidential election in the morning.

This will be followed by the high-level panel discussion, *Multilateral development banks: working together as a system*. As shareholders in many different multilateral development banks, we are often pushing them to collaborate more together, and the discussion should provide some useful insight into this issue, so I am grateful to see such distinguished representation from the ADB, EIB and the World Bank here in Yerevan.

7. Conclusion

In conclusion, having outlined the major achievements of the EBRD over the past year, I would like to pay special tribute on the Governors' behalf to the EBRD staff and President for their dedication and hard work.

The theme of this EBRD Annual Meeting and Business Forum is *Delivering Impact Together*. I am sure that our discussions and decisions over the next days will make a major contribution to enabling the EBRD to deliver impact, together with many other public and private-sector partners.

I would like to thank once again the Armenian and Yerevan authorities for their great hospitality, hosting this EBRD Annual Meeting.

My colleague, the Dutch Governor, is arriving later today and will preside at tomorrow's plenary session.

Ladies and gentlemen, thank you.

OPENING STATEMENT BY MS ODILE RENAUD-BASSO, PRESIDENT OF THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

1. Introduction, Armenia and thanks

Prime Minister
Your Excellencies
Governors
colleagues
ladies and gentlemen

Welcome to the EBRD's 2024 Annual Meeting and Business Forum.

And welcome to Yerevan, a city with nearly 3,000 years of history to its name already.

The theme of this year's event is *Delivering Impact Together*.

This city and this country show what that means.

Our total investment in Armenia to date is already over €2 billion.

And we expect the 2024 figure to break new ground, and be significantly higher than in the past.

That strong performance is a tribute to our partners in government, the Central Bank and the private sector, as well as our work with the Investment Council of Armenia, and Yerevan itself, one of the very first members of our Green Cities programme.

This Annual Meeting and Business Forum and its success are also testament to the hard work and generous hospitality of our hosts – for which many thanks.

2. Impact in challenging times

We are indeed *delivering impact together* across all our regions.

That work is even more important amidst today's severe challenges.

Our regions are at the heart of the very high levels of geopolitical tension we are living through.

Growth is fitful and, in many places, peace under threat.

We can all see how, politically and economically, the world is fragmenting.

Some basic principles underpinning international cooperation since the end of the Cold War are being questioned.

In this dangerous new era, the EBRD and what we do become ever more crucial.

Our global membership allows us to be both an anchor of stability in today's stormy seas and a bridge between north and south, and east and west.

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Our impact on the ground helps countries weather global crises, including, unfortunately, the consequences of conflict.

- Only last autumn, **Armenia** had to welcome 100,000 refugees, an emergency it coped with with impressive speed.

And the Bank is assisting with its Refugee Response Plan, helping ensure access to finance for those displaced, protecting livelihoods and supporting infrastructure.

- The ongoing fighting, loss of civilian life and devastating destruction in the **Middle East** are a source of great pain and distress.

We are playing our part to help. The EBRD was the first international financial institution to provide a funding package to the West Bank's private sector, which is key for economic stability, after the events of last October.

And we stand ready to do much more when reconstruction in Gaza begins.

- And Russia continues to wage a terrible war of aggression against Ukraine, occupying its territory, bombing civilians, and trying to destroy its infrastructure.

After more than two years of massive destruction and loss of life, the resilience of the Ukrainian people remains remarkable.

Our duty, **our moral duty**, is to continue to back their bravery.

Our deployment of over €4 billion in Ukraine and its economy since 2022 has boosted its private sector and the country's resilience.

Our work on energy security, infrastructure, food security and trade is making a real difference to people's lives and livelihoods.

We are very grateful for all the support you, our donors, gave us to help make that happen.

The capital increase you, our Shareholders, agreed to at the end of last year will equip the Bank to navigate these very turbulent times – and to grow bigger.

It will enable us to keep investing in wartime Ukraine at current levels, and help provide significantly more funds for reconstruction when peace returns.

But it also supports the Bank's activity in all our regions, many of which have been affected, directly and indirectly, by these wars.

3. The last year

That capital increase – and the speed with which we, as an institution, prepared the case for it and you provided approval – was one of the signal achievements of the last 12 months, and a symbol of multilateralism at its best.

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But there were many operational highlights over the last year:

Record investment volume and number of projects,

Record green financing,

Record support for the private sector,

Record disbursements,

And a record number of projects with a gender component.

We also mobilised a record €26.2 billion of additional private-sector finance.

More is needed and we will focus on scaling up the levels of investment from all sources we unlock.

And the Bank's financial results rebounded last year from the initial adverse impact of the war on Ukraine to return a very healthy profit of €2.1 billion.

With our three key strategic priorities we also helped our countries to deal with global challenges.

The climate crisis is accelerating and already taking a toll on our countries through droughts and floods.

That is why we are so focused on deepening our support for the **Green Transition**.

For example, we were instrumental in the launch of North Macedonia's platform to phase out coal-fired electricity and deploy 1.7 gigawatts of renewable energy by 2030.

Promoting **human capital resilience** and **equality of opportunity** by protecting jobs, livelihoods, people and communities has never been as important as now.

I am particularly proud of the way we are helping our Ukrainian clients integrate veterans into the labour force.

Only last month, together with the National Bank of Ukraine, we launched a new initiative to enable veterans to access finance and find jobs.

And we have built up our work in the **digital** sphere, boosting the number of projects in this area by almost a third over the last year.

We have indeed delivered impact across the themes of **Green, equality of opportunity** and **digital** that you asked us to prioritise in the current Strategic and Capital Framework.

We have also proved ourselves highly adaptable and agile: in the face of the shocks of war, and natural disasters such as earthquakes in Türkiye and Morocco, we have had to be.

4. The future

Our thoughts are now turning to the future, and the next Strategic and Capital Framework period.

We already know that, thanks to your vision and support, the Bank will take its unique business model to sub-Saharan Africa – with Benin already a new shareholder, and Iraq another of our new members.

This launches a very exciting new chapter for the EBRD.

Our focus on building open market economies attractive to private-sector investment is the right one for our new frontiers as well as our existing regions.

We also know that the global context in which we will be operating will be tough.

Many of our countries will benefit from new supply chains, the shift to renewables, and the world's growing reliance on critical raw materials.

But the transition and development challenges remain daunting.

And the world needs a step change in the flow of capital to our markets if it is to meet them.

We are **already** delivering impact together with our partners.

I believe we can do **even more** as our internal transformation agenda helps us grow increasingly agile and efficient, and our culture encourages further innovation and engagement.

5. Conclusion

Let me finish by saying this.

The world around us is as volatile now as any of us can remember.

Much will be at stake in the years ahead.

Some may be tempted to turn in on themselves; but that would leave us divided, undermining our cause.

For those who believe in multilateralism and want to accelerate our transition to a more sustainable world, this is the time to press on – together.

The multilateral development banks know that full well.

We are increasingly pooling our forces; and operating more and more as one system.

The future will be **challenging**.

It will certainly be **exciting**.

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What we do really **will** build a better future for our regions and for our children.

Delivering more impact,

Transforming economies and lives,

And doing so together.

This is what we will continue to strive for.

Thank you.

STATEMENTS FROM GOVERNORS

STATEMENT FROM MR VAHE HOVHANNISYAN, GOVERNOR FOR ARMENIA

Indeed, it is a historical moment for our nation and for our country. It is with the utmost respect that I would like to extend appreciation to the EBRD on behalf of the Republic of Armenia for this unique opportunity to host the EBRD's Thirty-third Annual Meeting in our historic and dynamically growing city of Yerevan. Together with the EBRD team, we exercised enormous efforts to make this Annual Meeting memorable and unprecedented. And today, it is a great honour to have your esteemed company in the heart of Armenia. Another important event that made this Annual Meeting significant is the re-election of the honourable President, Odile Renaud-Basso.

Your excellency President, allow me to extend our heartfelt congratulations on your re-election as the President of the EBRD. **Madam President**, we are confident that under your guidance, the EBRD will continue to succeed in its mission of fostering economic development and prosperity across the EBRD countries. Your vision and dedication will undoubtedly contribute to the success of our collective endeavours. Once again, congratulations on your well-deserved appointment.

Armenia reaffirms its unwavering commitment to the fundamental principles outlined in the EBRD's strategic framework. We align our policies and initiatives with the core tenets of sustainable development, private-sector advancement and the green transition, which constitute the foundation of the EBRD's mission in the current era.

Within the given context, the significant contribution of the EBRD to Armenia's economic development and infrastructure modernisation is crucial. The EBRD's extensive support for the private sector, particularly in banking, largely contributes to Armenia's sustainable growth and prosperity. The EBRD is Armenia's unwavering partner in modernising municipal and transport infrastructure. As evidence, the EBRD has generously allocated over €400 million in financing for these sectors since Armenia joined the EBRD. Another indicator in fostering Armenia's private-sector development is the EBRD's allocation of over 80 per cent of its expansive portfolio, exceeding €2 billion.

We are also thankful to the EBRD for its readiness to support Armenia in solving vital problems around the more than 100,000 ethnic Armenians – who were forcibly displaced from Nagorno-Karabakh in September 2023 – through a comprehensive package of projects. The Armenian Government's long-term priority is to ensure sustainable living conditions for these people, providing access to comprehensive healthcare and educational services, as well as to integrate them into national social and economic life, which is essential for our further development and progress.

While revealing our achievements, it is imperative to acknowledge the persistent challenges we face. Climate change, economic uncertainties, and geopolitical tensions demand collaborative efforts and innovative solutions nowadays.

As geopolitical tensions are provoked and conventional trade routes face increasing challenges, the South Caucasus and Central Asia are emerging as critical alternative routes for trade

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between east and west, north and south. This shift is exemplified by the Middle Corridor initiative, which aims to re-establish these regions as key trade pathways. Building upon our historical legacy as part of the ancient Silk Road, Armenia reveals immense potential within the Middle Corridor initiative.

The Government of Armenia has developed the initiative *Crossroads of Peace*, which seeks to enhance regional connectivity and facilitate long term peace and stability. Through strategic infrastructure projects and diplomatic dialogue, we aim to establish robust transport routes that promote economic prosperity and enhance the geopolitical significance of our region. Here I would like to refer to current border delimitation processes with Azerbaijan, which are essential to these efforts.

There is existing transport infrastructure that, once unblocked, could connect to Turkey and Azerbaijan with minimal investment, allowing operations to commence in a very short time, and boost the Middle Corridor's capacity. The *North-South* highway, which is being implemented together with strong engagement from the EBRD, is an important part of this initiative. As strong evidence of this, we already signed an agreement with the EBRD yesterday to start construction of the southern segment.

An EBRD Annual Meeting in the South Caucasus is very symbolic from this perspective, and makes an essential contribution to constructive dialogue in the region. Using this historic opportunity in our Investment Outlook Session yesterday, we showcased how Armenia can boost peace and prosperity in our region and beyond. And I believe that, by combining our potential with the potential of our neighbours, we can achieve more than one can imagine.

In conclusion, we deeply appreciate the significant support provided by the EBRD in advancing our national reform agenda and fostering regional cooperation.

I express gratitude for your unwavering attention and anticipate fruitful cooperation ahead. I am confident that our heartfelt hospitality will leave a long-lasting impression and unforgettable memories.

STATEMENT FROM MR MAGNUS BRUNNER, GOVERNOR FOR AUSTRIA

First and foremost, we would like to express our sincere gratitude to Armenia for hosting the Thirty-third Annual Meeting of the EBRD and extend our warmest thanks and compliments to all those who have contributed to the organisation of this event. We are delighted that this year's Meeting is being held in **Yerevan, a city renowned for its influential position at the crossroads of Europe and Asia**. This vibrant capital, with culture and tradition dating back thousands of years, is a testament to Armenia's rich heritage and spirit. The choice of location clearly reflects the importance of the region and underlines the **EBRD's strong commitment to it**.

I would like to use this opportunity to **commend President Renaud-Basso and the whole team for the excellent work of the Bank**. The EBRD's leadership has shown its ability to steer the Bank through numerous crises over the past four years. We commend the Bank's record Annual Bank Investment of €13.1 billion in 2023 with a private-sector share of 80 per cent. This is a positive increase in the level of financing to the private sector compared

to recent years. The EBRD's operating results for the first quarter of 2024 already indicate that the Bank's strong financial performance will continue this year.

The future of the EBRD will be strongly influenced by two recent decisions. The approval by the Board of Governors of a **€4 billion paid-in capital increase** is essential for the EBRD to **effectively continue its support to Ukraine and keep the country's core infrastructure afloat**. Furthermore, the EBRD is **extending its reach to sub-Saharan Africa and Iraq**, welcoming new members such as Benin, Côte d'Ivoire, Ghana, Kenya, Nigeria and Senegal. We look forward to welcoming Kenya and Nigeria as new members to the EBRD during this Annual Meeting. This expansion not only reflects the EBRD's commitment to promoting sustainable economic development, but also increases its influence and operational scope in regions that are vital to global economic stability.

Regarding the EBRD's Strategic and Capital Framework (SCF) and the first proposal for the next SCF cycle from 2026 to 2030, it is commendable that the Bank does not only seek to **continue its commitment to the green transition, equality of opportunity and digital transformation**, but it also aims to expand its strategic framework to include economic governance as a strategic theme, and mobilising private finance as an enabler. The **green transition and greening of financial systems remain priorities**, and EU standards (e.g. the EU Taxonomy, or the EU's Carbon Border Adjustment Mechanism) are very relevant for EBRD countries of operations. **Economic governance** will be a key theme for the Bank in a **green and sustainable reconstruction in Ukraine based on the rule of law and European standards of governance** in particular with regards to State-owned enterprises. We also **expect a strong focus of the EBRD on the private sector. The proposed additions to the SCF are therefore timely and necessary, given the escalating global challenges and financing needs**. Generally, we favour focusing on a small number of objectives in the SCF.

As the Bank will engage its shareholders on the SCF 2026-2030 over the next year, it is crucial that this discourse centres on **how these strategic goals can be operationalised effectively to maximise impact where it is most needed**. As the EBRD has expanded its lending capacity, it is provided with an **opportunity to significantly ramp up its development impact**. To fully realise this potential, any increase in lending must result in a **quantifiable improvement of projects' positive outcomes**. This will require an **increase in in-house expertise, particularly on impact assessment**, in order to develop robust impact measurement frameworks to monitor the implementation of the objectives of the forthcoming SCF. **The Bank should also continue to invest in building in-house expertise on environmental, social and biodiversity issues, areas where the highest quality standards must be ensured**. Building this capacity is essential to ensuring that the Bank not only increases its lending, but also maximises the effectiveness and sustainability of its investments. **Focusing on delivering sustainable impact is vital, as it represents the purpose of the Bank**.

The **EBRD's private-sector mandate is its strategic advantage**, and we have a strong preference to further strengthen the Bank's engagement with the private sector. For the EBRD to effectively address the needs of private corporations, the Bank, in coordination with other multilateral development banks (MDBs), should seek to **improve and harmonise due diligence and procurement procedures**. In general, and in the context of Ukraine in particular, working with MDBs can be a complex undertaking, with multiple sets of rules stretching partner companies' resources. There is a need to **streamline these processes without compromising quality of delivery and fair competition**, especially in order to make engaging with MDBs **more accessible to SMEs. We consider standardised MDB**

procurement rules to be paramount in lowering transaction costs for Ukrainian counterparts.

We see a general opportunity for **enhanced coordination and collaboration among MDBs**, and in particular between the EBRD, the EIB and the World Bank Group (WBG). **MDBs need to work as a system.** The recently signed Memorandum of Understanding between the EBRD and the WBG focusing on climate, connectivity, Ukraine and the private sector is an important step in this direction. This can **accelerate the impact and visibility of results**, in line with the EBRD's transition mandate and the need to create an enabling environment through complementary upstream work.

With the development of the new SCF now in full swing, the Bank is following its **Strategy Implementation Plan 2024-2026** that fosters continued implementation of the EBRD's mandate to assist **recipient countries in becoming sustainable market economies**. Progress has been made on the **strategic priorities of green, digital and gender**, as set out in the SCF. The Bank has been able to **further increase the share of gender-tagged projects to 44 per cent in 2023**, a good result that should not lessen our ambition for this objective. Green economy **investments remained stable at 50 per cent of total financing in 2023**. We also very much welcome the emphasis on promoting equal opportunities and gender equality, as well as a **more than doubling in the number of countries where the EBRD invested in digitalisation** in 2023. This is integral to sustainable market development.

Allow me to conclude **by reaffirming Austria's confidence in the EBRD** and expressing our sincere appreciation to management and staff for their outstanding efforts during a very challenging period. Going forward, we believe that the EBRD is well positioned to promote a fair, green and digital transition in all the regions in which it operates.

STATEMENT FROM MR ANDREI KARTUN, ALTERNATE GOVERNOR FOR BELARUS

On behalf of the Republic of Belarus, I would like to extend our greetings to all participants, and to thank the Government of Armenia, both for the high-quality organisation of the Annual Meeting of the Board of Governors, and for preparing this forum for constructive dialogue.

We are disappointed that such a major and reputable international financial institution as the EBRD has turned into a sanctions mechanism, and has been used to increase political and economic pressure on our country. Pursuing such a policy runs counter to the operating principles of multilateral development banks, is ineffective, does not help us achieve results in tackling the global challenges we face and, above all, harms the citizens of the Republic of Belarus.

Throughout the entire period of cooperation with the Bank, the Belarus project portfolio was remarkable for its diversification, high quality and, most importantly, social value.

Our joint projects with the Bank were aimed at maintaining environmental protection across the country, developing transport links, ensuring people had better access to good-quality water-supply and sanitation systems, and developing entrepreneurial initiative.

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We had no right to leave these projects unfinished. Consequently, we have mobilised our own internal resources to continue the construction and commissioning of these facilities. So far, many of the projects that we planned to implement with the Bank have been completed.

Ever since Belarus has existed as a sovereign State, we have been working to increase the efficiency of our national economy, improve the institutional environment, and consolidate the efforts of the State, business sector and citizens to build an economy that offers new opportunities based on the principles of equality, initiative and partnership.

It is paramount that the EBRD continues to carry out its activities in keeping with the Bank's mandate and business model, without forgetting the principle of the sovereign equality of States, and while interpreting the provisions of the Agreement Establishing the Bank in a consistent manner with regard to all its members. Unless it refrains from interfering in the internal affairs of its countries of operations, the Bank will not be able to remain an effective and sustainable financial institution.

We expect the EBRD to review how it approaches its members, end its discriminatory policies, channel resources towards common goals, and promote economic and environmental sustainability in the region.

STATEMENT FROM MS LYUDMILA PETKOVA, GOVERNOR FOR BULGARIA

It is a pleasure for me to participate in the Thirty-third Annual Meeting of the EBRD, and I would like to express my gratitude to the Armenian authorities and the EBRD for hosting and organising this important event. I am delighted that we have the opportunity to meet in person in these challenging times that demand us to set concrete objectives toward preserving transition gains and supporting sustainable growth in the economies in which the Bank operates.

Despite the ongoing war in Ukraine and its inevitable adverse consequences going far beyond the borders of Ukraine, it is vital that the Bank makes every effort to deliver impact together with the current and future countries of operations, and that it preserves economic gains in the EBRD's region. In these challenging times, it is of crucial importance that the EBRD's countries of operations work together and share common values, as demonstrated by the support for the general capital increase, aimed at strengthening the EBRD's support for Ukraine, but also ensuring fundamental support for the region.

In this turbulent environment, the EBRD has been able to prioritise investments and provide valuable support, not only to Ukraine, but also in order to address the existing transition needs of all countries of operations, as well as to tackle the direct and indirect consequences of the war. Despite these challenging times, the management of the EBRD has managed to navigate the Bank with swiftness and efficiency, which can be seen in the satisfactory financial results. The year 2023 was a rewarding one for the Bank, recording a net profit of €2.1 billion, and offsetting all of the €1.1 billion of losses incurred in 2022 following the Russian invasion of Ukraine. We welcome the fact that the Bank delivered record-equalling levels of activity, with Annual Bank Investment reaching €13.1 billion across 34 economies in 2023. The EBRD has once again proved itself as an institution with effectiveness and distinctiveness, committed to the highest level of professionalism and business agility. I would like to commend Ms Renaud-Basso and the staff of the Bank for their dedication and hard work. In this regard,

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I would also like to congratulate Ms Renaud-Basso on being re-elected President of the EBRD. I am confident that her leadership will ensure not only governance that is in line with prudent capital and risk metrics, guaranteeing the Bank's financial stability and operational effectiveness, but also continuity in the Bank's policies and management aimed at the successful implementation of its important mandate.

Despite the uncertainties related to the outcome of the war, the significant needs in the EBRD's region should not be postponed. The EBRD needs to further its support to achieve systemic change, through which countries of operations make progress towards sustainable market economies that have the qualities of being competitive, well-governed, green, inclusive, resilient and integrated, while also taking into account specific needs, thereby implying a tailor-made approach towards each country of operations. In this regard, we should also underline that, even if there is significant progress towards transformation, the Bank should keep investing eagerly in central and eastern Europe, an approach which is well proved through the results of analyses published by the Bank in its Transition Reports. The needs in some areas are very high and the gaps are very pronounced, particularly in the areas of green energy transition, energy security, infrastructure, financial innovation, and capital market development. We are convinced that the Bank possesses the right expertise and capital strength to develop its business in all regions of operations, focusing on the urgency of climate neutrality, digitalisation and equality of opportunity, as defined in the Strategic and Capital Framework 2021-2025.

Undoubtedly, the most pressing development challenge that we are facing now is achieving environmental sustainability. It requires internationally coordinated solutions and global cooperation to help countries move towards a low-carbon, climate-resilient and sustainable economy. Pursuing ambitious climate objectives is a move in the right direction, but we need to ensure that this process is guided by solidarity for those in greater need of support, so that a prevention of a further deepening of the divide between advantaged and less advantaged societies is guaranteed in the course of the green economy transition, without leaving unaddressed the question of inequality. We believe that a considerable advantage of the EBRD is its unique transition expertise and operational agility, which take into account the specificities of the countries of operations to enhance even further the additionality of the Bank's financial support.

Other crucial elements of the world's development agenda are the processes of digitalisation and innovation. In this dynamic era of rapid technological advancement, the importance of funding digital transformation and innovation is not to support the digital transition as an end in itself, but rather to harness the potential of technology to achieve transition objectives. By investing in digitalisation and innovation, the Bank provides crucial support in addressing some of the most pressing issues facing humanity, from healthcare and education to sustainability and social equity. In our view, the above objectives will not be as successful without mainstreaming the promotion of equal opportunities as a means of addressing the social and market failures that limit opportunities for certain groups. In this regard, we will follow with interest the preparatory work for the next Strategic and Capital Framework. The upcoming discussions will provide an opportunity to review the new challenges, and to determine the future direction of the Bank in terms of helping to build more inclusive and sustainable economies, and just and prosperous societies.

Last but not least, the extensive technical expertise and advisory services, provided by EBRD as a distinctive element of the transition mandate of the Bank, are highly valued in Bulgaria.

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We encourage the Bank to further support the corporate sector, especially local innovative companies, and actively engage with municipal authorities in a constructive dialogue to create high-quality, wider impact projects. We will continue relying on the EBRD as a trusted partner, equipped to deliver its ambitious aspirations, while preserving the highest standards of governance, efficiency and dedication.

We look forward to continuing our fruitful cooperation in the years ahead.

STATEMENT FROM MS CHRYSIA FREELAND, GOVERNOR FOR CANADA

Russia's illegal, full-scale invasion of Ukraine remains the most pressing threat to the global economy. In addition to the brutal impact on millions of Ukrainians, Russia's invasion continues to compound macroeconomic challenges in all countries around the world, with particularly damaging impacts for the world's most vulnerable. We call on Russia to immediately end its brutal war of aggression in a manner that respects Ukraine's territorial integrity and sovereignty.

As the conflict enters its third year, Canada remains steadfast in its support for Ukraine. Since February 2022, Canada has committed over \$14 billion in total support to Ukraine. Canada's latest Budget, tabled on 16 April 2024, announced additional measures in support of Ukraine, including committing to purchasing Canada's allocated shares of the EBRD's €4 billion paid-in capital increase to support future investments in Ukraine. We commend the EBRD's swift response to date, investing more than €4 billion in Ukraine since February 2022, and look forward to working with the EBRD to implement this capital increase to scale up its support in Ukraine going forward, including through playing an important role in mobilising private capital in Ukraine, in collaboration with other multilateral development banks (MDBs).

Canada is a staunch supporter of improving the international financial system to better serve those in need. We welcome the EBRD's work to implement the recommendations of the G20 Report on MDB Capital Adequacy Frameworks, and the broader evolution and reform work across all MDBs. We look forward to the important work that the EBRD and other MDBs are undertaking to clarify the value and possible use of existing callable capital. We also call on all MDBs to be more ambitious in their efforts to crowd in more private capital for sustainable development. Building on the EBRD's recently approved paid-in capital increase, we encourage the EBRD to continue to consider innovative ways to bolster its lending capacity and maximise its development and transition impact.

As the EBRD develops its next five-year Strategic and Capital Framework in a financially sustainable manner, the EBRD must prioritise good economic governance in all its countries and regions of operations. This will foster greater resilience in their investment climates, and ensure long-lasting private capital mobilisation, which will, in turn, help the EBRD continue to achieve strong results.

STATEMENT FROM MR HEXIN ZHU, TEMPORARY ALTERNATE GOVERNOR FOR CHINA

It is a great pleasure for me to join the Thirty-third Annual Meeting of the EBRD in Yerevan. On behalf of the People's Bank of China, I would like to thank the EBRD and the Armenian Government for their warm hospitality and considerate arrangements. I am fully confident that we will deliver another successful Annual Meeting, by putting together Governors' inputs on the strategic priorities of the EBRD for the years ahead. With our joint efforts on poverty reduction, green transition and digital economy, we will collectively contribute to promoting global development, and materialise the goals of the UN's 2030 Agenda for Sustainable Development.

The EBRD and its members have faced multiple shocks over the past years, including the pandemic, persistently high inflation, tighter global financial conditions, food and energy supply disruptions, intensified climate change, geopolitical turmoil, and earthquakes. We commend the EBRD's solid and swift response to these unprecedented challenges, by concrete actions to build a knowledge bank, enhance its operational excellence and financial capacity, and advance green transition. Hence, the EBRD has played its unique counter-cyclical role in supporting the region. While timely responses to sudden shocks have laid a solid foundation for regional economic recovery and transition, the EBRD has managed to maintain robust operations. China stands ready to work with the EBRD and the international community to play a constructive role in promoting infrastructure reconstruction and economic recovery.

Sufficient and sustainable development financing is key for the EBRD to accomplishing its mission of helping countries of operations carry out structural reforms and address infrastructure weaknesses. We appreciate the EBRD's resolve to keep its transition mandate, by implementing the Strategic and Capital Framework 2021-25, and the significant progress in key areas of strategic emphasis. We congratulate the Bank on its progress in achieving its 50 per cent green investment goal for three consecutive years, accelerating the alignment of all programmes with the Paris Agreement, and scaling up its support for inclusive growth by securing equality of opportunity.

The international landscape is evolving at a faster pace, with rising uncertainties. Some developing countries are facing social and economic problems and are more prone to shocks. We hope the EBRD could double its efforts to help its countries of operations navigate through risks and challenges, and promote market-oriented economic transition. To this end, we would like to make the following suggestions on the EBRD's future development:

First, the EBRD needs to scale up investment in new energy and promote green transition. Tackling climate change has become a global consensus. While we see increasing demand for new energy from the EBRD's countries of operations, there is still a long way to go before achieving the carbon reduction goal by 2030. In this regard, China supports the EBRD's efforts to promote green finance and climate governance projects, and to further proceed with green transition in countries of operations through investment in new energy projects such as solar and wind power. Green transition requires our collective efforts, so that each of us can give full play to our comparative advantages. As a responsible developing country, China stands ready to make a contribution to global climate governance. The new energy industry in China can play an irreplaceable role in providing supply-side support for global green transition. We are also ready to deepen cooperation with the EBRD in addressing climate change, and will

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fully leverage our competitiveness in the new energy industry to promote global green and low-carbon transition.

Second, we support the EBRD's expansion to sub-Saharan Africa (SSA) and other regions. As global economic recovery is mixed with uncertainties, countries in the SSA region are facing a severe crisis of development, with the financing gap widening. We support the EBRD's efforts to expand existing business in countries of operations, and maintain the AAA credit rating. Based on that, the EBRD is encouraged to approve the membership of SSA countries in an orderly manner, and promote investment in due course. The EBRD can also work with other development peers to leverage each other's strengths, and push forward regional development and transition. China is an important developing partner of Africa. Chinese enterprises have maintained steady and sound investment in Africa, thus promoting the industrial progress of Africa and increasing the added value of its products. In the meantime, these enterprises fully leverage their competitiveness in clean energy and the digital economy to strengthen capacity-building in Africa. We look forward to joining hands with the EBRD to help improve people's livelihoods, and promote social development and economic transition in the SSA region.

Third, the EBRD needs to make efficient use of funds and bring benefits to all countries of operations. At the Annual Meeting in Samarkand last year, we agreed on removing the statutory capital limitation on ordinary operations and increasing the paid-in capital. We have also completed negotiations for a €4 billion capital increase, and will start the subscription this year. In this vein, we encourage the Bank to make effective use of additional capital to maintain financial sustainability, explore ways to enhance capital adequacy ratios, implement the requirements of the G20 review of MDBs' capital adequacy frameworks, continue to improve the balance sheet, and make the use of funds more efficient. We also call on the Bank to inclusively provide more financing support to countries of operations by using the new funds, thus promoting green, digital and inclusive transformation. To date, the EBRD's investment in the least advanced countries has fallen short of expectations. We hope the EBRD could continuously adapt its investment strategies, invest in the most needed regions, and maximise its transition impact.

Fourth, the EBRD should maximise its advantage and mobilise more private capital. We support its efforts to enhance policy dialogue with local governments to exert its comparative advantages in its countries of operations. By tapping into different market-based measures, including bond issuance, credit-enhanced guarantees and co-financing, as well as exploring new business models, the EBRD can reinforce its financing capability to meet the demands of various market capitals, and mobilise more private resources to invest in the countries of operations. Meanwhile, to further advance regional development and transition, the Bank needs to effectively manage and mitigate project risks to achieve its goal of sustainable financing, as well as to improve the transition impact of projects, and the competitiveness of local enterprises.

To conclude, I would like to emphasise that we hope the EBRD could focus on its mission to maximise development impact and minimise political interference in operations. To better fulfil its commitment to regional prosperity, the Bank should uphold globalisation and multilateralism, and avoid protectionist measures, such as decoupling and supply-chain disruption. China promotes and practises multilateralism through dialogue and cooperation, which is essential and effective in fostering development and meeting challenges. Going forward, China will continue to work with the EBRD to find longer-term solutions to

infrastructure construction, economic development, and green transition for the countries of operations.

STATEMENT FROM MR MARKO PRIMORAC, GOVERNOR FOR CROATIA

I would like to use this opportunity to firstly give thanks to the Armenian authorities and the EBRD for hosting and organising this Annual Meeting. Our sincere appreciation also goes to all of the hardworking staff from both Armenia and the EBRD for making this event exceptional.

Now, let me focus on the topics of the Roundtable discussion.

Regarding the implementation of the ongoing Strategic and Capital Framework (SCF), we congratulate the Bank for the implementation so far, even though the first three years have been challenging due to the Covid pandemic, followed by the unjustified and illegal Russian aggression on Ukraine. Once again, the Bank's flexible approach to strategic planning proved to be effective, and it enabled the Bank to respond well even in a time of crisis and unexpected events. We encourage the Bank to keep flexibility in mind as part of the strategic planning while designing the new SCF.

In our view, the proposed strategic themes for the new SCF – Green, Gender and Governance – are well aligned with the future needs of the countries of operations. Further strengthening the financing of the green transition, accelerating digitalisation and technological innovation, and developing innovative financing can bolster the economies of the countries of operations. Croatia is of the opinion that the green transition should also take into account technological advances in the field of nuclear energy. We believe that nuclear energy and renewables do not necessarily exclude each other but could rather complement each other. And we invite the Bank to consider how it can be additional in nuclear energy chain projects. Furthermore, the private sector has a key role in the development of countries of operations. Therefore, we support including the goals of enhancing local currency investments, stronger financing of SMEs, and strategic and direct equity investments, in order to foster entrepreneurship and innovation.

Regarding geographical priorities, besides the current countries of operations, including central Europe and the Baltics, we also see the need for the Bank's strong activity in the western Balkans as the key region for the EU. In line with the decision to expand the geographical area of operations, we believe that the Bank should play an important role in the development agenda for sub-Saharan Africa and Iraq. Thanks to the general capital increase, we believe that there is no need for trade-offs between the geographical goals of the Bank, and that there are compelling reasons for the Bank to continue with increased activities in all of its countries of operations.

We also encourage the Bank to continue and strengthen its cooperation and synergy with other MDBs. Additionally, we support the Bank's commitment to improve its results measurement approach, and we acknowledge and support the activities seeking operational improvements and exploring enhanced capital management. Our mutual goal in this regard should continue to be the most effective use of the Bank's resources.

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Expectations for the forthcoming period are high, but we believe that the EBRD is able to meet them as it has done so in the past.

STATEMENT FROM MS AVGI CHRYSOSTOMOU LAPATHIOTIS, TEMPORARY ALTERNATE GOVERNOR FOR CYPRUS

I am deeply honoured to be here today, representing the Republic of Cyprus at the EBRD 2024 Annual Meeting in the beautiful and historic city of Yerevan. I would like to extend my heartfelt gratitude to the organisers and the warm-hearted people of Armenia for their gracious hospitality. Your efforts have made this gathering truly special. I am also profoundly grateful for the presence of each and every one of you, which underscores the importance of our common vision.

Despite the challenges we have encountered in recent years, our collective resolve has proven unwavering, and our unity has only grown stronger. Following the theme of the 2024 EBRD Annual Meeting and Business Forum, *Delivering Impact Together*, our collaborative focus remains on advancing our shared goals and initiatives to address the evolving challenges and opportunities facing our economies and communities.

With a succinct reflection on the operational and financial outcomes of 2023, we are encouraged by the remarkable achievements of the EBRD, which are a testament to the commendable work of President Renaud-Basso and all EBRD staff. The Bank demonstrated resilience and agility, achieving a record level of Annual Business Investment totalling €13.1 billion. This admirable figure not only underscores the Bank's stability but also highlights its firm financial footing, evidenced by a net profit of €2.1 billion, the third most profitable year in the Bank's history, which offsets the loss of €1.1 billion incurred in 2022 following the Russian invasion of Ukraine.

Additionally, equity investments recorded a remarkable gain of €1 billion in 2023, marking a significant turnaround from the previous year. And the Bank's commitment to green economy financing was exemplary, with 50 per cent of the total annual investment volume allocated to green initiatives. Furthermore, trade finance played a vital role in supporting the Bank's regions, with 1,916 trade deals facilitated under the Trade Facilitation Programme.

I would be remiss not to acknowledge the EBRD's unwavering support for Ukraine amidst ongoing geopolitical tensions. In 2023, the Bank deployed €2.1 billion in Ukraine, bringing the total finance deployed since the onset of the conflict to €3.8 billion. This support has been instrumental in fostering energy security, vital infrastructure development, and private-sector resilience in Ukraine. The decision to approve a paid-in capital increase of €4 billion underscores our collective commitment to sustaining support for Ukraine, and addressing transition challenges across all countries of operations.

Cyprus fully supports the EBRD's financial assistance to Ukraine, as it will help maintain the operation of private businesses and critical infrastructure, sustain efforts during the conflict, and facilitate post-war reconstruction. This commitment is unequivocally demonstrated by the Cyprus Council of Ministers' approval on 7 February 2024 for Cyprus to participate in the EBRD capital increase by subscribing to the shares allocated to it.

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Looking ahead, the Strategic and Capital Framework discussions for 2026-2030 present an opportunity to shape the Bank's future direction. I commend the Board of Directors for initiating discussions on strategic themes such as green transition, equality of opportunity, and economic governance. Cyprus fully supports these endeavours and urges the EBRD to keep up the excellent work over the coming years. It also encourages the Bank to increase further its climate-financing efforts to foster a low-carbon and climate-resilient economic transition in its countries of operations. As we embark on this journey, it is imperative to reinforce the Bank and enhance its impact amidst ongoing global challenges.

Furthermore, at the Annual Meeting in May 2023, amendments to Article 1 and Article 12.1 were approved, enabling the expansion to sub-Saharan Africa and Iraq, which signifies a significant milestone in the Bank's evolution. As an initial step, Iraq became the EBRD's 74th member in November 2023, joining 72 national shareholders in addition to the European Union and the European Investment Bank. Notably, Benin, Côte d'Ivoire, Ghana, and Senegal are currently the four countries in sub-Saharan Africa that have become members and could potentially become countries of operations during the next Strategic and Capital Framework period. I am pleased to note the membership requests from Kenya and Nigeria, underscoring the EBRD's growing relevance and reach.

Finally, we warmly welcome Burkhard Kübel-Sorger as the new Vice President and Chief Financial Officer, David Coleman as the Vice President and Chief Risk Officer, Ines Rocha, transitioning to Regional Director for Europe at the IFC, and Matteo Patrone as the incoming Vice President for Banking. Their expertise will undoubtedly fortify the Bank's efforts during this challenging period. Additionally, we congratulate Mike Strauss and Kazu Koguchi on their extended roles as General Counsel and Secretary General respectively, ensuring stability amidst significant changes.

In conclusion, I extend my warmest congratulations to Ms Odile Renaud-Basso on her nomination for the presidency of the EBRD for the second consecutive term. I am confident that under her leadership, the Bank will continue to uphold its principles of excellence and innovation.

As we deliberate today, let us seize the opportunity and reaffirm our commitment to the EBRD's mission of promoting sustainable market economies, financial stability, and inclusive growth. Together, we can navigate the dynamic landscape of challenges and opportunities that lie ahead, guided by the principles of collaboration, integrity and progress, to realise our objectives.

STATEMENT FROM MR MAREK MORA, TEMPORARY ALTERNATE GOVERNOR FOR THE CZECH REPUBLIC

It is a pleasure for me to address this assembly today in the beautiful city of Yerevan.

Before the statement itself, let me express our solidarity with Slovakia and their Prime Minister after yesterday's shocking attack on him.

First of all, I would like to congratulate Ms Odile Renaud-Basso on her successful re-election as the President of the EBRD.

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Secondly, I would like to acknowledge the EBRD's unequivocal support to Ukraine, whose basic rights to peaceful existence, independence, democracy and prosperity have been violated for more than two years by Russia's military aggression. Since the beginning of the unprovoked aggression, Czechia has been a strong advocate of support to Ukraine on both a bilateral and multilateral basis, and our resolve has not wavered.

As we are today primarily discussing the views of EBRD shareholders on the next strategy for the Bank, we were glad to see that the impacts of this unprecedented hostility in Europe have already been reflected in the analysis and commitments made in the report on the capital increase last year, and we expect their reflection in the new Strategic and Capital Framework as well.

To answer the questions posed to us today, from the Czech side, we see merit in the proposal of the key themes and enablers as a backbone to the Strategy.

Regarding specific topics that Czechia would like to see reflected during the preparation of the draft Strategic and Capital Framework, we would like to note the following:

- The EBRD's unique private-sector mandate should be strengthened by promoting public-private partnerships, and fostering entrepreneurship and innovation through support to small and medium-sized enterprises via strategic direct equity investments.
- The green transition and decarbonisation as one of the key themes needs a targeted approach, tailored to each country and region.
- This means a focus on a just transition, addressing social issues and inequality stemming from decarbonisation measures, as well as energy security, including the re-evaluation of the role of nuclear energy as a key component of decarbonisation and a source of clean energy.
- We see the digital transition as a crucial enabler in fostering transition. The main focus should be on digital connectivity and technology-driven solutions to enhance financial inclusion, with special regard to cybersecurity.

As for the reflection of regional fragilities and stronger impact in countries of operations, we would like to highlight the fact that investments in Czechia, and other countries in the original EBRD region strongly impacted by the war in Ukraine, have proven to be highly additional in advancing the Bank's priorities, including the green transition and energy security. These investments also demonstrate significant additional value, contributing to profitability, and thus balancing risks and enhancing the portfolio quality of the Bank overall, and as such, also enabling investments in Ukraine and other EBRD regions.

Therefore, we rely on the EBRD's delivery on the commitments and promise made by the Bank last year to our region within the request for a capital increase.

STATEMENT FROM MR MORTEN BØDSKOV, GOVERNOR FOR DENMARK

On behalf of Denmark, I have the honour of presenting the written Governor's statement ahead of the 2024 Annual Meeting.

The EU and its Member States continue to strongly condemn Russia's brutal war of aggression against Ukraine. Russia must stop its aggression and immediately, completely and

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unconditionally withdraw all of its military forces and proxies from the entire territory of Ukraine within its internationally recognised borders. The EU and its Member States also condemn Belarus' involvement in Russia's military aggression.

As a shareholder, Denmark strongly supports the extraordinary efforts by the EBRD to support Ukraine and the affected neighbouring countries. We must continue to offer our support both with short-term solutions to stabilise the affected countries, and also in the medium and long term, when reconstruction can fully take off. With the approval of the general capital increase, we have set a clear goal to continue and expand the support for Ukraine and affected neighbouring countries. In the coming years, the general capital increase will allow the EBRD to increase its efforts to deliver on this key priority.

Denmark continues to support the focused expansion to sub-Saharan Africa and Iraq that we have made possible with the decision to amend the Agreement Establishing the Bank, and we welcome the incoming new members of the EBRD. It remains crucial, however, that the expansion be targeted over the coming years, as new efforts must be weighed against both the financial and operational capacity of the Bank. It further remains essential for us that expansion is done in a way where the EBRD will be able to continue to play an important and significant role in Ukraine and its neighbouring countries affected by the war, and that the expansion will not compromise the AAA rating of the EBRD. We also owe it to new members and countries of operations not to spread resources over too wide a geographical scope, as we should be able to dedicate resources to build up adequate operational capacity in new countries of operations.

As regards general priorities, it remains a clear priority that the EBRD must continue to actively support our countries of operations in the green transition and the transition away from fossil energy sources. We see the further general priorities in the current Strategic and Capital Framework – of equality of opportunity and economic governance – as integral to the mandate of the EBRD in supporting democracy and pluralism in the countries of operations.

We acknowledge that EBRD countries of operations have different starting points, and that some still need to find a sustainable path to higher incomes without the historical levels of pollution. The Bank should therefore continue to support each country, with policy dialogue to speed up reforms, by engaging with the private sector to develop sustainable business models, and by financing specific investments in green solutions.

We continue to support the mandate of the EBRD to actively support the development of the private sector in the countries of operations. The creation and mobilisation of private financial markets in the countries of operations should continue to be a priority. Where in line with best banking practices, these could include further use of innovative risk-sharing tools, which allow the private sector to grow their capabilities while supported by the EBRD. We further support continued efforts to offer policy and regulatory advice and aid project preparation, as those efforts continue to be strong instruments to create stable environments for the private sector in countries of operations. As a shareholder, it is also important for Denmark that projects supported by the EBRD should also have fair and equal tender processes, no matter whether it is an international or national tender. This helps foster a private sector based on fair competition to the benefit of the countries of operations in the long term.

The EBRD has shown a remarkable capacity to develop the private sector in its countries of operations, but we owe it to the less advanced transition countries to keep up our efforts for

them to succeed as well. A modern private sector providing jobs and opportunities for workers can only develop if sound institutions and good governance are in place.

STATEMENT FROM MR MÄRTEN ROSS, ALTERNATE GOVERNOR FOR ESTONIA

Estonia strongly condemns Russia's terrorist war on Ukraine. Russia's horrible actions have caused social, humanitarian and economic crisis in Ukraine and beyond. Russian aggression adds to global challenges; it affects the most vulnerable and fragile countries through weakening their growth prospects with high energy and food prices.

Not all of the affected countries are EBRD clients, but for those that are, our Bank can provide important support. Obviously, at **the centre of our efforts is Ukraine**. Even if Russia ended its war of aggression today, the costs of reconstruction are already enormous. We have many countries around this table who can have an influence on the Russian war machine. Acting together, we can be tougher in enforcing sanctions and disabling circumventions. Eventually, the aggressor must bear these costs – **Russia must pay for its crimes**. Besides other measures, frozen assets could be used much more decisively.

Until then, we should be providing all the support Ukraine needs today. Estonia is doing its part, as are many others – and it is crucial to carry on. We look forward to the **EBRD's sustained action in Ukraine**. I am pleased that there has been overwhelming support for the **capital increase**, which allows the Bank to help Ukraine as well as other countries affected by the Russian aggression.

We expect that in the Strategic and Capital Framework review, the shareholders will continue to appreciate the Bank's core qualities – such as a strong private-sector focus, appetite for risk and equity participation. Experience has taught us to strengthen the due diligence of partners, and to pay special attention to corporate governance. In public-sector investments, the EBRD should retain the role of honest broker, recalling that, in more complex deals such as PPPs, many partner governments are likely to be considerably less experienced.

We appreciate the warm hospitality of our Armenian hosts. Armenia has also been through difficult times lately. We wish you strength and perseverance through these times, and we are certain that the EBRD will be an important supporter in continuous development. Building democracy is often complicated and time-consuming, but sustainable peace and prosperity are important rewards in the end. We encourage you to steadily continue with reforms, and we support the strengthening of EU-Armenia relations on all levels.

STATEMENT FROM MR THOMAS ÖSTROS, GOVERNOR FOR THE EUROPEAN INVESTMENT BANK

I would like to begin with a word of thanks to EBRD management and staff and to Armenia for the excellent preparation of this event.

Dear Odile, I would like to express my congratulations for your re-election. The election was no surprise, as your first term was extremely successful, expressed by the operational and financial results of the EBRD, and the historic resolutions adopted in Samarkand.

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For the preparation of the next Strategic and Capital Framework, I would like to recall the EBRD's main founding principle: transition with a private-sector focus. This has not changed, and the EBRD should continue to focus on the private sector in less advanced transition countries.

As Russia's brutal war of aggression and the illegal annexation of Ukraine's territory continues, I would also like to recall that the main objective of the capital increase is to maintain the EBRD's support to Ukraine and the countries affected by the war. The support for these countries shall remain a key objective for the EBRD. I would like to highlight that EIB Management has decided to subscribe to its share of the capital increase, and has presented the proposal to the EIB Board of Directors for their final approval, which I expect to receive shortly.

In the context of last year's resolution to remove the statutory gearing ratio, we agreed on the importance of maintaining and improving sound banking practices for the EBRD as it continues to grow – both in volumes and in its geographic outreach due to the expansion to sub-Saharan Africa. It is important that the Board of Directors and its Audit and Risk Committee are adequately equipped to exercise effective oversight.

Finally, I would like to echo the messages delivered by EBRD President Renaud-Basso and EIB President Calviño, that the MDB community needs to step up its efforts in order to address the historic challenges that our planet is facing. International financial institutions will have to find new ways of collaborating, and to enhance their collaboration.

Dear Odile, let me reassure you that the EIB is looking forward to your second presidential term, and will continue to reach out to you to strengthen collaboration with you and the EBRD!

STATEMENT FROM MR VALDIS DOMBROVSKIS, GOVERNOR FOR THE EUROPEAN UNION

1. The European Union (EU) is grateful to the Armenian authorities for hosting the 2024 Annual Meeting of the EBRD, and for the hard work of the Bank's staff, management and Board of Directors in preparing the Meeting.
2. I congratulate President Odile Renaud-Basso on her successful leadership of the EBRD and her re-election as President.
3. The EU welcomes the historic decisions taken by EBRD Governors in 2023: firstly, to increase the capital base of the EBRD by up to €4 billion, to enable its continuous support for Ukraine during the war and in post-war reconstruction, while maintaining its support for the other countries of operations; and secondly, to amend the articles establishing the Bank to enable a limited and incremental expansion to sub-Saharan Africa and Iraq. The European Parliament and Council have approved both of these decisions, including the EU's participation in the EBRD's capital increase.
4. The EU welcomes Benin and Iraq as new members of the EBRD and looks forward to welcoming Côte d'Ivoire, Ghana, Kenya and Nigeria as members soon.

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5. The EU and its Member States strongly condemn Russia's continued brutal war of aggression against Ukraine. We demand that Russia immediately cease its military actions, unconditionally withdraw all forces and military equipment from Ukraine and fully respect Ukraine's territorial integrity, sovereignty and independence in line with international law, including the Charter of the United Nations. We also condemn Belarus's involvement in Russia's military aggression.
6. The EU confirms its resolute commitment to continue helping Ukraine to defend itself for as long as it takes until its victory.
7. The EU congratulates the EBRD on its support for Ukraine in 2023, with the Bank deploying a record €2.1 billion to help finance essential goods, energy security, vital infrastructure, municipalities, food security, and pharmaceuticals. In this context, the EU has contributed with guarantees to support the liquidity needs of Ukraine's railways, electricity grid, and medical suppliers.
8. We are pleased that the EU and its Member States have mobilised economic, humanitarian, and military assistance to support Ukraine, with €98.5 billion provided by the EU and its Member States so far. This support has helped Ukraine to continue paying wages and pensions, keep essential services running, and restore destroyed infrastructure. The EU has created the Ukraine Facility to make sure that Ukraine can continue to rely on the funding that it needs. This will provide Ukraine with up to €50 billion in grants and concessional loans between 2024 and 2027.
9. It is clear that because of its unique mandate and comparative advantages, the EBRD must continue to play a critical part in the international effort – working in close cooperation with other International Financial Institutions and partners – to support Ukraine's real economy in wartime and in reconstruction, whilst maintaining its financial strength.
10. Beyond Ukraine, the EBRD must continue supporting all of its countries of operations, many of which continue to be negatively affected by this unjustified war, including those accepting refugees and those whose economies have been largely dependent on Russia. These countries will need the investment, policy dialogue and advisory support offered by the EBRD to help them adapt to changing circumstances and to diversify their economies.
11. The EU congratulates the EBRD on another record Annual Bank Investment volume of over €13 billion in 2023, which demonstrates its continued support for all of its countries of operations.
12. We welcome the fact that over 50 per cent of the Bank's investment in 2023 was to support the green economy transition – for a record €6.5 billion – and that 44 per cent of projects had a gender component. In this context, we also welcome the first report on diversity and inclusion in the EBRD Board of Directors.
13. The EU–EBRD partnership is stronger than ever. We are pleased to have contributed to the Bank's support for its countries of operations by providing over €700 million of donor funding, guarantees and other contributions in 2023 to support our joint priorities.

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14. The EU thanks the EBRD for being a valued Team Europe member. We encourage the Bank to continue supporting its countries of operations in achieving competitive, well-governed, green, inclusive, resilient and integrated economies.
15. Given the increasing fragility, political and economic uncertainty, and mounting global challenges, the EBRD should continue to evolve to increase its impact in its countries of operations. The EU supports the EBRD's work to implement the Recommendations of the G20 Independent Review of Multilateral Development Banks' Capital Adequacy Frameworks, and to build resilience in its countries of operations.
16. We welcome the fact that the green transition, gender and equality of opportunity, and good economic governance will be priorities for the EBRD's next Strategic and Capital Framework, driven by private finance and the digital transition. The EBRD's focus on the private sector is a unique part of its transition mandate and should also be retained.
17. In carrying out this agenda, the EBRD must retain high standards across its policies, strategies and operations. The EBRD is currently revising its Environmental and Social Policy, and the EU encourages it to make sure that high standards are maintained, including guarding against any presence of forced labour in the Bank's operations. The EU also supports the forthcoming review of the EBRD Procurement Policy and Rules to ensure that the Bank guards effectively against any unfair competition practices.
18. The EU reaffirms that it will continue to support the EBRD as a shareholder, donor and longstanding partner. Our shared principles embedded in the Bank's statutes – such as respect for the rule of law, human rights and multiparty democracy – must be defended now more than ever. It is in this spirit that the EU looks forward to working closely with the EBRD to achieve our shared strategic goals in the years ahead.

STATEMENT FROM MS RIIKKA PURRA, GOVERNOR FOR FINLAND

I want to express my appreciation to the EBRD and the Government of Armenia for the organisation of the Annual Meeting in the beautiful city of Yerevan.

We have a comprehensive and timely agenda that guides us to consider how best to *Deliver Impact Together*. It has again been a challenging operational year in Europe and for the Bank, due to Russia's unprovoked and unjustified military aggression against Ukraine. Despite the circumstances, the EBRD has continued its unwavering partnership with Ukraine, delivering much needed support. Ukraine has showed admirable resilience against Russian aggression.

Finland firmly supports Ukraine's independence, sovereignty and territorial integrity. We strongly condemn Russia's war of aggression against Ukraine. The war grossly violates international law and the UN Charter. We demand that Russia immediately ceases its military actions. Finland also strongly condemns the involvement of Belarus in Russia's military aggression. Finland will continue its support to Ukraine. Since February 2022, Finland's total bilateral support to Ukraine amounts to nearly €3 billion.

This year's Annual Meeting is interesting, as the Bank is preparing for the next period of the Strategic and Capital Framework. The priorities of the new framework will set the foundation for the EBRD's transitional work in countries of operations.

The private sector will have to remain at the core of the EBRD's operations. We urge the Bank to maximise efforts in mobilising private finance. The green transition is a security question in more than one sense. From the climate perspective, effective scaling down of fossil fuels and carbon emissions is vital. Replacing fossil fuels with fossil free energy sources will also improve energy security and decrease harmful dependencies across the Eurasian geographical space.

Finland encourages the EBRD to increase the share of Paris-aligned clean investments. The Bank should think creatively to find incentives to increase the attractiveness of climate investments for the countries of operations. Digitalisation is a useful tool to help achieving green transition. We support integrating digitalisation across investments.

Evidence shows that societies that invest in gender equality are economically stronger and also more stable. Finland expects to see a more ambitious target for gender in the new Strategic and Capital Framework, and solid monitoring and evaluation mechanisms.

The EBRD's incremental and phased expansion to sub-Saharan Africa and Iraq must not generate additional costs for shareholders, reduce operations in the current countries of operations, nor under any conditions jeopardise the EBRD's AAA rating or sound banking principles. The EBRD must create additional value according to its mandate, and speed up the transformation of the countries of operations towards market-oriented economies, while applying democratic principles.

We thank the EBRD for taking an active role in Global Gateway initiatives in Central Asia. Global Gateway is a platform for like-minded investors and actors that are devoted to working for sustainable connectivity. We hope to continue this good cooperation with the EBRD in the future as well.

We further encourage the EBRD to cooperate with other multilateral development banks, both at a policy level and in finding co-financing opportunities. This is particularly important at country level, where harmonised work with other financial institutions will create the most prominent impact.

To conclude, I would like to acclaim the EBRD, and wish the Bank every success in continuing its transformative work.

**JOINT STATEMENT FROM MR BRUNO LE MAIRE, GOVERNOR FOR FRANCE
AND MR CHRISTIAN LINDNER, GOVERNOR FOR GERMANY**

As EBRD Governors convene at their Annual Meeting in Yerevan on 14-16 May 2024 to re-elect Odile Renaud-Basso for a second term as President of the institution, France and Germany would like to highlight that, since 2020, Ms Renaud-Basso has demonstrated a remarkable ability to lead the EBRD with integrity and responsiveness, whilst developing a strategic vision for the institution. Her first mandate was marked by the global Covid-19 pandemic, the upheaval of the unprovoked aggression of the Russian Federation on Ukraine, and a number of major challenges in the EBRD's countries of operations. Despite these extraordinary circumstances, which the Bank, thanks to her leadership and the exceptional commitment of the teams, was able to respond to in the most effective manner,

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Ms Renaud-Basso deepened the institution's commitment to sustainable economic transition, financial stability, and prosperity in the Bank's countries of operations. In this context, the EBRD has played a crucial role in promoting economic growth, creating jobs and strengthening infrastructure. Ms Renaud-Basso has also been instrumental in keeping the Bank's ambitions high in terms of promoting the transition to a green and resilient economy, as well as gender equality and social inclusion.

We are confident Ms Renaud-Basso's second term will maintain high ambitions and prove very successful, in continuity with those strong achievements, and with the strategic decisions taken by EBRD Governors in 2023 at the Bank's Annual Meeting in Samarkand and subsequently, in particular the €4 billion paid-in general capital increase (GCI), which will enable the EBRD to continue to ambitiously support Ukraine in the future, while maintaining the capacity to address the needs of other countries of operations at the same time.

The limited and incremental expansion of the Bank's geographic mandate to sub-Saharan Africa and Iraq was the other key achievement of the 2023 Annual Meeting. It has been followed by membership requests from all of the six sub-Saharan countries identified in this context. This proves the relevance of this expansion and the strong demand for the EBRD's actions. France and Germany take the opportunity to welcome Benin, Côte d'Ivoire, Ghana, Kenya, Nigeria and Senegal, as well as Iraq. They are attending this Annual Meeting in Yerevan as members or future members, and as future countries of operations for the first time.

This year's Annual Meeting will provide an opportunity for Governors to reflect on the EBRD's future orientations in view of the next Strategic and Capital Framework 2026-2030, to be agreed at the Bank's next Annual Meeting in 2025. We expect this document to equip the Bank with strong guidance to cope with the challenges it will face in the future, taking into account the policy commitments of the GCI and the recent conclusions at G7/G20 level. In this respect and going forward, the proposed priorities around Green, Gender (including equality of opportunity) and Governance, with the two enablers of private-sector mobilisation and digital transition, are very welcome.

Importantly, the GCI will enable the EBRD to continue to show a high level of ambition with respect to its support to Ukraine, maintaining an appropriate appetite for risk. As far as future operations in Ukraine are concerned, the EBRD has even more financial backing, including through the UKR facility, but especially through its unique knowledge and toolkit, with loans and guarantees, but also equity investments, which will be mobilised in various sectors, industries and locations, both in wartime and during the future reconstruction phase. The Bank will keep working in line with its private-sector mandate, as well as in coordination with other international financial institutions and development finance institutions, and will contribute to the Ukraine Recovery Conference in Berlin in June. This commitment to deliver on the GCI in Ukraine must continue to be closely monitored on an annual basis by the Board of Directors on behalf of all shareholders, including in view of the agreed mid-term review. As stated in the Governors' decision, we underline the importance of the Bank's continued adherence to sound banking principles.

The GCI will also enable the EBRD to deliver on its transition mandate in all its countries of operations, including with respect to their decarbonisation paths, the fight against climate change, the digitalisation of their economies, and the continuous maximisation of the Bank's investment impact, which should also be closely measured in a transparent and comprehensive

manner. To answer emerging global challenges, the EBRD's strategies and projects must take onboard considerations around fair competition and procurement, and strengthening social and environmental considerations, when assessing the economic value of the whole project lifecycle.

Unlocking private finance to complement the EBRD's interventions will remain a key feature of the next strategic plan. In this respect, setting and monitoring clear targets for the mobilisation of private capital by the EBRD will be essential going forward. The development of country platforms mirroring what was achieved in North Macedonia and Egypt could also foster this mobilisation, and facilitate the transition away from fossil fuels.

As the Bank is shaping an ambitious agenda, which shareholders are expected to support in line with the strong commitment provided through the GCI, continued attention should also be paid, in the current inflationary context, to the requests made to manage the evolution of costs in the context of the Bank's Strategy Implementation Plan. In a similar vein, following the G20 Capital Adequacy Framework report in 2022, we expect the Bank to continue its ongoing work to optimise the use of capital while maintaining the Bank's financial strength.

In the face of all these challenges, we explicitly encourage the institution to facilitate the work of multilateral development banks (MDBs) as a system, in the context of the MDB evolution agenda. The Bank has shown that it can be instrumental in this regard, through the MDB working group on supply chains in the solar industry, or by signing a common procurement policies agreement for public-sector financing in Ukraine. The commitment of the EBRD to support the MDBs' mutual reliance agreement with relevant institutions is very welcome in order to allocate resources and facilitate cooperation in a more efficient manner.

In conclusion, we would like to acknowledge again Ms Renaud-Basso's achievements and commend all EBRD staff for their skilled and tireless work. We reiterate our trust in the EBRD's capacity to deliver on appropriate crisis responses and the ambitious strategic agenda described above.

STATEMENT FROM MR LASHA KHUTSISHVILI, GOVERNOR FOR GEORGIA

I am honoured to represent Georgia at the Thirty-third Annual Meeting and Business Forum of the EBRD in Yerevan. I extend my gratitude to the committed team of the EBRD and the Government of the Republic of Armenia for their efforts in hosting this event.

The 2024 EBRD Annual Meeting focuses on the theme of *Delivering Impact Together*. This theme emphasises the importance of the EBRD and its member economies working in synergy to help economies in the EBRD regions thrive, even as they adapt to an ever-changing environment.

We would like to highlight the fact that investments in Georgia, and other countries in the original EBRD region strongly impacted by the war in Ukraine, are highly additional in advancing the Bank's priorities, including, among others, the green transition and energy security. These investments also demonstrate significant additional value that contributes to profitability, thus balancing risks, enhancing the Bank's overall portfolio quality and as such, also enabling investments in Ukraine and other EBRD regions. Georgia, with its first-hand experience of Russia's occupation, continues to stand by the global effort to support Ukraine.

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Georgia is gradually progressing on its path of achieving strategic goals, and receiving EU membership candidate status was a big milestone. Being resilient and maintaining macroeconomic stability, while finalising backbone infrastructure, enhancing the Middle Corridor's connectivity and building strong human capital, calls for even more to be invested.

While more economies are recovering worldwide – including Georgia, which showed exceptional resilience – the uncertainties are still huge. In 2021-2022, alongside the negative impacts of the post-pandemic period and the Russian-Ukrainian war, as well as very robust fiscal consolidation, the economy managed to grow by double digits two years in a row, and come back to its pre-pandemic trend. Higher-than-average growth continued in 2023 and 2024, with preliminary growth of 7.5 per cent in 2023 and 7.8 per cent in the first quarter of 2024.

Georgia continues successful cooperation with the Bank through its diversified portfolio (approximately US\$ 5 billion) in the public and private sectors. Energy security and independence through increased green and renewable generation and enhanced connectivity in transmission, including the upcoming Black Sea undersea cable project; road and digital connectivity infrastructure; and reforming corporate governance and investing in human capital are among the high priority areas on our agenda.

The EBRD, as well as other multilateral development banks, should come up with diversified and innovative instruments that respond to existing constraints, possibly even through out-of-the-box solutions. The upcoming new Strategic and Capital Framework should be focusing on sophisticated but flexible instruments that can be tailored to the constantly changing environment. We would encourage the Bank and members to work together on solutions that allow more appetite (e.g. local currency borrowing, even more engagement with the private sector etc.) to borrow in a fiscally sustainable manner, to achieve sustainable development goals, energy security and climate agenda requirements.

Finally, let me thank again the EBRD for the work it is doing, and wish all of us a future that brings peace and prosperity. By working together, we can construct more sustainable economies that yield positive outcomes for the future.

STATEMENT FROM MR DIMITRIS METAXAS-TRIKARDOS, TEMPORARY ALTERNATE GOVERNOR FOR GREECE

I would like to begin by extending our warmest congratulations to President Odile Renaud-Basso on her well-deserved re-election as President of the EBRD, which marks not only a reaffirmation of trust and confidence in her leadership, but also a testament to her remarkable vision for the Bank whilst devoted to its mission.

As the world faces multiple local and global crises, the EBRD must retain its significant role in the region and deliver its transition mandate. Let us not forget that the uncertainties faced by several countries of operations are a direct result of the unprovoked invasion of Ukraine by the Russian Federation, a clear violation of international law, which Greece once again strongly condemns.

The approval of a €4 billion paid-in capital increase allows the Bank to scale up its investment in Ukraine and other countries of operations in the next SCF period. The strong private-sector focus, a distinctive feature of this institution, needs to be maintained to ensure transition to a sustainable market economy across the regions. This being said, we view equity investments as a very impactful way for the Bank to assist clients in adopting the highest standards of sound banking and corporate governance.

At the same time, developing capabilities in digital will naturally be decisive over the next Framework timeframe. Digital skills will not only be key to helping the EBRD play a leading role in shaping the impact of digitalisation in our countries of operations, but will also be instrumental to upgrading internal processes and practices.

We agree with the strategic themes as set out in the note shared with Governors in preparation for the Bank's third SCF, including the particular emphasis on initiatives focused on renewables and energy efficiency investments.

Finally, we think that the next SCF should ensure that the Bank retains the appropriate degree of flexibility to respond effectively to evolving geopolitical and market circumstances. More importantly, I would like to stress again that the private-sector focus must remain the core pillar of the Bank's business model. At the same time, whilst engaging in activities to its full potential, the EBRD must maintain a strong balance sheet, preserve sound banking practices, and protect its AAA rating.

STATEMENT FROM MR MÁRTON NAGY, GOVERNOR FOR HUNGARY

Thank you, Chair, and thanks to the Government of Armenia for organising the 2024 Annual Meeting.

Every year during the EBRD Annual Meeting, we have the opportunity to express our views in person on important strategic topics for the Bank. This is a good practice, as it is always a great experience to hear about other countries' visions, and share our own views.

Like many other entities, the EBRD is also operating in a difficult geopolitical situation. Still, in the long term, the major strategic directions, our values do not change. We support the concept that half of the Annual Bank Investment will be used for climate-related projects. The promotion of equal opportunities is also in line with our priorities, and we consider digitalisation as an important key enabler for successful economic and social transformation.

Beyond our support for the recommended priorities, there are three areas where we recommend developing and fine-tuning operations, and even doing things differently:

First: Invest more in equity, rather than provide loans, especially in advanced transition countries.

Second: Leverage the local Resident Offices, which should play a greater role in boosting the private-sector focus. Without a proactive local presence, it is difficult to better understand the local market; basically, it is impossible to deliver.

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And third: We do understand the priority of the private-sector focus in advanced transition countries. But there should be two exceptions: energy and infrastructure. These are two strategically important sectors where the State will always play an important role, and not only as a regulator.

We propose that EBRD management should work out blended financing structures for the energy and infrastructure sectors, and accept the participation of State-owned enterprises in these sectors. Even in the short run, this will accelerate transition impact by involving private capital in these two sectors with a traditionally low profit margin. In the countries of operations, the two sectors mentioned typically have one or two players. If we want to support energy investments, we cannot ignore the involvement of State operators.

At the same time, we would like to highlight the fact that investments in Hungary and other advanced transition countries are strongly impacted by the war in Ukraine. The projects in these countries are highly additional, especially in areas of green transition and energy security. For the EBRD, these investments have significant added value and are an invaluable contribution to profitability.

Without central Europe and the Baltics, it would be basically impossible to maintain a healthy and balanced risk profile and acceptable portfolio quality. Furthermore, lending in Ukraine and in many other countries would be difficult to maintain in the long run. Therefore, more dynamic financing in advanced transition countries is the enabler of financing in early transition countries and new regions.

We are concerned that there is a decreasing focus on the EU-11 countries, even though the original and fundamental reason for the Bank's creation was to support the development of this region. We consider it important that the Bank preserves its own specific characteristics and added value. We do not want the EBRD to become similar to the World Bank in all its aspects. Even if we support the expansion of the Bank to other regions, the EBRD needs to maintain its European character.

The capital increase will enable the Bank to operate in multiple regions, and there is not even the slightest need to consider further reducing activity in central Europe and the Baltics.

We appreciate the EBRD's ability to respond quickly to crisis situations, but we believe that the focus of the Bank should be on balanced operations rather than on permanent crisis management.

The transition mandate of the Bank is important, but the characteristics of individual markets must be taken into account. We support more SME financing, especially for those that foster entrepreneurship and innovation. Whenever feasible, efforts should be made to use local currency lending.

I wish Madam President a successful continuation of her work at the EBRD.

STATEMENT FROM MR SIGURÐUR INGI JÓHANNSSON, GOVERNOR FOR ICELAND

Yet again we meet during a time of uncertainty and crisis. Wars and conflicts are raging, with devastating effects on lives and livelihoods, and endangering decades of development progress.

PUBLIC

Iceland condemns in the strongest terms possible Russia's continued unprovoked, unjustified and illegal war of aggression against Ukraine. We reiterate our absolute support for Ukraine's independence, sovereignty and territorial integrity. Russia's aggression continues to erode European and global security, and disrupt food and energy markets and supply chains, which disproportionately affects the poorest countries through its negative spillover effects on the global economy. Ukraine bears a heavy toll for this illegal war of aggression, with tragic human losses, and millions displaced from their homes.

We applaud the Bank's strong support for Ukraine which is now more crucial than ever. As the war enters its third year, it is imperative that we continue to support Ukraine in upholding services, maintaining critical infrastructure, and ensuring liquidity needs. Concurrently, we must focus on supporting Ukraine in restoring economic growth, advancing reforms, enhancing domestic revenue mobilisation, and mitigating risks for the private sector, in as much as this is feasible.

We are extremely concerned about the catastrophic humanitarian situation in Gaza, and the appalling toll it is taking. The armed conflict has a severe human, social and economic impact, with the already fragile economy crumbling, and millions of people being either displaced or lacking sufficient access to water and food. A catastrophic humanitarian crisis is unfolding. While lifesaving interventions must now take priority, the Bank must play a pivotal role in the enormous task of reconstruction in the aftermath of the war.

In the coming years, the Bank should maintain its strategic focus by increasing the scale of its activities, and widening its geographic reach. In the next Strategic and Capital Framework, we would also like the Bank to be mandated to deepen transition impact within a sustainable financial framework, as well as to promote private and entrepreneurial initiative. Iceland supports the proposed strategic themes of green, equality of opportunity and governance, supported by the strategic enablers of mobilisation and digital.

Iceland supports further work regarding the expansion of the Bank's geographic scope. Needless to say, it should be underpinned by the principles that any expansion should not impair the Bank's ability to support its current countries of operations, or deviate from the Bank's mandate to support transition. The case for expanding operations into areas where the Bank can, without any doubt, be an important vehicle for green and equitable change is urgent, and should not be delayed unnecessarily. Indeed, as geographic delimitations become increasingly challenged by rapid technological advances and economic integration, we will need to revisit the concept of geography in the EBRD's operations.

Finally, the past years have been challenging for the whole world; this has certainly had an impact on the operations of the EBRD as well. Allow me to thank the President, the Board, management and staff for their good service during these times.

STATEMENT FROM MR MICHAEL MCGRATH, GOVERNOR FOR IRELAND

At the outset, thank you to our Armenian hosts for the warm welcome we have received at this year's Annual Meeting, and to the EBRD team organising it. The theme of this year's Annual Meeting is *Delivering Impact Together*. The selection of this theme is very apt. This Meeting

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provides an opportunity to reinforce our shared goals and commitments to delivering impact together in the Bank's countries of operations.

I would also like to convey my thanks to the organisers of the Annual Meeting and to the dedicated staff of the EBRD secretariat in London for their ongoing work for the Bank's shareholders and clients.

I would also like to commend President Renaud-Basso on your time as President of the Bank. You have consistently shown strong leadership in the face of global challenges, such as the climate crisis, macroeconomic uncertainties, and geopolitical tensions growing more and more acute. You have ensured that the Bank remains as relevant as ever. I wish you well for a renewed mandate.

I would now like to set out my Governor's views on a number of key issues and provide updates on developments as regards our ratification of the changes that were agreed last year.

Current challenges

In recent years, we have been weathering a series of external shocks – the Covid-19 pandemic, Russia's aggression against Ukraine, the resulting energy shock, inflation, and rising interest rates. Together, we have responded to these challenges through joined-up efforts and coordinated policies in the areas of health, economic stability, social cohesion, and energy supply. The EBRD has a central role to play in this now more than ever.

EBRD financial performance – capital increase

In this regard, having a financially strong Bank is key and I would like to commend the Bank for returning to strong profitability in 2023. This will no doubt contribute to increasing financial capacity. Our decision last year to increase the capital in the Bank was well timed, and I am pleased to note that Ireland has recently completed the necessary approval processes in relation to confirming the capital increase. On 30 April, the Government approved Ireland's commitment to, and support for, the EBRD capital increase. I am confident that this capital increase will go substantially towards the EBRD increasing support for Ukraine while maintaining support to all other countries of operations. It will also sustain a financially strong EBRD, which is able to pursue its mandate and to meet shareholders' objectives.

The Bank's transition mandate

The Bank's unique mandate to help develop sustainable market economies is the proven way forward, but can be further reinforced in our countries of operations. Given that private-sector development is at the core of the Bank's work, the three cross-cutting themes of a low-carbon economy, equality of opportunity and digital transition cannot be underplayed. The transparent mobilisation of private finance has allowed the core strategic objectives of the Bank to be well pursued, allowing its unique in-depth local market knowledge to bring the greatest transition impact. This distinctive aspect of the Bank needs to be further strengthened and refined in the next SCF.

We look forward to engaging fully with the Board of Directors to advance the next SCF – planning cannot start soon enough.

Strategy Implementation Plan 2024-2026

Looking back, I appreciated the report of the Board of Directors to the Board of Governors on the Strategy Implementation Plan for 2024-2026. It accurately portrays our ambitious business

objectives in Ukraine and on climate finance, while focusing on quality and efficiency of delivery. The resources that are being placed towards climate finance are hugely important. The Bank's proposal to bring Annual Bank Investment devoted to Green Economy Transition is a good one.

EBRD and Ukraine

It has been widely noted how the Bank has already deployed more than €3 billion in Ukraine since the invasion in February 2022. Since the unjustified Russian invasion, the EBRD has worked in cooperation and coordination with other international financial institutions and existing partners on the ground. It has successfully utilised its expertise and experience on the ground to support many sectors in Ukraine, but more importantly, has kept vital services functioning for Ukraine's citizens. Ireland will continue to play its role in supporting the international response addressing the humanitarian consequences of the invasion, as well as supporting the Ukrainian government, public services and economy.

Sub-Saharan Africa and Iraq expansion

In parallel, the Bank has to take note that other countries are affected by the invasion by the Russian Federation. Expanding our geographical reach is also important when we, as Governors of the Bank, voted to approve the incremental expansion to countries in sub-Saharan Africa, and Iraq. Ireland is fully committed to supporting this region under our policy for international development, *A better world*, and as a key actor within the European Financial Architecture for Development process. We are fully aligned with the role the EBRD plays in this regard, and the process to ratify these changes to the Agreement Establishing the Bank is well advanced in Ireland.

While the expansion will place heightened demands on the Bank's resources, knowledge and experience, I welcome the recent approvals of membership of the Bank regarding Benin, Côte d'Ivoire, Ghana and Senegal. I also endorse the recent applications from Nigeria and Kenya.

Conclusion

To conclude, I would like to reiterate Ireland's support for the critical role the EBRD plays, and look forward to working with it for the rest of 2024 and beyond. At this juncture, I would also like to thank the members of our constituency – Denmark, Lithuania and Kosovo – for their cooperation and support over the past year.

I would also like to take this time to reiterate my thanks to our Armenian hosts for this well-organised Annual Meeting, in light of a heightened geopolitical situation around the world. Notwithstanding, I support the proposal from the Board of Directors to conduct our next Annual Meetings in London, Riga and Egypt respectively.

STATEMENT FROM MR BEZALEL SMOTRICH, GOVERNOR FOR ISRAEL

I am deeply honoured to represent Israel at this thirty-third Annual Meeting of the EBRD in Yerevan – a city that stands as a symbol of the rich confluence of European and Asian heritage. I extend our heartfelt thanks to our Armenian hosts for their warm hospitality and excellent organisation of this event.

I commend the EBRD's leadership under President Renaud-Basso for guiding the Bank towards robust growth and stability, despite the trying context. In 2023, the EBRD achieved a

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record investment of €13.1 billion, showing remarkable resilience and strategic foresight, while maintaining significant focus on private-sector development.

Expanding into sub-Saharan Africa and welcoming new members, while remaining steadfast in support of current countries of operations, especially Ukraine, reflects the Bank's dedication to enhancing global economic stability and sustainable development.

Israel particularly values the EBRD's emphasis on digital transformation as a fundamental driver for bridging transition gaps. The digital era offers unprecedented opportunities to accelerate progress across all sectors. However, it has also introduced significant challenges and risks, especially in cybersecurity. Israel is actively contributing to furthering the EBRD's capabilities in this critical area, through enhancing protections in critical infrastructure projects, and growing the Bank's capacity and expertise in cybersecurity. The Bank's work in cybersecurity is more than a necessity for clients; it is a strategic imperative required to ensure the resilience and success of all projects, including digital transformations.

Israel supports the expansion of the EBRD's Strategic and Capital Framework for 2026-2030 to include crucial areas such as economic governance and private finance mobilisation. We see the mobilisation of private capital as essential for achieving the green transition – a challenge that multilateral development banks cannot manage alone. As the EBRD expands its lending capacity, we would encourage the development of new targets and tools to facilitate global private investors to co-invest with the EBRD in projects that can catalyse the desired transition effects in its countries of operations.

Israel also advocates for streamlined due diligence and procurement procedures across multilateral development banks to facilitate access for small and medium-sized enterprises, and to reduce transaction costs. Improved coordination among multilateral development banks is essential to achieve maximum development impact through the efficient use of available resources.

We commend the progress on digital, green, and gender-focused projects reflected in the EBRD's Strategy Implementation Plan 2024-2026. The significant focus on digitalisation is integral to sustainable market development, and we are optimistic that the new Strategic and Capital Framework will support a faster, greener and more inclusive transition.

In conclusion, Israel is confident in the EBRD's direction, and extends its gratitude to management and staff for their unwavering dedication to clients and countries of operations. We look forward to the EBRD's continued and enhanced role in promoting a fair, green and digitally enabled transition across its current and future regions of operations.

Once again, I would like to express my sincere thanks to our hosts in Armenia for their gracious hospitality, and for making this Annual Meeting a success. Your efforts have set a high standard, and have contributed greatly to the productive and collaborative atmosphere of this gathering.

STATEMENT FROM MS FEDERICA DIAMANTI, TEMPORARY ALTERNATE GOVERNOR FOR ITALY

On behalf of Italy, let me thank the Government of the Republic of Armenia for the hospitality, and for hosting the EBRD's 2024 Annual Meeting in the beautiful city of Yerevan. Armenia remains a strategic partner of the Bank in the Caucasus region to advance the green transition.

This Annual Meeting is marked by the re-election of Ms Odile Renaud-Basso as President of the Bank. We thank Odile for her leadership in very challenging times.

Through this statement, we would like to convey four main messages:

First, on Ukraine, Italy stands resolutely with the Ukrainian Government and the Ukrainian people in the face of Russia's brutal, illegal and unprovoked war against Ukraine. We commend the Bank's continuous support in responding to Ukraine's recovery and financing needs. Italy has identified in the EBRD a strategic partner and together, we have provided a loan package of €200 million in favour of Ukrhydroenergo to strengthen the country's energy security, with a €100 million EBRD loan, backed by a concessional loan of €100 million from the Italian Government. We also commend the Bank's active role in the Multi-agency Donor Coordination Platform, as well as in other coordination forums. And we welcome the Bank's support to the operationalisation of the Ukraine Recovery and Reconstruction Guarantee Facility to further mobilise private-sector participation. As holder of the G7 Presidency, Italy remains committed to helping Ukraine meet its financing needs, and looks forward to hosting the Ukraine Recovery Conference in Rome in 2025.

Second, on expansion to sub-Saharan Africa, Africa is a key strategic priority for the Italian Government and for our G7 Presidency. With the recent Italy-Africa summit and the launch of the Mattei Plan for Africa, Italy has embraced a renewed approach to development cooperation with the African continent. It will be rolled out with African countries, but will also leverage synergies with international partners in the areas of education and training, agriculture, health, energy and water. Italy stands ready to further engage with the EBRD and explore the potential for closer collaboration in Africa.

We support geographic expansion to sub-Saharan Africa and in this respect, we strongly welcome the request by six additional African countries to become members of the Bank. We believe the EBRD can play a unique role in the region by promoting private-sector development, focusing on areas such as small and medium-sized enterprises, renewable energy, and sustainable infrastructure development, thus leveraging its expertise and competitive advantages. We also expect the Bank to coordinate closely with partners and international financial institutions, by strengthening collaboration both at strategic and operational levels. And we ask the Bank, in line with the adopted general capital increase policy commitments, to prepare concrete plans for collaboration and coordination, particularly with the African Development Bank, the International Finance Corporation, and the European Investment Bank, in any new countries of operations.

Third, in a world of *polycrisis*, it is imperative to continue to optimise the use of the Bank's balance sheet and a focused and disciplined use of donor resources. We welcome the remarkable performance in terms of net income achieved by the Bank in 2023, proving that its financial stability has not been compromised by the challenging context. We also commend the Bank for the results achieved so far in implementing the G20 Independent Review of

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MDBs' Capital Adequacy Frameworks, launched under the Italian G20 Presidency. We welcome the recent reports on callable capital published by the Bank, and look forward to further progress on the Capital Adequacy Frameworks agenda, including on hybrid capital issuance. The development of climate-resilient debt clauses by the EBRD is also welcome as an additional way to enhance support for borrowers facing the impacts of climate change.

Fourth, on the review of the Strategic and Capital Framework 2021-2025, the review shows that the Bank has been able to provide a swift and flexible response, despite the multiple crises affecting our regions. All financing is now aligned to the goals of the Paris Agreement. Annual Bank Investment has reached new levels, and some targets have been met early.

Looking forward to the next Strategic and Capital Framework, we welcome the proposed strategic themes of green, gender and governance, complemented by mobilisation and digital as strategic enablers across all transition qualities. We expect the policy commitments approved as part of the paid-in capital increase to be embraced in the strategic framework.

The EBRD was created to support the development of the private sector; it should be selective, and engage in public-sector transactions when they present a strong transition impact and enable growth in the private sector. We note the increasing importance of critical raw materials in the green economy, and their potential across our countries of operations. Facilitating a *just transition* should be the main goal of the Bank in this field.

Additional challenges, such as those caused by conflicts and fragility, have put pressure on the transition path of our countries of operations. To this end, the effort towards multilateral development banks working as a system is key to addressing global challenges and maximising impact. Building on lessons learned in recent years, the Bank should develop a specific approach to conflict and fragility, focusing on private-sector development, and complementing what other multilateral development banks do in these fields. This will enable the Bank to better support its countries of operations and respond to multiple challenges, including refugee crises, forced displacement and migration issues. This is also true for the six countries from sub-Saharan Africa that will soon become members and countries of operations of the Bank.

Finally, we welcome the first EBRD report on diversity and inclusion within its Board of Directors.

We reiterate our continuous support to the Bank, and wish every success for the challenges ahead.

STATEMENT FROM MR KANEHIKO SHINDO, TEMPORARY ALTERNATE GOVERNOR FOR JAPAN

1. Introduction

On behalf of the Government of Japan, I would like to express my sincere gratitude for the warm hospitality extended by the Government of Armenia and the people of Yerevan at the Thirty-third Annual Meeting of the EBRD. I would also like to acknowledge that this is the very first time that Armenia has hosted the Annual Meeting.

Let me also take this opportunity to celebrate the memberships of Benin, Côte d'Ivoire, Ghana,

Kenya, Nigeria, and Senegal, which have been approved by the Board of Governors since the Annual Meeting last year.

2. Support to Ukraine

We condemn again, in the strongest terms, Russia's illegal, unjustifiable and unprovoked aggression against Ukraine that has continued for more than two years. It has caused tragic loss of life and destruction of property and infrastructure, exacerbating global economic challenges. We call for an immediate end to this illegal aggression, which would clear one of the biggest uncertainties over the global economic outlook.

Let us express our utmost respect again for the courage and perseverance of the Ukrainian people, who have stood up in defence for the freedom and independence of their country. Japan has thus far provided robust financial assistance to Ukraine, including credit enhancements leading to US\$ 5 billion worth of loans to Ukraine, as well as US\$ 940 million in grants. Moreover, Japan's National Diet passed a budget in March that authorises the Government of Japan to provide credit enhancements that make it possible to provide an additional US\$ 2 billion worth of loans this year. Japan has stood with Ukraine and will continue to do so.

To address Ukraine's huge reconstruction needs, we need to mobilise capital, technology and expertise from the private sector. In this regard, the new Tax Convention signed between Japan and Ukraine at the *Japan-Ukraine Conference for Promotion of Economic Growth and Reconstruction* in February, which wholly amended the existing one that entered into force during the former Soviet era, is expected to further promote mutual investments and exchanges of goods and services between the two countries. In addition, the Japan Bank for International Cooperation signed a Memorandum of Understanding with the Black Sea Trade and Development Bank that aims at reaching an agreement to provide a two-step loan of up to US\$ 150 million to Ukraine and its neighbouring countries.

Further, the EBRD, as a multilateral development bank that has a mandate to support transition in the region, will continue to play a critical role in supporting Ukraine. Japan highly commends that the EBRD announced its support package immediately after the onset of the aggression, and has steadfastly implemented it by deploying €3.8 billion in total by the end of 2023. Japan also provided an additional contribution to the Japan Trust Fund, which is a bilateral trust fund established in the EBRD to assist private-sector-led reconstruction in Ukraine's agribusiness sector, as well as human resources development, which is critical for business continuity.

We welcome that the capital increase of €4 billion was approved by the Board of Governors at the end of 2023 as an exceptional measure to respond to reconstruction needs in Ukraine, which I believe exemplifies shareholders' solidarity. Japan, as the second largest shareholder, has already subscribed to the newly authorised paid-in shares this month, soon after the approval of our budget in March. We will make payment by the end of this year, and encourage other members to follow suit.

3. Direction of the EBRD's operations

The G20 stresses the need to deliver better, bigger, and more effective multilateral development banks. In this context, the EBRD should use its capital base and lending capacity efficiently and effectively to the fullest extent, consistent with its unique mandate. Let me highlight four topics that Japan considers will be critical.

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First, the Bank should accelerate the implementation of the G20 Capital Adequacy Frameworks review recommendations. We request that the EBRD continue its steadfast efforts on this front, including on the issuance of hybrid capital, and enhanced communication with credit rating agencies to revisit the value of callable capital.

Second, private capital mobilisation should be enhanced. In light of increasing development needs, mobilising private capital is key, while public capital can play a catalytic role. The mobilisation of private capital is a global imperative, and we expect that the EBRD, backed by extensive achievements under its private-sector mandate in regions such as central and eastern Europe, will lead the multilateral development banks' efforts in this regard.

Third, climate change efforts should be further intensified. The EBRD covers the regions that are vulnerable to natural disasters like Japan, including Armenia that was devastated by a major earthquake in 1988. We look forward to the EBRD strengthening its support for the green economy transition in the areas of not only climate mitigation but also adaptation.

Fourth, the EBRD's appropriate geographical direction needs to be maintained. While Japan welcomes the expansion to sub-Saharan Africa this time, we should recall that the EBRD's top priority is support to its existing countries of operations. In addition to Ukraine and affected countries, the importance of the Early Transition Countries, including Central Asian countries and Mongolia, should be duly maintained. Also, this expansion of geographic scope must be implemented in a limited and incremental manner as stipulated in the Governors Resolution adopted at the Annual Meeting last year in Samarkand, so as to safeguard the Bank's ability to support its traditional clients. In this region, it will be essential for the EBRD to provide its support effectively by coordinating smoothly with the World Bank Group as well as the African Development Bank, and avoiding duplication of operations.

These four points should be duly reflected in the next EBRD Strategic and Capital Framework.

4. Cooperation between the EBRD and Japan

The EBRD is a global institution that includes non-European countries in its membership, and its organisational management must reflect diverse voices, including those of non-European members. Further, it must respond flexibly and effectively to diverse and complex needs while its coverage of operations is being expanded beyond Europe. To this end, it is important to promote diversity, including on nationality, among the EBRD staff. Japan is committed to actively contributing to the EBRD, including in terms of policy discussion and human resources, in addition to its financial support, such as the contributions to the capital increase and the Trust Funds.

Let me stress that Japanese private companies possess many state-of-the-art technologies that can contribute to solving various problems faced by the countries of the EBRD's operations, such as climate change and food insecurity. We are willing to collaborate with the EBRD further in encouraging more Japanese private companies to invest in EBRD-supported projects. We hope that the EBRD Tokyo Office will play an instrumental role in this regard. The webinar this March on investment in Ukraine is a case in point, where the Tokyo Office solicited huge interest around investing in Ukraine from a number of Japanese companies. I would like to request that the EBRD foster such efforts further, by fully utilising the Tokyo Office's functions and resources.

5. Closing

Even after the impact of Covid-19 has receded, the world is facing overlapping geopolitical crises, including Russia's aggression against Ukraine, and the clashes between Israel and Palestinian militants. At the same time, the need to resolve long-term development challenges, such as climate change, remains.

Much has been achieved, including the capital increase, since President Renaud-Basso assumed office in 2020 in this challenging environment, which is compelling evidence that we elected the right person to lead the EBRD. Japan strongly supports her re-election at this Annual Meeting.

We expect that the EBRD will continue to play an important role in supporting its countries of operations' efforts to respond to these multiple crises and challenges.

STATEMENT FROM MR MADI TAKIEV, GOVERNOR FOR KAZAKHSTAN

On behalf of the delegation of the Republic of Kazakhstan, I would like to thank the Government of the Republic of Armenia and the Yerevan city authorities for their hospitality and excellent delivery of the Thirty-third EBRD Annual Meeting.

We very much cherish our partnership with the EBRD and are committed to maintaining long-lasting and mutually beneficial relations.

Since we began working together with the Bank's support, 321 projects worth a total of more than US\$ 11 billion have been successfully delivered across Kazakhstan in a variety of sectors of the economy. These are truly impressive figures, and attest to the success with which our joint work has developed.

The Government of Kazakhstan is implementing the necessary internal measures to ensure the coming into force of Resolution Nos. 259 and 260, which the EBRD Board of Governors adopted last year.

Kazakhstan's economic outlook

Despite unprecedented geopolitical challenges, Kazakhstan continues to adhere to the economic path that the country's President has initiated.

This initiative is designed to deliver structural reforms that will lead to a diversified and sustainable economy.

Figures for 2023 revealed that Kazakhstan's GDP reached US\$ 265 billion, while the economy grew by 5.1 per cent.

In addition, we attracted US\$ 23 billion of foreign direct investment and turned over US\$ 139 billion of international trade.

The positive trajectory of Kazakhstan's macroeconomic indicators confirms our commitment to the course we have set ourselves. It is based on fostering a favourable investment climate and building reliable partnerships with trustworthy major businesses.

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The new tax code that we are drafting, and its implementation under the law, are further evidence of this approach.

What cannot be overlooked is the value the EBRD adds to successful infrastructure projects, which make a significant contribution to our development and help to improve our citizens' quality of life.

In reaffirming Kazakhstan's commitment to continue being an economic engine for Central Asia and to promote its transition to an open economy, I am confident that, by working together, we will establish a robust investment climate, and secure the region's social and environmental sustainability.

In conclusion, I would like to thank the EBRD for standing ready to support the sustainable development of Kazakhstan's economy.

The Government of Kazakhstan is highly appreciative of the value that the EBRD adds to economic issues.

Allow me to wish us all good luck in achieving our ambitious goals and delivering our targets in the period ahead.

STATEMENT FROM MR SANG MOK CHOI, GOVERNOR FOR KOREA

1. Introduction

I am honoured to be here. On behalf of the Korean Government, I would like to extend my heartfelt thanks to the Armenian Government and the EBRD staff for your outstanding efforts in preparing for this Annual Meeting.

2. Issues for discussion

Strategic themes

Today, the Bank's primary focus is on responding to crises and disasters, such as the ongoing war. Looking ahead, we must reinforce our efforts to provide a foundation for countries in need. This will enable them to tap into their full potential and shape their future.

In this respect, Korea supports the EBRD's strategic themes, such as green and digital transition, as well as economic governance. We would like to strengthen cooperation with the EBRD to ensure the strategic themes are implemented successfully.

Enhanced focus on the private sector

Moreover, Korea is advancing a 'dynamic economy' that focuses on innovation led by the private sector and the market, while also prioritising social mobility based on fair opportunities.

The EBRD should continue its efforts to facilitate innovation by strongly promoting business models that support the private sector. It should also keep supporting women, youth, and small businesses to create fair opportunities.

I am confident that through these efforts, we can foster a sustainable market economy with enhanced resilience and stronger competitiveness.

Increasing impact

At the same time, securing funding is crucial to effectively promote the strategic themes and bolster the impact of transition. In light of this, members have made progress, including a €4 billion paid-in capital increase, and the removal of statutory limitations. I ask the Bank to respond by reinforcing its comprehensive efforts to optimise the capital structure.

Korea is also making a significant effort by contributing US\$ 50 million to the Crisis Response Fund. I hope that our contribution effectively channels through to countries in need, and supports their transition towards a sustainable market economy.

In the meantime, it is imperative to have a system that accurately evaluates the effectiveness and impacts of the Bank's activities, and keeps them running smoothly. Therefore, initiatives carried out by the Independent Evaluation Department should go beyond mere evaluation and analysis, and lead to effective recommendations and implementation.

3. Conclusion

Just like this year's theme – *Delivering Impact Together* – suggests, let us come together, create impact, and deliver a better tomorrow.

Korea will continue our unwavering support for the EBRD.

STATEMENT FROM MR HEKURAN MURATI, GOVERNOR FOR KOSOVO

Let me begin by congratulating you, Ms Renaud-Basso, for your re-election as President of the EBRD, and wish you a successful term ahead. Thank you to the Armenian authorities for hosting the Thirty-third Annual Meeting of the EBRD, and to all those involved in organising it. I would also like to extend my thanks to the members of our constituency – Ireland, Denmark and Lithuania – for their continuous support, cooperation and representation during 2023.

We remain adamant supporters of the Bank's commitment to deliver on the foundations of democracy, pluralism and market economy. Reflecting on the EBRD's activities, specifically its increased number of projects and disbursements for the previous fiscal year, we congratulate management and staff for their agility in supporting the countries of operations through the unprecedented times of these past couple of years. To this end, we have voted in support of the request for a capital increase in order to enhance the Bank's substantial impact across regions, and we are in the process of formally accepting the amendments to the Agreement Establishing the Bank.

Having delivered satisfactorily in engaging private capital for the redevelopment of Ukraine, we appreciate the Bank's new operation in the West Bank and Gaza. The EBRD must continue its close support to countries facing pressing challenges, while maintaining close engagement in other countries of operations as we jointly navigate through present uncertainties. Moving forward with the next Strategic and Capital Framework, we expect management to further increase its portfolio in the private sector, especially in a period of tightening by the European Central Bank, which affects developing economies such as ours disproportionately.

Such geopolitical developments have reached and affected our economy as well, which has especially deteriorated the purchasing power of our citizens. However, despite disruptions in

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energy and food markets, followed by a tightening of global monetary conditions, Kosovo's economy showed a satisfactory performance – mainly attributed to the good performance of private consumption and investment. In our efforts to ensure sustainable development, we remain attentive to these developments, and committed to proactively supporting our citizens and private enterprises in overcoming obstacles, as well as relying on great cooperation with institutions like the EBRD.

Building upon our strong history of collaboration and embracing future opportunities, I would like to acknowledge the Bank's commendable efforts and its ongoing dedication to addressing the needs of each member.

STATEMENT FROM MR ALMAZ BAKETAEV, ALTERNATE GOVERNOR FOR THE KYRGYZ REPUBLIC

Allow me to welcome you to the EBRD Annual Meeting.

First of all, let me highlight the effective implementation of the Bank's investment programme and strategic engagement with partner countries, despite the difficult economic situation. The Bank is making a significant contribution to the development of the private sector in partner countries, strengthening infrastructure and supporting countries in the early stages of transition to sustainable development.

Also, let me express my gratitude for the Bank's support to the Kyrgyz Republic in promoting market reforms, the positive experience of Kyrgyzstan and the EBRD since the establishment of cooperation, and the importance of the EBRD as a catalyst for private-sector investment. The total volume of the Bank's operations in the Kyrgyz Republic to date has amounted to 52 projects totalling more than about €500 million.

The Bank is making a significant contribution to accelerating sustainable growth, creating conditions for the development of small and medium-sized enterprises, strengthening the financial sector, and modernising the municipal infrastructure of the Kyrgyz Republic.

Today, the Cabinet of Ministers of the Kyrgyz Republic's priority for the future is to create conditions for growth and development of the private sector, as well as the development and promotion of exports.

Various measures are being taken to stimulate investment in the country, to develop the private sector, to remove administrative restrictions, to reduce barriers for investors, to improve legislation, and to liberalise external and internal trade regimes, which is a reliable prerequisite for the growth of foreign trade, exports and investment inflow.

In addition, the need to implement regional projects in the field of environmental protection, climate change initiatives, renewable energy projects, etc. is a very urgent and important issue. In the context of achieving sustainable development, the Kyrgyz Republic also draws attention to the principles of the green economy as an approach that involves a significant reduction in the pressure on natural resources.

We welcome that, recently, the EBRD has prioritised projects in the field of the green economy and biodiversity conservation.

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In this context, the President of the Kyrgyz Republic, Mr S N Zhaparov, has taken the initiative to restructure the State external debt of the Kyrgyz Republic, including through the mechanism of its exchange (conversion) for projects in the area of the green economy.

Taking into account the urgency of the environmental problems of the entire region, for the solution of which it is necessary to take appropriate measures, as well as to reduce the effects of climate change, it is necessary to consolidate joint efforts and capital. The successful implementation of our initiative would be a model for external debt resolution for the development of countries, while at the same time incentivising countries to implement green projects.

One of the main projects contributing to energy development in Kyrgyzstan is the construction of the Kambarata-1 hydroelectric power plant on the Naryn River at a cost of US\$ 5 billion. This project has the potential to generate a significant amount of electricity for export to the region, including China and Pakistan. Lack of finance, including climate finance, is a problem in all developing countries. This could be a major obstacle to curbing global warming. Unfortunately, the financial commitments of industrialised countries remain unfulfilled. And the goal of accumulating US\$ 100 billion in funding annually has not yet been reached. In this regard, we would like to urge, first of all, developed donor countries to work more purposefully to accumulate even larger amounts of climate finance, simplify mechanisms for its receipt, and create new mechanisms to support developing countries.

Our country is ready for mutually beneficial and multi-vector cooperation with each interested party in all areas, especially on the green agenda.

In conclusion, let me once again thank the Bank for supporting the efforts of the Kyrgyz Republic to transition to sustainable economic development, and express hope for further mutually beneficial cooperation!

STATEMENT FROM MR ARVILS AŠERADENS, GOVERNOR FOR LATVIA

I extend my gratitude to the Government of Armenia for hosting the Thirty-third Annual Meeting of the Board of Governors of the EBRD in the historic capital city of Yerevan, celebrated as one of the world's oldest cities.

EBRD financial results

Latvia applauds the EBRD's outstanding performance in 2023, recording a historic investment of €13.1 billion. Notably, the commendable recovery from the losses incurred in 2022 due to Russia's aggression against Ukraine demonstrates the Bank's resilience.

Latvia extends its appreciation for the leadership of the EBRD's President in steering the Bank through this challenging period. We congratulate her for successfully garnering shareholder support to sustain the EBRD's vital operations in Ukraine through the approved €4 billion increase in paid-in capital, which also underscores international solidarity with Ukraine. We are confident the EBRD will build upon its achievements to further its mission of promoting economic development and stability in the region, and in all the other countries of operations.

Support to Ukraine

The devastating impact of Russia's war on Ukraine continues to destabilise the region, and undermine global security and stability. The war swells with tragic consequences for the Ukrainian people and grave losses to the country's economy, reversing 15 years of development gains, and increasing poverty. Despite the immense challenges, Ukraine's resilient pursuit of reforms is admirable.

Latvia stands firmly with Ukraine, providing substantial support, both morally and materially, amounting to close to 1 per cent of our GDP. Strengthening our partnership, in 2024, Latvia and Ukraine concluded a comprehensive agreement to enhance security and aid efforts, including Latvia's ambitious pledge of 0.25 per cent of GDP annually for military support. Our commitment to maximising the impact of our financial assistance through international finance institutions is unwavering, with recent contributions to capacity-building initiatives in partnership with the EBRD aimed at supporting Ukraine's path towards EU membership.

Strategic and Capital Framework

The initial three years of implementing the Strategic and Capital Framework 2021-2025 have posed considerable challenges for the EBRD's countries of operations. While noteworthy progress has been made with an increase in the Annual Bank Investment level compared to the previous five years, we should also perceive these numbers in line with the growth in interest rates and the impact of high inflation. Addressing the aftermath of Russia's aggression against Ukraine necessitates intensified investment in affected regions where the EBRD is operating, complementing the Bank's focus on Ukraine reconstruction efforts. Moreover, investments in the EBRD's EU countries of operations align with the Bank's core priorities, while enhancing the overall quality of its portfolio and enabling investments in riskier regions.

The strategic priorities of the current Strategic and Capital Framework – namely green and digital transition, equality of opportunity, and gender equality – remain pertinent for the next period. Balancing increased regional exposure and capital growth with impactful investments is crucial to ensure the future self-sufficiency of the Bank's financing.

Latvia and the EBRD

The EBRD's operational results in Latvia reached a record level in 2023, totalling €135 million, and benefiting the country's economic development. The Bank's presence and investment activities in Latvia are pivotal amidst today's complex geopolitical landscape. We anticipate that the Bank will sustain its momentum with a robust project pipeline, capitalising on the progress made in capital market development initiatives. This entails potential investments in both the private sector and selected State and municipal enterprises, while also exploring financing opportunities in the financial sector. We encourage the Bank to work even more actively with new clients, explore new areas of intervention, and be even more present in the country.

Moreover, Latvia eagerly anticipates the honour of hosting the EBRD Governors' Annual Meeting in 2026, positioning Riga as a meaningful platform to celebrate the success of regional cooperation in the Baltic countries, and to underscore the EBRD's steadfast commitment to its countries of operations, particularly those grappling with the looming threat of Russia's war on Ukraine.

STATEMENT FROM MR YOUSSEF EL KHALIL, GOVERNOR FOR LEBANON

First, Lebanon would like to thank the Republic of Armenia for hosting this year's EBRD Annual Meeting. Unfortunately, Lebanon is not able to attend the Annual Meeting in person due to the circumstances prevailing in the country.

Country context

For more than four years, Lebanon has been impacted by the most devastating multipronged economic and financial crisis in its modern history, and has been hit by yet another crisis: the spillover from a raging regional war in the south of Lebanon. The above, combined with the already heavy burden of the Syrian refugee crises since 2011, are weighing on the Lebanese economy: a severe contraction in GDP by more than half, triple digit inflation, and the loss of more than 98 per cent of the value of the Lebanese pound. Public finances have collapsed, prompting a default on the country's foreign debt service and an acute collapse in public service delivery.

In April 2022, Lebanon reached a staff-level agreement on comprehensive economic policies with the International Monetary Fund for a 46-month Extended Fund Arrangement, with requested access to US\$ 3 billion.

Lebanon – work in progress

Following the staff-level agreement with the International Monetary Fund, Lebanon embarked on honouring its commitment under this agreement to meet the prior actions for the 46-month Extended Fund Arrangement. However, a difficult domestic political stance – namely vacancy within the executive, and reduced legislative prerogatives – is impeding steady progress towards reform implementation. However, and despite ever-mounting challenges, the current caretaker government is striving to progress on crisis recovery adjustment policies.

On the macroeconomic and fiscal fronts, despite mounting institutional challenges and impediments within the domestic and regional political and security contexts, the Ministry of Finance actively engaged in post-crisis fiscal recovery and liquidity management policies that resulted in stabilisation after three years of high volatility and depreciation. In fact, the ratification of the 2022 budget in November 2022, with the unification of the exchange rate at the level of public finances, and adjustment measures enacted in parallel, allowed the Treasury to substantially enhance revenues from an all-time low of 6 per cent of GDP in 2022 to nearly 13 per cent of GDP, thereby regaining financing capabilities in 2023. Today, after approximately two years of sustained fiscal efforts, and no recurrence of monetisation in 2023, the Treasury realised a surplus balance by year-end 2023. Proactive liquidity management kept money supply at bay, and inflation somehow subsided (CPI of 70 per cent year-on-year as of the end of April 2024, following three years of triple-digit inflation). The exchange rate stabilised and was unified at the beginning of 2024 at LBP 89,500 per US dollar, and monetary authorities were able to accumulate foreign exchange reserves.

Going forward, our priority remains the sustainability of the State's administrations and institutions, in order to guarantee basic service delivery to citizens. In that respect, new salary support to the public sector was approved during February 2024 (the fourth support scheme enacted since the start of the crisis), with the aim of preserving institutional capacities, while awaiting more encompassing public-sector reform. Today, with the ratification of the

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2024 budget on 15 February 2024, we hope to continue on the path of post-crisis fiscal adjustment and recovery, in terms of restoring equity and fairness shattered by a prolonged and highly disruptive crisis, and in terms of rebuilding confidence in the State and its institutions, and enhancing tax compliance. The 2024 budget is also providing the Government with a renewed legal framework to meet its priority spending (which was highly constricted by the previous eroded budget allocations), allowing the Treasury to meet its dues and obligations on time, and preventing a further arrears build-up, while maintaining close monitoring of financial stability (which is at the core of citizens' livelihoods), as well as hedging for any contingent risk emanating from the war in the region, and the relief effort needed to support our citizens in conflict zones.

On reform implementation, awaiting a conducive political environment for the enactment of debt restructuring and the financial restructuring law (which are critical to a sustainable recovery path), the Government, by the end of 2023, set up dedicated reform committees to support the reform of public financial management in priority areas, namely: civil service and State-owned enterprise reform; modernisation of the IT system in government; amendment and update of the Public Accounting Law; customs reform; and a unified income tax system law. Work is underway.

Outlook for the future

Today, as we embark on the preparation of the 2025 budget, we are aiming for a more reform-oriented budget. With fiscal recovery underway, we hope to overcome impediments to growth, and relaunch economic activity.

Nevertheless, economic revival is contingent upon security and stability; and Lebanon's geopolitics, amidst regional turmoil, are posing serious threats to the ability of the country to deal with a devastating war on its territory, with an overwhelming refugee crisis menacing the country's social cohesion and its already decaying infrastructure. In that respect, we count on our development partners, on their unfaltering support throughout the years, to help Lebanon address its vulnerabilities, overcome its challenges, and move to safe shores.

More particularly, we would like to extend our deep appreciation for the EBRD's continued support to Lebanon, despite the highly challenging economic conditions. Indeed, the EBRD's commitment to Lebanon is expressed through its valuable engagement with the public sector and the private sector. Indeed, the EBRD, through its *Advisory for Small Business* programme, supported more than 200 Lebanese small and medium-sized enterprises, (SME) and is now deploying a five-year SME support programme dedicated to innovation. The EBRD is also supporting imports of basic commodities through the Trade Facilitation Programme deployed with Lebanese banks. The Bank is also supporting the authorities in developing a reform roadmap for State-owned enterprises' legal and governance frameworks.

Building on our longstanding ties, we look forward to the EBRD's continuous support to Lebanon going forward, to help boost job creation, stimulate economic growth, and achieve sustainable recovery.

STATEMENT FROM MS GINTARĖ SKAISTĖ, GOVERNOR FOR LITHUANIA

On behalf of the Republic of Lithuania, let me express our sincere gratitude and appreciation to Armenia for hosting the Thirty-third EBRD Annual Meeting.

The EBRD Annual Meeting is taking place for the third time against the backdrop of considerable uncertainty. Persistent geopolitical tensions and increasing geo-economic fragmentation are worrying. With Russia's brutal war of aggression against Ukraine still ongoing, and the threat of further escalation of conflict in the Middle East, the international security environment has deteriorated significantly.

Lithuania strongly condemns Russia's continued unprovoked and illegal war of aggression against Ukraine, which constitutes a gross violation of international law. This devastating war – with its unceasing death, destruction and suffering – could end if Russia stops its aggression. We call on Russia to immediately, completely and unconditionally cease all military actions, withdraw its military forces from the territory of Ukraine within its internationally recognised borders, and stop the war. We also condemn Belarus' involvement in Russia's military aggression. Russia and its accomplice bear full responsibility for the consequences. The shockwaves emanate beyond Ukraine's borders, and continue to have negative spillover effects on the global economy, including the disruption of food and energy markets, and the reversal of global development achievements made over 30 years.

The aggressors must pay for what they have done. The credibility of our institutions is directly tied to actions and reactions to Russia's war of aggression against Ukraine. We appreciate that the EBRD's actions have been immediate. Important steps have been taken, by activating Article 8.3 of the Agreement Establishing the EBRD and suspending Russia's and Belarus' access to the resources of the EBRD, cutting off disbursements for existing projects and closing the Resident Offices in both Moscow and Minsk. Unfortunately, we have not yet taken a decision to suspend Russia's and Belarus' membership of the EBRD under Article 38 of the Agreement Establishing the EBRD. We continue to believe that this would be the right decision to ensure the isolation of the aggressors, and we will continue to do everything possible to stop Russia's war machine.

The highest price for Russia's aggression is being paid by Ukraine, with tragic human loss, devastation, destruction of critical infrastructure, and millions forced to flee their homes. During my recent visit to Kyiv, I was encouraged by the resilience and bravery of the Ukrainian people. Each day, Ukrainians keep defending their country, and not surrendering to the aggressor – we should take inspiration from them, and must stand strongly together with Ukraine.

Lithuania is firmly on the side of the Ukrainian people. As of now, including our share in the European Union's support instruments, Lithuania has provided over 2 per cent of GDP for humanitarian, military and financial support to Ukraine, and we will do everything in our power to ensure that Ukraine wins this brutal war.

We are pleased to see the EBRD's efforts and strong commitment to support Ukraine when the country needs it the most. Since the beginning of Russia's war, the EBRD has already invested more than €4 billion in Ukraine. It is crucial to sustain the viability of Ukraine's economy, and to invest in energy security, restoring vital infrastructure, securing food supply chains, and maintaining trade and private-sector liquidity.

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Having in mind that some projects are in urgent need of funding, last year, Lithuania contributed €1 million to the EBRD's equality and gender action fund, earmarking our project contribution to be for Ukraine, thereby providing urgent support to protect human capital and to promote the inclusion of people with disabilities. This contribution is in line with Lithuania's broader national strategy to establish a special rehabilitation programme for wounded Ukrainian soldiers. We also call on other donors to contribute to these initiatives.

As investments in Ukraine are extremely risky for the Bank's operational profile, we are glad that, at the end of the previous year, a historic decision was made on the EBRD's capital increase of €4 billion, bringing its capital base to €34 billion. This will enable the EBRD to further scale its support to Ukraine. We expect the EBRD to keep up the pace and continue to play an important role in mobilising the necessary resources for Ukraine, especially given the increasing scale of the damage caused.

At the same time, the EBRD's capital increase will allow it to maintain levels of support to other EBRD countries of operations. As Lithuania is in a region negatively affected by Russia's war against Ukraine, we strongly value the EBRD's involvement and investments, which not only contribute to the development and resilience of our economy, but also send a signal of trust to other investors.

The last couple of years were record highs for the Bank's investments in our country. In 2022, in terms of investments, €208 million were invested in 11 projects, while in 2023, in terms of the number of projects, €150 million were invested in 14 projects. We are glad to see that the EBRD is actively looking for new clients in Lithuania. We hope that the Bank will continue to be an important strategic partner in developing the pan-Baltic capital market, and will contribute to our green transition plans – i.e. activities in the areas of energy efficiency, renewable energy, and sustainable transport systems.

The current EBRD Strategic and Capital Framework (SCF) is being implemented against a turbulent backdrop. As the world changes, institutions evolve. The EBRD has demonstrated its agility and flexibility to help countries navigate these uncertainties and should continue to do so. The SCF for the new 2026-2030 period needs to build on the lessons learned over the past few years and must be very well calibrated, with sufficient room for adjustment and rapid response to changing situations as needed. We support the EBRD's mandate and focus on the private sector, which complements the activities of other multilateral development banks, but it is important to ensure flexibility and the right balance between private and sovereign portfolios, especially in light of Ukraine's reconstruction needs.

We believe that the proposed strategic themes of the new SCF – the green agenda (including energy independence), inclusion/gender and governance – are key, and reflect the EBRD's mandate well. The EBRD's active role in climate change mitigation and adaptation, and its contribution to digital transformation, and inclusive and gender-responsive economies, are particularly important to maintain resilience and address fragility.

In terms of geographical scope, the EBRD's limited and incremental expansion to sub-Saharan Africa and Iraq demonstrated the Bank's ability to deal with multi-faceted and complex challenges – not only to address existing ones, but also to take up responsibilities in the market of the new region. However, it goes without saying that the needs of Ukraine and other affected countries must be adequately prioritised in the new SCF. The

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EBRD's expansion should not overshadow its current countries of operations, especially in cases where the Bank's investments are crucial, as in Ukraine and the affected region.

Finally, I would like to emphasise the profoundly changed security situation in Europe that requires a substantial increase in defence spending. In this context, as we discuss the new SCF and its priorities, we see the merits of the EBRD exploring opportunities to increase investments in defence-related activities. We need to make investments in defence more acceptable as contributing to social sustainability.

In conclusion, let me express our deep appreciation to Madam President, management and the staff for their work in these challenging times.

STATEMENT FROM MR EDWARD SCICLUNA, GOVERNOR FOR MALTA

It is once again my privilege and honour to take part in the Annual Meeting of the EBRD. I am taking this opportunity to extend my thanks to the Government of Armenia, the local authorities, and all those involved in organising this Meeting and the myriad necessary arrangements.

It would be amiss to commence this statement without expressing gratitude towards President Odile Renaud-Basso for her exceptional leadership of the EBRD throughout the last four years. Assuming the presidency in the midst of the Covid-19 pandemic, President Renaud-Basso successfully steered the Bank through a succession of geopolitical shocks that can justifiably be regarded as constituting one of the most trying periods in its history. Although the crises in Ukraine and the Middle East remain ongoing, the approval of a €4 billion paid-in capital increase promises to reinforce the EBRD's financial soundness and enhance its capability to fulfil its mandate. These feats of navigation have left the Bank in a strong position going forward.

Against the backdrop of a challenging 2023, the EBRD has once again managed to surpass its own ambitious expectations. With investment exceeding €13 billion across 464 projects, 2023 represented a record-breaking year on both counts. Complementing the scale of these achievements is the way they were carried out, with the Bank boasting unprecedented levels of investment in the green economy, projects with a gender component and private-sector initiatives. Another significant outcome of the Bank's activities in 2023 is a return to profitability following the losses incurred the preceding year, a development which – along with the retention of its AAA rating – merits commendation in a time of geopolitical upheaval, economic uncertainty and climate concern.

We fully support the Bank's activities and investments in Ukraine, Morocco, Turkey and the West Bank and Gaza, where conflict and natural catastrophe have exacted a terrible toll in human life. Both the immediate welfare of survivors and the long-term reconstruction crucial to sustained economic recovery are dependent on prompt and substantial investment in critical infrastructure. On this front, the EBRD has delivered significantly, channelling billions of euros into investment across vital sectors, encompassing energy, agriculture, health and the preservation of livelihoods via support for small and medium enterprises. On this subject, I would also like to express my congratulations to Ms Gretchen Biery and Mr Arvid Tuerkner with regards to their respective appointments as Director for the Bank's eastern Mediterranean region and Managing Director for Ukraine and Moldova. I am confident that their efforts – and

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those of their staff – will be instrumental in fostering fresh investment and alleviating the suffering of people within those regions.

Given Malta's location in the heart of the Mediterranean, we welcome the EBRD's investment of over €2 billion in the Southern and Eastern Mediterranean (SEMED) region. The SEMED region possesses huge potential and importance. We are glad to see the strides that the Bank has made in the past year, including a marked focus on green projects, as well as the widespread inclusion of the private sector.

Notwithstanding the difficulties present in the EBRD's current areas of operations, we are pleased to observe its ambition in forging ahead with its expansion into new regions. To this end, we greet Benin's and Iraq's accession to the Bank's membership and furthermore, look forward to welcoming Côte d'Ivoire, Ghana, Kenya, Nigeria and Senegal once these countries have completed the relevant processes. We are confident that the collaboration between the Bank and its new partners will prove beneficial for all parties. Malta supports the Bank's engagement in new countries, while ensuring that current Bank engagements and commitments are not constrained or endangered.

As a small island State, Malta is both acutely aware of and concerned by the perils posed by changing climate realities. Words are not enough – tangible, immediate and decisive action is required to avoid catastrophe. The time window for such action is rapidly closing and the opportunity may soon slip entirely from our grasp, as characterised in part by the partial shift in discussion from limiting climate change to mitigating and adapting to its harsher outcomes. COP29 in Baku this year represents yet another chance for real progress among the world's nations in an era when such chances grow fewer. Multilateral development banks possess a pivotal role, not only by offering their own capital and expertise, but also in acting as a conduit for public-private partnerships, the combined financial resources of which are essential to enact meaningful and lasting change. Nowhere is this more important than in low-income countries, which are set to be disproportionately affected by the impacts of climate change, and are largely ill-equipped to mitigate them without external assistance. With this in mind, we congratulate the Bank for remaining at the forefront of climate investment.

In 2023, the Bank's 2021-2025 Strategic and Capital Framework (SCF) crossed its midway point. Despite Russia's invasion of Ukraine and other unforeseen circumstances, the Bank has kept up its pursuit of the three strategic themes highlighted in the SCF, namely, accelerating the shift to a low-carbon economy, promoting equal opportunity and gender equality, and encouraging the digital transition. The Bank's most recent Strategy Implementation Plan aims to accomplish the SCF's climate objectives a year earlier than planned, and raises the target for its gender-related projects, while simultaneously ramping up investment in Ukraine and the SEMED region – an impressive and achievable target.

On behalf of the Government of Malta, I would like to once again extend my appreciation to President Renaud-Basso, as well as the EBRD staff, management and Directors for their unstinting work during the past year. In today's uncertain world, we can continue to look towards the Bank as a source of stability and assistance. Accordingly, we reaffirm our strong support for the EBRD's policy strategies and investment initiatives, and express confidence that the Bank will maintain its track record of meeting – and exceeding – its goals in the years to come.

STATEMENT FROM MR ROGELIO EDUARDO RAMÍREZ DE LA O, GOVERNOR FOR MEXICO

On behalf of the Government of Mexico, it is an honour to participate in the Thirty-third Annual Meeting of the EBRD. As a global community, we continue to face significant economic challenges that demand a strategic and collective response.

Mexico recognises and values the vital role that the EBRD has played in supporting the global economy, especially in times of crisis. The Bank's efforts to provide liquidity and support to vulnerable countries have been crucial. As we move forward, it is essential that our collective actions focus on fostering economic resilience and sustainability.

The inclusion of new members and geographic expansion into developing regions are significant steps towards creating a broader and more equitable impact. Mexico strongly supports these efforts, especially in areas facing significant challenges, such as countries affected by conflicts and those transitioning to sustainable market economies.

The EBRD's commitment to climate financing and transitioning to green economies is particularly relevant for Mexico. Our country has set ambitious targets for emission reduction and the promotion of clean technologies. We support the vision of a Bank that not only responds to crises, but also lays the groundwork for a more prosperous and resilient future for all.

The Strategy Implementation Plan for 2024-2026 has allocated significant investments in these regions, underlining the Bank's commitment to fostering recovery and resilience. Furthermore, Mexico applauds the EBRD's proactive stance in scaling up gender and green investments, crucial for achieving equitable and sustainable growth. The Bank's emphasis on digital transformation and enhancing operational efficiency through digital initiatives will serve to improve service delivery across its regions of operations.

As the Meeting approaches the pivotal election of the EBRD President, Mexico recognises the current management leadership, which we are certain will continue to drive these ambitious agendas, so as to address the challenges of our time.

STATEMENT FROM MR DUMITRU ALAIBA, GOVERNOR FOR MOLDOVA

It is a privilege to represent the Republic of Moldova at this thirty-third Annual Meeting of the EBRD in the historic city of Yerevan, Armenia. We appreciate this opportunity to engage with our peers and discuss our ongoing economic journey, particularly in light of the challenges and opportunities that have shaped the recent landscape.

This past year has continued to test our resilience and adaptability. The global economic environment remains fraught with challenges, yet Moldova has persevered, advancing our commitment to stability and growth despite these adversities. The ongoing conflict in Ukraine continues to pose significant challenges to regional stability and economic growth, and we remain deeply concerned about the impacts on our community and our neighbours.

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As a nation dedicated to fostering regional stability, Moldova is resolute in supporting international efforts aimed at bringing a peaceful resolution to the conflict in Ukraine. We continue to advocate for and support diplomatic engagements that seek to restore peace.

Amidst these challenges, Moldova has made commendable progress in fortifying our economy against shocks by implementing robust economic reforms. We have concentrated on enhancing our business environment to attract more foreign direct investment and to bolster entrepreneurship. These efforts are critical as we aim to stimulate private-sector development, enhance transparency, and increase accountability within our economic frameworks.

Significant improvements have been made in expanding our infrastructural capabilities and digital connectivity. Investments have been channelled into upgrading our road and rail networks, enhancing our energy infrastructure, and broadening the scope of our digital services and e-commerce platforms.

Looking to the future, Moldova remains steadfast in its commitment to promoting economic development and increasing the prosperity of its citizens. We understand the importance of continuous reform and innovation to achieve sustainable growth.

Our collaboration with international partners, including the EBRD, remains indispensable. We are grateful for the support that has allowed us to progress thus far and are eager to continue this partnership to further our economic and developmental goals.

In closing, I express my gratitude to the EBRD for their unwavering support and partnership. We are proud of what we have accomplished together, and look forward to sustaining our efforts to enhance economic resilience and prosperity in Moldova and across the region.

STATEMENT FROM MR JAVKHLAN BOLD, GOVERNOR FOR MONGOLIA

It is my great pleasure to address the Board of Governors at the 2024 Annual Meeting of the EBRD in the captivating city of Yerevan, Armenia, where we come together under the theme of *Delivering Impact Together* to drive sustainable development and economic prosperity. I would like to take this opportunity to extend my sincere gratitude to the people of Armenia for their hospitality, and the Government of Armenia for hosting the Annual Meeting.

The world is undergoing rapid changes, and conventional methods of development are being challenged, and in some cases, no longer apply. Governments around the world are now tasked with tackling current developmental challenges requiring more financing and innovative solutions. In these times of uncertainty, the roles of multilateral development banks are crucial, especially in building resilience against climate-related disasters that impact the lives and livelihoods of the people, damage infrastructure, and threaten food security.

We commend the Bank's ongoing efforts to enhance its climate finance, promote the private sector, and support its members in their sustainable transformation. The Government of Mongolia values deeply its partnership with the EBRD and is proud of the progress we have achieved together in advancing our shared goals. From promoting private-sector development to enhancing infrastructure and fostering innovation, our collaboration with the EBRD has been instrumental in driving Mongolia's growth trajectory and improving the livelihoods of our citizens.

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The Government of Mongolia remains steadfast in its commitment to sustainable development, and is further promoting the social and economic situation of the country through medium and long-term development policies, namely the *New Recovery* and *Vision 2050*, as well as the national movement for food supply and security. These policies and initiatives are designed to ensure the wellbeing of both present and future generations.

With that said, please allow me to express my gratitude once again to the Government of Armenia for hosting the Annual Meeting. As always, we remain thankful to the EBRD for its support to Mongolia's development, and look forward to our continued cooperation in the following years.

STATEMENT FROM MR NOVICA VUKOVIĆ, GOVERNOR FOR MONTENEGRO

On behalf of the Government of Montenegro, I would like to express my sincere gratitude to the Government of Armenia for hosting the Thirty-third Annual Meeting of the EBRD, and to express compliments to all involved in its organisation.

We strongly denounce the ongoing war in Ukraine, recognising the immense suffering of civilians and the devastating destruction of vital infrastructure. Our foremost aim is to advocate for peace and comprehensive efforts to restore infrastructure, and enhance the quality of life for all affected citizens. Reconstruction endeavours involve substantial financial resources, and we encourage the Bank to explore every option for resource mobilisation.

In these challenging times, I strongly believe that bilateral and multilateral cooperation is the key. We are deeply grateful to the EBRD for its enduring support to the strategic development agenda of Montenegro.

We have had a strong and lasting partnership with the EBRD for 21 years, throughout various investments in energy, road and railways infrastructure, trade, agribusiness, and the small and medium-sized enterprise sector (SMEs).

We particularly appreciate the EBRD's recent support for the continuation of the highway construction in Montenegro, a project of strategic importance for our country, which will contribute to the faster economic development of Montenegro.

Coordinated efforts with the EU and partner international financial institutions boost the total economic development of Montenegro and its path towards the EU.

Our cooperation agenda with the EBRD remains focused on improving living standards, fostering competitive economies resilient to climate change, supporting the private sector, job creation, and economic inclusion.

We endorse the EBRD's commitment to a green economy, inclusion, and digital transition, as outlined in its Strategic and Capital Framework 2021-25, aligning with global efforts towards climate action. In regard to the new Strategic and Capital Framework 2026-2030 and the Bank's forthcoming activities, we endorse its priorities, particularly emphasising the green agenda, gender equality and economic governance. We view the new strategy as a pivotal

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opportunity for the Bank to boost sustainable development and elevate living standards, thus fostering robust economic growth and poverty alleviation among its members.

Additionally, we advocate for enhanced support to the private sector, implementing standards, providing staff training, and facilitating access to favourable loans, which will accelerate the adaptation of SMEs to the global market and enhance their competitiveness. Such investments in SMEs, often crucial to economic development in many countries, will promote economic diversification, strengthen national economies, and cultivate resilience in the face of global challenges.

Montenegro also compliments the EBRD's commitment to maintaining digital transition as an enabler, recognising its crucial role in shaping developments in various sectors.

The recent events in Ukraine underscored the vulnerability of global markets to geopolitical disruptions, particularly in food and energy supplies, and shows that it can significantly impact inflation rates and citizens' standards of living. We encourage increased investment in energy and food production, as well as economic diversification, to reduce dependence on specific regions. This will mitigate the impact of global events, fostering more resilient and efficient economies.

In addition to the immediate support measures aimed at enhancing energy supply flexibility, we acknowledge the significance of green and low-carbon development paths as the most relevant and effective routes for economic, energy, and climate transition. Addressing climate change stands as one of the most pressing global challenges, and we further encourage the EBRD's commitment to green and climate initiatives across all its sectoral strategies and endeavours.

Given the profound impact of climate change on economies and citizens' wellbeing, we advocate for allocating funds and investing in projects to assess its effects, analyse risks, and plan mitigation activities. Prioritising such initiatives within the new Strategic and Capital Framework will not only bolster resilience but also foster more efficient economies.

Montenegro welcomes the expansion of EBRD operations to sub-Saharan Africa and Iraq, foreseeing accelerated infrastructure development and enhanced economic prosperity in these regions. Furthermore, we are confident that this expansion will signal strong support for the EBRD's strategic objectives, and instil confidence in the Bank's ability to contribute significantly to the stability and economic prosperity of all its countries of operations.

We extend gratitude to the EBRD President, Ms Odile Renaud-Basso, for her outstanding leadership, and to the EBRD staff for their continuous work and commitment.

Looking ahead, we trust the election of the new EBRD President will sustain the Bank's effective operation, and advance its mission towards building resilient and sustainable market economies.

STATEMENT FROM MR STEVEN VAN WEYENBERG, GOVERNOR FOR THE NETHERLANDS

Geopolitical tensions in Ukraine, the Middle East and Armenia continue to have severe impact on the wellbeing of millions and the global economy. The Netherlands condemns in the strongest possible terms Russia's unprecedented military aggression, which causes immense suffering to the Ukrainian people, and undermines global economic and financial stability. The Netherlands remains committed to supporting Ukraine with whatever it takes, for as long as it takes. We should double down on our resolve to help Ukraine restore and protect its (energy) infrastructure capacity, strengthening the private sector and keeping the economy of Ukraine going.

The recovery and reconstruction needs of Ukraine are staggering. As a long-lasting partner of Ukraine, the investments of the EBRD in the country are more crucial than ever. By providing the EBRD with the necessary capital increase to enable the Bank to continue its investments in Ukraine, shareholders showed that they are determined and united in their support for Ukraine. With its unique transition mandate, the EBRD can help Ukraine to increase resilience, implement the necessary reforms, and stimulate the development and recovery of the private sector and reform-minded State-owned enterprises. In order to provide support in the most effective way possible, and to ensure that Ukraine can emerge from this unjustified war by Russia stronger and more resilient, the Netherlands calls on the EBRD to cooperate and coordinate support with other international financial institutions and relevant development partners.

In these times of uncertainty and geographical conflict, the Strategic and Capital Framework 2026-2030 becomes even more important. This framework should be centered around the core competence of the EBRD as a transition bank. We support the main theme of the document for Governors: maintaining the focus on the transition mandate of the Bank. In this context, we support the proposed three focus areas and two enablers. The key element for us is strengthening impact, and we look forward to the first impact report of the EBRD in 2025. More generally, we expect the Bank to shift from a focus on input and direct output in its results measurement, to a more outcome-driven approach, particularly with a larger focus on systemic change. In addition, mobilisation of private-sector finance is crucial to deliver even greater transition impact. This will also help to support the EBRD's long-term financial sustainability.

Notwithstanding the current geopolitical situation, it is crucial that we do not forget that the world is suffering irreversible damage due to climate change. We call on the Bank to continue to play a vital role by implementing its climate ambitions focused on mitigation, and find ways to make a larger difference on climate adaptation.

The EBRD will expand its geographical region from 2025 onwards to include six countries in sub-Saharan Africa and Iraq. We are convinced that the EBRD's presence can add to economic growth and development in these countries. However, close cooperation with other international financial institutions in this region, in particular the African Development Bank and the International Finance Corporation, is crucial to ensure genuine added value, and to help strengthen the multilateral development bank system as a whole in sub-Saharan Africa. The Netherlands supports the expansion of the EBRD's operations to increase impact, but a close eye on financial consequences, and a sound and sustainable mid-term budgetary and financial framework, are necessary.

To conclude, the Netherlands thanks EBRD staff and management for their expertise and dedication, but also their hard work to promote sustainable economic development and support the private sector in the countries of operations. We recognise the difficulties that the EBRD faces due to the complex geopolitical situation, and we underline that its efforts continue to make a significant and lasting impact on the economies of the countries it serves, including the countries of our constituency. We will continue to work together, and to support the EBRD and its operations under the presidency of Ms Odile Renaud-Basso, who has played a large role in making the Bank as relevant and successful as it is in a very difficult environment. We look forward to supporting her re-election.

STATEMENT FROM MR FATMIR BESIMI, GOVERNOR FOR NORTH MACEDONIA

Let me first express our sincere gratitude for the extensive support the EBRD has been intensively providing to North Macedonia for the last 30 years, investing more than €2.7 billion in 187 projects, thereby significantly contributing to strengthening the competitiveness of our economy, and supporting the country's integration in the regional and global markets.

Further support for Ukraine and countries affected by the war forms a critical part of the EBRD's delivery programme in 2024 and beyond. **As members, we have to stay committed to supporting Ukraine after 2024, enabling the Bank to raise additional support even beyond 2025, which will be followed by a paid-in capital increase.**

Regarding the initiative to expand the Bank's operations to sub-Saharan Africa and Iraq, launched at the EBRD Annual Meeting held in Samarkand last year, **I have the pleasure to inform you that, in December 2023, North Macedonia completed all activities related to amendments to the Agreement Establishing the EBRD.**

Cooperation with the EBRD and our key partner, the European Union, has scaled up investments in many sectors, such as railway and road infrastructure, energy, wastewater treatment, and solid waste systems, implemented through ongoing EBRD projects in the public sector in North Macedonia.

A green economy is a resilient economy that provides a better quality of life for all citizens. Support from an institution such as the EBRD is of key importance, contributing to a faster and easier transition towards the Green Agenda for the Western Balkans, by committing to transition to clean energy, which is aimed at reducing greenhouse gas emissions.

Decarbonisation of the economy is the most urgent challenge that needs to be addressed in the coming period. In this context, support expected from the just energy transition process available through the Climate Investment Fund will contribute towards accelerated energy transition. **The EBRD will be the lead international financial institution in the country. It will assist with the implementation of this process, making the country less dependent on imported sources of fuel, and more resilient at the same time.**

Therefore, we are committed to ensuring accelerated economic growth, based on green investments, with this priority being set out in many strategic documents of the Government, such as the Growth Acceleration Plan.

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Let me also point out that the European Commission has adopted the Growth Plan for the Western Balkans, with the aim of bringing western Balkans countries closer to the EU by offering some of the benefits of membership to the region in advance of accession, boosting economic growth and accelerating socioeconomic convergence.

Together with financial and technical support from the EBRD, we will put our efforts into achieving the reform agenda, and accelerating economic convergence with the EU.

I am glad the western Balkans holds strategic importance for the EBRD, which remains one of the largest institutional investors in the region, and supports strategic priority projects and the reform agendas of the western Balkans countries.

STATEMENT FROM MR TRYGVE MAGNUS SLAGSVOLD VEDUM, GOVERNOR FOR NORWAY

First, let me thank the Armenian authorities for hosting the 2024 Annual Meeting of the EBRD, and to the EBRD for the excellent preparation of the Meeting.

We welcome the nomination of Odile Renaud-Basso for her second term as President of the EBRD. She has successfully brought the Bank through unprecedented turmoil and multiple challenges.

Norway continues to condemn Russia's illegal war of aggression against Ukraine in the strongest possible terms. Russia must end its hostilities and withdraw its forces immediately and unconditionally from the territory of Ukraine within its internationally recognised borders.

Last year at the Annual Meeting, the Board of Governors affirmed that the EBRD must play a critical part in international efforts to support Ukraine, and initiated the process towards a paid-in capital increase. Today, I am glad to announce that Norway will participate in the capital increase, through subscribing to our proportional share.

Supporting Ukraine remains a main priority for Norway. Last year, our parliament made a commitment to a five-year support package from 2023 through 2027 known as the Nansen programme for Ukraine. The Norwegian Government has just announced additional support for 2024. The Norwegian support is based on Ukraine's defined needs, in close coordination with Ukraine and the international community.

The EBRD has been one of Norway's main partners for our civilian support to Ukraine. Since the Russian full-scale invasion of Ukraine, Norway has channelled about €300 million through the EBRD. Norway will continue this partnership, which also includes Moldova.

The Bank will now begin its work on its strategy for the last part of this decade through the Strategic and Capital Framework. We support the proposed strategic themes of green, gender and governance.

The EBRD must maintain its unique private-sector focus to facilitate transition. The focus on the private sector is a welcomed and timely supplement to the efforts of other multilateral development banks, including – in time – new countries of operations in sub-Saharan Africa.

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The EBRD operates in an environment of mounting global challenges. In this context, the multilateral development bank reform agenda has become even more important. Norway emphasises that the Bank should advance reforms with the aim of increasing the leverage of its capital, while at the same time safeguarding its AAA credit rating. This will strengthen its transition impact across all countries of operations, and facilitate a controlled geographic expansion.

STATEMENT FROM MR PAWEŁ KARBOWNIK, ALTERNATE GOVERNOR FOR POLAND

- Thank you for organising this Annual Meeting, and thanks to the Armenian authorities for hosting it. It is an opportunity to discuss the Bank's priorities for the coming years.
- While preparing the next Strategic and Capital Framework, we need to consider the increasing fragility, economic uncertainty and mounting global challenges. How can they be dealt with?
- **Firstly**, we cannot stop halfway. We must continue our efforts in all countries of operations to help them continue their transition, and thus to increase their resilience to shocks. We cannot be satisfied with partial success – we are still identifying significant transformation gaps, in the advanced transition countries as well. And we must not give up in the face of difficulties in the less advanced countries.
- We need to be efficient in finding ways to support the private sector in less advanced regions, while not cutting back on support in the more advanced countries. Given this, focus on the private sector should be further reinforced.
- The new Strategic and Capital Framework should reflect the current situation, and focus on the countries most affected by Russia's war against Ukraine. We should stick to the current course and increase our investment in Ukraine, continue expansion, and initiate operations in sub-Saharan Africa and Iraq.
- The Polish Parliament has just adopted the law amending the Agreement Establishing the European Bank for Reconstruction and Development, with regard to the Bank's expansion.
- **Secondly**, the transition and diversification of energy supplies should be treated as a priority. Looking back, however, despite all efforts, the global emissions of carbon dioxide continue to grow. This is why more and more countries are turning their attention to nuclear energy. There is a clear need for nuclear power to meet long-term energy transition goals.
- Therefore, the EBRD should consider re-opening the discussion on its energy strategy. The inclusion of nuclear power should be considered as far as possible in light of technical and financial constraints. It would be a significant step forward in meeting the ambitions of the EBRD's members, and would contribute to achieving the goals of the Paris Agreement.
- **Thirdly**, Poland would like to express its support for green transition, gender and economic governance, supported by the strategic enablers of the mobilisation of private

finance and digital transition. This, however, does not seem to be enough to fulfil the mandate of the Bank.

- According to the Agreement Establishing the EBRD, the purpose of the Bank is to foster transition as a tool of economic progress and reconstruction. No wonder, as economic progress is a necessary condition to achieve all other transition qualities. This is why, in our opinion, **the priorities for the next Strategic and Capital Framework must consider the need to increase the competitiveness of private companies, strengthening resilience and economic integration.**
- Digital transition and economic governance are indirect tools to achieve these objectives, as are investments in innovation, inclusion, productivity growth, ESG, and many others.
- **Finally**, the programme outlined here looks very ambitious. But the Bank has the resources to implement it: high capital, a AAA rating, high liquidity, broad access to funding, and crucially, shareholders' support, proven by last year's decision to recapitalise the Bank, which Poland also supported.
- I would like to highlight the important role played by the countries of our region, which contributed significantly to the EBRD's profits. We believe that in the face of increasing global fragility, the EBRD should be even more reliant on low-risk countries such as Poland, as a safe haven to be able to expand its activities into riskier areas. In this case, we have a kind of inverted budgetary constraint: the more we invest in the low-risk regions, the more we can afford in the riskier countries.

STATEMENT FROM MR JOSÉ CARLOS AZEVEDO PEREIRA, ALTERNATE GOVERNOR FOR PORTUGAL

It is a great pleasure for us to attend the Annual Meeting of the EBRD. We want to convey our heartfelt thanks to Armenia for their warm and generous reception during this important gathering. Yerevan, boasting a vibrant history tracing back to the 8th century BC, and exceptional beauty, serves as an inspiring backdrop for our discussions.

First and foremost, we congratulate Ms Odile Renaud-Basso on the successful completion of her excellent mandate, and express our best wishes for what we anticipate shall be another successful and productive term ahead.

Amidst the current global challenges, **the Bank continues to play a crucial role, by providing strong support and investments where they are most needed. The Bank continues to deliver critical livelihood assistance to communities and companies affected by conflicts, as well as essential reconstruction aid to countries affected by natural disasters**, such as the earthquakes in Türkiye and Morocco. Despite these challenges, **the Bank has been able to deliver the same amount of commitment to the remaining countries of operations, fulfilling its mandate.**

Historic decisions were made at our previous Annual Meeting, shaping the future of the Bank and its impact on its countries of operations for years to come. We proudly support the Bank's strong and unwavering support of Ukraine and would like to take this moment to

reiterate our full solidarity with Ukraine, and commend the bravery and resilience demonstrated by its people. We are confident the EBRD will continue to play a pivotal role in the Ukrainian economy.

As the Bank expands into **sub-Saharan Africa**, we are confident that the EBRD's business model can drive positive transition impact. For this reason, **we endorse the gradual expansion approach, and express our ambition to see countries such as Angola and Cabo Verde included in the next enlargement.**

We are fully aligned with endeavours directed towards these objectives and therefore, we can fully support the proposals put forth for deliberation today.

In this regard, we would like to emphasise our appreciation for a framework that fosters private-sector involvement. But we must also stress the utmost need for united and meaningful efforts to deliver the green transition. These are defining times for our planet's future, and we strongly believe the EBRD must lead in driving this change. Therefore, we endorse the proposed three core pillars for the next Strategic and Capital Framework.

Finally, I would like to express our gratitude to the Bank's staff, management, and Board of Directors for the remarkable and historic performance delivered in 2023, and for their tireless efforts in preparing this year's Meeting. We are proud to stand here today with many fellow countries showing a strong commitment to enable the EBRD to move forward and continue delivering decisive transition for years to come.

STATEMENT FROM MR MARCEL-IOAN BOLOȘ, GOVERNOR FOR ROMANIA

Today, I am honoured to speak on the profound impact and significant contribution of the EBRD in addressing both challenges and immediate crises across our countries of operations. Despite the unforeseen global challenges, including the ongoing Covid-19 pandemic and geopolitical tensions, the EBRD has shown resilience and adaptability in its operations.

The Bank's steadfast commitment to supporting Ukraine amidst the ongoing conflict underscores our collective dedication to peace and stability in the region. As we face the ongoing challenges posed by the geopolitical situation in eastern Europe, particularly the war in Ukraine, the EBRD's swift and effective support for the affected States, including the refugee and host communities, has been nothing short of exemplary. Romania continues to stand with Ukraine, and we deeply value the EBRD's partnership in these efforts.

The EBRD plans to maintain its annual investment in Ukraine at €1.5 billion in 2024, with a projected increase to €2.5 billion annually starting in 2025. The recent approval of a €4 billion capital increase at the end of last year is a robust endorsement of our mission and a clear signal of shareholders' trust in the EBRD's ability to deliver results.

The EBRD has also heeded the G20's call to optimise the balance sheets of multilateral development banks and to mobilise private financing in support of development. The target for direct private-sector mobilisation is set to increase to €2 billion next year, marking a 40 per cent increase from the 2023 target, and achieving the strategic goal one year ahead of schedule.

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Moreover, the EBRD's strategic investments in digital transformation are enhancing efficiencies and building robust frameworks that will serve our communities well into the future.

Regarding the Romanian partnership with the EBRD, we are particularly proud of its strategic direction. The EBRD's initiatives have supported a wide array of projects, from infrastructure to corporate governance and public-private partnerships, reflecting a robust model of cooperative economic development.

Looking forward, our focus remains on leveraging the EBRD's support to enhance our administrative capabilities, particularly at the local government level, to ensure efficient utilisation of both national and European funds. The potential use for Romania of municipal bonds as innovative financing tools represents another strategic component of our collaborative efforts.

As we delve into our achievements and future directions, our commitment to the EBRD underscores a shared dedication to fostering sustainable growth and enhancing economic resilience across Romania and beyond.

Our discussions have often centered on the potential of transforming Romania into a regional hub for the EBRD in eastern Europe. This vision aligns with our ongoing efforts to elevate our country as a pivotal economic player in the region.

In conclusion, as Governor for Romania, I remain committed to strengthening this partnership with the EBRD. We are enthusiastic and eager to explore new opportunities that promise benefits for shareholders and contribute to the economic and social advancement of our countries.

STATEMENT FROM MR MAXIM RESHETNIKOV, GOVERNOR FOR THE RUSSIAN FEDERATION

On behalf of the Russian Federation, I would like to express my gratitude to the host country for organising the Thirty-third Annual Meeting of the EBRD Board of Governors in Yerevan, a city at the crossroads of cultures and civilisations that is a fitting backdrop for discussions on the future path of our joint institution's development. We deeply value the long-standing ties of friendship between the peoples of Russia and Armenia, forged by centuries of shared history and cooperation. We very much look forward to strengthening our partnership further within the framework of the various international financial institutions so as to benefit both our countries.

For the global economy, 2023 was a challenging year. Fiscal stimulus programmes deployed around the world and the financial cushion created for people during the Covid-19 pandemic are bolstering the global economy, but a further depletion of financial reserves and a rise in the debt burden will increase risks to the growth of the global financial system. High interest rates coupled with persistently high inflation rates, the fragmentation of global markets due to trade and other restrictions, and geopolitical tensions in a number of regions will continue to exert a strong negative impact on the global economic situation. With all that as the backdrop, the Russian economy not only remains resilient to global challenges and risks but is also demonstrating steady growth. Figures for 2023 showed that GDP grew by 3.6 per cent year

on year, exceeding most expectations and global rates, with a mere 3.2 per cent of the workforce unemployed.

At last year's Meeting, Russia categorically opposed the EBRD's strategic "U-turn" that we observed, which was not in the interests of all the Bank's shareholders and did not comply with the general principles governing the operation of international organisations, but instead served the narrow geopolitical agenda of a certain group of countries. We note with regret that, with each new decision it takes, the EBRD is moving away from its original mandate and eroding its profile as the independent and impartial multilateral development bank it used to be. Unfortunately, a trend has been established to politicise every aspect of the Bank's activities, revive the "bloc" mentality and nationality-based discrimination against business, and forego equal development across all regions of operations. Moreover, the Bank has been deliberately sent down a path towards a sharp deterioration of its financial situation, with an urgent requirement to inject extra capital to the tune of €4 billion – something that we fundamentally disagree with.

1. The current Strategic and Capital Framework 2021–2025 has clearly demonstrated to us that any target indicators can be cancelled halfway through without anyone being held accountable. This includes a priority region and its share of investment, which already remains significantly below the 48 per cent set by Governors, and will remain so until the end of the current period. Among the reasons for this "failure", we believe it is important to single out the Bank's incoherent and detrimental withdrawal from the Republic of Belarus, which has undermined confidence in the EBRD and cast doubt over its commitment to fostering sustainable and inclusive markets. We have already seen the same approach with the Russian Federation for 10 years. Therefore, **we cannot agree with the areas of work in the currently proposed Strategic and Capital Framework (document BG33/4).**

2. We must observe that the prospect of expanding the EBRD's operations to sub-Saharan Africa and Iraq, while intended to promote economic development, risks being jeopardised for the same reasons. The notion that the EBRD's presence in these regions could be leveraged to counter the influence of certain great powers is incompatible with the Bank's mandate and its stated principles of equality and non-discrimination. For our part, we stand ready to support initiatives that are set to contribute to building sustainable, competitive, well-governed and integrated market economies in the countries concerned, including Kenya and Nigeria. However, as currently worded, we can only **abstain on Resolutions BG33/13 and BG33/14.**

3. This transformation of the EBRD can hardly be described as a positive change, much less the Bank's natural "evolution". That is why we have serious reservations about the development of the Strategic and Capital Framework for the forthcoming period 2026–2030, and have little hope that certain shareholders are intending to seek consensus rather than abuse their dominant position within the Bank. The EBRD should maintain a balanced and equitable approach to all countries of operations, irrespective of their size, level of development or direction of foreign policy. The Bank's resources should be allocated in accordance with sound banking principles, based on a thorough analysis and uniform rules for all, and without bias towards individual countries, whether due to the geopolitics of the moment or other subjective factors. At the same time, operational activities should maintain a balance between profitability and transition impact, while keeping the Bank on the path of financial sustainability and organic growth. This is why we find it unacceptable to cause a deliberate decline in risk indicators and gradually burden the Bank's financial resources to the extreme, not to mention the intentional transformation of the EBRD into some sort of development

agency dependent on regular top-ups and donor funds. For those reasons, **we do not support the proposals for the draft Strategic and Capital Framework 2026–2030 (document BG33/10).**

As a founding member and long-standing partner of the EBRD, the Russian Federation is ready to participate constructively in developing a new Strategic and Capital Framework, which will set out a clear, balanced and depoliticised vision of the Bank's future. In this regard, we cannot endorse a plan that would jeopardise the Bank's fundamental mission and allow it to be used as an instrument of geopolitical influence by a particular group of countries. The EBRD needs to critically reassess its priorities and operating model to ensure that it remains true to its founding principles. Given the systemic crisis in which the Bank has ended up, it needs to focus primarily on restoring business as usual to all its regions of operations, returning to its mandate, and upholding shareholder equality and non-discrimination. We call on management and other shareholders of our joint institution to begin an open, and reciprocal dialogue to address the issues identified, and set out a direction of travel that enjoys the full support and confidence of all the Bank's members.

STATEMENT FROM MR MAURIZIO BRAGAGNI, ALTERNATE GOVERNOR FOR SAN MARINO

It is both a privilege and a pleasure to be able to address the Thirty-third EBRD Annual Meeting. This is my first EBRD Annual Meeting of the Board of Governors, and I would like to stress that I am honoured to participate and have the opportunity to share San Marino's views on the main global developments affecting all countries in the world.

I would like to start by expressing my appreciation to the authorities of Armenia for the great hospitality, and for hosting us in the beautiful city of Yerevan – a city older than Rome that has witnessed many civilisations rise and fall; a city with vibrant culture and stunning architecture.

Undoubtedly, my deep appreciation also goes to the EBRD's secretariat for their excellent organisational efforts and arrangements. Praise must also be extended towards President Renaud-Basso and her staff for how the EBRD has managed to conduct its daily business in a turbulent and constantly evolving global environment. We praise the EBRD's agility and flexibility in providing valuable assistance to its countries of operations to navigate these uncertainties, especially at times of crisis in Europe, the Middle East and Africa.

Sammarinese people remain deeply shocked and saddened by the ongoing conflict in Ukraine, Gaza, Sudan, and elsewhere, which has caused the deaths of so many individuals and uprooted the lives of millions of others. On behalf of San Marino, I convey our sympathy and solidarity with the people and countries affected, while reaffirming our strong condemnation of unjustified military actions.

San Marino unequivocally supported measures to counter Russian aggression in Ukraine, including voting in favour of sanctions against Russia, and supporting initiatives to increase support for Ukraine, such as increased paid-in capital for the EBRD. It is to be noted with appreciation that the EBRD's support for Ukraine has reached €4 billion, thanks to the approved decision on the paid-in capital increase.

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Despite the unprecedented global challenges of the past few years, San Marino has managed to build a more resilient economy. Our efforts have focused on creating a more business-friendly environment, attracting foreign investment, and promoting entrepreneurship. In this context, I am pleased to mention that, less than a month ago, a delegation from the EBRD conducted an official visit to San Marino. This event marked the first visit of an EBRD delegation to San Marino, and unequivocally demonstrated the support of San Marino for the EBRD mission and its work in the countries of EBRD operations.

San Marino, among the oldest democracies and republics in the world, has always been a steadfast bastion of Western democracy, unwavering in its commitment to freedom, sovereignty and democratic principles. San Marino remains firmly anchored in the community of Western democracies, where we have consistently demonstrated our unwavering commitment to justice, transparency, and the democratic values that define us.

Thus, the decision to expand the Bank's geographical scope to sub-Saharan Africa and Iraq, and enable a limited and incremental expansion of the Bank's countries of operations, also reflects San Marino's interest in supporting and promoting democratic values globally. We remain confident the EBRD has the skills and attributes that can allow us to advance the EBRD's objectives within the wider region.

San Marino supports the strategic themes identified by the EBRD in the current Strategic and Capital Framework. Furthermore, it shares the view that strengthening economic governance as an overarching goal, and the mobilisation of private finance as a core strategic objective, should be more aligned with other strategic enablers.

San Marino is advocating for a more robust and comprehensive strategy to achieve a sustainable energy transition. The EBRD should encourage greater investment in renewable energy and energy efficiency, with a particular focus on small and developing countries. This will help them reduce their reliance on fossil fuels and adopt more sustainable energy sources. In parallel, we must accelerate the digital economy by fostering technological innovation and ensuring digital inclusion across the EBRD region, considering both the challenges and opportunities presented by emerging technologies such as Artificial Intelligence etc.

Let me conclude by reiterating that San Marino remains committed to working closely with the EBRD, and other partners in the region and the international community, to promote peace and democratic values, as well as sustainable and inclusive economic growth through better synergy with the private sector.

STATEMENT FROM MR KLEMEN BOŠTJANČIČ, GOVERNOR FOR SLOVENIA

I would like to thank the Armenian authorities for organising this Annual Meeting, and to express my gratitude and sincere compliments to all those who participate. Unfortunately, the geopolitical tensions have intensified over the past year, and we are also still facing the war in Ukraine. At the last Annual Meeting, we took important decisions that will allow the Bank to continue its work in Ukraine, while maintaining a strong presence in all countries of operations.

We are celebrating 20 years of the Early Transition Countries Initiative, which includes Armenia, our host country for this year's Annual Meeting. Under this initiative, the Bank

accepts higher risk in the projects it finances, while still respecting the principles of sound banking of course, and emphasises private-sector development, particularly in micro, small and medium-sized enterprises, which we know are the driver of sustainable employment, growth and prosperity. We would also like to see the Bank operate in higher-risk projects in the EU11 countries of operations, including Slovenia. The new country strategy for Slovenia should be adopted in the next few months, and we highly appreciate the effort of management to prepare what we think is a very good strategy for our country, which shows that the work of the EBRD is still very much relevant and very much important in Slovenia. We see the EBRD not only as an investor, but also as a catalyst for other investors, building confidence in the investor's environment. If you look at the financial figures, it is clear that the region is the most profitable of all the EBRD's regions of operations. Only by maintaining, or even strengthening, its presence in the region can the Bank remain profitable and successful in going forward. The energy sector has opened new business opportunities for the Bank, and like many countries in the region, capital markets development and risk capital injection remain key to the further economic development of the country, and are also high additionality avenues for the EBRD.

Slovenia has always been an honest and open partner of the Bank, not only asking for assistance, but also actively participating in creating conditions to optimise the Bank's reputation and efficiency. I am pleased to announce that we have ratified the amendments to the Articles of Agreement adopted at last year's Annual Meeting, and that we will shortly finalise the subscription process for the allocated additional capital shares. And we believe that the relationship is mutual. We share the same values and support the same priorities – green transition, equal opportunities, inclusiveness, good governance, and digitalisation.

Having said that, we believe that the Strategic and Capital Framework should focus on green transition, resilience, and digitalisation. It should focus on energy self-sufficiency, grid efficiency, and implementing measures against rapid climate change. The Bank should focus on digitalisation as the basis for a well-functioning market economy and well-governed countries. We have always seen the EBRD's operational model, with its Resident Offices and presence on the ground, as the key to a significant footprint in the countries of operations. EBRD staff on the ground are, in our experience, well equipped to identify the projects where the Bank would be additional, but at the same time where projects are highly relevant to the country's economy. Nevertheless, we see two bottlenecks: the first is the Bank's risk appetite and its reporting requirements; and the second is the Bank's visibility and recognition in countries of operations. The Bank's business is demand-driven, and we see that many of our companies see the EIB as a more natural partner where relevant; whereas we see that the EBRD offers more than just financing to its clients. And we believe that this is an area where the Bank could do more to become more visible in EU countries.

Let me conclude by congratulating management on the good financial results achieved last year, despite all the challenges that it had to face. I believe that it is also very important that we maintain a continued leadership in these changing and uncertain times. I trust that management will prepare a comprehensive and credible Strategic and Capital Framework that we can all strongly support at next year's Annual Meeting in London.

STATEMENT FROM MS INÉS CARPIO SAN ROMÁN, TEMPORARY ALTERNATE GOVERNOR FOR SPAIN

1. Support to Ukraine and Gaza:

Spain defends the need to respect international law, international humanitarian law and the principles of the UN Charter, as well as to pursue a just and lasting peace, in all conflicts. Support for Ukraine, both in times of war and during future reconstruction, has been and is the main priority of the EBRD, as evidenced by its leadership in the rapid response and level of investments. Spain has been strong in its support to Ukraine, and through the EBRD, Spain has contributed €100 million of guarantees for Ukrainian companies and municipalities to be able to continue operating fully in wartime. As for Gaza, we plan to contribute as well to the EBRD's efforts for its reconstruction.

2. Priorities for the next Strategic and Capital Framework:

The Bank's mandate not only continues to be valid, but is more relevant than ever to address the numerous crises faced by our countries of operations, and to deliver to the new members. The EBRD objective of having a systemic impact is decisive at a time when the EBRD is getting bigger, so as to be more effective in supporting the transition of the Bank's countries of operations towards sustainable, inclusive, green, integrated, competitive, well-governed, and resilient market economies, which are the foundation for advancing a multiparty democratic system and pluralism.

Spain considers that the current long-term strategy has allowed for progress in the Bank's priorities, delivering transition impact in all regions, while its flexibility has allowed it to respond quickly to crises and natural disasters in the countries of operations. The review of the current strategy has also highlighted the importance in the next strategy period of focusing more on economic governance to have a greater impact in delivering its mandate. It is also important for the EBRD to continue promoting competition, strengthening efficient and resilient markets, and fostering a solid private sector and entrepreneurial initiative.

Likewise, it is essential to increase ambition in the objective of moving towards low-carbon economies, where there are increasing challenges and financing needs.

Similarly, Spain considers it essential to transition to promote structural changes that truly allow for gender equality of opportunities and inclusion; and we plan to show our support to this priority with a contribution.

Investing in digital transformation along all these priorities will be a key lever to progress faster in all the transition qualities.

3. Multiplying impact:

To multiply the Bank's impact and meet the transition financing needs of the various regions and countries of operations, in particular those in the early transition stages, it is central to mobilise private capital, and promote selective and targeted investments in those sectors and regions where the EBRD is really additional.

The limited and incremental expansion of the geographic scope of the EBRD's operations to sub-Saharan Africa and Iraq will certainly be a challenge, but one we are willing to accept. The Spanish Council of Ministers has just accepted resolutions allowing this expansion and

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removing the statutory capital limitation, and we are glad to welcome Iraq to our chair at the Board.

Finally, strengthened complementarity and coordination with other international financial institutions are essential to gain in efficacy across the whole system, so as to be more effective in reducing the investment gap to promote development.

With this, I want to thank all EBRD staff for their hard work and wish them good luck for their important task ahead.

STATEMENT FROM MS ELISABETH SVANTESSON, GOVERNOR FOR SWEDEN

Let me start by thanking the Government of Armenia for hosting this year's Annual Meeting.

The EBRD finds itself at a critical moment. Russia's brutal war is having a devastating impact on Ukraine and exposing and harming other countries in the region. Several countries, including Armenia, are taking important steps towards closer ties with the EU, but are seeing their democratic processes challenged by disinformation and hybrid attacks.

The EBRD has a clear role to assist Ukraine and other members in the region affected by the war. The capital increase provides the Bank with resources and a mandate to step up efforts. There is a job to be done and a purpose to fulfil. We have high expectations of the Bank.

The new Strategic and Capital Framework brings an opportunity to ensure that the EBRD is well equipped to navigate the demanding landscape, and fulfil its mission in the coming years. **Sweden has three main priorities** for the EBRD's strategic direction and the new Framework.

First and foremost, the Framework should ensure increased support to Ukraine. The EBRD is well positioned to help build a more sustainable and resilient society. The Bank should also play an active role in coordination efforts among international financial institutions. The heightened ambition in Ukraine must happen while maintaining a strong presence in and support to Ukraine's neighbouring countries, and the Bank's traditional countries of operations.

Second, increased ambition is needed by the EBRD to combat climate change. This means moving beyond minimising negative environmental impacts and climate risks, to strongly focusing on achieving positive climate results.

Third, we encourage the EBRD to further leverage its private-sector focus to support increased mobilisation of private resources. Ambitious mobilisation targets should be included in the Framework. At the same time, it is important to build domestic capacities for developing bankable projects and attractive investment climates. Supporting good governance and anti-corruption are important parts of such efforts.

Turning now to more institutional issues, the new Strategic and Capital Framework provides an opportunity to strengthen resource efficiency and an outcome results orientation. The Framework is also an opportunity for the Bank to counter the negative development of gender equality and inclusion going backwards in many countries. Gender equality and inclusion should not only be mainstreamed in all bank activities, but these perspectives should also more clearly guide where, how, and in what the Bank invests.

To conclude, the upcoming strategic period will be important and challenging. We expect a lot from the EBRD, but are confident that the Bank will deliver. The recently decided capital increase is proof of that.

STATEMENT FROM MR DOMINIQUE PARAVICINI, ALTERNATE GOVERNOR FOR SWITZERLAND

Switzerland welcomes the EBRD's €4 billion capital increase to support Ukraine, and underscores the importance of the EBRD's continued engagement in the country. We condemn Russia's military aggression against Ukraine in the strongest possible terms. The Bank can draw from its long-established experience in financing transition projects and operating in Ukraine, including during the war. We thank the EBRD for working closely with the Ukrainian Government and coordinating with other partners, thereby contributing to implementing reforms linked to Ukraine's accession to the European Union and the International Monetary Fund programme.

We welcome the EBRD's strong commitment to all its countries of operations. We appreciate the high share of private-sector investments reached last year, and the strong results achieved in addressing climate change. While recognising the support provided to Early Transition and western Balkans countries, and to the countries of the Southern and Eastern Mediterranean region, we urge the Bank to make further efforts to reach the pre-established targets.

Switzerland calls on the EBRD to use the preparation of the next Strategic and Capital Framework 2026-30 as an opportunity to adapt the EBRD's priorities to the current global context. The next Framework must take full account of the multilateral development bank (MDB) evolution agenda, and the imperative of MDBs to work better as a system to achieve greater efficiency and impact. We are encouraged by the Viewpoint Note of the Heads of MDBs, issued at the World Bank Spring Meetings, and emphasise the importance of continuing to deepen systematic partnerships and coordination through joint diagnostics, harmonising policies, and co-financing with other MDBs. This is even more important in light of the need to address the economic repercussions of the war in Ukraine, while pursuing the forthcoming limited and incremental expansion of the Bank's activities to sub-Saharan Africa and Iraq.

We ask the Bank to put development effectiveness and impact at the heart of the next Strategic and Capital Framework. Systemic impact at country and sector level must guide the Bank's strategic positioning and operations, including through setting corporate scorecard incentives and measuring results accordingly. We welcome the proposal to include economic governance as one of the strategic themes, and ask the Bank to firmly engage with countries on structural reforms and improvement of framework conditions. We urge continued efforts to mobilise international and domestic private finance, which is another key enabler of impact at scale. We continue to call for strong ambition in promoting green transition, gender equality, and digitalisation.

We welcome the steps taken by the Bank to enhance its financial position, while preserving the AAA rating and long-term financial sustainability. We appreciate the progress made in implementing the recommendations of the G20 Capital Adequacy

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Frameworks review, including by removing the statutory capital limitation. We encourage further efforts to explore the recommendations of the review, notably the issuance of hybrid capital. We welcome the progress of the EBRD on callable capital, and support further work on how a prudent share could be incorporated into the capital adequacy framework.

Switzerland thanks the EBRD President, Ms Odile Renaud-Basso, for her leadership, and EBRD staff for their high-quality work and commitment to deliver on the objectives of the Bank. We look forward to continued close cooperation with the EBRD.

STATEMENT FROM MR OSMAN ÇELİK, ALTERNATE GOVERNOR FOR TÜRKİYE

The world is experiencing a *polycrisis* at a magnitude that has never been seen before. Low growth, geopolitical conflicts, food and energy insecurities, and impending climate disaster substantially disrupt the global development agenda. Responding to these problems and achieving the Sustainable Development Goals require international collaboration and effort across all global stakeholders. As the problems are getting bigger, the role of multilateral development banks is more crucial than ever.

Against this backdrop, the EBRD, with its robust financials, time-tested business model, and reinforced strong shareholder support, is well equipped and strongly prepared to rise to current and future challenges. The recent capital increase decision underscores the EBRD's commitment to advance its development objectives. It signifies the EBRD's dedication to play its role in Ukraine's reconstruction, while also maintaining its unwavering support to the countries of operations. Moreover, by continuing efficient capital resource utilisation and adhering to the G20 capital adequacy recommendations, the EBRD will undoubtedly enhance its financing capacity and flexibility.

The first three years' results of the Strategic and Capital Framework demonstrate the EBRD's high impact and effectiveness. It is commendable that the EBRD continued its strong support to its countries of operations in 2023, with a record amount of annual business at €13.1 billion. Achieving this with a substantial net profit and high transition impact clearly illustrates the EBRD's results-oriented approach.

Türkiye is in a phase of recovery and reconstruction from the two earthquakes that caused major devastation in 11 provinces, affecting 14 million people. The EBRD swiftly responded to this unprecedented disaster and has provided substantial support to our country ever since. The EBRD's continued involvement is crucial for future earthquake-related projects in Türkiye.

Türkiye has undergone a policy shift and returned to orthodox economic policies. We follow a Medium-Term Programme, which serves as a comprehensive roadmap for transforming our economy through strategic structural initiatives. Ensuring price stability, maintaining fiscal discipline, fostering balanced growth, and achieving a sustainable current account balance stand as the primary goals of our Medium-Term Programme. In this framework, monetary and quantitative tightening, selective credit policies and fiscal measures are being implemented in coordination. Our programme is functioning effectively and yielding promising outcomes so far.

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The Turkish economy grew by 4.5 per cent in 2023, in line with the Medium-Term Programme. In 2024, we expect GDP growth to be realised at 4 per cent, and average growth is expected to be 4.5 per cent throughout the Programme. As we implement rational and rules-based policies, the credit default swap premium has declined to under 275 basis points.

Rating agencies have also announced positive changes to Türkiye's rating. Lately, Fitch upgraded Türkiye's long-term foreign currency rating to B+ from B, and changed the outlook to positive in March.

Although inflation reached 64.8 per cent in 2023, we expect it to come down in 2024. As of April, the inflation expectation for the 12 months ahead stands at 35.2 per cent, which is more than 30 pps lower than the current inflation rate.

At the end of March, local elections were held in Türkiye. Now there is a four-year-long election-free period. This period will provide an opportunity for the economy team to take decisive steps to put the economy back on a strong growth trajectory.

Amidst the EBRD's recent historic decisions of a capital increase and geographical expansion, there is a great opportunity to work on the new Strategic and Capital Framework. We fully support the strategic themes identified for the next Framework period. We are also of the view that the strategic enablers have been well identified. Both the strategic themes and the enablers are highly relevant and well suited to overcome transition gaps in current and future countries of operations.

Complementary to these themes, we expect to see a continuation of the EBRD's contribution to local currency and capital market development. Additionally, we encourage the exploration of Islamic finance opportunities, recognising its potential to diversify financing options.

Nuclear energy could substantially help us achieve our shared climate ambition goals. Thus, we encourage the EBRD to be involved in civil nuclear energy financing and technical assistance.

The private sector lies at the heart of our economies as well as the EBRD's mandate. Thus, we find it fitting to reinforce the EBRD's private-sector focus, which is the main comparative advantage of the Bank.

According to the United Nations, there is an estimated US\$ 4.3 trillion gap in the annual funding required to achieve the Sustainable Development Goals by 2030. Strengthening the catalytic role of multilateral development banks to mobilise private finance is a prerequisite to narrow down this gap, since the balance sheets of multilateral development banks do not suffice to fill the gap alone.

Against this backdrop, we think that the EBRD should focus on leveraging the private sector in its countries of operations. Close engagement with the private sector and strong alignment with national priorities are the keys to achieving this. In particular, the EBRD should improve its in-the-field presence by enhancing the capacity of its regional offices.

Another important aspect of scaling up financing capacity is to diversify financial products. In this context, we encourage the EBRD to further explore financial innovations. Collaboration

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with other multilateral development banks on know-how transfer is crucial for quick progress in this area.

The G20 is considering work on enhancing the representation and voice of developing countries in decision-making within global international economic and financial institutions. In this regard, we believe that the EBRD should review its governance structure and organisational chart to ensure countries of operations, especially developing countries, are sufficiently represented at the Bank.

We welcome the EBRD's aspiration to further enhance its impact management system. We believe that expanding impact measurement to sectoral and country level is a step in the right direction. Assessment of impact at these levels can help better identify transition gaps. This approach can also support effective policy engagement in related sectors and countries.

In conclusion, we have full confidence that the EBRD is capable of maintaining its vital role as the leading development partner in its region. As always, Türkiye is fully committed to strongly supporting and cooperating with the Bank.

STATEMENT FROM MR MOHAMED BIN HADI AL HUSSAINI, GOVERNOR FOR THE UNITED ARAB EMIRATES

I would like to extend my appreciation to the Republic of Armenia for hosting the Annual Meeting of the Board of Governors, alongside the EBRD for their organisation.

In light of the strategic expansion of the EBRD into sub-Saharan Africa and Iraq, I would like to take a moment to welcome the inclusion of Iraq into the Spain, Mexico and UAE constituency. I would also like to welcome the Bank's capital increase by €4 billion, where the UAE contributed to this endeavour, driven by our belief that the Bank should be in a position to address the challenges and opportunities that lie ahead.

With regards to the strategic themes highlighted in the Strategic and Capital Framework, in particular on the Bank's ambition to support the green transition, it will be important for the EBRD to continue aligning with the COP28 outcomes. This is especially the case considering the EBRD's commitment to advance climate action at COP28, with the announcement of a new guarantee support, alongside the European Union, of up to €1 billion for green investments. Similarly, this also underlines the emphasis, made through the UAE Consensus, on multilateral development banks working through country platforms, where the EBRD, the European Investment Bank and other partners announced a new country platform for the just energy transition.

The strategic theme of promoting equality of opportunity and gender equality will be crucial to enable an inclusive, sustainable transition and growth trajectory globally; and it is a key step to addressing and further integrating inclusivity into the Bank's approach.

Moreover, the Bank's efforts in developing its digital capabilities are commendable, and shall be a key strategic enabler towards increasing the number of projects with a digital component in the Bank's countries of operations.

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With regards to further reinforcing the Bank's private-sector focus, this effort will be key to enabling greater private-sector involvement, and thereby address long-term investment gaps. This reiterates the significance of the progress made by the EBRD on advancing the recommendations of the G20 Independent Review of Multilateral Development Banks' Capital Adequacy Frameworks, particularly on implementing risk transfers to the private sector, among others.

To conclude, I would like to reiterate the UAE's commitment to the objectives of the EBRD. We remain dedicated to the Bank's efforts to enable countries to achieve prosperity and sustainable development; and in this regard, the UAE looks forward to deepening our partnership with the Bank.

STATEMENT FROM MR JEREMY HUNT, GOVERNOR FOR THE UNITED KINGDOM

1. Thank you, Chair, and thank you, Madam President, for your presentation. Thank you also to the Government of Armenia for its hospitality and for hosting the EBRD Annual Meeting.

2. I would like to start by thanking the EBRD for its efforts to date and its commitment to continue to play a significant role in supporting Ukraine's resilience and reconstruction through financing, technical assistance, and coordination and collaboration on other Ukraine initiatives with international partners. The United Kingdom condemns Russia's illegal war on Ukraine. The historic shareholder agreement last year on a paid-in capital increase to enable the EBRD's continued financing for Ukraine, and to secure the Bank's financial standing for all its countries of operations, demonstrates the shared will of the international community to stand united against Russia and our strong commitment to the EBRD.

3. I congratulate the EBRD on a profitable year, record business volumes and for achieving and exceeding Ukraine investment targets. We greatly value that the Bank is continuing to play a lead role on climate, and aligning all its new activities from 2023 with the goals of the Paris Agreement on climate change, and that green economy financing is exceeding 50 per cent of investment volume. We also appreciate the EBRD's efforts and leadership on direct and indirect private-sector mobilisation, and that over 40 per cent of its projects were gender SMART. These are significant achievements that should be reflected, and on which we should continue to build, in the EBRD's strategy for the next period.

4. We look forward to the newly recapitalised Bank developing ambitious plans that demonstrate how it will continue to deliver results and impact under its unique mandate through the next Strategic and Capital Framework (SCF). The new SCF will take place in the context of continuing war on Ukraine, a newly capitalised Bank, expansion to sub-Saharan Africa and Iraq, and a significant continued global push for multilateral development bank (MDB) reform.

5. In December, Governors endorsed a policy package that included specific commitments on Ukraine for the current SCF period, as well as focus areas and issues for the new SCF. The SCF 2026-2030 should explicitly confirm the direction provided by the Governors as part of the capital increase negotiations, and set out the approach to delivering the agreed commitments, with associated targets and measures. Being able to assess the results

and impacts of the Bank's activities under the new SCF is critical, an area also highlighted by the Review of the current SCF.

6. Strong institutions and investments that support the private sector and strengthen democracy are critical to reducing the likelihood and impacts of fragility. The Bank's mandate of promoting private and entrepreneurial initiative through the principles of multiparty democracy, pluralism and market economics should be central to the new SCF. In line with this, we strongly endorse elevating economic governance alongside gender and green transition as the priority strategic themes for the new SCF.

7. On reinforcing the EBRD's private-sector focus, we expect the EBRD to continue to deliver the clear direction its Articles set for a 60 per cent private-sector share across its operations, and set a pathway to increasing the private-sector share in its Ukraine operations. Although the Bank's goals on this under the current SCF have been met, given the impact of Ukraine on the Bank's overall portfolio, it is imperative to identify investments in the private sector in all other countries of operations.

8. Core to the private-sector focus is the EBRD's approach to private capital mobilisation. This is a priority for all MDBs, and as a key MDB reform priority for the United Kingdom, we expect to see ambition from all MDBs. The EBRD should build on strong foundations by articulating a clear strategy, commitments and incentives to further increase both indirect and direct private mobilisation under the SCF.

9. We welcome the EBRD's engagement with the global MDB reform agenda and in implementing the recommendations of the G20 Independent Review of MDBs' Capital Adequacy Frameworks (CAF). Continued implementation of CAF is critical to further increase efficiencies, to stretch balance sheets, and increase financing capacity. The new SCF should include a clear commitment to deliver further on CAF to fully leverage the capital increase. I am pleased to say that the UK has ratified the amendment which now removes the statutory lending limits from the Articles. We welcome the EBRD's participation in the callable capital exercise, which clarified processes and, more broadly, the Bank's work on local currency financing and local capital markets. To ensure the Bank is maximising its impact in the face of increasing fragility and other global challenges, we encourage the Bank to work closely with peer MDBs to continue to deliver the MDB reform agenda through the SCF.

10. I welcome the work to date from management on the SCF, and endorse the proposed strategic themes and enablers for the next SCF.

11. In addition to having a strong strategy, the EBRD must also have the right policies and practices in place to deliver on the SCF in the context of the global challenges we face. I look forward to the finalisation of the Environmental and Social Policy and the review of the Bank's procurement practices, particularly in addressing coercive policies, and further implementing the ambition of MDBs to work together as a system through applying the principle of mutual reliance. The Bank should also ensure it has robust project pipelines.

12. On other key EBRD priorities, I welcome the progress on the Bank's agreed plans to expand to sub-Saharan Africa and Iraq. The United Kingdom continues to see a compelling strategic case for this expansion, and I am pleased to announce that the United Kingdom has now completed the parliamentary processes required, and ratified the amendments to Article 1 to enable this expansion to proceed. We are pleased to support Benin, Cote d'Ivoire,

Senegal, Ghana, and now also Kenya and Nigeria, to gain membership of the Bank. It is important that, as the expansion proceeds, the EBRD works in close partnerships with other MDBs in the region, complementing their operations and providing additionality through its unique mandate.

13. I take the opportunity to thank the President of the Bank, the management and staff for their leadership and efforts to deliver for all of the Bank's countries of operations, and for strong performance and results in 2023.

14. Lastly, I extend a warm welcome to the Governors and delegations to London in 2025. The UK looks forward to hosting you at the next Annual Meeting.

STATEMENT FROM MS ALEXIA LATORTUE, TEMPORARY ALTERNATE GOVERNOR FOR THE UNITED STATES

On behalf of US Treasury Secretary Janet Yellen, I would like to thank the Government and people of Armenia for generously hosting the 2024 EBRD Annual Meeting of the Board of Governors. President Odile Renaud-Basso has steered the EBRD successfully over the past year through successful capital increase negotiations – on the heels of the Bank's first-mover, quick and effective support to Ukraine – and the historic resolution on the Bank's incremental expansion to sub-Saharan Africa and Iraq.

This past year is emblematic of President Renaud-Basso's leadership, resolve and consensus-building throughout her first term. The United States is proud to support her re-election as President of the EBRD for the next four years. I would also like to recognise and note our deep appreciation for the EBRD staff, for their commitment and tireless work to support economic transition in the EBRD's countries of operations, and steadfastness in the face of crises.

As we gather here, Russia's invasion of Ukraine continues to generate negative economic spillovers and undermine our work to promote sound and sustainable development. The EBRD has been an essential partner in supporting Ukraine's economy in the face of continued Russian aggression. We recognise that the capital increase enables an ambitious plan to support Ukraine over the long term, through war and reconstruction.

Strategic direction of the Bank

The capital increase also includes robust policy commitments that we must now put into action as we develop the next five-year strategic plan for the EBRD, the Strategic and Capital Framework 2026-2030 (SCF). The new SCF lands in the midst of a pivotal global conversation on multilateral development bank (MDB) evolution. With its private-sector focus and experience, the EBRD brings a unique perspective to MDB evolution, and can lead in finding innovative ways that the private sector, coupled with smart policy reforms, can help to address regional and global challenges, such as climate change, and conflict and fragility.

The SCF should also serve to intensify the Bank's delivery on its core transition mandate, including redoubling efforts in its least advanced transition countries of operations. The SCF should also guide how, once again, the EBRD will bring its expertise to bear in new member countries. Finally, the SCF should also outline how the Bank supports more advanced transition

countries as they continue their journey to graduation from MDB financing to draw more fully on their own domestic resources and capital markets.

The United States warmly welcomes new members to the EBRD family, Benin and Iraq, looks forward to welcoming Côte d'Ivoire and Senegal, and we strongly support approving the memberships of Kenya and Nigeria. We urge management to collaborate with development actors with deep experience in its new members, focus on where it can have the greatest development impact and added value, and continuously learn from its experiences. To allow for implementation of the expansion as envisioned by Governors, we encourage all shareholders to accept the amendment to Article 1 of the Agreement Establishing the Bank by the end of 2024.

Strategic priorities: private capital mobilisation and the green transition

We support economic governance, green transition and inclusion as strategic themes for the SCF. Achieving stronger outcomes along these themes will be underpinned by progress in the cross-cutting enablers of private capital mobilisation and digitalisation. The EBRD is a leader on private capital mobilisation, and is one of the few MDBs to set and publish targets for private capital mobilisation. In the spirit of MDB evolution, we encourage the Bank to work closely with the other MDBs as a system, to better leverage engagement through market and regulatory reforms, through greater efforts on project preparation, and through knowledge-sharing with the other MDBs. We want to see all MDBs continue to expand instruments and tools, and enhance incentives to raise private capital to meet global development challenges, including climate change, where the Bank has likewise been a leader.

We welcome the EBRD's inaugural approach to nature, and strongly support efforts to mainstream nature and biodiversity across sectors. The upcoming Green Finance Strategy gives the EBRD a platform to raise its green ambition, with greater green private capital mobilisation and increasing investment in climate adaptation, and nature and biodiversity.

Value proposition for borrowers

The MDB evolution agenda is also about improving the EBRD's value proposition for borrowers, including on procurement. We look forward to the upcoming review of procurement policies, and underscore the importance of delivering value-for-money development outcomes. We encourage the EBRD to consider ways to improve industry engagement, including increased outreach to generate more bids, especially from the most qualified service providers from diverse countries.

Another key MDB advantage for borrowers is on safeguards, transparency and accountability, where the EBRD is a leader. We welcome the reviews of the Environmental and Social Policy, and the Access to Information Policy, underway this year, and note that a review of the Independent Project Accountability Mechanism is also being considered. With these processes underway, it is a good time for the EBRD to consider more comprehensively how to exit investments responsibly, and create a framework for remedial action for communities, should project-related harms occur.

With respect to gender and diversity, we congratulate management on the Bank's 2023 results, with a record 44 per cent share of Gender SMART investments, and a record 30 per cent share of investments promoting equality of opportunity. The EBRD should set an example for its clients and countries of operations. We thus welcome the Board's initiative to join its peer Boards at sister international financial institutions in being transparent on its own diversity,

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with the first report on Board Diversity and Inclusion. We must all recognise our responsibility as shareholders to set the tone for the institution, as leadership comes from the top. This includes but is not limited to gender diversity. We look forward to updates annually.

Conclusion

We have our work cut out for us, and exciting opportunities lie ahead for this institution, whose foundation is built on the principles of democracy and building market economies. As US Treasury Secretary Janet Yellen recently said, “democracy is critical to building and sustaining a strong economy”. With the geographic expansion, and its transition mandate and international character, the EBRD is enhancing its reputation as an important player on the world stage. The United States stands firmly by the EBRD, and supports its mission as the bedrock of sustainable, inclusive, resilient and market-driven development, serving in countries that promote multiparty democracy.

CLOSING STATEMENT BY MS ODILE RENAUD-BASSO, PRESIDENT OF THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

At the outset, I would like to thank all of you for your constructive and thoughtful contributions today. I have been listening very carefully – and the management team here has been also listening very carefully. We will take all of your interventions into account in preparing the next Strategic and Capital Framework and delivering our daily activities in our countries of operations.

I also want to thank you for the appreciation you have shown for the Bank's work. I think this is a tribute to the commitment and dedication of all the staff of the Bank. All of you mentioned the role, the strong dedication and the commitment of the staff in delivering the Bank's mandate to help our countries of operations. I will make sure that this appreciation is passed on to everyone, wherever they are based – at HQ in London or in our countries of operations.

The Chair has already provided a set of very clear conclusions. But I would like to draw out some of the points from the discussion. First of all, a number of you commented on the transition and private-sector focus of the Bank. This was a very loud and clear message – something which is very important and is part of the DNA of the Bank. This will continue to drive our activity. What we are doing is not always only in the private sector; our flexibility and our ability to also intervene in the public sector are very helpful to support policy engagement and the broader reform agenda, which are needed to develop the private sector. So indeed, our private-sector focus and our transition mandate are in the Bank's DNA.

I also welcome the Board's endorsement of the overall thrust for the next Strategic and Capital Framework and, within that, a combination of strategic themes. Green will remain at the core of what we are doing; and so will equality of opportunity, gender, and economic governance. They are part of our transition impact. Focusing on them, giving them more visibility, and structuring the work we are doing are aspects on which I appreciate your support. The same is true for strategic enablers: mobilising private finance – which came through a lot in the different interventions and which we have been increasing, and will continue to increase and develop with new tools and new approaches – as well as harnessing the potential of digital technology.

In all these areas, the Bank will be building on the progress already made to deepen its transition impact, and supporting our countries of operations in addressing global, regional and country-specific challenges in the very uncertain times we are going through.

The Bank will also grow and continue to deliver in Ukraine over the long haul. Clearly, this is a firm priority, and you know our commitment and our deep engagement in the country. Expanding into new countries of operations while supporting all our current countries will lead to a bigger and even more diverse institution, making more investment in more countries.

Fulfilling the commitments made to you as our shareholders, particularly in the context of the capital increase, will be essential, and I am confident that we will do that. In doing so, we are committed to continuing to improve the Bank's ability to measure, demonstrate and articulate the impact of our work. This is not the easiest issue – it is very complex. But we will do our best to improve measurement, and to improve our communication around it.

As the Bank grows, it will also evolve, in common with all multilateral development banks. This is likely to be less about 'what' the Bank does and more about 'how' it is done. As you

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know, the Bank has embarked on a transformation agenda, which is starting to bear fruit. The aim is to do what we do even better: to better serve our clients, be more agile, be more innovative, but also improve efficiency. This is a process. I am fully committed to continue driving this agenda forward in my new term.

However, I cannot avoid mentioning that part of the Bank becoming bigger and delivering more means we must all be aware that, if we are to deliver on the objectives of the size and quality that you expect, we will need appropriate resources. This will be part of the discussion of the next Capital Framework. We will need to have a shared medium-term vision of what is needed to be able to deliver in terms of resources, and to step up our activities.

I also heard very clearly that all shareholders have high expectations of the multilateral development banks, individually and working as a system. You can count on my personal engagement to play our full part in the collective work we are doing at the multilateral development bank level to enhance cooperation with others, and to do the same at all levels, including on the ground. Ukraine is a test case for that, and I think it is already working very well. But we will have to develop that in sub-Saharan Africa, as well as on horizontal thematic issues such as green and climate, where joining forces is particularly relevant.

Your confidence in the Bank has been demonstrated by the decisions you have taken over the past year. I was very pleased to hear that many shareholders have already taken the necessary steps at home to be able to ratify the amendments to the Bank's Articles and to subscribe to the capital increase. There is still some way to go to get shareholders to ratify, but once all the formal processes are completed, these decisions will give the Bank all the tools, margins and financial strength that we need to deliver. The onus will then be on us – on the Bank – to do so. You can count on my personal commitment, and on the full management team and staff, to do our best to deliver on your objectives and what we have committed to do.

As the formal part of the Bank's Annual Meeting comes to a close, I want to thank everyone who has contributed and worked so hard to make this a success. It would be impossible to name everybody individually. But I would like to single out two groups of people for public acknowledgement.

Firstly, I would like to thank, on behalf of all of us in this room, the Armenian authorities and the Armenian people for their generosity and openness in hosting the Bank in this ancient city, beautiful Yerevan. Every gesture, including your gifts distributed today to Governors, is full of symbolism, significance and attention. I really want to thank you for that. It has been a pleasure for all the Bank's teams to work with you in preparing this event. Once again, thank you and congratulations.

Secondly, I want to thank the Bank's team, starting with Kazu, Stefi and the whole OSG team, who have prepared this Annual Meeting and put in place an event of this magnitude. It is not necessarily visible, but it is a lot of work and effort, and I really want to thank them for that.

With that, I give the floor back to you Chair – and look forward to meeting again in London next year.

Once again, I thank you for your confidence and your trust in the EBRD and the trust you showed in my re-election. I am very honoured. Thank you.

CLOSING STATEMENT BY MR STEVEN VAN WEYENBERG, CHAIR OF THE BOARD OF GOVERNORS

With your permission, I will make some concluding remarks to draw out some of the common themes, which have been highlighted in your interventions, and also in the written statements, which have been submitted to the Meeting. Of course, I know it will not do credit to each and every remark you have made. I think that cannot be avoided, but we should try to get the general gist of what has been tabled this afternoon. Before turning to the specifics of the discussion, I think it is clear that Governors highly appreciate the Bank's work and its delivery on the ground. That certainly goes for the President, Secretary General and all the incredible staff of the EBRD. I think that the decisions we took in 2023 are also symbols of how we have been able to deliver. In particular, Governors reiterated their unwavering commitment to supporting Ukraine in facing Russia's ongoing and illegal aggression, and the value they put on the Bank's ongoing work in that country in this context.

The purpose of today's discussion is to both look back at the progress made in the implementation of the Bank's current Strategic and Capital Framework and, particularly, set out our views as individual shareholders on the Bank's strategic orientation in the next Strategic and Capital Framework. These views will guide the work to be undertaken over the next year to prepare the next five-year strategy for approval at next year's Annual Meeting.

Looking back, Governors expressed appreciation for the work the Bank has undertaken since 2021. The Bank has risen to the challenges across all countries of operations, in both immediate crisis, and in addressing long-term transition challenges. There is particular appreciation for the response to the conflict in Ukraine and beyond, as well as to natural disasters in countries of operations in recent times. This response has been accommodated with the overall strategic thrust set in the current Strategic and Capital Framework. The value of this flexibility will only increase in the future, as the world continues to be uncertain and volatile, as many of you noted in your interventions.

Governors identified a number of areas where continued effort would be required in the remainder of the Strategic and Capital Framework period. First, continuing to support Ukraine and countries of operations tackling the direct and indirect impact of the war. Internally, the need to strengthen the Bank's measurement and reporting of its impact and – through that – continuously improve the quality of its projects was stressed. This is especially true as the Bank grows in size and scope. Many welcomed the new members – Benin and Iraq from the Bank's expanded geographic region – and the applications from other countries in sub-Saharan Africa. I look forward to the Bank's future work in its expanded region. Of course, the Bank was also encouraged by many of you to address transition challenges in all its countries of operations.

Looking forward, Governors broadly welcomed the overall direction for the next Strategic and Capital Framework presented in the background paper for this Meeting. Many emphasised the importance and relevance of the Bank's transition mandate, including its political components. Governors noted that the proposal to build on the progress made in the current Strategic and Capital Framework, in order to deepen the Bank's impact and maintain focus, was appropriate. Governors also stressed the importance of delivering on the commitments made in the capital increase approved at the end of last year. In particular, Governors reiterated the vital importance of the Bank playing its fullest possible role in Ukraine – whether in wartime or, let us hope, reconstruction.

With respect to the specific questions posed in the paper, Governors did endorse the **three strategic themes** of green transition, equality of opportunity and gender and economic governance supported by the **strategic enablers** of mobilising private finance and supporting digital transition. Each of these elements are important to all of us domestically and integral to making the step change required to deliver on the international development agenda; and Governors had many specific suggestions. There was particular emphasis on moving to the next stage in addressing both climate change mitigation and adaptation, including through supporting systemic change, as well as strengthening work on nature and biodiversity. The goal of enhancing further the delivery of incentives for the mobilisation of private capital was recognised as timely and important.

All who spoke stressed the central importance of the Bank's focus on the **private sector** and supporting the development of a strong enabling environment for private-sector development. However some, especially those from countries of operations, also recognised the value of the Bank's investment and policy work with municipalities and State-owned enterprises. The capacity to combine activity in both sectors of the economy is one of the EBRD's key points of difference.

Finally, it was clear from your interventions that addressing the multiple overlapping crises of recent years is crucial, and that you expect uncertainty and instability to continue. As a result, **reinforcing resilience** and **addressing fragility** will be a running theme for the Bank to tackle. In that context, Governors highlighted the importance of the Bank supporting countries of operations in key areas to strengthen resilience and reduce vulnerability to shocks, notably in energy security, regional integration and supporting investment in strategic sectors. A number of Governors encouraged the Bank to build on its recent experience with conflict and fragility in the next Strategic and Capital Framework period.

Beyond addressing these questions, a number of other common themes emerged. These included: the effective use of capital, including the continued implementation of the Capital Adequacy Frameworks recommendations; the importance of a framework for medium-term financial sustainability – and within that the need for cost efficiency; and local currency lending, equity investment, and continued product innovation. There was also a natural and special emphasis on the importance of all multilateral development banks working to complement each other as a system to maximise their impact. For the EBRD, this is particularly important as it becomes operational in new countries of operations, as noted in many of the written statements. Finally, as expectations of the multilateral development banks increase, it is even more important to be able to measure and demonstrate our impact.

This has been a wide ranging and important session and I would like to thank you all for your engagement and enthusiasm. Every Governor has congratulated Odile on her re-election, which I do again as well. I am sure that she and the rest of the management team have gained a great deal of insight, which will be a good basis for her second term.

Let me just say that it has been my great pleasure and honour to be able to Chair the Thirty-third Annual Meeting in this historic city of Yerevan in Armenia. I am delighted that together, as the Board of Governors, we have had the opportunity to reflect on the implementation of the current Strategic and Capital Framework and on the strategic orientation of the next SCF.

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Thank you all for engaging in discussions today. It will provide valuable guidance for the Bank's work over the next year, which will continue in London at the next Annual Meeting. Hopefully there, as the Board of Governors, we will be able to approve a new Strategic and Capital Framework, which will build on the foundations of our work today, and look to set up the EBRD for five more years of successful delivery.

On behalf of all the Governors, I would like to thank our Board of Directors and our President for their work in preparing our deliberations today. Additionally, I would like to thank the Secretary General and all your invaluable colleagues for preparing this Meeting and, also, for helping this new Chair out. Thank you very much for that, also, on a very personal note.

I would also like to thank all the people and staff of this meeting venue for their warm hospitality. Thank you very much.