

PUBLIC

**EUROPEAN BANK
FOR RECONSTRUCTION AND DEVELOPMENT**

**PROCEEDINGS OF THE THIRTIETH
ANNUAL MEETING OF THE BOARD OF GOVERNORS**

**LONDON
IN VIRTUAL FORMAT
28 JUNE – 2 JULY 2021**

PUBLIC

CONTENTS

RECORD OF THE PROCEEDINGS	5
STATEMENT BY MR RISHI SUNAK, CHANCELLOR OF THE EXCHEQUER, ON BEHALF OF THE UNITED KINGDOM GOVERNMENT	7
OPENING STATEMENT BY MR PASCHAL DONOHUE, CHAIR OF THE BOARD OF GOVERNORS	9
OPENING STATEMENT BY MS ODILE RENAUD-BASSO, PRESIDENT OF THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	11
STATEMENTS BY GOVERNORS	13

	Page		Page
Armenia	13	Republic of Korea	52
Australia	17	Kosovo	53
Austria	18	Kyrgyz Republic	54
Azerbaijan	20	Latvia	56
Belarus	23	Lebanon	58
Belgium	25	Lithuania	59
Bulgaria	26	Malta	59
Canada	27	Mexico	61
China	28	Moldova	61
Czech Republic	29	Mongolia	63
Denmark	30	Montenegro	64
Egypt	31	Morocco	65
European Investment Bank	35	Netherlands	66
European Union	36	Norway	67
Finland	38	Poland	68
France	40	Portugal	70
Georgia	41	Romania	71
Germany	40	Russian Federation	72
Greece	43	Spain	74
Iceland	44	Sweden	74
Ireland	45	Switzerland	75
Israel	47	Tajikistan	76
Italy	48	Tunisia	77
Japan	49	Turkey	78
Jordan	50	United Kingdom	79
Kazakhstan	51	United States	80

CLOSING STATEMENT BY MS ODILE RENAUD-BASSO, PRESIDENT OF THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	82
--	-----------

CLOSING STATEMENT BY MR PASCHAL DONOHOE, CHAIR OF THE BOARD OF GOVERNORS	84
---	-----------

DOCUMENTS SUBMITTED TO THE BOARD OF GOVERNORS FOR CONSIDERATION BEFORE THE ANNUAL MEETING	86
--	-----------

Report of the Board of Directors: Financial Statements and Independent Auditors' Report for 2020	87
---	----

Annual Financial Report 2020¹

Annual Review 2020¹

DOCUMENTS SUBMITTED TO THE BOARD OF GOVERNORS FOR CONSIDERATION AT THE ANNUAL MEETING	88
--	-----------

Agenda (including Programme Overview)	89
---------------------------------------	----

Report of the Procedures Committee for 2020-2021	93
--	----

Roundtable Discussion – Questions for Governors: Building Back Better Economies	96
---	----

Report of the Board of Directors: EBRD Climate Ambition	100
---	-----

Report of the Board of Directors: Preparatory work for an update on the EBRD's possible limited and incremental expansion to sub-Saharan Africa and Iraq – Governors' Direction	107
---	-----

Report of the Board of Directors: 2020 Net Income Allocation	112
--	-----

Report of the Board of Directors: Special Funds' Financial Statements 2020	119
--	-----

Report of the Board of Directors: Strategy Implementation Plan 2021-2023	124
--	-----

Report of the Board of Directors: Date and Place of the 2022 Annual Meeting	128
---	-----

Report of the Board of Directors: Review of the EBRD Codes of Conduct: Status update	129
---	-----

¹ Document available separately online (not included in the Proceedings)

RESOLUTIONS ADOPTED SINCE THE TWENTY-NINTH ANNUAL MEETING	131
Resolution No. 236 Membership of the United Arab Emirates	132
Resolution No. 237 Annual Meeting Cycle 2024-2025	134
Resolution No. 238 Financial Statements and Independent Auditors' Report for 2020	135
 RESOLUTIONS ADOPTED AT THE THIRTIETH ANNUAL MEETING	136
Resolution No. 239 EBRD Climate Ambition	137
Resolution No. 240 Preparatory work for an update on the EBRD's possible limited and incremental expansion to sub-Saharan Africa and Iraq – Governors' Direction	139
Resolution No. 241 2020 Net Income Allocation	141
Resolution No. 242 Special Funds' Financial Statements 2020	143
Resolution No. 243 Date and Place of the 2022 Annual Meeting	144
 OFFICERS OF THE BOARD OF GOVERNORS AND OF THE PROCEDURES COMMITTEE FOR 2020-2021 AND 2021-2022	145
 MEMBERS OF DELEGATIONS	147
 DIRECTORS AND ALTERNATE DIRECTORS	227

RECORD OF THE PROCEEDINGS

The Thirtieth Annual Meeting of the Board of Governors was held in London, United Kingdom on 1 July 2021. Participants took part in virtual format from a variety of locations via video link.

The Governor for Ireland, Mr Paschal Donohoe, served as Chair. The Governor for Armenia, Mr Tigran Avinyan, and the Governor for Uzbekistan, Mr Sardor Umurzakov, served as Vice Chairs.

1. Procedures Committee

The Procedures Committee for 2020-2021 submitted to the Board of Governors a report concerning the draft Agenda of the Annual Meeting and other matters in its terms of reference, including recommendations on the Chair and Vice Chairs of the Board for 2021-2022, who would also serve as the Procedures Committee for that period.

2. Opening session

The Chair of the Board of Governors called the Meeting to order. The Board was then addressed by: Mr Rishi Sunak, Chancellor of the Exchequer, representing the Government of the United Kingdom; Mr Paschal Donohoe, Chair of the Board of Governors; and Ms Odile Renaud-Basso, President of the Bank. Governors provided guidance to the Bank in the form of written statements, which were distributed during the Meeting and are incorporated into the Proceedings.

3. Plenary session

At a plenary session of the Board of Governors, the Board adopted the Agenda, took note of the Programme Overview, and approved the Report of the Procedures Committee.

a. Governors' Roundtable

Governors considered the document *Building Back Better Economies*, and discussed the questions it posed about the EBRD's efforts to support building sustainable and resilient economies in its recipient countries in light of the impact of the COVID-19 pandemic.

Governors also considered a report of the Board of Directors and draft Resolution on the Bank's climate ambition. The Board of Governors then adopted Resolution 239, *EBRD Climate Ambition*.

b. Institutional and financial matters

i. Preparatory work for an update on the EBRD's possible limited and incremental expansion to sub-Saharan Africa and Iraq

Governors considered a report of the Board of Directors and draft Resolution on this preparatory work. The Board of Governors then adopted Resolution 240, *Preparatory Work for an Update on the EBRD's Possible Limited and Incremental Expansion to sub-Saharan Africa and Iraq – Governors' Direction*.

ii. Net income allocation

The Board of Governors adopted Resolution 241, *2020 Net Income Allocation*.

iii. Special funds' financial statements 2020

The Board of Governors adopted Resolution 242, *Special Funds' Financial Statements 2020*.

iv. Strategy implementation plan 2021-2023

The Board of Governors took note of the Strategy Implementation Plan 2021-2023.

v. Date and place of the 2022 Annual Meeting

The Board of Governors adopted Resolution 243, *Date and Place of the 2022 Annual Meeting*.

vi. Review of the EBRD Codes of Conduct

The Board of Governors took note of the Report of the Board of Directors, *Review of the EBRD Codes of Conduct: Status Update*.

c. Resolutions adopted before the Annual Meeting

i. Financial Statements and Independent Auditors' Report for 2020

The Board of Governors had adopted Resolution 238, *Financial Statements and Independent Auditors' Report for 2020*.

d. Documents noted before the Annual Meeting

i. Annual Financial Report 2020

The Board of Governors had taken note of the Annual Financial Report 2020.

ii. Annual Review 2020

The Board of Governors had taken note of the Annual Review 2020.

e. Election of Chair and Vice Chairs for 2021-2022

At the end of the plenary session, the Board elected the Governor for Portugal as Chair of the Board of Governors and the Governor for Estonia and the Governor for Morocco as Vice Chairs, to hold office until the close of the 2022 Annual Meeting. The Board appointed a Procedures Committee for 2021-2022 composed of the Chair and the two Vice Chairs, to be available until the end of the 2022 Annual Meeting for consultation at the discretion of the Chair, and also to meet immediately before the 2022 Annual Meeting if required.

4. Appreciation

Governors expressed appreciation for the way in which the Bank had organised the Annual Meeting.

STATEMENT BY MR RISHI SUNAK, CHANCELLOR OF THE EXCHEQUER, ON BEHALF OF THE UNITED KINGDOM GOVERNMENT

Mr Chair, Your Excellencies, Governors, Madame President, ladies and gentlemen,

It is my pleasure to welcome you on behalf of Her Majesty's Government to the European Bank for Reconstruction and Development's 2021 Annual Meeting, hosted virtually from its London headquarters.

Last year the Bank held its first ever virtual Annual Meeting.

We were in the heart of the Covid crisis, and focused on mobilising the might of the EBRD to respond to a colossal economic emergency.

The EBRD rose to meet this challenge.

It committed all its activity that year to Covid response, channelling €21 billion to its Members.

As the EBRD celebrates its 30th anniversary, its successes driving sustainable development are numerous and remarkable.

But the efforts of staff and management over the past year must rank among the Bank's proudest achievements.

On behalf of the UK, I extend my heartfelt thanks to you all.

As we meet today, although the human and financial cost of Covid is still being felt, we are at a critical juncture.

We need to look beyond the immediate response, to set the direction for the next 30 years, and to build back better and build back greener.

The Bank's unique founding principles have guided it through decades of change and remain critical for our future.

We must continue to trust democracy, pluralism and openness as the foundation of prosperity, and believe in the ability of free markets, private capital and entrepreneurship to drive transition and empower our populations.

As the UK looks forward to hosting COP26 in Glasgow in November, our biggest challenge – and opportunity for collective action – is climate change.

I strongly welcome the Climate Ambition Resolution at this year's Meeting and the commitment to align the Bank's operations to the Paris Agreement from the end of 2022.

The Bank must harness its ingenuity to drive a green and resilient future across all countries of operations.

Across climate, Covid, and beyond, the challenges that the Bank must support its members to tackle are significant.

I am confident that the institution has the people, skills and resources it needs to succeed.

As I welcome you to London, albeit virtually, I am glad the EBRD and its excellent staff have called the city home since 1991.

The move to state-of-the-art headquarters in Canary Wharf next year will cement the Bank's international outlook and global character.

In this spirit, the EBRD must remain an institution, which evolves and adapts to the world around it.

Given the scale of development challenges in the region, and the EBRD's experience of stimulating private-sector development, I welcome the ongoing careful consideration of

whether and how the Bank might bring its considerable expertise to work with sub-Saharan Africa in the future.

We clearly have a lot to discuss at this Annual Meeting and beyond.

If we continue to abide by the principles that have shaped the EBRD over the past thirty years, I have every confidence we can drive the green, inclusive and resilient recovery, which all our citizens deserve.

Thank you.

OPENING STATEMENT BY MR PASCHAL DONOHOE, CHAIR OF THE BOARD OF GOVERNORS

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

I am delighted to welcome you all to the Thirtieth Annual Meeting of the European Bank for Reconstruction and Development.

Ireland is extremely proud of its long association with the EBRD. It was in Dublin, at two European Council meetings in early 1990, that the first foundations of the EBRD were negotiated.

And now, thirty years later, I am honoured to be chairing this anniversary Annual Meeting today. As a small, open economy, Ireland supports and promotes private and entrepreneurial initiative. Given our membership of the UN and the EU, and as a founding shareholder of the EBRD, Ireland plays a strong role in fostering the transition towards open market-oriented economies. As such, we are deeply committed to the Bank's founding articles of multiparty democracy, pluralism and market economies.

The impact of the Bank in developing and implementing measures to meet its founding articles in its countries of operations has been significant. Its work, in partnership with governments and businesses in these countries, has transformed the lives of millions of people for the better.

The EBRD has now turned its focus to another transition, which has the potential to impact on millions more lives: the transition to net zero. In this context, the Bank has provided much needed and technically proficient support to sectors such as agribusiness, energy and industry.

I am personally pleased that Ireland's relationship with the EBRD continues to grow, as evidenced by the increasing engagement with *Enterprise Ireland* to encourage Irish businesses to work with governments and businesses in EBRD countries of operations.

The EBRD is a unique institution. It has shown its ingenuity at every stage over three decades, as it has accessed, leveraged and applied public and private capital to facilitate the transformation of economies. This uniqueness and adroitness has been emphasised in the European financial architecture for development.

In this regard, I am pleased that the European Council has agreed that the EU can best deliver its development ambitions in partnership with the international community, with the EBRD having a core role to play. As President of the Eurogroup, and as Finance Minister of a country that has a long-standing commitment to international development, I strongly welcome and strongly support this outcome. The Bank has played a critical role in development and economic reconstruction. It will continue to do so in this area, where a range of challenges remain.

The ability to respond urgently and decisively to a crisis has been the hallmark of the EBRD since its inception. This can be seen from the collapse of the Soviet Union to the Arab Spring; from reacting to the various financial crises we have experienced, to the ongoing Covid pandemic.

Throughout 2020 – and now into 2021 – the Bank has once again proven itself to be a steadfast and trusted partner for its countries of operations, delivering unprecedented and innovative support for all its clients.

All of us should be proud of this success.

The EBRD complemented this exceptional support with a remarkable financial performance, recording a net profit of €290 million for 2020.

Congratulations to you Odile and your teams.

For 2021 and beyond, it will be vital for the Bank to continue to rise to the challenges of the pandemic and its aftermath. As we turn our thoughts to recovery, it will be especially

important for the EBRD to focus its efforts on assisting those countries where economies have been hardest hit, and where the transition gaps remain largest.

Not doing so would risk these countries falling even further behind.

Rebuilding economies is front and centre on every Finance Minister's agenda. At our meeting today, we, as Governors, will be contributing to this important issue through our discussions on how the EBRD can continue to help build back the economies of our recipient countries stronger, better and greener.

I am delighted that we will be considering a Resolution on the EBRD's climate ambition. If we adopt this later, it will ensure that all the Bank's activities are brought in line with the goals of the Paris Agreement by December 2022. It will also see the Bank work to accelerate decarbonisation of the energy sector, and will strengthen EBRD support for the development of low-carbon and climate-resilient futures in our recipient countries.

At today's meeting we will also have the opportunity to consider other important matters that will influence the future activities of the Bank. This includes a decision on a Resolution to give guidance to the EBRD on its work on a possible limited and incremental expansion to sub-Saharan Africa and Iraq. This will ensure that our discussions on this topic at next year's Annual Meeting are well prepared.

I am looking forward to chairing the Plenary Session and hearing Governors' views on these important topics.

For 30 years the EBRD has been leading the way on investing in changing lives. It has forged paths that no others had envisioned.

It has innovated by creating new tools and mechanisms to effect change. And it has shown agility in responding quickly and decisively during volatile economic times.

It is an embodiment of multilateral cooperation, which is now needed more than ever – not only to continue our recovery, but also to turn the adversity of the pandemic into a positive for the future; to bring the IFI community together; and to build back better, greener economies for all our futures.

The EBRD is well equipped to chart this new path, and to show once again the way for others to follow for the next thirty years.

Thank you very much.

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

Chancellor, Your Excellencies, Governors, ladies and gentlemen, colleagues,

Greetings, wherever you are, from the Boardroom at our headquarters in London.

I am so glad to be here at last.

I have barely had the chance to visit since my election last October: we have all been working remotely now for more than a year.

And it is still quiet – and empty – in the office today, just as it has been in so many places of work since the spring of last year.

But I know that, during this pandemic, many of you have been busier – and under more stress and strain – than ever before.

If you work for the EBRD, if you are one of our clients, partners or donors, or if you are part of the wider EBRD world, you can take great pride in what you have achieved over this period.

Given that we have faced the biggest economic crisis in recent decades, this has been a time to make history. And history has been much on our minds lately. I am welcoming you now to the EBRD's thirtieth Annual Meeting and Business Forum. This year, we have been looking back to our birth three decades ago, recognising everything that has made the EBRD so special since:

our strong commitment to supporting transition,

our sharp focus on the private sector,

our unique expertise in policy reform,

and our capacity to deploy quickly this experience to new countries of operations;

and of course, our identity – both European and multilateral – all of which was reflected in the comments of friends on our birthday:

“A true bridge between the European Union and neighbouring countries”

“30 years of excellence”

“Fantastically young”.

We have achieved this reputation through three decades of investing in changing lives – with great success – and by demonstrating that we can do even more in the future.

But as we reflect on our history, this last year has been truly exceptional. Since the pandemic struck, we have seen the EBRD at its very best. This is reflected in our excellent results for 2020. We invested a new record of €11 billion – an increase of 10 per cent.

But what we achieved was about far more than just numbers. We adapted to a rapidly changing world very quickly: we were the first international financial institution to adopt emergency measures to address the economic impact of the pandemic. The way the Bank has

responded to the crisis – energetically and creatively, with new instruments, more investment and more policy support – well, it has been inspiring!

We now need to continue to inspire – and continue to lead.

Relaunching the economy and addressing the scars of the crisis is a huge challenge in all our countries of operations.

And here, we have the advantage of being small enough to be responsive and flexible, but big enough to make a real difference in the countries across the three continents where we work.

And as with our multilateral development bank partners, our perspective combines the ability to react to short-term needs with vision that looks far into the future.

Today I promise that the EBRD will do everything it can to help our countries build a strong recovery from the economic impact of Covid-19.

Our Governors will discuss how to do that this afternoon.

And as the pandemic comes under control, and restrictions on the economy are lifted, we will move from coping with the immediate crisis to planning and investing for the longer term.

This means making our economies greener, more inclusive and more digital. We have many tools to do this already. But we should be prepared to deploy even more. And this means for example: more equity finance; even greater levels of financial support for small and medium-sized enterprises (SMEs); and also advice to SMEs and others on how to become greener.

I am convinced that the climate crisis is the biggest challenge we all face. And it is a particular challenge in our countries of operations. The EBRD has already committed to investing at least half its annual business volume in green projects by 2025. But now we need to be even more ambitious, while supporting the people and businesses adversely affected by the transition.

Our goal is to make the shift towards net zero the main organising principle of the Bank and its activity. That would mean screening all our projects with this principle in mind. It would also mean advising our countries on long-term policies for decarbonisation. In short, it means constantly advancing the cause of climate finance. I look forward to discussing alignment with the Paris Agreement with our Governors later today. Our objective is to be fully aligned by the end of next year.

As I look to the future, I cannot wait for the time when we can travel and meet again in person. Because the time for making history is not over. It never is, of course, as the past year has shown. But I am certain that our Bank – the EBRD – born 30 years ago at another time of momentous change, remains ideally suited to its unique role in the countries where we work, and therefore, in making the history of tomorrow.

STATEMENTS BY GOVERNORS

STATEMENT BY MR TIGRAN AVINYAN, GOVERNOR FOR ARMENIA

I am very delighted to deliver an address, though virtually, at the jubilee Meeting of the EBRD. It is really a great honour and privilege to serve this year in a dual role – sharing the chairmanship of the Board of Governors with honourable colleagues Mr Donohoe and Mr Umurzakov – and to address, on behalf of Armenia, this very important meeting.

My first lines are to praise the EBRD for its 30th anniversary milestone on the incredible path of investing in better transition and a more prosperous future for the region. This institution has witnessed how the region, and hence the world, has been reshaping. Moreover, it has become a responsible shareholder, so that infant democracies and market economies can wisely step into adulthood. Unimaginable efforts have been made so far when looking back at the early years of the institution. Yet there is much more to do in our age of multiple transformations – science and technology, digitalisation and security, economy and the environment, geopolitics and democracy – all full of dichotomies and hard choices, challenges and opportunities.

This Meeting should be seen as extremely unique, because the decisions the Board of Governors makes today will have a landmark impact on the way we collectively think and act towards the transition and transformation of the future. This will ultimately lay the path towards another decade, and an impressive journey of change within the Bank and the region as well. I wish the Presidency of the Bank, and the community of countries and institutions of this amazing family, great success, strength to cope with yet unseen challenges, and wisdom to bring smart consolidation around new ambitions.

In 2020, the Bank approved the highest level of investment – some €11 billion for 411 projects – which constituted a 10 per cent increase compared to the previous year. Similarly, there was an increase in the non-sovereign share of investment to 81 per cent, reaffirming a private-sector and municipal focus, and helping corporates, SMEs and cities to access the funding they needed. During 2020, the Bank proved once again that it meets the challenges of the moment. We witnessed how effectively it launched the Solidarity Package to respond to the impact of Covid-19 and support early recovery.

Over 30 years, we have become more convinced that financing alone cannot bring about the changes that the countries of operations need. Key enablers, such as building knowledge and capacities to engineer and implement reforms and advance structural changes, and creating a better investment climate, have been especially important; and the EBRD has played a very notable role in this regard. Today, the Bank is doing incredible work across three continents to help countries on their path of development.

Armenia has also enjoyed a longstanding and highly effective partnership with the EBRD. Only in 2020, eight projects were operational, with an annual investment of €158 million in energy, infrastructure, financial institutions, industry, commerce and agribusiness – historically the largest operational package in the country. We are keen for deeper cooperation in the private, financial and public sectors during this challenging period to support the country's smart and sustainable recovery.

The EBRD has always made a large contribution to the sound development of the Armenian financial system as well. We believe that our cooperation with the EBRD will deepen, and that the Bank's strategic plans to develop the financial sector and improve access to finance will only expand. We hope the Bank will stand ready to continue working with us towards ensuring the quality of corporate governance in the banking sector, as well as the insurance sector, stock exchange and depository, through equity financing. Capital and money market developments should be another priority area for mutual cooperation.

We also want to stress the importance of the EBRD's current efforts to enter the local derivatives market, bringing valuable expertise here, and encouraging other players to step

into this market as well. We would like to highlight the importance of the EBRD in the context of developing investment crowdfunding in Armenia, as well as engaging skills and expertise to stimulate the private equity fund/venture fund industry. This can be particularly beneficial to financing innovation and promoting research and development.

We have all built together solid transition stories and capabilities for pursuing a committed path to strong democracies, and effective and fair market economies. Meanwhile, new realities require rephrasing goals and reshaping instruments to reach those goals. The Strategic and Capital Framework 2021-2025 is already underpinned by fundamentally crucial areas of engagement. Under the *build back better* paradigm, it envisages reaching out to the countries of operations and clients for a transition to a low-carbon and green recovery, unleashing more potential for inclusive development, and creating a level playing field for addressing unequal opportunities and accelerating digital transformation.

The ambitious goals and targets set out for the Bank within this strategic agenda are to be delivered through high-quality investments and high-quality transition impact. However, post-pandemic circumstances and the behaviour of private-sector actors in a time of prevailing uncertainties may pose serious challenges. I am sure the Bank will be absolutely able to effectively operationalise its strength of always being adaptive, prompt and innovative.

As with the rest of the world, the Covid-19 pandemic and the numerous restrictions imposed by the Government to minimise its spread have caused serious short and medium-term socio-economic vulnerabilities for Armenia. The country closed the year with a 7.4 per cent decline in the GDP growth rate. The volume of external trade declined by over 13 per cent. The Government introduced a critical package of rapid social and economic response measures to address the short-term consequences of the pandemic, as well as other countercyclical demand-side fiscal stimuli. The combined anti-crisis package for 2020 is estimated to be around 4 per cent of GDP. We greatly value the excellent job done by the EBRD to help the Government in its efforts towards tackling the economic and social consequences of Covid-19 and mitigating further risks.

While we are now on the way to entering the path to post-crisis recovery, we are intensely discussing the policy choices to be made in order to build a more competitive and vibrant economy, and an inclusive and sustainable future. The absolute priority for us is to build essential grounds and deploy supportive structural reforms for an innovation-led and climate-friendly green recovery. With this, we will work tightly with development partners to frame the country's green and resilient development agenda. We welcome the key elements and priorities of the EBRD's *build back better* agenda, which are aligned with our national priorities as well. We urge the Bank to continue its efforts, especially in the countries of operations that have been more severely hit by the crisis.

Beyond the consequences of the Covid-19 pandemic, which I believe we will successfully mitigate with joint efforts, there is yet another more serious challenge we all face. The climate crisis is no longer the prerogative of science. It is a pressing policy issue, and it should be a cornerstone around which we need to rebuild behavioural patterns of policies, economy, markets and society as a whole. There is no need for long texts and statistics to showcase how much the climate crisis is a real and critical issue to address urgently. To this end, the EBRD's climate ambition should be in general very much welcomed.

Through setting out three new developments in the vision of its institutional policies – in particular, alignment with the Paris Agreement, accelerated decarbonisation of the energy sector, and support for low-carbon and climate-resilient strategies – the EBRD excellently proves that it is the Bank for transition impact in the region. The climate crisis is essentially the consequence of failures. The ambition of the Bank to put this at the core of its policies, operational packages and investment instruments is a very serious, and at the same time, highly challenging commitment towards making this intention a new economic story for the region.

One thing is clear enough – we are all in the same boat regarding the climate crisis. The crucial element, though, is to understand whether we all also share similar ambitions, goals, capacities and opportunities to exploit necessary actions towards a more resilient, low-carbon and green transition. Armenia takes active steps to be linked to the global agenda and to mobilise society around its climate goals. This approach is not only about the declaration of more ambitious climate goals. It is also about rethinking economic development patterns, as well as accelerating actions towards transition to a more sustainable, resilient, and low-carbon economy, in order to avoid the potentially drastic climate change trajectory. Our goals are demonstrated in the newly adopted 2021 nationally determined contributions.

What is the starting point from which we are moving forward? Greenhouse gas (GHG) emissions per unit of GDP in the period 1990-2017 mainly showed a downward trend: the average annual GDP growth rate would exceed the average annual growth rate of GHG emissions. In 2017, GHG emissions per unit of GDP decreased by 4.7 times compared to 1990, and 1.7 times compared to 2000, which is a real sign of a low-carbon development path. As of 2020, the total installed capacity of power plants using renewable energy sources connected to the electricity system (except for large hydropower plants) has increased almost 18 times compared to 1999. These indicate the application of proper policies and instruments for ensuring the low-carbon route.

As the fourth most vulnerable country to climate change in the Eastern Europe and Central Asia region, Armenia's transition to carbon neutrality (as a country that is not a fossil fuel producer) is at the core of its energy independence, energy security, and green growth. Our vision of resilient and low-carbon growth is linked to our solid and effective adaptation strategy, based on the ecosystem approach, reforestation, attracting investments in renewable energy, and energy efficiency. From this stance, Armenia highlights the importance of well-coordinated international support and the consolidation of multilateral development and financial institutions for the implementation of climate-related policies.

Armenia's new 2021 nationally determined contributions demonstrate an increase in our climate ambition. This is to define that the country's new mitigation goal to be implemented by 2030 is equivalent to a 40 per cent reduction compared to the level of economy-wide greenhouse gas emissions in 1990. It is mainly driven by policy and measures in the energy sector. By 2030, our target is a 15 per cent solar energy share in total energy production, and the total share of zero-emission power generation will be about 54 per cent.

Beyond ambition and good cause, relevant financial instruments and policy mechanisms are of vital importance to ensure a successful path from intention to implementation. Especially with constrained fiscal spaces and vulnerable macroeconomic balances in these current times of crisis, innovative approaches and instruments for green finance mobilisation are crucial. We reiterate our readiness for further cooperation with the EBRD to mobilise at scale climate finance. This should, first of all, be viewed as a long-term, economically efficient, socially fair, environmentally sound and strategically built investment for a more resilient and sustainable future. With an underlined belief in the shared responsibility of the global community to make low-carbon development a behavioural model of the future, Armenia in general welcomes the EBRD's climate ambition.

The agenda of this anniversary plenary is really very rich in its strategically decisive nature. The Bank's intention for a selective geographical expansion to sub-Saharan Africa and Iraq is another crucial topic. It is very important that we all shape a clear understanding of all the possible consequences of it. From this standpoint, doing proper homework is of paramount importance.

Armenia reaffirms its position expressed in previous rounds of discussion on this matter. We believe that, for the period of post-crisis recovery, while the consequences of the crisis are mostly not yet addressed, and while we are entering, in a sense, a new strategic phase for the institution, especially with regards to climate ambition, engagement by the Bank in the countries of current coverage is a preferable strategy. Operational expansion should be

considered when the planning horizon clears up and a thorough analysis of possible risks, opportunities and challenges can be performed.

From this perspective, several crucial questions still require thoroughly analysed answers as a precondition to continue the dialogue. First of all, well-grounded analytical premises should be ensured to understand the institutional consequences of such a possible selective expansion, not only for the Bank, but for the current countries of operations as well. Another, area for judgement should be the possible vectors of cooperation with institutions already operating in the region. Preparatory work should also include consideration of how the possible geographical expansion might reflect on Article 1, as well as proper expectation management when the field work and missions in selected countries are initiated.

Despite all the worries mentioned above regarding the sub-Saharan Africa region, Armenia is clearly supportive on Iraq. In this case, it is vital that the membership process is completed, and the country's political and security situation stabilises.

We truly believe that all the important topics we are discussing at this plenary, which will critically affect the future economic architecture of the region, cannot be effectively assured without strong democracies, stability and peace.

Using this opportunity, I cannot but refer to the humanitarian catastrophe that unfolded in our region in the aftermath of Azerbaijan's aggression against the people of Nagorno-Karabakh last autumn. While the international community was focused on recovery from Covid-19, Azerbaijan not only refused to unconditionally support the United Nations Secretary-General's appeal for a global ceasefire, but also resorted to the use of force with the direct involvement of Turkey and foreign terrorist fighters, resulting in thousands of casualties and tens of thousands of displaced persons.

Throughout its aggression, Azerbaijan deliberately attacked civilian settlements in Nagorno-Karabakh, causing vast damage to its civilian infrastructure, including schools, hospitals, roads, energy, transportation and communication links and facilities, cultural objects and religious sites. Azerbaijan continuously politicises and hinders access for humanitarian relief organisations to Nagorno-Karabakh, prolonging the suffering of the families who have lost their breadwinners, their homes, their livelihoods.

This position, which violates the Trilateral Statement on ceasefire, aims to create unbearable living conditions for the people affected by the war, and thus it should be unequivocally condemned. The international community and institutions, including financial institutions such as the EBRD, should make their engagement with Azerbaijan conditional, urging it to allow humanitarian access to Nagorno-Karabakh. It is important to support the reconstruction of the Nagorno-Karabakh conflict area in a comprehensive manner, which will improve the living conditions and economic resilience of the people of Artsakh.

We are sure, the EBRD will continue to tackle deep-rooted challenges, leverage new opportunities in the transition to a green, low-carbon economy, accelerate the digital transition, and strengthen economic governance. Through its work, the Bank helps to safeguard what has been achieved so far in building sustainable, fair and open market economies.

Armenia remains committed to the founding principles of this institution. We will ensure that the current challenges will not take us off the predetermined course of democracy and shared prosperity, and we look forward to more fruitful cooperation and joint achievements.

To conclude, I would like to convey my sincere appreciation to the EBRD President, Mme Odile Renaud-Basso, the Secretary General, Mr Enzo Quattrocioche, and the management team for their efforts in arranging the virtual Annual Meeting at such volatile times. I would also like to express sincere gratitude to our constituency for an accomplished year and always being an excellent team.

The EBRD is and will remain a very important partner for Armenia.

STATEMENT BY MR PHILIP LINDSAY, TEMPORARY ALTERNATE GOVERNOR FOR AUSTRALIA

It is my pleasure to make this statement at the Thirtieth Annual Meeting of the EBRD.

Thank you to the Government of Armenia for offering to host this year's Annual Meeting, which unfortunately could not proceed due to the Covid-19 pandemic. We look forward to meeting in person in Yerevan at the 2024 Annual Meeting. To the Government of the United Kingdom, thank you for acting as host for this year's Annual Meeting, which will be the Bank's second virtual Annual Meeting.

I would also like to thank the members of our constituency – the Republic of Korea, Egypt and New Zealand – for their cooperation and support over the past year.

Australia acknowledges the leadership of the President of the EBRD, Odile Renaud-Basso, during a critical period for the EBRD's countries of operations, as they stabilise the health impacts from Covid-19 and start to rebuild their economies.

The subsequent waves of Covid-19 infection in many parts of the world show that the pandemic is not over and that the EBRD's support is still greatly needed. Australia commends the EBRD's €21 billion assistance package over 2020 and 2021, which is delivering significant and timely support to counter the impacts of Covid-19. Despite extremely challenging conditions, the Bank's operational performance in 2020 was commendable, illustrated by growth in members' equity of €176 million. Coupled with its significant capital stock, the Bank is well positioned at this time of uncertainty and subsequent waves of infection to continue to support its countries of operations, particularly those that are most vulnerable. Australia encourages the Bank to remain innovative and continue to look for additional ways to deliver support to countries of operations over the next year.

Australia endorses the commitment to preserve and accelerate transition as countries seek to build back better from the pandemic, while recognising the impact that Covid-19 has had on graduation trajectories and the need to return. We recognise that graduation from the Bank's operations is a decision for a country itself to make, and welcome the current deliberations about enhancements to the Post-graduation Operational Approach. A clear pathway to graduation and re-engagement with the Bank as countries of operations move towards open market-oriented economies is likely to have a greater transition impact. At the appropriate time, it is important for countries to transition to market-based economies that can deliver positive development outcomes.

Australia also welcomes the EBRD's preparatory work on its possible expansion to sub-Saharan Africa and Iraq. It is essential that the Bank maintains its level of support for existing countries of operations, and that any new work is complementary to, and coordinated with, that of other institutions in these regions. As the Bank has identified, a limited and incremental expansion to sub-Saharan Africa should also avoid additional capital contributions and compromising the EBRD's AAA credit rating, which enables the EBRD to do more for its countries of operations.

Australia encourages the Bank to incorporate the principle of mutual obligation into consideration of the establishment of any new countries of operations, including as part of the potential expansion to sub-Saharan Africa and Iraq. EBRD membership should be granted to countries that are committed to implementing multiparty democracy, pluralism and market economics, as well as the rule of law and respect for human rights, because the Bank's operations should reflect its values. Countries that uphold these principles are more likely to efficiently allocate resources that contribute to economic growth.

As countries continue to recover from the pandemic, Australia sees a key role for all multilateral development banks to mobilise private-sector and institutional finance so as to support development and address infrastructure gaps. The EBRD is already a leader amongst multilateral development banks in this area, and we encourage it to continue to be innovative in co-financing with the private sector. This will be particularly important in helping countries

of operations to meet the Sustainable Development Goals as their people and economies continue to recover from Covid-19. There is also the opportunity for a green recovery from Covid-19, which the EBRD will support through its commitment to increase green financing to more than 50 per cent of its annual business volume by 2025.

To close, I would like to congratulate the EBRD on the support it has provided and continues to provide to its countries of operations through all stages of the pandemic. Austria is confident that, with the EBRD's assistance, its regions of operations will not only recover, but build back better than before.

STATEMENT BY MR HARALD WAIGLEIN, TEMPORARY ALTERNATE GOVERNOR FOR AUSTRIA

Let me start by thanking our new President, Odile Renaud-Basso, for the invitation to the EBRD's Annual Meeting. Austria is convinced that, under your leadership, the Bank is in the best hands, and we look forward to continue working with you. While we regret not being able to meet in person this year for the second time, we commend the EBRD for the organisation of its second virtual Annual Meeting. We would like to express our gratitude and compliments to all involved in making this happen. Hopefully, progress in vaccinations among all EBRD Members will make a physical meeting in Morocco in 2022 possible, as I very much look forward to seeing you all in person again.

I would also like to take the opportunity to thank President Renaud-Basso for navigating the EBRD through the past eight months, having taken over the Presidency in the midst of the second wave of the Covid-19 pandemic. From the Bank's continued and effective response to the pandemic, it is already evident that you have shown sensible judgement concerning the EBRD's operations and finances, and its staff and their wellbeing. We would also like to extend our warm welcome to Ms Véronique Salze-Lozac'h, who joined the Bank as the new Chief Evaluator, and whose expertise will certainly serve the Bank during the current period of uncertainty and crisis.

Austria commends the EBRD in particular for being the first multilateral development bank to approve a Covid-19 crisis response package, providing early and well-targeted emergency liquidity and finance to mitigate the crisis through multiple channels. Similarly, the fact that the Bank was able to retain a net profit of €0.3 billion in 2020 while keeping its AAA rating under such extremely challenging economic and financial circumstances is a major achievement. Following the successful implementation of its Solidarity Package in 2020, the Bank has provided much needed support for clients in distress, thereby cushioning the manifold negative consequences that Covid-19 had on the Bank's countries of operations. Austria welcomes the EBRD's role as such a countercyclical force for stability. Moreover, we appreciate that in 2020, the EBRD approved its highest ever level of investment – €11 billion – and that it concluded 411 projects with a private-sector share of 72 per cent. Austria especially applauds the particular attention paid to SMEs and women, groups that were disproportionately affected by the crisis. Austria stands by the EBRD in promoting equality of opportunity, especially in recognition of the social and economic consequences of Covid-19 affecting women unevenly and threatening to set back progress towards greater equality.

While we appreciate the otherwise highly vigorous response to the economic and health crisis, Austria notes that the share of activities contributing to a Green Economy Transition (GET) fell to a mere 29 per cent in 2020. The fact that the economies in which the EBRD operates remain among the most energy and carbon intensive in the world continues to be a challenge, and Austria recognises the difficulty in identifying green finance projects during a period of economic hardship. However, we strongly encourage the Bank to undertake all efforts not only to increase the share of GET projects but also to decrease finance for projects that expand the volume or extend the lifetime of carbon-intensive fossil-fuel projects, in order to become the truly green transition bank it aims to be.

Consequently, Austria supports the Resolution on climate ambition and the Bank's commitment to full alignment with the goals of the Paris Agreement by 31 December 2022 through the introduction of a credible and science-based climate methodology, especially with regard to fossil fuels. Austria also encourages further climate action to ensure the timely and effective operationalisation of the EBRD's climate objectives as defined in the Strategic and Capital Framework 2021-2025. In this context, it will be especially vital for the Bank to step up policy dialogue and support for nationally determined contributions, Long-term Strategies and sector-specific low-carbon pathways in its countries of operations. We also encourage the Bank to align its methodology to relevant EU standards where reasonable, and to deepen the dialogue with other multilateral development banks in order to harmonise the methodology among them.

Our common aim to achieve both the Sustainable Development Goals and the goals of the Paris Agreement will require bringing large volumes of private-sector finance to the fore; and among the multilateral development banks, Austria regards the EBRD, as one of the private-sector-focused banks, to be instrumental for this important objective. A highlight in the EBRD's work hereto regarding is the Green Cities Programme. We are proudly supporting the EBRD as a donor in this programme, which allows the Bank to leverage its considerable strength in municipal finance to help create the cities of the future.

This crisis can and should also be an opportunity: an opportunity for high-quality recovery that puts a strong emphasis on the low-carbon transition, the digital transition and addressing inequality of opportunity, keeping in mind country-specific situations. Therefore, Austria welcomes the opportunity during this year's plenary and beyond to discuss ways to foster a strong recovery and resilience towards future crises in the Bank's countries of operations.

When it comes to the Bank's future operations, I would also like to stress that Austria supports the Resolution on granting the EBRD the mandate to assess a limited and incremental expansion of EBRD operations into sub-Saharan Africa and Iraq. This assessment should take place through a sequenced approach via the preparation of a status report to be discussed at the 2022 Annual Meeting. In principle, Austria supports the notion that, in the right circumstances, the EBRD's private-sector focus, locally based business model, and policy and investment offering might add value to countries in sub-Saharan Africa and Iraq, and complement the work of other development actors. However, we would like to underline that any expansion should not impair EBRD support to existing countries, compromise the Bank's AAA rating, or lead to a capital increase. For example, we have seen that the current crisis has prompted the Czech Republic, a country that had already graduated from being an EBRD recipient country, to ask for re-engagement and reactivation of activities. This shows how severe crises can change the capital needs among the current membership; it needs to be taken into consideration when assessing any form of expansion. Further, an expansion can only be successful if it is closely coordinated with and complementary to other multilateral development banks, development finance institutions and the European Union in order to avoid overlapping. In that sense, future Governors' decisions should not be pre-empted by the preparatory work undertaken.

When it comes to the European financial architecture for development, Austria welcomes the decision to maintain the status quo while at the same time reinforcing complementarities and additionality, and fostering cooperation and coordination among European development finance actors. Austria invites the Bank to continue to play to its strengths, such as its private-sector focus, its strong presence on the ground and its international shareholder base, thereby occupying a unique position within the European and global financial architecture.

Speaking of international membership, we would also like to mention that we welcome the fact that Iraq and the United Arab Emirates have taken the first steps to become Members of the EBRD, and we are looking forward to fruitful collaboration in the future.

I would like to close by thanking management, the Bank and its entire staff for their dedication and excellent work this past year under such challenging circumstances. The

strong performance validates our confidence in the Bank, which is well placed to strive in the years ahead and be a main driver for a green, digital and inclusive recovery in its member countries. We look forward to close collaboration in years to come.

STATEMENT BY MR MIKAYIL JABBAROV, GOVERNOR FOR AZERBAIJAN

I would like to sincerely thank the EBRD for the organisation of the virtual Thirtieth Annual Meeting of the Board of Governors of the Bank.

Let me take this opportunity to congratulate the EBRD on its 30th anniversary and call your attention to another anniversary later this year. The Republic of Azerbaijan is marking 30 years since the country gained its independence after the collapse of the Soviet Union. Our success in transition towards a market economy is also the EBRD's success, as we have had a strong and lasting partnership over 29 years. The EBRD has so far invested €3.1 billion through 177 projects in the country. The value of the current portfolio of projects supported by the EBRD in Azerbaijan is more than €1.15 billion.

In Azerbaijan, the EBRD helps small and medium-sized businesses grow and succeed through its network of experts. It provides business advice to local SMEs and has helped more than 1,000 firms to improve their performance and growth. Furthermore, we are currently exploring the prospects of cooperation for the development of trade, SMEs and state-owned enterprises. We believe that the Memorandum of Understanding, soon to be signed, on cooperation between the Entrepreneurship Development Fund under the Ministry of Economy and the EBRD attests to our mutual intent and commitment towards reinforcing our collaboration.

We live in challenging times. Over the last year and a half, we have witnessed how the pandemic has affected our societies, our economies. The introduction of vaccines is the seeming light at the end of the Covid-19 tunnel, but the extent of the crisis and its implications are likely to be long term. In this regard, the key to economic recovery and building back better is multilateral cooperation and global solidarity.

The Government of Azerbaijan promptly took coordinated and effective measures to mitigate the negative impact of Covid-19 and maintain socioeconomic stability.

In comparison to the same period in 2020, during January-May 2021, real GDP grew by 0.8 per cent and GDP per capita grew by 0.3 per cent. The value added in the oil and gas sectors in January-May 2021 decreased by 6.7 per cent. In the non-oil and gas sector, this number increased by 4.5 per cent.

The Government issued an action plan to minimise the impact of the pandemic, strengthen social protection of the population, protect human health and vulnerable sections of society, and provide financial support to affected entrepreneurs and employees. The Government also established a task force consisting of senior officials from the relevant state authorities to coordinate measures to prevent the spread of coronavirus. In order to facilitate a rapid response during the pandemic, one permanent and 13 modular hospitals were built within a short period of time, and local production of face masks, disposable protective clothing, disinfectants, sanitisers etc. was launched swiftly. Furthermore, the dedicated Coronavirus Response Fund was set up in order to provide financial assistance to the country's response. Around US\$ 12 million were allocated to the Fund from the President's Contingency Fund.

The Government launched a relief package worth over US\$ 2 billion, and businesses affected by the pandemic benefited from significant tax incentives and tax holidays. Other business support measures included granting state loan guarantees to entrepreneurs operating in the sectors affected by the pandemic, subsidisation of loan interest rates, and ensuring better access to finance by allocating additional funding to the Entrepreneurship Development Fund. The support programme is not only an anti-crisis measure, but also a programme of economic expansion, credit expansion and stimulation of aggregate demand. This wide-ranging support package adopted by the Government serves sustainable development goals, including the

preservation of social balance and economic development in the post-pandemic period. Furthermore, we provided direct financial support to individual entrepreneurs and implemented: temporary exemptions from taxes, insurance and customs payments; partial payment of salaries to employees; financial support to essential passenger transportation systems; state guarantees and subsidised interest rates on bank loans to businesses; subsidised interest rates on existing bank loans without state guarantees; salary increases for medical staff, and state support measures and the promotion of private investments in the areas identified as the main priorities of the State's economic policy in the medium term. As a result of these measures, the number of daily cases has decreased and the quarantine regime has been gradually softened.

Azerbaijan has reaffirmed its global solidarity by making a voluntary financial contribution of US\$ 10 million to the World Health Organization, and has provided humanitarian assistance to more than 30 countries.

Our country started a vaccination campaign at the beginning of this year. We have already used 2.25 million doses of vaccine, and over one million people (10.4 per cent of the population) have been fully vaccinated. In all, 99.94 per cent of those two million vaccine doses are Sinovac and the rest are AstraZeneca, Pfizer and Sputnik. Vaccination for citizens over the age of 18 is on a voluntary basis and vaccinated people are entitled to Covid-19 passports.

Also, I would like to highlight the invaluable support and assistance provided by many multilateral development banks, including the EBRD, in designing measures to cope with the immediate disruption of the coronavirus crisis. The EBRD continued to be a strong and reliable partner to countries. The Bank helped its Members not only to protect the economy, but also to promote further development through building back better, ensuring greener economies, improving essential infrastructure, supporting small businesses and providing advisory services. It is worth mentioning that the Bank was the first international financial institution to approve a comprehensive series of response and recovery measures included in the Solidarity Package, and now the Bank is involved in preparation for the post-pandemic era.

Azerbaijan has already prioritised its post-pandemic future. At the beginning of this year, the President of the Republic of Azerbaijan approved the National Priorities for Socioeconomic Development for our country over the next decade. This document sets out five national priorities to be achieved in the next ten years. The priorities mentioned below are of the utmost importance for achieving a sustainable, resilient recovery and long-term growth after the Covid-19 pandemic, and they have mapped the country's development vector for the subsequent decade. The priorities are in line with the goals and priorities set in the EBRD's Strategic and Capital Framework 2021-2025, which creates the potential for new areas of cooperation between the EBRD and Azerbaijan. Those priorities are:

- 1. A steadily growing competitive economy;**
- 2. A dynamic, inclusive society based on social justice;**
- 3. Areas of modern innovation and competitive human capital;**
- 4. The great return to the territories liberated from occupation.**

As you know, last year Azerbaijan put an end to the nearly 30-year occupation of almost 20 per cent of its territories by Armenia. We finally managed to sign an agreement, which stipulates the unconditional withdrawal of Armenian troops from the occupied territories and the return of all internally displaced persons to the Karabakh region of Azerbaijan. Nevertheless, revanchist rhetoric against Azerbaijan in Armenia is a matter of serious concern. Unfortunately, amid signing this agreement, Armenia tried to violate the ceasefire several times. We have also spotted members of an Armenian reconnaissance-sabotage group that infiltrated into Azerbaijan's territories to plant mines. Azerbaijan has obtained maps showing the location of 97,000 mines in Agdam alone. Many Azerbaijanis, including

civilians, and just recently two journalists, have died as a result of mine explosions in the liberated areas. We also have to stress that Protocol II of the Convention on Certain Conventional Weapons, which is an annex to the Geneva Conventions, prohibits the use of landmines, booby-traps and other explosive devices. Breaking these rules is considered a war crime under the Geneva Conventions. Using mines to cause unnecessary suffering or superfluous injury is illegal; directing these weapons against civilians or civilian objects is also illegitimate, as is using these weapons indiscriminately. At a critical juncture of new openings for the entire region, it is of vital importance to finally realise that repeating the mistakes of the past leaves no chance of a different outcome. Building a peaceful and prosperous future is simply impossible if done at the expense of the legitimate rights of others and by attacking their borders, either verbally or physically.

Now, as a result of the liberation of the occupied territories and in line with new realities, we have to ensure a sustainable resettlement and reintegration of the region into the national economy to further develop the region to the level it was at before the occupation. It will not only be the beginning of a new era for the economy of Azerbaijan, but will also open new cooperation opportunities for the countries of the region and our partners. This is especially true with respect to cooperation in the field of transit, transportation and logistics. The new transport corridor that will link the Azerbaijani regions of Lachin, Zangilan and Qubadli located in Eastern Zangezur to Nakhchivan via the territory of Armenia opens new prospects for the region. Lapis Lazuli, East-West and South-West are corridors, which are common for all or many of us, and all this will be enhanced by newly created opportunities.

So our main objective now is rebuilding the big area of more than 10,000 km² in the liberated territories. We have already started large-scale restoration processes, including activities designed to create a favourable business environment, generate wide opportunities for the mining industry, organise industrial projects related to the recovery process, and form trade, service and logistics hubs enriched with transport and transit perspectives. The liberated territories have been declared a green energy zone with plans to use mostly renewable sources of energy, “smart city and smart village” concepts, and circular economy principles. As you can see, the amount of work that has to be carried out is enormous, and this is where huge involvement from our partners is widely welcomed. With that said, we are happy to invite the EBRD to get actively involved in this process.

1. A clean environment and a country of green growth:

We aim to achieve a high-quality ecological environment and spaces for green energy in the liberated areas. This is in line with the EBRD’s goals because, as we know, the EBRD is currently actively working in this field, and has presented three new developments in the Bank’s ambition:

- Alignment with the goals of the Paris Agreement;
- Accelerated decarbonisation of the energy sector; and
- Support for low-carbon and climate-resilient strategies.

In 2016, Azerbaijan ratified the Paris Agreement and voluntarily took on the obligation to achieve a 35 per cent reduction in greenhouse gas emissions by 2030 (compared to the base year, 1990) as its contribution to global climate change mitigation efforts. Moreover, we have also engaged international consulting companies in order to increase the share of renewable energy sources in the country's total electricity capacity to 30 per cent by 2030. Last year, Azerbaijan’s second-largest city, Ganja, joined the EBRD Green Cities initiative. The Bank will help the city to develop a Green City Action Plan to address urban environmental challenges and increase the quality of life of its residents through city infrastructure improvements. Just recently we signed an implementation agreement with BP on cooperation in the evaluation and implementation of a project to build a 240MW solar power plant in the Zangilan/Jabrayil region of Azerbaijan. That will establish a green energy zone in the liberated territories and stems from the strategic decision to develop the renewable energy

sector in Azerbaijan. We have also signed a Memorandum of Understanding with the IFC about cooperation on offshore wind development in Azerbaijan. These are just part of our ambitions, and on the way to further fulfilling them, we would like to reaffirm our intention to actively cooperate with the EBRD.

The priorities mentioned here are of the utmost importance for achieving a sustainable, resilient recovery and long-term growth after the Covid-19 pandemic. They have mapped the country's development vector for the subsequent decade, and are in line with the goals and priorities set by the EBRD's Strategic and Capital Framework 2021-2025, which creates the potential for new areas of cooperation between the EBRD and Azerbaijan.

In order to build back better, we have to remember that bilateral and multilateral cooperation are key, especially during these difficult times.

I would like to express our deep gratitude to the EBRD for long-standing and sustainable support to the development agenda of Azerbaijan.

STATEMENT BY MR DMITRY YAROSHEVICH, ALTERNATE GOVERNOR FOR BELARUS

First of all, allow me to congratulate the Bank on its 30th anniversary and to acknowledge its invaluable contribution to the well-being and economic growth of the region.

The anniversary is a good opportunity to recall and recognise the work executed by the Bank. Throughout our cooperation, the EBRD has carried out 143 projects in Belarus, 70 of which are still in progress.

Every project is vital for our country because it makes a significant contribution to the welfare of Belarus and its citizens, which is our primary goal.

The Covid-19 pandemic has revealed serious shortcomings in addressing health emergencies worldwide, and has threatened to derail progress towards basic development goals. Many countries, including the Republic of Belarus, were faced with unforeseen costs to preserve people's lives, and were forced to cut their own (domestic) budget investments, including those designed to further develop healthcare systems, education and other priority areas for the sustainable development of society. As a result, the need for external investments in infrastructure projects is growing and additional sources of funding must be sought.

The Government of the Republic of Belarus is making every effort to combat Coronavirus and minimise the negative impact of the pandemic on the socioeconomic development of the country, giving an unconditional priority to protecting the health and lives of its people, and strengthening the sustainability of the healthcare system.

The measures taken make it possible to control the situation with regard to the incidence of the Covid-19 virus. The healthcare system ensures the availability of quality outpatient and inpatient treatment.

At the same time, we are working to improve the efficiency of the national economy and taking measures to: maximise the mobilisation of internal resources and sources of economic growth; improve the institutional environment; and consolidate the efforts of the State, business and citizens in order to build an economy of new opportunities based on the principles of equality, initiative and partnership.

However, in order to achieve these plans at such a difficult time, there is a growing need for a multilateral response and significant support from the international community to ensure a full recovery. International financial institutions certainly play a decisive role.

The EBRD-approved Solidarity Package is undoubtedly of particular importance for countries including Belarus and, in our opinion, makes a significant contribution to minimising the negative impact of the pandemic and to a sustainable economic recovery.

We are grateful for the EBRD's help provided to our private sector during this tough period of time. €220 million of support to Belarusian recipients made it possible for even vulnerable businesses to stand ground.

It goes without saying that the support of SMEs gives an impetus to economic growth. We highly appreciate the EBRD's helping hand in stimulating economic activity in the financial sector with a strong focus on the private sector, which holds 63 per cent of the total share portfolio.

The EBRD's projects in the private sector involve investments in production that provide jobs to thousands of people in Belarus. Furthermore, they shape an opportunity for the private sector to move onward and upward. Partnership with Belarusian financial institutions means SMEs are also being supported, which is of great importance during today's crises.

Due to the perceived lack of international liquidity, it is of particular importance for us at this stage to expand channels that support the real economy through the existing financial institutions of the country. In this regard, we consider the increase of EBRD credit lines to Belarusian banks for subsequent lending into the real economy, in particular small and medium-sized businesses, to be crucial.

We are deeply concerned about the public-sector financing situation in Belarus. The seven projects being carried out in the public sector with the financial support of the EBRD are pivotal for the well-being of our citizens. Bringing these projects to life means the proper accomplishment of one of the main aims of EBRD work in Belarus, which is sustainable development.

Implementation of the projects is set to supply people with safe water, decrease illnesses caused by water and sanitation, exclude groundwater pollution, and reduce CO₂ emissions.

It is essential for us not only to finish the ongoing projects on which people's hopes are already pinned, but also to continue our work towards new infrastructure projects.

Collaboration in the field of infrastructure is the key to assuring a decent life for the entire country. For Belarus, it is of considerable interest to continue mutually beneficial cooperation with the EBRD on the implementation of projects in the municipal infrastructure sector, including considering the potential for attracting the credit resources of the Bank in the form of sub-sovereign loans to the cities of Belarus.

As a shareholder of the Bank, Belarus holds the same position concerning environmental sustainability and the transition to a green economy. We are pleased to see the intention to make the world greener by focusing on the climate agenda and fossil fuel sector issues. These aspects give us further proof of the Bank's ability to shift its focal points towards what is of primary importance today.

It goes without saying that it is of great importance for Belarus to maintain the mode of operations developed during these past years with EBRD.

The EBRD for Belarus is a reliable and impartial international partner with decades of working experience in the country. The Bank's support for Belarusian citizens has an appreciated value and a beneficial effect on developing a positive, coherent and consensus-based international agenda within the country.

Belarus is open for a constructive dialogue with the EBRD on all issues of long-term cooperation without exception.

The value of the EBRD for Belarus lies in the fact that its work is aimed primarily at the well-being of every citizen of Belarus.

The EBRD's work has a positive influence on all spheres of our people's lives. It resonates not only in the economic development of the country, but also in its social order.

When such significant matters are involved, there should be no place for hasty judgments and rushed decisions. An impartial and comprehensive assessment of all the effects of imposing any restrictive decision is what we need during this challenging time.

Actual cooperation allows the landmarks for further development to form, taking into account universal human values.

To sum it all up, may I take this opportunity to express our gratitude and respect to the Board of Governors and to the management of the Bank for their efforts. The Bank can be proud of its contribution to the success and economic growth of our region.

STATEMENT BY MR RONALD DE SWERT, TEMPORARY ALTERNATE GOVERNOR FOR BELGIUM

I would first and foremost like to thank the EBRD for the impressive operational results achieved in 2020 amid extremely testing circumstances; and also for the resilience displayed by the Bank's staff, without whom none of this would have been possible.

The Bank's rapid assistance to our existing clients, which took multiple forms, allowed it to act as a stabilising agent.

The actions of the EBRD since March last year, were mostly – but not exclusively – about preserving transition and preventing transition reversals in many sectors and countries of operations.

We have however continued to see, on some occasions, genuine and sizable FDIs coming into our region of operations, where the Bank has been instrumental at accompanying investors.

As we enter a new stage of the crisis, building back better is a suitable theme for this roundtable. It is also a good opportunity to reaffirm our top priorities. Supporting the transition to a low-carbon economy, addressing inequalities, and accelerating digital transition are indeed overarching priorities which remain as relevant today as they were before the crisis.

Today, the key question is how to operationalise those priorities.

I would like to make three points when trying to define “building back better” in the context of the EBRD.

The first one is to make sure the Bank's green commitments do not fall victim to the crisis. Last year was an illustration of a temporary but meaningful drawback of our green road map, when our Green Economy Transition ratio fell below 30 per cent of our Annual Business Investment. It is important that 2020 remains a one-off in the light of the Bank's overarching priorities, reaffirmed at this Annual Meeting, and in conjunction with the Bank's alignment with the Paris Agreement.

The second one relates to the increased share of public and sovereign investment, which comes as a result of the crisis. This should not be taken as a given in the long run, particularly taking into account the EBRD's specific mandate. I therefore call on the Bank to increase its selectivity in its sovereign action, and to reaffirm its absolute priority is the private sector.

Thirdly, I would urge the Bank to place risk capital provision at the centre of its priorities after years of relative decline, and given the dire needs in that area in our regions of operation.

Numerous new operational risks and constraints are still weighing on the Bank as a consequence of the Covid-19 crisis. Travel restrictions unfortunately also disproportionately impact our pipeline with new clients.

I hope that this and next year will allow the Bank to progressively go back to its primary function and depart from emergency instruments. This is how I would summarise the EBRD's path to building back better.

STATEMENT BY MR ASSEN VASSILEV, GOVERNOR FOR BULGARIA

This year's Meeting marks the thirtieth anniversary of the establishment of the EBRD as one of the first manifestations of the common will to bring prosperity and unity to Europe and beyond through democracy and market-based economy. At the same time, the anniversary provides an opportunity to review the new challenges and to set concrete objectives towards preserving transition gains and supporting economies in which the Bank operates towards achieving a sustainable post-pandemic recovery.

During the period under review, all EBRD regions of operations faced extreme economic and social turbulence. The EBRD has reacted swiftly and in a well-targeted manner to the unprecedented social and financial challenges of the Covid-19 pandemic through its Solidarity Package. We welcome the investment of up to €21 billion, which is anticipated to be channelled to countries of operations by the end of 2021, and the record €11 billion invested in 2020. The combination of more effective implementation of existing initiatives and the creation of new targeted crisis response facilities, like the Resilience Framework and the Vital Infrastructure Support Programme, have contributed to the amelioration of economies in the region.

Despite the unprecedented global environment, the EBRD remained strong, sustainably managed and dedicated to the expectations of its shareholders and clients. In 2020, the EBRD maintained good operational and financial results, as reflected in its annual reports, with record investment levels, healthy profitability and strong transition impact in the countries of operations. We welcome the sustainable financial position of the EBRD, which will allow the Bank to support annual investment flows of up to €13 billion in support of building stronger economies in its countries of operations. Against the background of extraordinary economic and financial challenges, these results attest to the high professional standards of the management and staff. In this regard, I would like to extend our gratitude to President Renaud-Basso for providing strong leadership in these uncertain times.

As the world is slowly recovering from the crisis, it is of the utmost importance that we ensure this recovery is based on a smart and sustainable transition. The Covid pandemic emphasised the importance of investing in innovative technologies and the undoubted value of a rapid digital transformation in the public and the private sector. We are confident that digital transformation has considerable potential for increasing competitiveness, effectivity and job creation, and we fully support the Bank in pursuing digital ambition and fostering technological innovation for the sake of delivering higher quality impact.

The greatest challenge of the post-crisis recovery, however, remains the achievement of climate and environmental sustainability. Accelerating decarbonisation is a pressing challenge, but also an opportunity for the EBRD's countries of operations. We appreciate that, with the Strategic and Capital Framework 2021-2025, the Bank embarked on a greater ambition to transform recovery into a more competitive, resilient, inclusive and green transition, and we commend the Bank for its efforts to use this moment as an opportunity to tilt investments and economic activities onto a durably sustainable trajectory. Mass investment in green and innovative technologies will be needed, as will a restructuring of current economic systems in order to avoid exacerbating existing inequalities between regions and to pave the way for a just transition. In view of this, we encourage the Bank to work towards mobilising financial resources to achieve sustainable transformation, while at the same time addressing regional vulnerabilities and sectoral developments in its countries of operations.

We value the support brought by the Bank to Bulgaria in 2020, through loans, technical assistance and expertise in the preparation and execution of projects, or as part of standalone initiatives. Going forward, as the Bulgarian economy recovers and resumes more robust growth, the EBRD's financial resources and expertise could become a catalyst for attracting more investment. We believe that the EBRD will continue to be a trusted partner in the path

towards sustainable and innovative development, as well as an experienced advisor on the regulatory reforms that go hand in hand with such investments.

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

STATEMENT BY MS CHRYSTIA FREELAND, GOVERNOR FOR CANADA

It is an unfortunate and inevitable fact that the ongoing economic crisis resulting from the Covid-19 pandemic has compromised progress on the Sustainable Development Goals while exacerbating pre-existing global inequalities.

Canada accordingly commends the EBRD's swift and effective response to date, through its Solidarity Package, which is providing much needed liquidity support and advisory services to businesses, as well as policy advice to help the Bank's countries of operations mitigate the devastating economic impacts of the pandemic.

As the crisis is not over, crisis response measures are still needed. Moreover, the Covid-19 pandemic has exposed social and economic vulnerabilities disproportionately impacting women, youth, racialised people, and other vulnerable groups, further reinforcing the need for an inclusive recovery.

We therefore encourage the EBRD to continue prioritising investments in countries within its existing scope of operations, focusing on areas with the greatest need and where the Bank can achieve the greatest positive impact. We also encourage the EBRD to seek complementarity and compatibility with other multilateral development banks in order to maximise their collective development impact during these difficult times. The EBRD, in coordination with other such banks operating as a system, will play an important role in building back better.

While the impact of the pandemic has been severe, the Covid-19 crisis has created a window of opportunity to build more sustainable, inclusive and resilient economies. The EBRD's strategic priorities in support of green transition, equality of opportunity and digital transformation position the Bank as an effective development partner, helping its countries of operations tackle the most pressing challenges of our time. On the Bank's 30th anniversary, Canada commends the EBRD's unwavering commitment to the founding principles of multiparty democracy, the rule of law and respect for human rights.

The world's ability to avoid catastrophic climate change hinges on a rapid and just transition to climate resilient, efficient, low-carbon energy systems. We therefore applaud the EBRD for its strong climate ambitions and leadership in committing to fully align its operations to the goals of the Paris Agreement by December 2022. Recognising the enormous challenge of transitioning to low-carbon and climate-resilient economies, we welcome the Bank's commitment to support the adoption and implementation of robust nationally determined contributions, Long-term Strategies and low-carbon pathways. Canada supports the EBRD's continued efforts to scale up climate finance to address both climate change mitigation and adaptation priorities. We would also encourage the Bank to do more to tackle biodiversity loss. Biodiversity underpins human health, well-being and economic growth, and global biodiversity loss has reached critical levels. Urgent and transformational actions on climate change and biodiversity are required to ensure a successful recovery and a healthy, sustainable future.

Canada strongly supports the EBRD's continued work to reduce inequality, including its efforts to increase women's access to finance and entrepreneurship, employment and skills development opportunities. As the EBRD develops a new strategy for the promotion of gender equality for the next five years, we encourage the consideration of transformative approaches to the care economy, including ways to rebalance care needs and tackle gender stereotypes. We welcome the Bank's focus on voice and agency, with its aim of encouraging women's participation in decision-making processes. We also urge the Bank to continue its efforts to mainstream gender equality into all EBRD operations.

The transition to a digital economy, which has been accelerated by the pandemic, presents both significant opportunities and challenges. The Covid-19 pandemic has highlighted the vital role of digital connectivity in building more resilient economies, and has exposed the threat of worsening inequality resulting from persistent digital divides. As the EBRD develops a comprehensive approach to supporting the digital transition, we encourage the Bank to invest in activities that will enable everyone to benefit from the digital economy, help bridge digital divides, mitigate adverse effects, and build resilience.

On behalf of Canada, I would like to congratulate President Odile Renaud-Basso and the Bank's management for making the safety and well-being of staff and their families a priority. I would also like to express my sincere gratitude to the Bank's staff for their exceptional efforts in providing support to EBRD countries of operations while preserving the financial health of the Bank. This last year has been a testament to the EBRD's resilience and effectiveness. Canada strongly values its relationship and partnership with the EBRD.

STATEMENT BY MR BO LI, TEMPORARY ALTERNATE GOVERNOR FOR CHINA

It is a great pleasure to join the 2021 Annual Meeting of the EBRD. I believe the meeting will better shape our joint response to Covid-19, and bolster the confidence of the regional and international communities. I would like to take this opportunity to extend my sincere thanks to EBRD colleagues for your hard work and considerate arrangement of this meeting.

In 2020, the sudden outbreak of Covid-19 took a heavy toll on the global economy. Many economies, especially emerging market and developing economies, encountered enormous difficulty, and were increasingly vulnerable to structural challenges. As always, the EBRD rose to the occasion with an expeditious and timely provision of financial support. Such support has been particularly helpful to infrastructure development and SME bailouts, and has paved the way for the economic recovery and industrial transition of countries of operations, playing a positive role in Members' responses to internal and external difficulties. Over the year, the EBRD has reached out to more countries, and gained greater influence in the region.

The year 2021 marks the EBRD's 30th anniversary and the 5th anniversary of China's Membership. Since China officially joined the EBRD in 2016, our cooperation has deepened in a wide range of areas. China and the EBRD share the value of the Belt and Road Initiative to mobilise all available resources, leverage potential drivers, and connect the markets with a view to global integration and mutual benefits. In this regard, Chinese financial institutions and enterprises worked together with the EBRD in supporting development projects in Central and Eastern European and Central Asian countries along the Belt and Road routes in a market-oriented manner, further deepening our cooperation in investment and financing.

Entering 2021, the pace of global recovery picked up significantly as vaccination accelerated and countries maintained massive economic stimuli. The EBRD's liquidity support is a timely and firm response to the Covid-19 challenge, and is vital for countries of operations to carry out structural reforms, address infrastructure weaknesses, and balance growth with the environment. We support the EBRD's strategic aspirations of promoting green and low-carbon development, equality of opportunity and digital transition within the Strategic and Capital Framework. We also encourage the EBRD to further strengthen policy dialogues with clients on effective project implementation, maximum development impact, and enterprise competitiveness to achieve shared regional prosperity.

To this end, we would like to make the following suggestions on the EBRD's future development:

First, deepen international cooperation in fighting Covid-19 to promote recovery. The United Nations Secretary-General Antonio Guterres has called for the world to build back better. Only by bridging health and infrastructure gaps can we achieve a more sustainable, robust and inclusive recovery. We commend the EBRD for its investment in crisis relief and

technical assistance in the face of Covid-19, with both traditional and innovative investment models. Such efforts have contributed significantly to bolstering economic development and infrastructure construction in countries of operations. Looking ahead, we support the EBRD in investing more and better targeting the most vulnerable countries. We also support the Bank in better coordinating, cooperating and pooling resources with other multilateral development banks, so as to improve the efficiency of the international development finance system, and help the region recover and rebuild better and sooner.

Second, accelerate transition to a green, low-carbon economy to align with the goals of the Paris Agreement. The international community is forming a broad consensus on addressing climate change. We commend the EBRD's commitment to fully align with the Paris Agreement goals by the end of 2022, and support the EBRD's climate ambitions and energy strategies. In particular, the EBRD's investment guidelines for the fossil-fuel sector provide clear guidance for its green investment efforts in the future. China has been actively advocating green finance. Last year, China announced the "30/60" strategic goal of reaching carbon peak by 2030 and being carbon neutral by 2060. Achieving this goal will require comprehensive and systematic transition of the Chinese economy, and green finance will be an accelerator to this transition. We have also cooperated in this field. The EBRD echoed the Belt and Road Green Investment Principles, which were jointly launched by China and the UK. In 2019, China joined the European Union's joint statement about the International Platform on Sustainable Finance, which will contribute to achieving the UN's 2030 Agenda for Sustainable Development. Looking forward, China will remain committed to green and sustainable development, and work with relevant parties to better align the EBRD's strategy with the Paris Agreement.

Third, encourage fintech innovation and accelerate digital transition. The EBRD is committed to developing innovative ways to foster transition and promote private and entrepreneurial initiative in its countries of operations. Rapid development of fintech has made financial services more accessible to borrowers from the agriculture, energy and infrastructure sectors, and Covid-19 highlights the importance of digital development in inclusive transition. To achieve digital transition, countries of operations need to put in place sound institutional arrangements and a sound business environment, and narrow down the digital divide by building digital infrastructure. We support the EBRD in strengthening investment in the above-mentioned fields, making better use of fintech's comparative advantages to help enterprises enhance productivity, and upgrading Members' industrial structures. China has some experience in applying fintech to reduce the cost of financial services and promote financial inclusion, and we are willing to share such experiences with Members.

Fourth, innovate with investment channels to support SMEs. Currently, about 83 per cent of EBRD projects focus on the SMEs of countries of operations, playing an important role in economic transition across Central Asia, Eastern Europe, the Caucasus and the Balkans. Covid-19 hit SMEs harder. To give countries of operations a fresh impetus to improve their economic structure and achieve post-Covid recovery, we expect the EBRD to respect its time-honoured investment principles and tap its advantage in working with the private sector, so as to provide more innovative financial products, make its financial services more accessible, and channel a larger share of investment to SMEs, while maintaining stable aggregate investment.

STATEMENT BY MS ALENA SCHILLEROVÁ, GOVERNOR FOR THE CZECH REPUBLIC

Firstly, I would like to express my gratitude to all of you for the unanimous approval of the re-engagement of the EBRD in the Czech Republic. The Czech economy has experienced deep recession caused by the unprecedented shock of the Covid pandemic, resulting in the sharpest GDP decline in the history of the country, and raising pressure on public finances. I would like to thank the EBRD for the rapid preparation of the Czech Strategy in line with

our priorities and the building back better principle. Sustainable recovery will require significant private investment, and given the limited five-year engagement, I see two preconditions as absolutely essential for meaningful delivery: (1) the speed of implementation, starting now; and (2) the availability of dedicated resources on the ground in line with best practice in other countries.

I understand that the Bank continues to be a strong delivery partner in our regions despite the crisis, and I would like to congratulate the EBRD and its staff for the excellent record performance in 2020, including sound financial results.

Going forward, I encourage the Bank to take a leading role in digital and green transition, in line with the ambitious Paris alignment agenda. In this context, my severe concern is that we are not fully recognising the different starting points of individual countries, some of which may be historically heavily dependent on coal. It should be acknowledged that, for such countries, natural gas represents an inherent temporary solution enabling a much faster and more sustainable transition away from coal.

On the EBRD's potential expansion, I am prepared to engage in a constructive discussion focused on effective implementation of the Bank's unique private-sector mandate. This however, is not among our top priorities during the crisis recovery phase; and any future expansion should not be – directly or indirectly – at the expense of any of the existing countries of operations. We should also strictly refrain from creating artificial links to graduation. I am convinced that the Bank should act strategically when it comes to its portfolio management, risk management, regional distribution and balancing its key principles, including sound banking. I believe that creating pressure on advanced countries has prevented a balanced solution in the past, and thus I welcome the updated Post-graduation Operational Approach designed to support graduating countries, including the possibility of rapid return in times of crisis.

Last but not least, let me highly commend the ongoing efforts to improve internal good governance so that EBRD can lead by example among other international financial institutions, as well as in our countries of operations. My only regret is that, for the first time in many years, there is no representative from the advanced transition countries at the Vice President level. Greater diversity among senior management would be much appreciated.

Despite all the challenges, I am looking forward to another successful year for the EBRD under the new leadership.

STATEMENT BY MR SIMON KOLLERUP, GOVERNOR FOR DENMARK

On behalf of Denmark, I have the honour of presenting the written Governor's statement ahead of the 2021 Annual Meeting.

It is a great pleasure to witness the agility with which the EBRD has continued to support its countries of operations through the devastating economic consequences of Covid-19. Identifying and delivering the right support while working remotely has required an exceptional effort from the Bank's staff and everyone involved.

While many EU countries are slowly emerging from the pandemic, the same cannot be said about many of the EBRD's countries of operations. We are seeing a clear divergence between countries where vaccinations are prevalent, and those where they are not. It is important that the EBRD supports our countries of operations in the difficult time ahead towards spurring recovery and new growth.

In addition, I welcome the recent progress which has set the stage for the EBRD to make an even larger contribution to helping economies make a green transition.

No country can save the Earth's climate alone. But by aligning the EBRD's financing with the Paris Agreement, we can support the Bank's countries of operations in their green

transition and make a real difference together. The EBRD has a strong track record for policy dialogue. And it is essential to maintain this feature of the Bank in supporting countries of operations to plan their green transition.

Denmark therefore supports the Bank's climate ambition as an important first step to make the EBRD a force for change in assisting its countries of operations.

EBRD countries of operations have different starting points, and some still need to find a sustainable path to higher incomes without the levels of pollution traditionally seen in the history of rich countries. Other countries have prospered based on fossil fuels, and urgently need a green transition and a shift to more durable sources of growth for the future.

The Bank should support these countries with policy dialogue to speed up reforms and lead the way with specific investments in green solutions. We therefore support the alignment of Bank activities with the Paris Agreement by the end of 2022, the narrowing of investments in fossil fuels, and the strong commitment to support countries of operations with designing their roadmaps for a more sustainable future.

A modern private sector providing good jobs and opportunities for workers can only develop if sound institutions and good governance are in place. This insight was explicitly built into the Bank's purpose when formulated 30 years ago, stipulating that it should operate in "countries committed to and applying the principles of multiparty democracy, pluralism and market economics." This principle remains relevant today and must continue to guide the EBRD in all its priorities.

The EBRD's existing countries of operations and countries within the Bank's current mandate in the SEMED-region remain an important area of operations for the EBRD. Spreading the Bank's limited resources over a wider geographical area should only be done after careful consideration of the opportunities and consequences. Thus, we can support an analysis of the consequences of expanding the Bank's countries of operations to certain African countries south of the Sahara. However, due consideration should be given to the Bank's cost-to-income ratio and business model, keeping it sustainable. This is the prerequisite to maintaining the foundations for the EBRD as a continued positive force for change.

STATEMENT BY MS RANIA AL-MASHAT, GOVERNOR FOR EGYPT

In Egypt, we cherish our long-standing partnership with the EBRD.

Egypt is one of the founding members of the EBRD, which has been a key development partner for the country by extending continuous and valuable support throughout our fruitful and strategic partnership since 1991.

In 2020, Egypt became the EBRD's largest country of operations in the SEMED region for the third year in a row, with the Bank's investments accounting for more than €1 billion of the €2.13 billion of the total development financing provided to SEMED countries. The EBRD has been active in Egypt since 2012. During this time, the Bank has rapidly scaled up its activities, with a total portfolio of more than €4.6 billion across 127 operations, with 80 per cent in the private sector. Our partnership with the EBRD focuses on three main areas:

- strengthening the private sector, SMEs and financial resilience;
- increasing resource efficiency and renewable energy;
- supporting the development of sustainable infrastructure.

Renewables and infrastructure upgrades were prioritised to meet the needs of the fast-growing population, and to provide critical basic services for economic development. We are also achieving a balanced and well-performing portfolio with private-sector and equity share on the rise. Our portfolio with the EBRD is distributed evenly between sustainable infrastructure (46 per cent), industry and agribusiness (23 per cent), and financial institutions (31 per cent),

with a special focus on renewable energy, SMEs, women in business, youth in business, energy efficiency, and credit lines.

Together with the support of the EBRD, Egypt has been prioritising building for economically resilient and inclusive communities on the road ahead.

What we have learnt from Covid-19 is that there is an opportunity to build back better and stronger. I believe we are the architects and shapers of a greener and more circular future. With inclusive cooperation, we have the opportunity to build back for a better future.

Stakeholder engagement and economic diplomacy

We risk becoming obsolete if we do not innovate, and this is why it is the most opportune time for a renewed and reinvigorated kind of multilateralism – a global economic system in which there is increased dialogue, resilience, connectivity, transparency and meaningful partnerships that ultimately serve human ends and goals, and that bring all stakeholders together.

The novel approach of the Ministry of International Cooperation's Economic Diplomacy Framework stems from here. It aims to: maximise socioeconomic returns from international development financing; ensure the alignment of development interventions with national objectives as well as with the Sustainable Development Goals; and enhance the management of development cooperation for the better implementation of development projects within Egypt. The framework consists of three principles:

1. Multi-stakeholder platforms. The main objective of multi-stakeholder platforms is to strengthen partnerships for achieving value-centric results through regular interactive and participatory consultations with all development partners. The platforms ensure harmony and complementarity of development collaboration to maximise impact, achieve sustainability, and provide an opportunity to capitalise on successes, learn from pitfalls, and harness the power of group interaction.
2. Mapping official development assistance to the Sustainable Development Goals. This aims to support decision-making by highlighting opportunities and gaps in development cooperation, and financial and technical assistance to Egypt.
3. Global Partnerships Narrative: This is aimed at mobilising national and international efforts towards the achievement of development goals through sharing a common language of communication to push the agenda forward through People, Projects, and Purpose.



Think green; act green

As part of the economic reform programme on which the Government of Egypt has embarked, there is a high-level commitment to promote green growth in Egypt. There is an ultimate objective of promoting a twin-track approach, by striking a balance between expanding economic opportunities and addressing environmental pressures to support sustainable development, and by enhancing green financing tools. Accordingly, Egypt supports the EBRD's climate ambition agenda and looks forward to cooperating with the EBRD in formulating and implementing projects for the adaptation and mitigation of the effects of climate change in Egypt. Such projects are of great importance, as there is a national will to integrate climate change in development plans, and attract private-sector investment to push towards the establishment of green cities, coastal protection and agricultural development.

Egypt's government is on a mission not only to think green but also act green in all policies and projects so as to help preserve the environment and bring sustainable energy to the country's population. To meet the rising energy demand as the population increases, Egypt has been implementing its sustainable energy strategy, ISES 2035, which involves increasing the use of renewable energy, and improving energy efficiency in the power sector. The Government has set targets for renewables to make up a 42 per cent share of the country's electricity by 2035. Since the Renewable Energy Law (Decree Law 203/2014), the private sector has been encouraged to play a role in the country's green transformation strategy and produce electricity from renewable energy sources. A number of initiatives have appeared in the market: KarmSolar was the first private solar integrator in Egypt to obtain a license from the Egyptian Electricity Regulatory Agency. This helped Egypt to be one of the Middle East and North Africa's leading countries in renewable energy in the recent 2020 Solar Outlook Report.

Correspondingly, in light of President Odile Renaud-Basso's visit to Egypt in April 2021, there were four development agreements signed between the EBRD, the Government of Egypt and the private sector in support of the transition towards a green economy and Egypt's 2035 Sustainable Energy Strategy. These include the signing of three memorandums of understanding with the EBRD to include Cairo, Alexandria, and 6th of October City in the Green Cities programme. The programme aims to help these cities manage environmental

challenges, improve the quality of life, and combat the effects of climate change through an action plan that will be implemented in cooperation with the Bank. Additionally, the EBRD and ACWA Power signed an agreement worth US\$ 114 million to inaugurate the largest private-sector solar power plant in Egypt in Kom-Ombo.

Gender equality is a macro-critical issue

On that note, providing equal opportunities for women is regarded as a macro-critical issue. It is integral to Egypt's inclusive development, as the Government is focusing on policies to improve women's social status and expand their participation in economic activities. This is reflected in the launch of the Closing the Gender Gap Accelerator, with the World Economic Forum and Egypt's National Council for Women. Egypt won two 2020 Sustainability Awards from the Bank for its efforts in the sustainable energy and gender inclusion categories. One of those awards went to Egyptian National Railways for contributing to safe transport, and so to women's economic inclusion, and providing access to education.

Overall, around 34 projects, worth US\$ 3.3 billion, are being executed to achieve the targets of gender equality, with the top targeted sectors including health (20 per cent), education (14 per cent), and micro, small and medium-sized enterprises (15 per cent). The Ministry of International Cooperation's current portfolio of projects that exclusively targets Sustainable Development Goal 5 includes 13 projects amounting to US\$ 82 million. This is in addition to other projects in the portfolio that achieve the same goal as a collateral effect of their development.

The new world of digitalisation post-pandemic

On another topic, technology is becoming the driving force for infrastructure, education, transportation, entrepreneurship and industry. In parallel with the EBRD's Strategic and Capital Framework 2021-2025, Egypt is set on a digital transformation encompassing all sectors, as the country heads towards a paperless government with a clean energy transformation. Egypt is set on building new sustainable cities, such as the New Administrative Capital. It is to become the country's first smart city and will include smart infrastructure to reduce consumption and cost, with a focus on renewable energy. While digitalisation was catalysed by the pandemic, Egypt had already taken strides towards major transformations across sectors. Education is one of the key sectors to change. Under "Education 2.0", Egypt is focused on: digitising education by providing servers, screens and tablets to 25,000 public schools; changing the assessment model for high school and other levels of education in the future; and uploading the curriculums from kindergarten through to Grade 12 to an online digital library that is freely accessible.

Egypt: a start-up nation

We believe in the concept of the start-up nation – a nation that not only supports start-ups, but also thinks and acts like a start-up. In 2021, we will be elevating entrepreneurship as a priority through private-sector engagement in every policy discussion in Egypt, and implementing significant and continued reforms to rejuvenate the heart of our economy. Entrepreneurship and youth lie at the heart of development in the digital economy. It epitomises the beauty of the human spirit in its creativity, innovation and intelligence, and opens the door for various beneficial outcomes, whether material, cultural, technological or environmental. Egypt has the fastest growing entrepreneurship ecosystem in the Middle East and North Africa region.

To drive recovery, Egypt's burgeoning young population and communities will need support from all levels: the public and private sector, development partners and civil society groups, which is where the role of the Ministry of International Cooperation fits. Egypt Ventures, established in 2017, aims to cultivate and foster a start-up culture in the Egyptian economy, catalyse the development of the entrepreneurship ecosystem, and build economic competitiveness leading to GDP growth. Egypt Ventures and its subsidiary enablers (including but not limited to Falak Start-ups and EFG-EV Fintech) have invested in over 150 Egyptian growth-stage start-ups and scale-ups. There are also various start-up

accelerators and programmes, such as Flat6Labs. It offers a wide range of services, including mentoring, training and financing, and has grown to be the leading business accelerator in Egypt, supporting 106 businesses and creating 7,450 jobs, of which 6,293 have been for women.

2021 is the year of private-sector engagement

Concurrently, the Government of Egypt views the private sector as the key driver of economic growth, with private-sector-led investment and technology expected to play a critical role in increasing the Egyptian economy's level of competitiveness. We are keen to bring the innovative and technologically advanced expertise of private entities into both the public sector and the development agenda, and hope this will push towards our national and global sustainability targets.

EBRD projects are actual proof that public-private partnerships are a success. The Damietta Port and the 6th of October Dry Port projects show that Egypt is working hand-in-hand with the Bank and the private sector as its main partners for success. More projects in railway and urban transportation are moving forward; with the help of the Bank we were able to bring in the best global practices to this vital sector. Furthermore, the EBRD is the only international financial institution with offices outside the capital, including in Cairo, Alexandria, Ismailia, and soon in Asyut, to extend its support to SMEs.

Egypt: the gateway to Africa

As a gateway to Africa, Egypt is renewing its focus on expanding our strong partnership with African countries, and ensuring that the extensive potential of the continent is unlocked. In that regard, there is ample investment potential in both the SEMED region and in developing African countries to build a strong infrastructure that will result in economic growth, job creation, and improving regional trade. Africa can benefit from the EBRD's expertise in areas related to infrastructure projects, renewable energy and the development of value chains to enhance production and export activities, as well as access to finance for SMEs. This can only happen through increased investment in sustainable infrastructure and connectivity, and by accelerating digital transformation. Additionally, Egypt's private sector has prioritised several African markets – some of which are EBRD clients – in their international expansion strategies.

Hope for a better world starts when we all come together and remember that development is essentially a journey; a journey that will inevitably include several crises and challenges, but also an opportunity to rebuild back better.

Finally, on behalf of the Arab Republic of Egypt, I would like to extend our full appreciation to President Odile Renaud-Basso and the excellent EBRD Egypt team for their continuous dedication and commitment, as well as their extensive efforts to support Egypt's development and improve the lives of the Egyptian people.

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

First of all, I regret that we could not meet in person; but I would nevertheless thank the EBRD's management and staff for the excellent arrangement of this second virtual Annual Meeting under difficult circumstances.

Dear Madam President, I would like to congratulate you on your election in October and the successful start to your term of office. The cooperation between our banks has increased since you joined, and we appreciate that. In particular, our joint high-level working group achieved significant progress in fostering cooperation. The ECOFIN Council has recently recognised its value as well. Let me also congratulate you on your contribution to the economic recovery. The EBRD performed extremely well in 2020, and the implementation of the Solidarity Packages is impressive.

This is a very special Governors meeting as it marks the 30th anniversary of the EBRD, and so I would like to congratulate the Bank and thank you for its achievements. Please continue to perform at this very high level. I encourage you to uphold your support for your countries of operations.

The focus of today's discussion shall be "Building Back Better" and "Climate Ambition" and you have asked us to provide guidance in this context.

Firstly, the EIB supports strengthening delivery in existing countries of operations, within the limits of financial sustainability. We supported the Solidarity Packages and welcome the fact that the Strategic and Capital Framework focuses on supporting the EBRD's existing countries of operations, which have been hit hard by the pandemic. The development of this crisis is unpredictable and, for quite some time, our focus might have to be on economic recovery. The three topics proposed as the focus of the EBRD's contribution to building back better (low-carbon economy, addressing inequality of opportunity and digital transition) have been chosen well, and the EIB will be happy to work jointly with the EBRD to support them.

Secondly, we welcome the EBRD's climate ambition. Beyond Covid-19, climate change will remain one of the main political topics, and international financial institutions play an important role here. We therefore support the proposal to achieve alignment with the Paris Agreement by 2023. The EIB and the EBRD should join forces, and I hereby offer to strengthen the cooperation between our banks even further in order to promote climate financing for our shareholders and partner countries. A first milestone in our cooperation will be a joint EIB-EBRD conference on climate financing on 20 September 2021.

And thirdly, we must treat the EBRD's resources cautiously. The EBRD's contribution to economic recovery, as well as the Bank's climate ambition, are challenging tasks that will require significant resources. We therefore welcome that the Resolution preparing next year's discussion about a potential expansion to new regions provides for a careful analysis of the risks linked to and the resources needed for this challenging step in the development of the EBRD's business model. These topics deserve to be carefully reviewed before we discuss the potential expansion of the EBRD's transition concept to sub-Saharan Africa in 2022. We must also consider the topic of graduation – the ultimate aim of the transition process, but one on which shareholders do not seem to have a common understanding.

Madam President, let me conclude by expressing my congratulations on the successful organisation of your first Annual Meeting. The EIB is looking forward to joining forces with the EBRD to strengthen cooperation in order to support your climate ambition and contribution to building back better.

STATEMENT BY MR VALDIS DOMBROVSKIS, GOVERNOR FOR THE EUROPEAN UNION

1. The European Union (EU) is grateful for the hard work of the staff, management and Board of the EBRD for preparing the 2021 Annual Meeting in virtual format in the midst of the continuing Covid-19 pandemic.
2. The EU's long-term budget, coupled with the temporary Recovery Instrument NextGenerationEU, will provide a substantial stimulus for the European economy with a total of €1.8 trillion to help rebuild a greener, more digital and more resilient post-Covid-19 Europe. This also provides for an increased potential for cooperation with the EBRD.
3. The EU welcomes the EBRD's strong performance in 2020, meeting its transition objectives, while remaining profitable, and producing a record year of investment, despite significant challenges resulting from the Covid-19 pandemic. The Bank's response through its Covid-19 solidarity packages and resilience framework continues to effectively support the Bank's clients, and the EU appreciates the flexibility and speed of the reaction demonstrated by the Bank's Board, management and staff in adapting to

changed circumstances and needs. The pandemic is not over, but vaccinations are playing a powerful role in turning the tide.

4. The EU remained the Bank's largest donor, providing €428 million in 2020 to support the EBRD's activities. This EU support, which accounted for more than 50 per cent of the EBRD's donor funding, enabled the EBRD's crisis response, while delivering transition throughout the Bank's countries of operations, particularly in the areas of municipal and infrastructure, SMEs and energy efficiency. The EBRD remains a key strategic partner for the EU going forward.
5. Looking ahead, the pandemic continues to raise enormous and unexpected challenges across all EBRD countries of operations, risking setbacks and reversals in their transition path. The EBRD should use its capital in all areas where it is additional and where transition gaps exist, including in the EU Member States where it operates. As an important implementing partner for the EU, the EBRD can play a key role in helping the people and economies of its countries of operations, both inside and outside the EU, to build back better. In the recovery phase, the EU encourages the EBRD to support new and existing clients to catalyse much needed investment, and help firms and economies to adjust in order to emerge faster and stronger from the pandemic. The EBRD's expertise in supporting equity investments and financing for SMEs continues to be particularly relevant for the response to the economic impact of Covid-19.
6. The EU continues to count on the EBRD's financial strength, private-sector focus and unparalleled experience in policy dialogue to contribute to the recovery inside the EU, including through partnering to deliver support under the InvestEU instrument. The EU encourages the EBRD to support the EU Member States in which it operates in meeting their investment and reform needs.
7. Outside the EU, collaboration via the EU's external programmes, such as the Neighbourhood, Development and International Cooperation Instrument and the Instrument for Pre-Accession, also provides significant potential for mobilising sustainable private finance, including in the areas of gender equality and inclusion, digitalisation and green transition. Consistent with the 14 June 2021 European Council Conclusions on the European financial architecture for development, the EU invites the EBRD to continue the systematic deepening of its coordination with the EIB and its cooperation with other development and financial actors through a Team Europe approach. The EU encourages the Bank to build on its business model to further leverage private investments in its countries of operations.
8. The EU supports the EBRD's new climate ambition under which all EBRD activities shall be fully aligned with the goals of the Paris Agreement no later than 31 December 2022. The EBRD should also enhance its support in terms of investments and policy reforms to help countries of operations develop ambitious targets towards climate neutrality and climate resilience. The EU calls on the EBRD to take into account emerging EU and international policy objectives, including the European Green Deal and standards such as the EU Taxonomy, in implementing its climate ambition.
9. In view of further guidance and potential decisions on the expansion of the Bank's geographic scope by the Board of Governors at the 2022 Annual Meeting, the EU welcomes the EBRD's further work on a potential limited and incremental expansion into a select number of African countries that are closely integrated with the Bank's present geographical scope, and Iraq. To inform Governors for the Annual Meeting in 2022, the EU welcomes the sequenced approach to the preparatory work in line with the work plan presented to the Annual Meeting; that work should not pre-empt future decisions of the Governors in this area. The EU also reaffirms the importance it attaches to the EBRD's AAA rating and the need for the Bank to maintain sufficient capital adequacy to that effect.

10. In line with its political mandate, the Bank should focus its efforts on supporting those countries that are committed to and applying the principles of multiparty democracy and pluralism. In delivering on its transition mandate, the highest operational standards should also be upheld, ensuring that EBRD projects are consistent with EU and international standards, including in areas such as tax good governance, anti-money laundering, procurement and international trade.
11. The EU welcomes the EBRD's work to prepare an enhanced post-graduation operational approach to allow for strengthening support to any country that may decide to graduate, while making it simpler for a graduating country to return to receiving EBRD resources in times of crisis. Any decision on when to graduate from EBRD resources is for each country of operations to make. The Bank's re-engagement in the Czech Republic in order to support recovery from the pandemic demonstrates the need for a flexible and strong EBRD role, even post-graduation.
12. The EU remains confident that the EBRD can take advantage of further opportunities for joint cooperation in the years ahead as the Bank implements its Strategic and Capital Framework and further EU support becomes available through the EU's Multiannual Financial Framework.

STATEMENT BY MS NINA VASKUNLAHTI, ALTERNATE GOVERNOR FOR FINLAND

Let me start by thanking the President, Madame Odile Renaud-Basso, and the secretariat of the Bank for all the hard work on this 30th anniversary Annual Meeting of 2021, with such a comprehensive agenda despite ongoing pandemic circumstances. We support the proposal for net income allocation and we would like to congratulate the Bank for reaching such a good financial result in an exceptionally demanding operational environment. I would also like to congratulate the President for her very successful running of business. My congratulations extend to all staff in the EBRD.

Green recovery is a huge challenge – and an opportunity. Standard-setting and knowledge-sharing within and between the European financial institutions are prerequisites for building a learning curve towards reaching our shared green goals; and the European financial architecture for development is in principle open for all, offering completely new opportunities for cooperation. From a shareholders' perspective, we hope to see even better efforts to further integrate and systemise this cooperation.

The European financial architecture for development needs to be open, collaborative, inclusive and aimed at incentivising and engaging all European development banks and financial institutions – big and small. It must build on their comparative advantage, added value and resources. European development banks and financial institutions need to work together more effectively and efficiently, building on their complementarities. We need to ensure a level playing field for all and crowd-in private investment.

Better division of labour, coordination and synergies can make better use of the capital already available to European financial institutions, thereby increasing investment volumes, enhancing development impact of operations and mobilising private-sector financing.

In the coming years, we can expect to see hundreds of billions of investments globally into green transition and digitalisation. Rebuilding the economy after the pandemic offers us the possibility to do things differently – to build back better and greener.

Finland is in transition to a carbon neutral economy by 2035, and supports the EBRD's wide-ranging programme of policy and investment activity in this regard. The EBRD is rightly targeting at least half of the Bank's annual investment at green projects by 2025, aligning all projects with the goals of the Paris Agreement from 2023, and supporting more ambitious nationally determined contributions.

At the Annual Meeting 2021, the Bank expects guidance from the Governors on a potential limited and incremental geographical expansion to sub-Saharan Africa and Iraq. As the final decision on this matter shall be made next year, this interim period needs to be used wisely. The Bank needs to assess all relevant implications of such an expansion for the EBRD's budget, carefully examine the legal issues, opportunity costs and capital adequacy implications involved, and communicate these to all shareholders in a complete and transparent way. Potential expansion should not generate additional costs for us shareholders.

Throughout these 30 years of the Bank, Finland has been an active member and donor, supporting the EBRD's activities of economic and political transition in countries of the former Eastern bloc.

From the collapse of Yugoslavia and the Bosnian conflict to the aftermath of the Arab spring, the ongoing challenges of climate change, and the pandemic, the Bank has always been addressing the most topical issues by combining finance and technical assistance on the ground with political dialogue and a unique, valuable emphasis on private-sector projects.

Finland has most recently contributed to the Eastern Europe Energy Efficiency and Environmental Partnership (E5P), the Early Transition Countries Fund, and the Southern and Eastern Mediterranean Multi-Donor Account, which are great examples of our valuable partnership. We are excited to be discussing collaboration under the High Impact Partnership on Climate Action (HIPCA), which will address climate change and environmental challenges in the SEMED region.

We are pleased that the EBRD recognises the Northern Dimension as a constructive arena for cross-border cooperation with a successful model for sectoral cooperation. The Northern Dimension Environmental Partnership, administered by the EBRD, has been particularly successful in water protection (Baltic and Barents seas), nuclear safety (Kola peninsula) as well as waste management and district heating projects.

There are several points we wish to attract attention to in the building back better approach:

- increasing the level of investment through the Bank's SME facilities, especially when related to *Women in Business*;
- aiming at least 75 per cent of investments at the private sector should not compromise green transition by sovereign projects (such as those related to *energy grids* and *cross-border cooperation* in the Arctic, for example); and
- new business development, including with Finnish green technology providers and investors delivering environmental, social and governance-integrated equity finance. Finland hopes innovative donor activities (including HIPCA) will also facilitate advisory services in this regard.

We are looking forward to the EBRD's efforts to determine its specific value-adding role in the health sector, where Finnish technology and education companies could also play a role. The Bank should balance its priorities by aiming at quality before quantity in investments. Policy dialogue and technical assistance for small early transition countries should be prioritised over "plain vanilla", volume-oriented projects in advanced transition countries.

The EBRD must be constantly ready and agile to engage with all relevant partners, most importantly with the EIB and the other potential EU partners.

The new era of remote and hybrid working has created a constant call for special attention to employees' health and well-being. I would also like to stress the importance of lifelong learning in the future of work which, together with gender mainstreaming, are building blocks in the Bank's equality of opportunity and gender equality strategies.

To conclude, I wish the Bank every success for another 30 years, during which more countries might graduate and contribute by sharing the wealth of their experience and expertise gained from their own journey of transition with many new Members.

JOINT STATEMENT BY MR BRUNO LE MAIRE, GOVERNOR FOR FRANCE AND MR OLAF SCHOLZ, GOVERNOR FOR GERMANY

As the world is going through the second year of the global Covid-19 pandemic, we commend the Bank's ability to adapt the organisation of this Annual Meeting to the exceptional circumstances – this year again, in virtual format from London, but with the perspective of holding a physical Annual Meeting in 2022 in Marrakech. Our thoughts are with all those who have been hit by the health and economic crisis.

We welcome the Bank's engagement last year to ensure the continuation of its operations under difficult circumstances, but also to deliver a record volume of investment, building on robust processes and a solid financial basis.

- We commend the Bank for its agile response to the severe economic consequences of the crisis, through the Solidarity Package, which has notably provided swift and significant liquidity support to existing clients.
- We also note with satisfaction the rapid and well-targeted policy response initiatives put in place by the Bank to the benefit of a wide range of sectors and countries severely hit by the crisis.

In the current context, we consider that the Bank's main mission should remain support to countries of operations in their transition.

- As long as the pandemic and its severe economic impact persist, the Bank's crisis response in all its countries of operations should remain the priority.
- We commend the Bank's rapid response, upon the request of the Czech authorities, in deciding on the temporary and targeted reactivation of its engagement in this country.
- In coherence with the graduation policy and the approach to graduation outlined in the Strategic and Capital Framework 2021-2025, we reiterate that graduation has to remain a country-led process, and country strategies a mutually agreed instrument to identify where transition is to be achieved in the best way.
- We support the work being carried out to update the Post-graduation Operational Approach, which should make the journey to graduation smoother and more attractive.

Whilst the crisis continues unfolding with long-lasting effects, we support the Bank's intention to adapt its interventions to effectively contribute to building back better its countries of operations.

- We believe the strategic directions outlined in the Strategic and Capital Framework 2021-2025 constitute a valid basis to channel the Bank's activities towards building back better through the transition to a green economy, with economic inclusion, gender equality and digitalisation.
- Building back better must be a priority, not only in countries less advanced in transition, where the Bank maintains its focus, but also in more advanced countries, where specific gaps still need to be closed.
- In order to widen and strengthen the EBRD's impact, we encourage the Bank to intensify its engagement with new clients, to further leverage all its financing instruments, including equity investments and risk-sharing facility where appropriate, and to continue fostering policy dialogue.
- In accordance with the Agreement Establishing the Bank, we stress the importance of pursuing the Article 1 principles of multiparty democracy and pluralism.

We commend the Bank's commitment, set by this Annual Meeting 2021, to align all its activities with the goals of the Paris Agreement on climate change mitigation, adaptation and finance by 31 December 2022.

- Ahead of the upcoming 26th UN Climate Change Conference of the Parties (COP26), we welcome this very important commitment to reach carbon neutrality in all the Bank's direct and indirect financing activities, and to contribute to the mobilisation of international financing against climate change.
- The EBRD's strengthened climate ambition will pave the way to the enhancement of its transition impact, notably by intensifying policy dialogue and technical assistance.
- We welcome the revised operational approach of the Bank to fossil fuels, which limits and narrows the scope of eligible projects, and stresses the importance of decarbonising the energy sector.
- We also encourage the Bank to develop its approach to reinforce the inclusion of biodiversity-preservation and climate-resilience objectives in its operations.

Following the conclusions of the European Council on the European financial architecture for development (EFAD), we reiterate that the EBRD constitutes one cornerstone of the EFAD. As a multilateral bank with a strong European backbone, the EBRD has an instrumental role to play in strengthening the development impact and supporting the implementation of EU external policy for projects financed with EU grants or guarantees, in close coordination with other implementing partners.

Looking ahead towards the Annual Meeting in 2022, we welcome the guidance provided to EBRD shareholders regarding the preparatory work to be carried out for a potential decision on a limited and incremental geographic expansion of the EBRD's activity.

- We welcome the perspective of enlargement of the Bank's operative range in the SEMED region and encourage Algeria to move ahead in the process of becoming a Member of the Bank.
- We reaffirm the strategic interest in a limited and incremental expansion to sub-Saharan Africa and Iraq, with a focus on countries closely integrated with the Bank's current countries of operations, as mentioned in the Strategic and Capital Framework.
- We are confident that the preparatory work framed by this Annual Meeting's Resolution will constitute a solid basis for a potential decision on an expansion to sub-Saharan Africa, and can play an instrumental role in building a consensus among shareholders.

We congratulate EBRD management, with the new President at its head, and EBRD staff for their hard work. In these exceptional crisis times, they have all together greatly contributed to successfully deploying the activities of the Bank on the ground and to delivering a very much-needed positive impact for clients and countries of operations.

France and Germany will remain fully committed to supporting the EBRD, on the basis of improved internal governance, in its engagement with the recovery phase, striving for renewed and ambitious transition and climate objectives.

STATEMENT BY MR LASHA KHUTSISHVILI, GOVERNOR FOR GEORGIA

It is my pleasure to represent Georgia and participate at the Annual Meeting and Business Forum of the EBRD, though virtually.

I am grateful to the dedicated team of the EBRD for organising the Annual Meeting in these difficult circumstances. Such virtual meetings again provide a good opportunity to discuss important aspects of development cooperation and the vital role of the EBRD in this challenging environment.

This year EBRD marks the 30th anniversary of its establishment.

The Bank continues to adhere to its fundamental principles of sound banking, and remains committed to fulfilling its original mandate – to facilitate transition towards open

market-oriented economies and promote private and entrepreneurial initiatives in its countries of operations, in line with their respective evolving transitional needs.

Under its current strategy, the EBRD has committed to investing more to support the transition to a green economy, aligned with the Paris Agreement objectives and the 2030 Agenda for Sustainable Development.

The theme of the 2021 EBRD Business Forum is *Building Back Better Economies*.

The EBRD is committed to helping its Members recover by addressing remaining and new transition gaps, and building resilient and sustainable economies that are **green, inclusive and digital**.

Whereas the EBRD has probably not been a leader in supporting Covid responses within countries, the Bank should definitely play a leading role in the post-Covid environment. This is the mandate of the Bank, and where it has expertise and competitive advantage. For example, already in 2020 in Georgia, under the Resilience Framework, the Bank supported SMEs, trade facilitation, and energy and infrastructure projects, and thus played a specific role in helping the recovery.

We are confident that the EBRD will be the leading institution in advancing the common agenda of efficient economic recovery in the post-pandemic period.

More than a year has passed since the dawn of Covid-19. The coronavirus pandemic poses enormous economic challenges for the world.

The world economy in the post-Covid era will not be the same as the one before. In coming years, we will still be suffering from the wounds of these global challenges. Collective and coordinated efforts will be needed to treat them.

What should the policy implications be at national and global levels? What should we concentrate on as an international financial institution?

As already mentioned, the Bank should have its important role in the process of post-pandemic recovery. Initiatives should be focused around ideas of helping countries to overcome their main economic vulnerabilities.

In this respect, I would like to highlight some areas where the Bank should enhance focus and take decisive actions to achieve these goals:

1. **Support openness to international trade and diversification of economies**, thus enabling countries to challenge the obstacles.
2. Inefficiencies in state-owned enterprises are big impediments to economic development. Georgia is already implementing comprehensive **state-owned enterprise reform**, and I wish to see the EBRD as part of this ambitious initiative among Members.
3. Covid explicitly showed us how important the green aspect of economic growth is. Sustainable economic development means climate friendliness and vice versa. I welcome the Bank's growing efforts toward enhancing **green economy** support to Members, and believe that this partnership will further continue.
4. One of the most important aspects is the **smart** economy. Digitalisation is a very vivid answer to the challenges posed by the pandemic. In addition, we are living in an era sometimes called the **fourth industrial revolution** (Industry 4.0), that is expected to disrupt existing digital, physical and biological systems. Robotics, artificial intelligence, machine learning, virtual learning – all these are opportunities for developing countries; and I think that helping the countries of operations to catch up with advancements in new technologies should be one of the most important strategic directions for multilateral development banks. I see the EBRD in the frontline of supporting countries in this direction.

In conclusion, I would like to thank the EBRD's management and staff for their hard work, which reaffirmed that the Bank remains a reliable and efficient development partner. It is important that the EBRD continues to provide strong support for reconstruction.

I believe that with close and effective collaboration, we will recover and emerge stronger!

STATEMENT BY MR IOANNIS TSAKIRIS, ALTERNATE GOVERNOR FOR GREECE

I would like to first thank the EBRD's management and staff for their performance and commitment during the very challenging circumstances we have been experiencing since the start of the pandemic.

I would particularly like to acknowledge and recognise the impactful intervention from the Bank in Greece across areas greatly affected by the crisis, such as the private sector in general; the intervention has been in line with the Bank's strategic approach in the country.

Despite the time-limited engagement of the EBRD in Greece, current circumstances and the negative impact that the pandemic crisis is expected to have on the Greek economy offer enough substance to have an open mind in terms of a broader engagement, as well as the potential need to adjust the EBRD's approach in Greece as the crisis evolves.

To this end, we welcome our constructive discussions with EBRD management on our Recovery and Resilience Plan, and in particular on ways to work together to support a private-sector-led recovery to transform the country's economy. At the same time, we encourage management to engage further with the Hellenic Development Bank in the field of financial instruments for SMEs, and especially working capital co-financed loans.

Earlier this year, the EBRD celebrated 30 years since its establishment. Its mission remains highly relevant as it focuses on building back better economies in its countries of operations by delivering high levels of high-quality sustainable investment to help them recover from the pandemic-driven crisis. The EBRD is in a strong financial position. It should remain agile and continue to respond to changed circumstances in an effective and timely manner, with fresh thinking and with new tools, such as equity finance solutions with both transition and financial potential.

We also endorse the Bank's climate ambition with the aim of aligning to the goals of the Paris Agreement by the end of 2022. Narrowing and limiting the scope of the Bank's engagement with fossil fuels is essential. In parallel, the Bank should actively support the transition of countries of operations to less carbon-intensive economies on the way to net zero emissions by 2050.

Greece is committed to an ambitious yet clear roadmap concerning the decarbonisation of its economy, and we look forward to increased EBRD financing for green investments, particularly as the EBRD is preparing to deploy the InvestEU Programme in Greece.

We have embarked upon an accelerated coal exit plan, aiming to shut down all coal-fired plants by the end of 2025. When replacing solid fossil fuels however, it is imperative to ensure both the uninterrupted and reliable coverage of energy needs, as well as the access of all consumers to affordable and secure energy. This is why, like several other Members, we view gas as part of the transition to net zero emissions. Gas infrastructure projects will indeed allow for the fastest and most affordable transition to a less carbon-intensive economy.

Concerning a possible limited and incremental expansion to sub-Saharan Africa and Iraq, we recognise core strengths in the EBRD's business model that could be used in other regions. As preparatory work is about to be undertaken at Bank level in this regard, it is key to ensure a coherent EU approach to development finance targeting those geographies, and to avoid overlaps with other international financial institutions. Moreover due consideration must be given to the principle of unanimity in decision-making among the Bank's shareholders.

STATEMENT BY MR BJARNI BENEDIKTSSON, GOVERNOR FOR ICELAND

I would like to start by commending the Board, the President, management and staff for the quick response to alleviate the devastating economic impact of the Covid-19 pandemic across our regions of operations. EBRD staff quickly and effectively developed a support package aiming to help economies to respond to the Covid-19 crisis and prepare them for the post-pandemic recovery. I would also like to congratulate EBRD staff on the favourable operational and financial results achieved in 2020. It is particularly pleasing to witness the high level of investment in the green economy and projects related to the Covid-19 response.

We need to learn from this pandemic and to build on our lessons learned going forward. I believe that the EBRD is well positioned to facilitate a purposeful dialogue on how to make the international system more resilient and more capable of taking on the frequent challenges posed by systemic and pandemic shocks alike. Developing a common response mechanism to such external threats, which will undoubtedly continue to be a regular occurrence, is also important as we strive for closer and deeper integration of our societies and economies. In the process of building back better, we must recognise the need to instil system-wide resilience so as to create the capacity to orchestrate our common response. This can be achieved through attaining gainful employment, access to education, and the tools for a modern economy to support those most affected by both the pandemic and the ongoing technological transformation.

For a strong, inclusive and green recovery, we need to support our economies in the short-term – not least by facilitating investment – and outline the path to fiscal sustainability in the medium and long term. In that context, I would like to share with you that Iceland's parliament recently passed a law that gives companies the possibility to temporarily add a mark-up to the depreciation of certain green investments for tax purposes. This framework will hopefully not only support investment in the short run, but also facilitate the required transformation towards a low-carbon economy. Here, Iceland needs to think outside the box, as both electricity and heat production is already nearly 100 per cent renewable.

I believe that, to build back better economies, the main challenges will be to support the transition to a low-carbon economy, to address inequality of opportunity, and to accelerate the digital transition. However, it is essential that the EBRD continues to be a reliable partner in unstable times, with a firm commitment to step up and support its countries of operations and clients, as it has done through the Solidarity Package. In so doing, we need to be firm in our intention not simply to return to old and established practices. Our mission and the means we employ need to reflect the urgency to build back better – differently and in an expedited manner.

Iceland supports the EBRD's climate ambition and the new approach to scale up GET, so as to develop and contribute to a green economic recovery following the severe impact of the Covid-19 pandemic. Furthermore, we cherish how the Bank has established clear areas of expertise in energy efficiency, renewable energy, green banking, and mobilising climate finance. We encourage management to continue to focus on GET projects, and especially renewable energy and energy efficiency, to tackle climate change in line with the goals set out in the Paris Agreement. It is an impressive challenge to set a goal to raise the share of green finance to at least 50 per cent by the end of the Strategic and Capital Framework period, thereby aiding the acceleration of the transition to a green, low-carbon and resilient economy.

Iceland welcomes the increased emphasis on renewables in the Bank's strategy, and on the flipside, the clear commitment not to finance coal projects. Iceland leads Europe in terms of renewables as a share of total energy production and consumption, and we are eager to assist EBRD countries, using our experience and highly developed expertise – especially in hydropower and geothermal power.

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. We agree that expansion should be complementary and additional to the activities of other multilateral and development actors already on the ground.

However, 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.

In light of the above emphasis, we are further supportive of the strategy put forward to align all projects with the goals of the Paris Agreement from 2023, and enhance support for countries' decarbonisation strategies. In the coming years, we need to ensure that the Bank develops its capacity and efforts to address climate change by accelerating low-carbon transition, promoting sustainable and smart cities, and applying and deploying new technologies in that field.

Finally, the past year has been trying and testing for the whole world, and the pandemic has profoundly impacted the work of the Bank and its staff, as well as the EBRD's countries of operations. Allow me again to thank the President, the Board, management and staff for their good service during these times. We wish them and their families good health going forward, and firmly support them in their endeavours for the Bank.

STATEMENT BY MR PASCHAL DONOHOE, GOVERNOR FOR IRELAND

On the anniversary of the Thirtieth Annual Meeting since the first foundations of establishing the Bank were negotiated in Dublin in 1990, we in Ireland are showing continued commitment to the Bank by chairing this year's Annual Meeting. It has been an honour and a privilege to have been selected by my fellow Governors to chair this event in these difficult times. I would like to pay tribute to the Bank under the leadership of the President for organising a very efficient and interesting virtual Annual Meeting under challenging circumstances. I would also like to complement Odile on a very successful start to her term of office, in a seamless transition where the Bank has continued to perform impressively for shareholders, and with achievements on a number of policy and operational fronts.

While an Annual Meeting usually provides an opportunity for reflection on the past year, the ongoing health and economic impact of the Covid-19 pandemic means that for the Bank, and indeed for all of us, there is little time for celebration. However, I would like to complement the Bank for its ongoing decisive actions in combating the impact of the pandemic on new and existing clients in countries of operations. The Bank's actions, which included the provision of liquidity and capital, were very important financial supports that helped mitigate the long-term impact of this pandemic. We strongly commend the initiative of the EBRD in its response to emerging local needs through targeted and tailored investments guided by host authorities.

As the impact of Covid-19 lessens over the coming months, with a greater roll-out of vaccinations and a reopening of economic activities, we look forward to the Bank engaging with clients in its countries of operations to focus on new challenges and opportunities post-Covid. The challenges facing the Bank are essentially the same challenges facing wider society as our countries reopen. The building back better discussion at the Annual Meeting should allow for a clear exchange of ideas on the way forward. A post-Covid recovery must be anchored to the two key drivers of accelerating the digital transformation of life and work, and also ensuring the continued transition to a low-carbon, sustainable and greener economy. A key issue will be to ensure a fairer more equitable society than existed before Covid. Regrettably, many parts of society that did not fully enjoy the benefits of our pre-pandemic economies were hardest hit by the crisis. We have to ensure that they can fully benefit from the post-Covid recovery, as we reshape our societies and economies in a truly 'Build Back Forward' manner that is future-proofed, but also more inclusive and sustainable for all.

We strongly welcome the Resolution on the EBRD's climate ambition to align the Bank's principles with the Paris Agreement by December 2022. This is an important decision and a critical demonstration of the Bank's commitment to challenging climate change. It is also a valuable example of the value-added nature of the EBRD where it can help its client base in countries of operations, and all shareholders, to progress their transition to low-carbon sustainable economies in this year of COP26.

The Green recovery is a very real and key opportunity to build back better. Work of this nature will ensure we have an effective and well-equipped Bank for the challenges and opportunities of the coming years. It is critical that we keep in mind the original founding principles of the Bank, as well as our initial countries of operations, which have policy needs that have been exacerbated by Covid. Short-term liquidity, working capital, trade finance and restructuring that were developed and implemented by the Bank were all important financial supports to help mitigate the long-term impact of this pandemic. We strongly supported this work, which will have to continue in 2021 and possibly 2022 to ensure that, as a result of the pandemic, there is no erosion of the economic progress attained over recent decades. It is essential that the Bank continues to work closely and successfully with the public and private sectors in the countries of operations to ensure that its products meet local market needs.

Since the Bank was established, Ireland has supported its successive geographic expansions that have been underpinned by well-reasoned, compelling business cases. We welcome the Bank's important work, particularly in the SEMED region, and we support the proposals to expand operations further in this region. However, further expansions must be supported by as many shareholders as possible in a way that does not undermine existing work in countries of operations, where many socioeconomic challenges remain; those countries remain the key driver of the Bank's business model stretching back to its establishment in 1990. In particular, it is critical that we do not spread our limited resources over a geographical area whose size would endanger the Bank's business model, which is based on a healthy cost-to-income ratio. In essence, it is a 'yes' to expansion, but in a planned incremental manner, which is fully resourced from a financial and skills perspective, and which does not adversely impact on existing business and policy priorities, especially in the initial countries of operations.

On this basis, we can support the Annual Meeting Resolution on the commencement of preparatory work for an update on the Bank's possible limited and incremental expansion to sub-Saharan Africa and Iraq. Of course, today's decision relates to the preparatory work only, and does not bind Governors to an actual expansion. Instead, the final decision will be made next year. In the interim, the Bank needs to carefully assess the implications of the move, and build support amongst its shareholders in a clear and transparent way. We need to see its impact on the capital base and any potential implications for current countries of operations, alongside a real assessment of what sort of transition impact can realistically be achieved. Let us make sure that there is a strong, coherent, cogent and compelling business argument for the expansion that we can all support. Rushing a decision that may not be fully considered can only be divisive, and may harm the Bank in the long term.

Ireland is a strong supporter of multilateralism, and we see the level of engagement and cooperation as envisaged by the European financial architecture for development as absolutely critical for the future. It is important that expertise is shared amongst the development banks and financial institutions in order to further the shared goal of development impact where it is needed most. Duplication and overlapping of scarce resources must be eliminated in order to allow this work to have a full, effective, efficient and economic impact. Such cooperation needs to ensure impactful investments that crowd-in the private sector, whilst delivering real change and advancement for the countries of operations. Mobilising the private sector will be key to continued success. Working together, whether as countries or as multilateral development banks, is truly the key to ensuring that scarce resources can have a very real, impactful and positive result on the countries and people who need it the most. We strongly commend such an inclusive, cooperative and international approach.

The EBRD has been very successful since its establishment in 1991, and there is no denying its strong track record and impressive, valuable role in development matters. It is important that the EBRD and other key institutions, such as the EIB and the European Commission, continue to work closely and fruitfully over the 2021-2027 multiannual financial framework, both within the EU and, more importantly, in external countries, especially those with emerging economies. In this regard, we wish the EBRD every success for the next thirty years and beyond.

STATEMENT BY MS SHIRA GREENBERG, ALTERNATE GOVERNOR FOR ISRAEL

I am honoured to take part in this year's virtual EBRD Annual Meeting on behalf of the State of Israel. While we wish that the current circumstances had allowed for an in-person format, I would like to extend my sincere gratitude to EBRD management and staff for their expert organisation of this second virtual Annual Meeting.

First and foremost, I would like to congratulate the EBRD on 30 years of steadfast support to its clients and countries of operations. It is in times like these that we reconfirm the vital importance of this storied institution, and we look forward to working with the EBRD to make the next 30 years as successful and impactful as the first.

I would be remiss if I did not take this opportunity to commend Ms Odile Renaud-Basso on her exceptional leadership since taking office in November. Despite taking the reins during such a turbulent and uncertain time, she has expertly led the EBRD through the continuation of this crisis, and provided a steady hand to lead the Bank's response and recovery efforts. We are confident that the Bank will continue to help clients and countries of operations flourish under Odile's guidance.

I would also like to thank the retiring Vice Presidents, Mr Pierre Heilbronn and Mr Fernando Pons, and of course the Secretary General, Mr Enzo Quattrociocche, for their service to the Bank, and wish them all the best of luck in their future endeavours.

Despite 2020 having been a challenging year – during which the Bank committed its highest-ever level of ABI – we are encouraged to see that the Bank continued to maintain a strong financial position and display strong operational results. We are proud to have supported the Bank's Covid Solidarity Package – the first among the multilateral development banks – which provided invaluable and timely support to new and existing clients without compromising transition impact or the mission to support the private sector. We commend the Bank's expert handling of this crisis, which both responded to its immediate effects, and provided a foundation for the impending recovery.

As we look to the end of 2021 and beyond, the EBRD is in a unique position to help its clients and countries of operations make further progress towards building more resilient economies. The forced social distancing during the pandemic has proven the vital role that modern, advanced and resilient digital infrastructures have to play in ensuring the continuity of social and economic activities. As part of the EBRD's mission to support the establishment and development of market economies, the Bank has a clear role to play in supporting the foundation of digital economies, and supporting its clients in their digital transitions. As everyday transactions move online, it is crucial that we provide both the public and private sectors with the tools necessary to protect their operations and the privacy of those they serve – and we believe that the EBRD is perfectly positioned to lead this effort. We look forward to supporting the Bank as it works to form its digital strategy.

In light of the events of the last year, we also believe that the EBRD can offer unique added value to the health sector in its countries of operations. Throughout the pandemic, we have seen supply chains tested and service delivery interrupted, as the sector worked to adjust to the new normal. The EBRD can aid in strengthening the resilience of health systems across its area of operations, and should work to foster innovation and transition impact.

While we believe that the EBRD's duty, first and foremost, is to support transition efforts in its current countries of operations, we do support a careful consideration of the expansion of the Bank's mandate to include new markets. Any such expansion will have to take into account, along with other considerations, where the EBRD can have the most added value and act as a complement to the international financial institutions and development organisations already working in these potential markets.

I would like to close by reaffirming Israel's strong support for the EBRD's mission, and thanking the EBRD leadership and staff for their ongoing support to the Bank's countries of operations during this especially difficult time. I look forward to working with you all over the next year, and hope to see you all in-person for the 2022 Annual Meeting in Morocco.

STATEMENT BY MR DANIELE FRANCO, GOVERNOR FOR ITALY

I would like to start by thanking management and the whole staff of the Bank for organising this Annual Meeting in a mostly virtual mode, thus giving us the opportunity to exchange our views on important topics.

The resilience of the EBRD's people through the crisis has been a remarkable example of commitment, dedication and passion. Thanks to all, wholeheartedly.

I am glad that the Bank is preparing for a gradual return to the physical offices after the summer break, with a hybrid way of working. This Annual Meeting is the first example of the new modality, and I warmly thank the Governor for Ireland for chairing our meeting from the London Headquarters.

Over the years, the institution's mandate and business model have proven to be effective and successful. In the past year and a half, the Bank has been able to adapt to the evolving environment, testifying to its flexibility and ability to deal with an emergency of unprecedented nature and size.

Equally unprecedented and sizeable has been the package deployed by the Bank to address the crisis and avoid transition reversal. This is highly commendable and, in the same vein, I want to welcome the prompt operational re-engagement with the Czech Republic.

The EBRD regional offices, with their dedicated staff, are key to ensuring the constant monitoring of the needs of countries of operations that have been particularly hit by the economic and social crisis triggered by the pandemic. The Bank's field presence also allows for a profound understanding of its clients as we face the task of helping them to build back better.

The coming years are challenging and exciting at the same time. The Strategic and Capital Framework 2021-2025 sets a clear and ambitious programme for the recovery of the Bank's countries of operations – a programme aimed at building sustainable and inclusive economies based on three cross-cutting priorities: low-carbon and climate-resilient strategies, equal opportunities, and digitalisation.

I commend the Bank for its green agenda and climate ambition, and I am confident that it has the necessary tools and expertise to implement the required actions to assist countries on their individual paths to green transition.

In line with our G20 Presidency priorities, Italy is pushing for all multilateral development banks to align their activity with the goals of the Paris Agreement, and the EBRD is playing a leading role in this respect, having set the end of 2022 as the cut-off date for such alignment.

Exploiting the potential of new digital technologies is also key, as they provide powerful and readily available tools to improve efficiency, foster innovation, and increase resilience. The amount of data made available today by digital technologies must inform and improve investment projects.

Investment in infrastructure must be part of the digital transformation. The Italian G20 Presidency aims to promote infrastructure as a way to foster social inclusion, reduce geographical disparities, and improve environmental sustainability.

Improving equality is not a brand new item for the EBRD, but inclusion is gaining new prominence in its agenda. Thanks to its combination of policy dialogue, technical cooperation and investments, the Bank can facilitate reforms to guarantee access to equal opportunities for all population groups, starting from those more affected by the current crisis, i.e. youth and women.

A key lesson we learned from the Covid-19 crisis is that we need to improve the ability of multilateral institutions to work as a system. Joining forces is the only way to effectively and efficiently address global challenges, and implement the development agenda according to their respective comparative advantages, in close collaboration with all relevant stakeholders.

I praise the recent signing of the Memorandum of Understanding with the African Development Bank as a tool to strengthen and accelerate joint action for sustainable private-sector development.

This is a crucial step, looking ahead to the possibility of expanding the Bank's geographical scope to sub-Saharan Africa. The Resolution approved at this Annual Meeting sets the optimal context for carrying out the preparatory work and providing a robust background, thus enabling us to make an informed decision next year.

I look forward to the ongoing assessment of the capital capacity of the Bank, under different scenarios of geographical expansion over the horizon of the Strategic and Capital Framework and beyond, in order to have a clear picture of capital constraints.

Let me conclude by commending once again the EBRD and its committed staff for the capacity to adapt to changing circumstances and always be up to the challenges of delivering on the Bank's mandate.

STATEMENT BY MR TAICHIRO MOTOE, TEMPORARY ALTERNATE GOVERNOR FOR JAPAN

1. Introduction

On behalf of the Japanese Government, I am honoured to address the Thirtieth Annual Meeting of the EBRD.

This Annual Meeting is the first since Madame Renaud-Basso took office as the President last autumn, and marks the 30th anniversary of the Bank's establishment. I would like to express my sincere gratitude to the EBRD staff for their efforts in preparing for the Meeting, which is again in a virtual format following the meeting last October. Over the past 30 years, the EBRD's role and the scope of its operations have expanded. Japan highly appreciates the Bank's achievements in responding flexibly and sincerely to the needs of its regions.

2. Building back better economies

The EBRD's countries of operations experienced severe damage due to the Covid-19 crisis. The Bank responded swiftly by implementing its Covid-19 Solidarity Package, which was introduced in March last year. Japan appreciates the Bank's proactive support, resulting in a record high Annual Bank Investment of €11 billion in 2020.

In the post-Covid-19 recovery phase, Japan expects the EBRD to continue to play a leading role in such areas as supporting SMEs, climate change response and digital transformation, where the Bank can add value. To ensure the most effective and efficient use of limited resources, Japan believes that the Bank's support should be targeted at the geographical areas and sectors in which maximum transition impact can be achieved. Specifically, we urge the EBRD to fully support the early transition countries, including Central Asian countries and Mongolia.

3. The EBRD's policy challenges in the medium term

Let me now express Japan's views on our two priority issues: (i) the EBRD's potential expansion of its countries of operations and graduation of advanced transition countries; and (ii) the EBRD's climate change response.

With regard to the potential expansion of countries of operations to sub-Saharan Africa, Japan is ready to continue a constructive discussion based on our agreement in the Strategic and Capital Framework 2021-2025. When considering any potential expansion, in-depth discussions should be held on the EBRD's additionality and complementarity to other development actors already on the ground. In order for a potential expansion to take place under the current capital base and without compromising the EBRD's credit rating, graduation should also be discussed in parallel. Japan supports the fact that discussions are in progress at the Board of Directors on the Post-graduation Operational Approach, which will pave the way for a rapid right of return for graduated countries in the case of a crisis after graduation.

On climate change response, Japan welcomes the Bank's commitment to fully align its operations with the Paris Agreement by the end of 2022. Climate change is a global issue that requires all economic agents across all countries in the world to act. The EBRD should embrace an inclusive approach, supporting not just "dark green" but also the intermediary areas between "green" and "non-green". Japan urges the Bank to promote transition finance to help all countries of operations achieve the goal of carbon neutrality through tailored paths. Japan also expects the Bank to proactively mobilise private finance for this purpose.

4. Japan's contributions to the EBRD

The EBRD is a global institution that includes non-European countries in its Membership. Japan appreciates that Madam President is striving to reflect the voices of non-European Members in the Bank's institutional management. As one of the second largest shareholders, Japan is willing and ready to proactively participate in the EBRD's governance.

In order for the EBRD to respond flexibly and effectively to the increasingly diversified and complex needs of its countries of operations, the EBRD should further promote diversity among its staff, including national diversity. Japan will further contribute to the Bank in this endeavour through qualified Japanese staff.

The EBRD's Representative Office in Tokyo has made meaningful contributions to business development by engaging Japanese companies, enhancing visibility of the EBRD in Japan, and promoting other EBRD activities, including recruiting Japanese nationals. Japan expects the Representative Office to play an even more active role in mobilising Japan's knowledge and skills for the EBRD's operations, and is ready to give its utmost support to the Office.

5. Conclusion

Under the strong leadership of Madam President, Japan expects the EBRD to continue to actively address various challenges, including those arising from Covid-19, and to draw on its expertise to play a leading role in the post-Covid-19 recovery.

Japan is determined to proactively contribute to the EBRD, so that the Bank can keep adding value as a global institution.

STATEMENT BY MR NASSER SHRAIDEH, GOVERNOR FOR JORDAN

- Allow me first to thank the Bank for their continued support and investment in the development of our economy. I would also like to thank the UK for virtually hosting this event once again this year.
- The year 2020 was exceptionally challenging. The Bank demonstrated commendable flexibility, innovation and decisiveness, and this was translated into a number of tangible investments and changes last year.

- I believe we are aligned in terms of our outlook for the future and building back better; this discussion on greater economic and social inclusion in Jordan has long been championed by our leadership and people.
- International and regional dialogues like today's help us develop new tools that enable us to adapt together to our post-Covid reality. The Bank's new Members and the incremental expansion to sub-Saharan Africa are important steps in enriching this dialogue and process.
- The Bank's Strategic and Capital Framework 2021-2025 is another vital adaptation tool that will bring us closer to ensuring inclusive, equitable and sustainable growth.
- Jordan's blueprint for recovery reflects core elements from this Framework:
 - We are embracing digitalisation as an essential piece of the recovery puzzle, and a key driver and enabler for inclusive and equitable recovery.
 - We are expanding on our climate and sustainable development ambitions. This is reflected in our National Green Growth Action Plan for 2021-2025, which mainstreams our green growth, climate change and sustainable development objectives.
 - We are also moving forward with three parallel reform tracks: economic, political and administrative. And we will be creating a national dialogue to put forward an inclusive future roadmap (for 2021-2022) with key priorities in terms of legislative reforms, policies and priority projects.
- In order to realise better economies, we have to ensure that our ambitions for a better future are met with actions:
 - The US\$ 1 billion agreement signed between the EBRD and the Green Climate Fund promoting the uptake of low-carbon technologies in the industrial sector is a good example of this.
 - We are also working with the Bank, which is a strategic partner in our public-private partnership programme, on various projects in our programme pipeline. Continuing and expanding this partnership is key to our economic recovery and equitable growth.
 - Moving forward, I also hope that the Bank continues to be agile in its response and scale towards supporting the development of our economies. Providing flexible and innovative financing tools is an essential part of this process.

STATEMENT BY MR DAUREN KENGBEIL, ALTERNATE GOVERNOR FOR KAZAKHSTAN

Post-crisis economic recovery amid the coronavirus pandemic is currently the most pressing issue for every State.

The repercussions of the coronavirus have had a large and negative multiplier effect on all the world's countries. Oil prices fell to below zero for the first time ever, and world trade flows contracted. Business activity slowed significantly because of defensive measures taken against the virus. A reduction in bilateral trade has also been observed.

To ensure employment and maintain income levels for its citizens, the Government of Kazakhstan instigated far-reaching measures.

Three crisis-response packages designed to prevent irreparable consequences were delivered at a total value of US\$ 15 billion (9 per cent of GDP): emergency measures to support the general public and businesses; operational measures to maintain social and economic resilience; and a comprehensive plan for the resumption of economic growth.

Despite the external and internal challenges, the Kazakh Government made prompt efforts, and so limited the country's economic downturn to 2.6 per cent.

Effective action and increasing diversification in the economy will from now on facilitate a sustainable return to economic growth. In 2021, we expect GDP to grow consistently at no less than 3.1 per cent.

The Government of Kazakhstan appreciates the financial and economic support that the EBRD has provided through its crisis-response Solidarity Package to tackle the consequences of the coronavirus pandemic.

Last year, Kazakhstan signed 19 new projects with the EBRD. They totalled €422 million across all sectors of the economy, including transport infrastructure, renewable energy, and SMEs through credit lines with banks.

We are confident in the Bank's ability to fulfil its shareholders' requests to support the 2030 Sustainable Development Goals without prejudice to the existing countries of operations.

We value our solid partnership with the EBRD and support the commitment of the team led by President Renaud-Basso as it identifies ways to support the countries of operations to re-establish their economic situations and achieve ongoing improvements in the quality and impact of its work.

In conclusion, I would like to wish us all good luck in attaining our far-reaching goals and accomplishing the tasks that now lie ahead of us.

STATEMENT BY MR JUNG-IN YOUN, TEMPORARY ALTERNATE GOVERNOR FOR THE REPUBLIC OF KOREA

Mr Rishi Sunak, Chancellor of the Exchequer, Mr Paschal Donohoe, Chair of the Board of Governors, fellow Governors, ladies and gentlemen, it is a great pleasure to be here with you at this virtual Annual Meeting.

First of all, congratulations on the EBRD's 30th anniversary. On behalf of the Korean Government, I would like to express deep appreciation to the UK Government and EBRD staff for organising this meeting. My sincere appreciation also goes to President Odile Renaud-Basso for successfully leading the EBRD since her appointment.

The year 2021 is a significant turning point in which we saw the launch of the EBRD's Strategic and Capital Framework, and begin to define the world before and after the pandemic. In this context, it is very timely that we are holding this Meeting under the slogan of building back better economies.

The EBRD has set out three cross-cutting strategic themes: accelerating the digital transition, supporting the transition to a green, low-carbon economy, and promoting equality of opportunity. These are key areas that will serve as robust engines of future economic growth. Korea is strongly in favour of the EBRD's objectives with these themes. The Korean Government is also seeking to recover from the crisis as soon as possible and preemptively respond to the transformations taking place in economic structure. We are doing this through the Korean New Deal, whose main pillars consist of digital and green transitions, and stronger employment and social safety nets.

Against this background, I would like to highlight three areas the EBRD should focus on while building back better in order to get ahead in the post-Covid-19 era.

First, we should build back better based on cooperation. No single country can beat the current crisis. It is now more important than ever for the international community to work together with unity. To this end, we need to strengthen multilateralism and restore global trade and investment by resuming global value chains and global mobility. As part of this effort, it is quite encouraging to see the EBRD's Trade Facilitation Programme under the Coronavirus Solidarity Package supporting the financing of foreign trade, with a record annual volume achieved. Looking further ahead, I hope the EBRD will play an active role in fostering cooperation among countries and promoting international solidarity.

Second, building back better requires innovation. Covid-19 is accelerating structural transitions to digital and green economies. There is a growing demand for the exploration of new industries and developing technologies. Enhancing innovation-based transitions and the ability to adapt are critical to meeting these needs. The private sector plays a particularly crucial role in achieving innovation. In this regard, it should be noted that during the coronavirus outbreak, the EBRD has continued to concentrate support on the private sector, which accounted for 72 per cent of total investment last year. Beyond this, it is our hope that the EBRD can facilitate change and innovation in countries of operations by utilising the experience gained as a professional institution to boost private-sector growth.

Third, building back better economies must be inclusive. The unequal impact of Covid-19 has worsened national and social gaps. Moving forward, we need to expand our support for vulnerable groups, including young people, the elderly, women, and low-income earners, as well as isolated communities that have been hit hard by the crisis. Since inclusion is also one of the EBRD's transition qualities, I hope the Bank will be able to further promote initiatives such as the Women in Business Programme and the Small Business Initiative. It is essential to make sure that we are able to build back better economies without blind spots, so that this will not lead to an uneven recovery.

We expect the EBRD to act as a key leader in overcoming the crisis and achieving sustainable growth. Korea will remain a committed partner of the EBRD. I hope the world can return to normal soon and move toward a better future.

STATEMENT BY MR HEKURAN MURATI, GOVERNOR FOR KOSOVO

It is with great pleasure that I address this year's Annual Meeting on the EBRD's 30th anniversary. And I take the opportunity to express our appreciation to those involved in hosting yet again another successful virtual Annual Meeting. I would also like to thank members of our constituency – Ireland, Denmark and Lithuania – for their support and cooperation throughout the years, and especially for the preparation of documents for this year's Annual Meeting.

Despite the unprecedentedly challenging environment across all countries of operations, we commend management and staff for the quick and convincing response to the crisis. The flexibility and effectiveness of the instruments deployed – which led to a strong investment performance and private capital mobilisation rate – confirmed once again the EBRD's strength, and its distinctive position amongst its peers in the international financial institutions. Together with the record level of investments, we also appreciate the robust Transition Impact results achieved across regions and sectors, and we strongly support and encourage management to further step up investments. Although we note and appreciate the overall increased rate of disbursements during 2020, we would like to highlight the need for continuous focus and additional joint engagement to increase the pace of disbursements across countries of operations, especially in the countries of the Western Balkans region, and Kosovo in particular.

As in other EBRD countries of operations, the Covid-19 crisis has had quite an impact on Kosovo's economic activity. Despite a flexible and supportive policy stance since the onset of the crisis, economic activity during 2020 contracted markedly, although not as severely as initially expected. While uncertainties surrounding the recovery are still present, with an increased pace of vaccination rollout, the early data for 2021 indicate a strong rebound during 2021-2022. In this light, and in order to ensure an inclusive and sustainable economic recovery, we encourage a more proactive approach in the private sector, but also in public sector projects that are essential to enable private-sector-led growth.

The accelerated shift towards digitalisation seems unlikely to reverse. In this direction, the EBRD, with the latest Strategic and Capital Framework (2021-2025), is well positioned to support the digital economy and the use of technology to enhance competitiveness and accelerate innovation in our private sector. In addition, as the EBRD thrives amongst its

international financial institution peers in capital market development, we look forward to working closely to further develop our financial market – one that is not only based on debt financing, but also on alternative and innovative financing tools that will support the growth of our private sector. As Kosovo is a small open economy, the SME sector remains its backbone. Thus, additional support to SMEs will be needed, both financially and through policy support, especially to those in the production sector and to women and youth-led enterprises, so as to increase their productivity and competitiveness, and strengthen their resilience.

In addition to untapped private-sector opportunities, during our recovery phase, a joint effort should be made on key strategic public investments as well. Our infrastructure connectivity agenda has progressed well, while more joint efforts would be needed in energy affordability and security, energy efficiency, and diversification of energy sources. In this endeavour, we acknowledge the importance of responding to climate change, however challenging that may be for us vis-à-vis other development needs and priorities. In this context, we are encouraged by the approach we are about to adopt on the EBRD's climate ambition.

We believe that it presents a challenging goal for the Bank to be more climate-ambitious for more developed countries, while also allowing room to be pragmatic in supporting a smooth and realistic transition for heavily coal-dependent countries towards greener sources of energy. In this regard, we believe that there is room for the EBRD to extend the timeframe for supporting countries on their decarbonisation path. As such, we see the EBRD as an irreplaceable partner in developing our ambitious long-term energy-transitioning plan, which takes into close consideration affordability for households and businesses, among other important elements. Therefore, we remain confident that our energy sector's long-rooted challenges also represent an opportunity for achieving a growth path that is resilient, inclusive and sustainable.

By building on this past excellent cooperation and seizing the numerous opportunities ahead, let me conclude by reiterating our strongest commitment to deepening our cooperation in addressing our remaining challenges.

STATEMENT BY MR AKYLBEK ZHAPAROV, GOVERNOR FOR THE KYRGYZ REPUBLIC

First of all, let me thank the EBRD for its assistance and support to the ongoing socioeconomic reforms, and for being a reliable partner, especially in these difficult times. The EBRD is one of the key partners providing significant support to the Kyrgyz Republic in priority sectors of the economy, and especially in the fight against the consequences of Covid-19.

The Covid-19 outbreak has already had a substantial impact on the budget. Border restrictions and the decline in economic activity have led to greater losses in the collection of customs and tax payments.

The closure of the border with the largest trading partner, and more recent border restrictions with neighbouring countries, have had a significant bearing on industrial production, agriculture, construction, tourism, services and other types of activity.

The outbreak of the Covid-19 pandemic has highlighted the most serious health-sector challenges, socioeconomic problems and their consequences that our country has ever faced. And we hope that the EBRD will help us overcome them, as it did in 2010 and 2020.

The Government has allocated additional health expenditure during June-July 2020 associated with Covid-19 prevention measures.

From March to August last year, expenditure aimed at strengthening the health-care system and supporting the country's economy, especially SMEs, increased significantly.

Contrary to our hopes Covid-19 is still with us in 2021.

At the same time, we are optimistic about the future, and believe that the reforms planned in the Kyrgyz Republic will allow us to reach great heights.

Let me introduce you to the main strategic directions of activity. In 2021, the main task for the transition period is to determine the principal directions for change, and start laying the foundation for the development of the Kyrgyz Republic in the conditions of today's realities.

The country is undergoing a reform of its system of administration. It is based on the principle of a clear distribution of powers and responsibilities, thanks to which the government will become stable, powers will cease to be diluted, and there will be one centre for decision-making. In addition, the reform presupposes the reduction and optimisation of administrative structures, the elimination of duplicate functions, and the numerical reduction of officials.

The structure of the government will become compact, and it will be able to promptly respond to any challenges. Optimisation of the structure of the administration implies cost reduction. The remuneration system will be reformed with a focus on actual results.

Digitalisation in the public administration system will receive a new impetus. Within five years, all State services issuing certification and reference documents will be transferred to electronic format.

The new national programme "Foreign Economic Freedoms" will promote the freedom of movement of goods, capital, technology and people. Within the framework of the programme, economic cooperation will be intensified at various integration sites.

Considering the low potential of the domestic market, exports should become the main reference point. To implement an export strategy based on public-private partnerships, the Government will deal with promoting Kyrgyz goods on world markets, marketing in accordance with world standards, providing consulting services on standardisation, technical regulations, risk management (insurance) and preferential lending, and subsidising export operations.

A favourable regime will be created for the import of agricultural technologies and innovations, mechanised means of production and agricultural machinery.

Comprehensive economic reforms are based on the following objectives: macroeconomic stability, integration into the global economy, productivity enhancement, and labour market development.

Macroeconomic stability is one of the basic conditions for economic growth. The Government, together with the national bank, intends to pursue a policy of stimulating economic growth. Today, the main problem is the budget deficit and external debt. To solve it, it is necessary to ensure the collection of customs and tax payments. At the same time, it is necessary to prevent forceful pressure on business.

The internal structure of government spending will also be revised in order to increase the share of funds that will be directed to long-term development goals, and not to current consumption.

We believe it is fundamentally important to familiarise you with the implementation of national reforms. Thus, the Government will develop national projects in four directions.

- Strategy for maximum integration into international economic processes at all levels:

Further integration through the Eurasian Economic Union (EAEU) is a priority. In addition, it is necessary to take into account the proximity of Kyrgyzstan with China, which in the near future, will become the centre of world development processes.

In the next five years, the construction of the China-Kyrgyzstan-Uzbekistan railway will begin.

- New energy strategy:

The strategy will initiate the national programme *Energy of the country – reset* and announce the forthcoming period as five years of development for the country's energy sector.

In addition to tough anti-corruption and disciplinary measures within the system and renewal of the management staff, the programme *Energy of the country – reset* will involve the implementation of the Small and Medium Hydropower Project and a pilot project to transfer to a bona fide operator for temporary management one of the distribution campaigns on tough investment and tariff conditions.

- New financial strategy of the country:

The new strategy will form the basis of the national programme *Kyrgyzstan – a regional oasis for business*, within the framework of which an attractive investment climate will be created in the country. In the medium term, it is planned to increase the volume of investments to 15 per cent of GDP.

To implement the programme, a package of bills will be initiated aimed at protecting investments, ensuring freedom of movement of capital, banning the forceful settlement of economic disputes, and simplifying registration and licensing procedures.

- Strategy for technological modernisation of the country:

The *Technological Revolution* programme will be initiated. Kyrgyzstan must become fully open to attract technology and innovation from outside.

In conclusion, I take this opportunity to convey my gratitude to the EBRD for its support of these reforms, which are resulting in improved livelihoods for the citizens of the Kyrgyz Republic. And let me also express my hope for further fruitful cooperation to achieve great success in the programmes above.

STATEMENT BY MR JĀNIS REIRS, GOVERNOR FOR LATVIA

As EBRD Governor for the Republic of Latvia, I would like to congratulate the Bank on its 30th anniversary – a period that spans over an entire generation. During those years, the Bank has grown into one of the leading multilateral institutions worldwide with its primary focus on private-sector development. In countries of operations, the Bank has thereby helped to pave the way in their transitions towards more resilient and inclusive economies. I wish to extend my sincere greetings to the President, Madame Odile Renaud-Basso, the Bank's management and its staff, the Board of Directors and fellow Governors.

2020 Operational Results

Latvia endorses the Bank's results achieved in 2020, leading to €11 billion in annual investments across 411 individual projects – and this despite all the challenges due to Covid-19. We are aware that the significant drop in green investments from 46 per cent to 29 per cent, and the historically low share of equity at 12 per cent, can be largely attributed to difficulties caused by the pandemic. Overall, we accept the financial performance, applaud the reaffirmed AAA rating, and support the allocation of net income proposed for 2020.

We appreciate the speedy response by the Bank in launching the Solidarity Package that targeted the financing of distressed clients facing liquidity constraints. It was much-needed and expected support: however, prospective clients in countries of operations such as Latvia, with a traditionally small client base, did not benefit from this package.

Building back better economies

The past year was most challenging for governments across the globe – lockdowns and restrictions, measures to support peoples and economies, access to and distribution of vaccines, and above all, rising public criticism. This has caused many governments and their officials to look for new and uncharted ways. All this has been a test of endurance.

Covid-19 has had a significant impact on the economies of Europe and elsewhere. Indications show that this pandemic may become more of a chronic challenge, entailing virus mutations and constraints in vaccine supplies. Are we prepared to manage these risks, containing the virus and the effects on economies it has caused?

Less advanced countries of operations affected by the pandemic should, we feel, be prioritised in receiving the Bank's support. However, the Bank must not overlook recipient countries that are comparatively more advanced but also struggling with the effects of the crisis. In this regard, the strategic direction of building back better – transiting to a low-carbon economy, alleviating inequality of opportunity and accelerating the digital transition – applies equally to all countries of operations, and many important challenges remain, such as the development of capital markets.

One of the key challenges and priorities for policymakers today and in the years ahead will be fair and equitable taxation – a sustainable source to finance public goods and services. We therefore encourage the Bank to continue striving for the highest governance standards regarding domiciliation and tax avoidance by preventing operations where the client's structure points to harmful tax practices in a country of operations.

EBRD climate ambition

Latvia supports the Resolution on EBRD climate ambition, including the Bank's objective of accelerating the alignment of investments and operations with the Paris Agreement to the end of 2022. Increasing finances for renewable energy programmes, while at the same time limiting support for fossil fuels in order to accelerate the transition to a low-carbon environment and also giving due consideration to specific country contexts, is the right way forward. Energy policy is a complicated trilemma of energy security, affordability and climate issues. The challenges in these dimensions are different region by region and country by country, and this should be well reflected in the operationalisation of the new policy approach. We encourage the Bank to pay particular attention to regional cooperation in climate-related projects that promote the development of the basic infrastructure needed for unlocking green potential, as well as to policy dialogue in the area of regulation for fair competition. Close coordination with other multilateral development banks, as well as other institutions and partners, towards carbon transition and climate-resilient development cannot be underlined enough.

Preparatory work on a possible limited and incremental expansion to sub-Saharan Africa and Iraq

Latvia principally supports the Resolution, *Preparatory Work for an Update on the EBRD's Possible Limited and Incremental Expansion to sub-Saharan Africa and Iraq – Governors' Direction*. We underscore, though, that this preparatory work does not predefine any elements for decision on future expansion by the EBRD's Governors at the 2022 Annual Meeting.

In these efforts, it is important to adhere to the agreed principle by the shareholders that any potential expansion should not negatively affect the EBRD's engagement in the current countries of operations. Moreover, this process must not be linked to any possible graduation involving the current countries of operations.

It is important to underline, regarding potentially new countries of operations, that due regard has to be paid to the basic principles laid down in Article 1 of the Agreement Establishing the EBRD, meaning those countries' commitment to and application of multiparty democracy, pluralism and market economics.

The unique business model of the Bank compares favourably to other similar programmes when it comes to private-sector development in new markets. However, in certain countries, the Bank's activities should complement rather than be in competition with the efforts of other multilateral development banks. We encourage the Bank's management to closely follow the guidance put forward by the Council Conclusions on enhancing the European financial architecture for development.

Latvia and the EBRD

The economic downturn caused by Covid-19 has again amplified the importance of support by international financial institutions to countries in need. In 2020, to our regret, the level of EBRD investment in Latvia was one of the lowest in recent years, and the lowest in the whole of Central Europe and the Baltic region. As the response of the Bank to the crisis was primarily focused on already existing clients and the Bank has a small client base in Latvia, the result was a lack of concrete support to our country. In addressing the negative impact of Covid-19 on Latvia's economy, the Government of Latvia was therefore forced to significantly increase its borrowings on the international markets, thereby raising the public debt, financing various public and private-sector programmes through the national budget.

Looking forward, we anticipate the finalisation of the EBRD's *Country Strategy for Latvia 2021-2025* later this year. In this connection, I want to thank the Bank's country team for the constructive work laid down during the preparation of this strategy. We feel that a continuous dialogue with the Latvian authorities and stakeholders has resulted in a well-balanced approach, which will lay the base for future investment by the Bank in Latvia.

STATEMENT BY MR GHAZI WAZNI, GOVERNOR FOR LEBANON

Lebanon's Current Challenges

The Lebanese economy has been struggling in the last few years to generate inclusive growth and to reduce poverty. In fact, Lebanon has suffered from financial and economic instabilities that have created systemic macro-financial failures. Inflation rates have surged, the exchange rate for the Lebanese pound has dramatically depreciated in the parallel market, and dollar deposits in Lebanese banks are blocked.

All these factors have placed Lebanon in the midst of a sovereign, banking and economic crisis, with a large fiscal deficit, macroeconomic imbalances and deteriorating social indicators. This multifaceted crisis has been aggravated by the impact of the Covid-19 pandemic: Lebanon responded with lockdowns that further exacerbated economic and financial stresses.

On 4 August 2020, a massive explosion rocked the Port of Beirut, destroying much of the port and severely damaging dense residential and commercial areas within five kilometres of the site of the explosion. The disaster left more than 200 people dead, thousands injured, and tens of thousands homeless. The economic impact of the explosion is notable at the national level, despite the geographic concentration of the destruction. The main economy-wide effects include: (i) losses in economic activity caused by the destruction of physical capital; (ii) trade disruptions resulting in higher transaction costs of external trade; and (iii) the loss of fiscal revenues.

The above challenges, added to the effect of the conflict in Syria and the resulting influx of Syrian refugees into Lebanon, have exposed Lebanon's severe economic vulnerabilities.

Outlook for the future

Following the financial crises and the suspension of the settlement of its Eurobonds, the Government of Lebanon has been preparing its reform programme to deal with debtors, the international community and its own people. Negotiations with the IMF have already started.

The coming period will be challenging for the Lebanese government to fulfil its commitment to reducing the deficit. This reduction will materialise by implementing sound fiscal policies and investment projects to enhance the economy.

We look for the support of the EBRD to help Lebanon in carrying out its commitments and facing the extraordinary burden – due to the Covid-19 pandemic, Beirut's port explosion, the impairment of the banking system, the devaluation of its currency, and the Syrian crisis – through engaging in a range of sectors that can further stimulate our private sector and boost

jobs to lift the economy by reducing the unemployment rate, increasing productivity in different sectors, and alleviating living costs for poorer Lebanese households.

STATEMENT BY MS GINTARĖ SKAISTĖ, GOVERNOR FOR LITHUANIA

- The Covid-19 crisis has highlighted the need to develop more resilient, sustainable and inclusive economies.
- The EBRD has been able to adapt quickly to the new circumstances, and has proved to be a reliable partner, assisting countries in their efforts to mitigate the effects of this crisis and rebound faster.
- We fully support the Bank's proposed way forward, transforming our economies in a green, knowledge-based, innovative way. This corresponds well with the strategic priorities of the Lithuanian Government.
- Alongside the green and digital transitions, we need to avoid long-term scarring effects on our economies and societies.
- To achieve these goals, we need to use all available funding sources and involve the private sector.
- We regard continued EBRD involvement in Lithuania as a key element. EBRD activities bring added value, especially in supporting the private sector's recovery.
- The Bank's operations in Lithuania are additional and contribute to our domestic efforts to transform the economy. We appreciate the EBRD's expertise and involvement in a number of areas, such as developing capital markets, addressing climate issues (including through the sustainable finance track), and fostering competitiveness via technological development.
- We welcome the Bank's increased climate ambition. Achieving the climate goals set will require sizeable investments and structural changes at the national level. A pragmatic and flexible approach should be ensured in this regard.
- On the EBRD's geographical expansion, we support a sequenced approach to the preparatory work. At the same time, it is critical to ensure that the graduation issue is not in any way linked to possible geographical expansion, and remains a national decision.
- Before concluding, I would like to draw your attention to the situation in Belarus. Here I stress the importance of the Bank's political mandate – to conduct operations in countries committed to and applying the principles of multiparty democracy, pluralism and market economics. Assessing the recent events and taking into account the economic sanctions adopted by the EU, I strongly call on the EBRD to suspend all disbursements or payments under existing projects, and urge the Bank not to start any new projects in Belarus, irrespective of beneficiaries or sectors. The Bank's continued involvement in the country creates substantial reputational and political risks.
- In conclusion, let me express our thanks to the President and the Bank's management and staff for their work in this challenging time. Stay safe!

STATEMENT BY MR EDWARD SCICLUNA, GOVERNOR FOR MALTA

It is always a great honour and privilege for me to address the Annual Meetings of the EBRD. Once again, ongoing circumstances have compelled the Bank to hold its Annual Meeting in virtual format, with all the challenges that this involves.

I would like to take this opportunity to congratulate and thank the new President, Ms Renaud-Basso, for her unceasing efforts to navigate the EBRD in what, I think it is safe to say, are unprecedented circumstances for any new EBRD President since its inception. On this same note, I wish to extend my congratulations to all officials and staff members of the

Bank for their determination, skill and persistence in the face of the global pandemic. While this is perhaps not the manner in which any of us envisaged the EBRD celebrating its 30th anniversary, the Bank's activities throughout the past year stand as a fitting tribute to mark this important milestone.

Indeed, the EBRD's wide-ranging response to the Covid-19 crisis is also reflected in its remarkable financial and operational performances in 2020. In spite of the adverse operating environment, the Bank recorded a net profit for the year. Furthermore, 2020 represented yet another bumper year in terms of operational activities, with investment reaching a record-breaking €11 billion across 38 countries. The Bank is financing over 400 projects and is increasingly directing its focus on transitioning to a green economy, equality and digitalisation, which are all aligned with the Bank's goals under its 2021-2025 Strategic and Capital Framework.

In a time of heightened trade barriers, the performance registered by the EBRD's Trade Facilitation Programme in expediting cross-border transactions is also noteworthy. Finally, the Bank's Solidarity Package, Resilience Framework and other initiatives of a similar nature have been crucial in helping partners and beneficiaries ward off the worst effects of the pandemic, preventing not only further catastrophe, but also ensuring that post-pandemic recovery efforts will commence from higher and more stable ground than might otherwise have been the case.

A year after Covid-19 dug its talons deep into virtually every aspect of our lives, we are beginning to see a distant light at the end of the tunnel. Vaccine rollouts in advanced economies have been conducted on an unparalleled scale, an achievement which cannot be underestimated, and for which every participant deserves congratulations and praise. At the same time, however, the human tragedy that continues to unfold in many developing or emerging market economies is a stark reminder that much remains to be done. In particular, advanced economies must acknowledge that a return to any semblance of normality is entirely reliant on an efficient and equitable distribution of vaccines across the globe.

As to the regular business of the EBRD, Malta is pleased to note that the Bank's investment activities in the Southern and Eastern Mediterranean (SEMED) region have continued unabated, with new investments increasing by €300 million to reach the €2.1 billion mark. Malta endorses EBRD projects in the SEMED region, as sustainable investment contributes to tackling existing challenges in this region. We reassert our commitment to supporting such initiatives, confident that beneficial results lie ahead.

We welcome the progress made by both Iraq and the United Arab Emirates towards Membership status within the EBRD, and are confident that this will bring about a closer working relationship to the benefit of all parties. The addition of these two countries will represent yet another step forward in the EBRD's intentions of maintaining significant activity in the SEMED region, as well as affirming the limited and incremental expansion of strategic interests as laid out in the 2021-2025 Strategic and Capital Framework.

The current Covid-19 crisis – despite its huge challenges – should not serve to distract us from the pressing issues of climate change and environmental degradation. To this end, we applaud President Renaud-Basso's commitment to ensuring the EBRD's full alignment with the terms of the Paris Agreement by 2023, as well as reaffirming the Bank's intention to dedicate over 50 per cent of its annual business volume to green financing by 2025. As a small island state, Malta fully supports the EBRD's decision to become a signatory of the Sustainable Blue Economy Finance Principles, and hopes that this will act as a catalyst for other institutions of a similar nature to follow suit.

Going forward, it is of paramount importance that existing work towards a greener, cleaner global economy is not only maintained, but reinforced. While recognising that substantial difficulties in this regard have been brought about by Covid-19 – not least in developing countries, many of which were already struggling to meet climate goals prior to the pandemic – we believe that the aftermath of the current crisis will present a unique opportunity to build

back better. Amidst the reconstruction and economic regeneration efforts that will be the hallmark of the post-Covid-19 era, more heed than ever before must be paid to encouraging the growth and diffusion of climate-friendly practices and techniques. An essential aspect of such efforts will be the involvement of the private sector, whose funds and expertise in numerous fields represent indispensable assets, to which the many collaborative endeavours between the private sector and the EBRD in various beneficiary countries stand testament.

I would like to conclude by once again thanking President Renaud-Basso, the Directors and all EBRD staff for their hard work and dedication during a most trying period. In these uncertain times, we look forward to additional EBRD projects that propagate stability throughout the coming year. Malta reaffirms its strong support for the EBRD's various policies, initiatives and strategies, and is confident that the template of success established during the Bank's thirty years of existence will strengthen further under the current administration.

STATEMENT BY MR ARTURO HERRERA GUTIÉRREZ, GOVERNOR FOR MEXICO

As a global community, we are facing one of the greatest economic challenges, derived from the Covid-19 pandemic, since the Great Depression. Despite these challenges, the EBRD's performance has been noteworthy, and has provided an accurate financial response to the pandemic.

Today, as Governors of the EBRD, we are meeting together to define the role that the Bank will have in the following years, and even more, to discuss the vision we want to build for the institution. In that sense, we want to highlight and recognise the priorities defined in the Strategic and Capital Framework 2021-2025, which must be the basis of the *Building Back Better Economies* strategy.

We consider that support for the transition to a low-carbon economy, the promotion of inclusive policies and the acceleration of digital transition are fundamental approaches in order to reach acceptable levels of sustainable and equitable development among regions and populations. Therefore, we must keep working on these three pillars, which will allow us to achieve long-term social development.

Mexico, as the only Member from Latin America, reaffirms its commitment to cooperate with the European Union and the Bank's other sixty-nine Members. We reiterate our intention to participate with a more active role by promoting the Bank's financial products, so that more Mexican companies can take advantage of our relationship with the EBRD.

We support the EBRD's geographical expansion strategy, and recognise that it is necessary to adopt a comprehensive post-graduation approach, bearing in mind the inequalities and social gaps that most of our countries still face and that Covid-19 has exacerbated even more.

STATEMENT BY MR OCTAVIAN ARMAȘU, ALTERNATE GOVERNOR FOR MOLDOVA

It is my distinguished pleasure to greet on behalf of the Republic of Moldova all the participants at the EBRD 2021 Annual Meeting, and to express my sincere thankfulness to EBRD management for all their efforts in organising it in an already common format for the majority of us.

The year 2021 is special for the EBRD and the National Bank of Moldova, as both are celebrating the 30th anniversaries of their establishment. Seizing this opportunity, I would like to congratulate the EBRD and its proficient team on this anniversary, and extend my sincere gratitude and appreciation for the productive and successful collaboration between the EBRD and the National Bank of Moldova, and the continuous and plentiful support offered.

The 30-year path of evolution of the EBRD has been marked by considerable progress in activities across its countries of operations, especially in accomplishing the scope of transition

from the planned to the market economy. The EBRD's success over time has been felt in all the countries in which it operates, thanks to its assistance and financial contributions adapted to respond to each country's specific needs.

In this regard, we very much appreciate the EBRD's reliable support in the recovery process from the current challenge of the Covid-19 pandemic, which has once again emphasised the EBRD's valuable role and mandate.

Over the year, the EBRD has remained one of the most important development partners for the Republic of Moldova. The Bank has made a precious contribution to the process of improving the business environment to further support the private sector through investment and consulting projects. In 2020 the Republic of Moldova benefited from 12 projects totalling €117 million of annual EBRD investment, €108 million of which were invested in the private sector. EBRD investment support is mainly contributing to the consolidation of energy security and efficiency, and to the development of the telecommunications, manufacturing and agribusiness sectors in the Republic of Moldova.

Additionally, in the context of implementing the Moldova Country Strategy for 2017-2022, the EBRD contributed to the development of the banking sector in the Republic of Moldova, and to the promotion of good governance aligned to the standards and practices of the European Union. In this regard, the presence of the EBRD as a shareholder in the banking sector of the Republic of Moldova represented an important moment in the reform of the local banking system. It was a positive signal for other investors, mainly from the European Union, who decided to invest in the largest banks in Moldova.

At the same time, a good illustration of efficient cooperation is that, in 2020, the National Bank of Moldova and the EBRD signed a bilateral agreement to conduct foreign exchange swap operations in order to establish a facility to support the national economy. The expected effect of signing this agreement is the creation and implementation of a new competitive instrument for EBRD lending to Moldovan economic agents in the national currency, and the development of the real sector of the national economy.

These projects and achievements are just the most prominent ones, which reflect the high level of EBRD commitment to advance the transition of our country to a sustainable market economy.

Against this background, we support the Bank's climate ambition for transition to a green, low-carbon economy. In this regard, we would like to inform you that the Republic of Moldova, as a signatory to the Paris Agreement, is fully committed to accomplishing its objectives in order to strengthen the global reaction to the threats triggered by climate change.

In view of the above, and taking into consideration the vulnerability of our country to climate change, we kindly expect the EBRD to assist us further (with technical assistance and policy support) in designing and implementing the roadmap for a successful transition to a low-carbon and climate-resilient economy.

Besides acknowledging the strong necessity to align the Bank's further activity with the Paris Agreement, we would like to express our full support for the themes and priorities identified by the Bank as essential for building back better economies in the post-crisis period. In this respect, we agree that increasing economic inclusion through private-sector investment, policy dialogue and accelerating the digital economy transition, with a focus on technological innovation, will be spurred on by finding opportunities to implement equity finance, offer advisory assistance to SMEs, and provide continuous policy support to countries of operations in post-crisis recovery.

As regards the possibility of expanding the EBRD mandate to sub-Saharan Africa and Iraq, we reiterate our previous position that any future option addressing this issue should initially take into account the impact on current countries of operations. We strongly support the idea

that the Bank should maintain its business model, and that the principles of additionality and sound banking should remain intact. Thus, while considering potential engagement with new countries of operations, levels of security must be considered.

We believe that the existing countries of operations present further opportunities and enough potential to increase and strengthen the Bank's capabilities. We support enhancing both the quantitative and qualitative dimensions of the Bank's work, and consequently, its transition impact in countries of operations.

In conclusion, I would like to reassure the EBRD and our partners about the strong commitment of the Republic of Moldova to continue the process of sustainable development towards a fully functioning market economy.

STATEMENT BY MR JAVKHLAN BOLD, GOVERNOR FOR MONGOLIA

It is a great pleasure to address the Thirtieth Annual Meeting of the Board of Governors of the EBRD. I would like to express my gratitude to President Odile Renaud-Basso and the EBRD team for facilitating this virtual meeting under these challenging circumstances.

Like many countries around the world, Mongolia is responding to the Covid-19 crisis to the best of our abilities. First and foremost, our Government is working to protect the health and well-being of our people. Our current goal is to fully vaccinate the entire adult population, with adolescents between the ages of 12 and 17 to be vaccinated at their guardian's discretion. Thereafter, we are planning to open our borders and resume both domestic and international travel.

The next important objective of our Government is to implement policies for swift economic recovery in the post-pandemic period. The Cabinet has approved a comprehensive plan for health protection and economic recovery with a budget of MNT 10 trillion (US\$ 3.5 billion). The recovery plan intends to provide businesses with soft loans at 3 per cent annual interest, to protect jobs and to increase export volumes. The plan has identified 100 projects that are being prioritised to ensure a resilient economic recovery; and we consider that some of those projects are attractive to foreign investors as well. Our Government is working to recover swiftly from the Covid-19 crisis and revive our economy to 6.5 per cent growth.

Taking this opportunity, I am pleased to note that the EBRD has made a valuable contribution to Mongolia's private-sector development over the past 15 years, providing over US\$ 2.2 billion in loans and investments for 114 projects. It is a significant contribution to economic diversification and development.

I would also like to thank the EBRD for expanding its cooperation with the Government of Mongolia since 2017 and providing soft loans and grants to finance government projects and programmes. Under the Financial Framework Agreement with the EBRD, our Government has implemented projects in infrastructure, heating, energy, green housing and disaster resilience to improve social and economic development. In particular, I would like to point out the joint implementation of the Ulaanbaatar-Darkhan road project, which is to improve the road connecting the two most populated cities of Mongolia.

The EBRD's strategic focus in Mongolia – to improve the competitiveness of the non-mining sectors, increase access to financing, support responsible mining, and develop efficient, high-quality and sustainable infrastructure services under green initiatives – is consistent with our Government's action plan. In the future, cooperation with the EBRD and its investment in the public and private sectors will undoubtedly play an important role in our Government's responsive measures to revive the economy during and after the pandemic.

We are in favour of the Resolution on fully aligning the EBRD's activities with the goals of the Paris Agreement on Climate Change as outlined by the Bank's Board of Directors, and support Members that are building sustainable and inclusive market economies on the basis of ambitious, low-carbon and climate-resilient pathways. We also support the other decisions,

as well as preparing for potential decisions on the expansion of the Bank's geographical scope to sub-Saharan Africa and Iraq.

In conclusion, we fully support the approach of building back better economies among Members. We would like to thank the Board of Directors, management and the staff of the EBRD for their efficient and dedicated work.

STATEMENT BY MS KATARINA ŽIVKOVIĆ, ALTERNATE GOVERNOR FOR MONTENEGRO

Please allow me to give my greeting to all participants, and congratulate EBRD employees for their strong efforts in organising the Annual Meeting in virtual format.

This is the second time that the Annual Meeting has been organised in this virtual way. It has taught us that we need to be more flexible and adapt quickly to new situations that arise. Thanks to the development of technology, we are able to meet in this way and continue with our obligations, even though I believe that all of us share the opinion that nothing can replace meeting in person. However, this situation has shown us how digitalisation is important, and that we should all focus on this aspect of development in order to keep pace with technological progress and implement our activities in a timely and efficient way.

Montenegro, like other countries, was faced with a sharp economic decrease last year, with an increase in the budget deficit and debt. This showed us where the weakness of the economy lay, and in which direction we should take our future development. Additionally, half a year ago, Montenegro formed a new Government. It set itself new priorities which, to a large extent, meet the development priorities of the EBRD, as defined in the draft Montenegro Country Strategy 2021-2026 and the Bank's Strategic and Capital Framework 2021-2025.

Last year highlighted the importance of diversifying the economy, bearing in mind that Montenegro is a mainly service-oriented economy and significantly dependent on tourism. That is why one of our priorities is strengthening competitiveness by enhancing private-sector capacity and improving the business environment. Namely, the economy needs to be diversified and to reduce reliance on 'sun, sea and sand' tourism. In that sense, the productivity of SMEs needs to be improved by ensuring better access to finance. In terms of diversification of the economy and enhancing the SME sector, Montenegro, in cooperation with the EBRD, is implementing a technical assistance project to develop and establish the Montenegro Credit Guarantee Fund. We believe that this will enable SMEs to easily find financing sources for their development. Additionally, the aim is to further develop the business environment by improving the regulatory framework, enhancing public-private dialogue and reducing informality in the economy.

One of our focuses is also the energy sector, and integrating its networks with the region and the EU. We are also taking measures to further liberalise the energy market by focusing on enhanced renewable generation (the Renewable Energy Source Action Plan) and market trading arrangements.

Accession to the European Union remains one of the top priorities of the new Government. The intention is to close outstanding chapters, implement the Economic Reform Plan, follow up on the Joint Conclusions, and prepare projects under the Economic Investment Plan and the Instrument for Pre-Accession.

Further support for connectivity and integration through expanding cross-border transport, energy and digital links will remain one of the development goals of our Government.

All previous priorities need to be implemented in an atmosphere of continuous fiscal adjustment, particularly in terms of further decreasing the deficit and reducing the high level of public debt. In that sense, the new Government will implement the fiscal consolidation measures in the Fiscal Strategy 2021-2024, which is currently being prepared.

As can be seen, our priorities are almost completely aligned with EBRD priorities, which shows that we have established a strong partnership that we believe will continue in the same manner.

The total value of EBRD projects in the public and private sectors since the Bank's establishment in Montenegro is €735 million across 75 projects. The total portfolio currently amounts to €434 million, which is being implemented through 44 active projects. Most of the projects (about 71 per cent) are related to the energy and infrastructure sectors. Projects intended for financial institutions account for 16 per cent, while 13 per cent relate to projects in the field of industry, trade and agribusiness. With newly defined priorities, we see more space for diversifying our cooperation, aiming to achieve better results for both the EBRD and Montenegro.

STATEMENT BY MR MOHAMED BENCHABOUN, GOVERNOR FOR MOROCCO

It is a great pleasure for me to take part in the proceedings of the EBRD Board of Governors in this, its 30th anniversary year. I would like to take this opportunity to commend the Bank's efforts, the quality of its teams' work, and their commitment to our institution.

I congratulate the President of the EBRD Ms Odile Renaud-Basso, the Board of Directors and the entire EBRD staff for the satisfactory operational results achieved in 2020, despite the unstable economic and financial environment that the Bank faced.

I am pleased to note that, despite these circumstances, the EBRD achieved a net profit of €290 million in 2020 and increased its Annual Bank Investment to a record €11 billion, of which more than 80 per cent was in non-sovereign financing; this confirms the Bank's unique mandate as primarily focused on the private sector. Another performance indicator worth highlighting is that disbursements in 2020 reached €7.6 billion – one of the highest levels in the Bank's history.

The achievements of 2020 have demonstrated the EBRD's remarkable capacity to adapt to the most testing of circumstances. Particularly through its special support package, the Bank has been able to provide a rapid response to support its countries of operations in tackling the Covid-19 pandemic and mitigating its devastating economic impact.

Morocco was one of the first countries to benefit from the mechanisms set up under this framework, both to meet the short-term cash-flow needs of private and public enterprises, and to finance basic public investments, particularly in infrastructure.

I would like to take this opportunity to reiterate my thanks to the EBRD's management and staff who have successfully concluded these projects under unfamiliar working conditions, and to all the members of the Board of Directors for their support.

The world economy will have to continue to evolve in a crisis mode characterised by unfavourable circumstances and pressing social needs. For many countries, the current crisis has uncovered the limits of growth models that have prevailed until now and the need to trigger a new dynamic of sustained and more resilient growth, while providing solutions to structural deficiencies, particularly those related to basic social services such as health, education and social protection.

Morocco is aware of this reality and has therefore chosen to anchor its work to a New Development Model that aspires to a prosperous Morocco, a Morocco of skills, an inclusive and mutually supportive Morocco, a sustainable Morocco, and a Morocco of courage. We are counting on the EBRD to support us in this major endeavour for the future.

On another matter, Morocco welcomes the EBRD's climate action and supports the Bank's choice to frame its work with the principles agreed in the Green Economy Transition approach: alignment with the goals of the Paris Agreement, accelerated

decarbonisation of the energy sector, and support for low-carbon and climate-resilient strategies.

Morocco is convinced of the importance of these principles, and has now been committed for several years to meeting the challenges of the 21st century by making *low-carbon transition* a real blueprint for society. This is the context of Morocco's efforts to develop renewable energies and energy efficiency, which are now the driving forces behind its green transition.

Morocco's approach to climate change adaptation and mitigation, which is one of the major pillars of its National Sustainable Development Strategy, has led to its being ranked 4th out of 57 countries in the 2021 Climate Change Performance Index. Morocco is first in Africa and in the Arab world. It owes this position to its nationally determined contribution, which is internationally considered as among the most ambitious.

Therefore, Morocco very much associates itself with the EBRD's climate ambitions. **We emphasise, however, the importance of providing the Bank's countries of operations with the assistance and support needed to sustain green transition goals in these countries.**

Finally, on the EBRD's geographical scope of activity, we now believe that it is time for the Bank to open up to other horizons. Just like the fight against climate change, the Covid-19 pandemic has made us aware of the extent to which our countries' destinies are now linked, and how collective action by the international community is more necessary than ever to tackle the challenges we all face.

That is why we believe that the Bank's expertise and available resources should be deployed beyond its present geographical scope, particularly for the benefit of other countries in Africa. **Therefore, Morocco reaffirms its support for a sequenced and gradual expansion of the EBRD's activities in the sub-Saharan Africa region.**

There is no need to set out the prospects and opportunities that Morocco offers in this region through its Africanness, its geographical position and the cooperative ties it has developed with the countries of sub-Saharan Africa. The strong presence of the Moroccan financial sector and the establishment of significant Moroccan entities in several sub-Saharan African countries are enabling Morocco to consolidate its role as a regional hub, all of which could be valuable to the expansion of the Bank's activities in this region.

In closing, I would like to welcome the decision of our Annual Meeting to hold its 31st session in Marrakech in May 2022. I would like to take this opportunity to invite all Governors, Directors, representatives of our Members, Bank staff and the business community to attend this meeting, which will hopefully be held in person.

We look forward to welcoming you to Marrakech.

STATEMENT BY MR WOPKE HOEKSTRA, GOVERNOR FOR THE NETHERLANDS

On behalf of the Netherlands, I would like to start by expressing our appreciation to the EBRD's management and staff for guiding the Bank's activities in a solid and successful manner throughout the Covid pandemic in difficult working circumstances, and for providing adequate support to its countries of operations.

While we are still confronted with the ongoing impact of the pandemic, and the Bank's solidarity package is still in place, it is of vital importance for the region to make the transition to the recovery phase. Therefore, the EBRD should indeed refocus on building back better as quickly as possible, optimising its transition impact, particularly in those fields that were lagging in the crisis phase and where it can help to actively shape the post-crisis economy. While we value all transition qualities equally, in our view, the most pressing catching up to be done is in the Green Economy Transition. More generally, the SDGs and the Paris Agreement should serve as cornerstones with which these activities should be aligned.

The world stands at a turning point and the looming impact of climate change is known to all of us. Many countries in the EBRD region face great challenges in terms of energy efficiency and carbon emissions. Therefore, we applaud the commitment of the Bank – as one of the first among the multilateral development banks – to become fully aligned with the Paris Agreement by 31 December 2022. Perhaps even more than that, we welcome the new climate ambition, which goes well beyond doing no harm, and contributes to the acceleration of decarbonisation in our region. In our view, this is just the beginning. In this fast-moving field, we trust the Bank will continue to push the envelope on a stringent interpretation of the joint multilateral development bank Paris Alignment methodology, phasing out its support for fossil fuel investments and pursuing assertive and innovative approaches to energy efficiency and renewables. Being a multilateral institution with a European backbone, the EBRD should remain firmly in the vanguard of the multilateral development banks. We strongly share the Bank's view that, besides contributing to a necessary radical decrease of carbon emissions, a green transition – based on carefully designed and Bank-assisted net-zero carbon pathways – provides long-lasting benefits for all countries in terms of boosting new market opportunities, innovation and jobs.

During the Annual Meeting last year, the Netherlands supported the decision to postpone discussions on the potential expansion of the EBRD's geographic scope, given the challenging circumstances and uncertainties of that time. Recalling the continued strategic interest in a limited and incremental expansion to sub-Saharan Africa and Iraq, as set out in the Strategic and Capital Framework 2021-2025, we are happy with the proposed sound analysis and preparatory work. A well-sequenced, inclusive and transparent process is key for us, resulting in an honest assessment of the implications of a possible selective expansion. In our view, it is also important to have a broad consensus among the EBRD's shareholders. This discussion should of course also be put in the context of the progress of the European financial architecture for development, which reaffirmed the importance of maintaining fruitful relations with our partner institutions. The Netherlands welcomed the feasibility study published in March this year, and we are satisfied to see that there appears to be a wide consensus within the EU for the Status Quo Plus scenario as the way forward. We fully trust that the EBRD's valuable relationships with partner institutions, and a sound decision-making process involving all shareholders, will lead to a useful design and implementation of the 'plus'.

Given the major importance of the aforementioned topics, I would like to highlight that we, as shareholders of the Bank, have been able to take positive steps forward in a spirit of compromise, despite the challenging nature of some of these discussions.

To conclude, we congratulate the EBRD management and its staff on the Resolutions presented here, and we look forward to their implementation heralding the next phase of the Bank.

STATEMENT BY MR JAN TORE SANNER, GOVERNOR FOR NORWAY

1. Norway thanks the EBRD and the United Kingdom for hosting the 2021 Annual Meeting virtually, keeping everyone safer in this situation. We also congratulate the EBRD for 30 years of valued contributions to economic growth and well-functioning markets in its countries of operations.
2. Turning to the recent past, we commend management for good results in 2020 and for the timely and adequate response to the Covid-19 pandemic. The positive results strengthen the EBRD's ability to fulfil its transition mandate for the future. Equally important is the good transition impact. However, we expect major efforts to reach green targets in 2021.
3. Looking ahead, Norway supports the Resolution on further assessments of a possible limited and incremental expansion to sub-Saharan Africa and Iraq. This work must be unbiased and neutral regarding the final decision on expansion. We highlight the premise that the basis for any examination of expansion must be not to impair the Bank's ability

to support its current countries of operations. Added value, complementarity to other international financial institutions, maintaining the Bank's business model, and compliance with the Bank's operating principles of additionality and sound banking will be essential. We expect the notion of a limited and incremental expansion to be reflected in any proposal to Governors for changes to Article 1 of the Agreement Establishing the Bank.

4. The EBRD regions are heavily affected by the Covid-19 pandemic. When building back better, priority should be given to investments and job creation in countries that are less advanced. This policy is also reflected in our donor contributions.
5. The EBRD's presence is also needed in more advanced transition countries, not least in these difficult times. Looking ahead, Norway is open to discussing the graduation policy. We do not see a need to link this discussion with the discussion on the Bank's geographical scope.
6. We find the three cross-cutting strategic themes of the Strategic and Capital Framework 2021-2025 – green, digital and inclusion – as appropriate focus points for the Bank's investments going forward. The EBRD has a competitive edge compared to other international financial institutions when it comes to investments in the private sector and in small countries. We expect the EBRD to leverage this.
7. The building back better strategy needs to be painted in green. Norway supports the Resolution on the EBRD's climate ambition. Aligning all the Bank's activities with the goals of the Paris Agreement from the end of 2022 signals high green ambitions. The policy provides the EBRD with an instrumental and efficient toolbox to play its part in reducing climate emissions. The Bank's climate strategy recognises the importance of country-specific context and country ownership of climate strategies, bringing realism to the approach. The need for more renewable production is urgent, and the EBRD should step up its investments in the renewable value chain to reach 2030 ambitions. Reduced coal-dependency should be a priority, and Norway recognises investments in, for example, highly efficient gas-powered plants as a means to achieve early peaking of climate gas emissions and ensuring energy security.
8. We support the net income allocation. We note that the Bank is amply capitalised, and reiterate our view that the Bank should not be over-capitalised.
9. Norway expects the EBRD to strive for the highest governance standards regarding transparency, corruption, money laundering, domiciliation/tax evasion, procurement procedure and social and environmental standards. Further, Norway emphasises that the principles in Article 1 of multiparty democracy, pluralism and market economics remain very important and should be honoured in a consistent way.
10. Thanks again to the President, Madame Odile Renaud-Basso, to management, staff and the Board for all the good work, and let us together **build back better** in the years to come.

STATEMENT BY MR ADAM GLAPIŃSKI, GOVERNOR FOR POLAND

Allow me to begin by acknowledging the efforts of all the parties involved in bringing us together for this Annual Meeting. I am glad that we could convene once again, even if in virtual format, to deliberate on the pressing challenges we need to tackle to resume business as usual and further enhance our joint efforts. This year's event marks the 30th anniversary of the EBRD, which provides an excellent opportunity to reflect on the impressive past achievements of the Bank, and look forward to its future, confident and convinced that the Bank will continue to play a key role in fostering transition, development and sustainability. Although the vaccination efforts have been progressing, we can by no means say that the Covid-19 crisis has been averted. This is especially true regarding the economic aftermath of the pandemic, with GDP contracting in 2020 throughout the majority of the Bank's region of

operations. However, there is light at the end of the tunnel, as confirmed by, among others, the EBRD's own economic forecasts, which are heralding a return to growth across the board in 2021, hopefully to pre-crisis GDP levels. Yet we cannot afford to be complacent. On the contrary, this requires us to take action not just to reinforce the recovery but also to tackle structural issues that need to be addressed through both domestic and joint international measures.

Narodowy Bank Polski, the Polish central bank, which I have the pleasure of heading, was deeply involved – hand-in-hand with the government – in unprecedented anti-crisis efforts in Poland, *inter alia* through lowering interest rates to stimulate the economy and carrying out quantitative easing. There is no doubt that these timely actions were both necessary and successful. Owing to them, the pandemic has had a relatively mild impact on the Polish economy, as evidenced by the lowest unemployment rate and one of the smallest GDP contractions in 2020 in the EU. What is more, according to many domestic and international economic forecasts, Poland should see its GDP return to pre-crisis levels even before the end of 2021. That does not mean, however, that the job is done, as the pandemic has not ended yet.

Hence the importance of the *building back better* approach. It goes beyond merely making up for the losses suffered as a result of Covid-19 – it intends to tackle the global structural challenges that the world and EBRD countries of operations are facing. Its objectives are directly aligned with the strategic directions we foresaw for 2021-2025 in the Strategic and Capital Framework adopted last year. With this in mind, we strongly support the *building back better* approach to boost reform in key areas and maximise the efficiency of EBRD engagement. In particular, we deeply believe that actions such as strengthening equity financing, intensifying support to SMEs and enhancing policy support are crucial. These will pave the way for comprehensive structural adjustments, while at the same time helping to address the transition gaps that still persist in various countries of operations, remaining true to the EBRD's mandate.

We welcome the Bank's efforts towards alignment with the goals of the Paris Agreement. Coordination in this particular area will be instrumental to achieving success, and joint action will make a difference. At the same time, while pursuing this tremendous task, we need to take into account specific country contexts and address matters in a balanced way. To that end, we call upon the EBRD to acknowledge natural gas as a necessary transitional energy source for a number of countries of operations, whose specific situation and current energy mix require them to use natural gas in their efforts towards sustainable low-carbon transition. It would also be in alignment with the Just Transition approach, addressing the scale of challenges that countries are facing in this critical area. Without support for temporarily increasing gas-fired capacity, some countries of operations, including Poland, might remain coal-dependent for much longer. For the above reasons, we cannot fully support the resolution on EBRD climate ambition.

As regards the possible geographical expansion of Bank activities, in principle we are not opposed to this idea, but we are of the view that this may not be the most opportune time for such an ambitious endeavour. First and foremost, the needs of the current countries of operations still remain significant, especially in the context of many of them being severely affected by the Covid-19 pandemic and its long-term consequences. Additionally, considering how broad the current EBRD agenda already is, we need to take note of the Bank's resources and its capacity to deliver if the proposed expansion into sub-Saharan Africa and Iraq proceeds too quickly. Bearing in mind all these factors, we positively assess the proposals to include an in-depth and comprehensive analysis of risks related to the potential expansion in the Bank's further analytical work on this issue. We would also like to firmly reiterate that discussing potential expansion cannot be linked with any pressure to graduate on the EBRD's original recipient countries in central and eastern Europe, and that the process of graduation should remain country-driven. We do, however, welcome the ongoing discussions on enhancing the universal Post-graduation Operational Approach with a view to sustaining

strong relations between the Bank and any Member that decides to graduate from EBRD operations at some point in the future.

In view of our staunch support for maximising the effectiveness of delivering EU development assistance in terms of achieving the Sustainable Development Goals, we have followed with great interest and participated actively in the deliberations on the future of the European financial architecture for development. Overall, the general consensus is that the Status Quo Plus scenario will be carried out going forward; and we believe that it seems to be potentially the least disruptive to the system and should allow for its expedited implementation. We see the need for further deepened cooperation and comprehensive coordination between the EIB, the EBRD and other development actors to fully exploit their comparative advantages, with the EBRD preserving its crucial role within this enhanced architecture.

We welcome the Code of Conduct Review and the proposed changes thereunder. In our view, this approach significantly strengthens the Bank's governance framework. While these amendments add substance to this policy, we are looking forward to continued work in this regard.

Finally, we would like to call upon the Bank to remain highly vigilant regarding the situation in Belarus. We need to be ready to react accordingly should the situation deteriorate. At the same time, once Belarus embarks on a democratic transition, we see potential for the EBRD – as well as other international financial institutions – to actively engage in providing economic support to the country's transition. We wish to confirm our willingness to actively participate in working out solutions towards the transformation of our eastern neighbour.

Let me conclude by conveying my confidence that, although we have not yet fully overcome the Covid-19 crisis, we are on the best path to not only achieve an economic recovery, but also to use this opportunity to strive for additional structural reforms and *building back better*. I am confident that the EBRD will play a leading part in moving this agenda forward. And while one year will certainly be too short a time to conclude it, I hope that we will be able to congratulate ourselves on good progress while hopefully seeing each other in person for the Annual Meeting next year.

STATEMENT BY MS ROSA CAETANO, TEMPORARY ALTERNATE GOVERNOR FOR PORTUGAL

We take the opportunity to praise the Bank's management and its staff for the work during last year, and the results achieved in operational and financial terms. We also praise the good financial standing of the Bank, which is good despite the crisis, and has allowed the Bank to react swiftly to the turbulent global events that are still ongoing.

On the issue of building back better, we believe that, with the 2030 Agenda and with the Paris Agreement, we have the right blueprint for what our long-term goals should be, and that there is a good opportunity for the EBRD to place itself more ambitiously in this agenda. The Bank already has a good framework in place to translate these high-level goals into practice through the lenses that its transition qualities provide, and the key priorities set out in the Strategic and Capital Framework.

When implementing this approach, we believe the Bank could be bold and go beyond a “do no harm” approach, while scaling up its investment to lead the way into a faster adoption of sustainable trajectories, in what are the current and future job-creating and growth sectors.

Concrete project implementation needs to go beyond high-level concepts – we need to be clear in achieving impact on the ground. And this should mean improving people's lives in tangible ways.

We believe that an important aspect of building back better is the “tilt to green”. Being proactive in deploying green investment is a quick win, which provides for growth and jobs in the short term, but also addresses long-term sustainability.

There is no trade-off if we see it from this perspective, and the potential for growth is huge. The steps being taken at this Annual Meeting, with the adoption of a Resolution that sets out a timeline for the EBRD to be fully Paris aligned by the end of 2022, are a good development.

This is a time where government's intervention in economies has increased substantially; and here we also see a role for the EBRD in the provision of policy support and in sharing lessons on good governance and best practices – an area where this institution has a distinct set of experience.

Let me also quickly address that we fully agree with the process being set out in relation to a possible expansion to sub-Saharan Africa and Iraq. We have said it many times in the past: we keep an open mind regarding this potential development.

Development needs in many countries in sub-Saharan Africa are still substantial; and we see that the EBRD could be well placed to enhance the number of bankable projects in the region, provided this is done in complementarity with others in the region, and with no trade-offs for the current region where the Bank operates. This means that the expansion agenda should be clearly delinked from the graduation discussion. We look forward to the result of the study.

STATEMENT BY MR ALEXANDRU NAZARE, GOVERNOR FOR ROMANIA

The spread of the new coronavirus infection continues to be a dominant concern worldwide, causing a major shock to both the global economy and national economies. The year 2020 has been challenging in economic and health terms, and the Covid-19 pandemic has shown that cooperation and mutual resilience are needed, as global problems require global solutions. We believe that the EBRD has made great efforts during this period, and we would like to show our appreciation for the EBRD team that faced these challenges.

The pandemic crisis showed vulnerabilities in most of the countries facing unprecedented needs for investment support to recover their economies.

I believe that, in this difficult period, it is important that the EBRD, EIB and European Commission continue to work closely and coordinate together at portfolio level, respecting each other's mandates and core operating principles.

Romania is consistent with its already well-known firm position in the EBRD about reaffirming and strengthening the Bank's commitment to the current countries of operations according to its existing mandate.

We appreciate and believe that increasing investment in the countries of operations is needed, welcomed and encouraged, alongside technical assistance packages well tailored to each country's needs. The EBRD should focus on new areas of production, bringing positive environmental and social impact.

Concerning the EBRD's further extension of its core business to other countries, in our opinion this could be considered through an incremental and limited expansion to new countries in the sub-Saharan Africa region and also in Iraq where there are huge investment and technical assistance needs. Nevertheless, such an expansion should be beneficial for all, and should not be at the expense of EBRD activities in the current countries of operations.

We welcome the EBRD's involvement in enhancing green financing, thus contributing to the transition to low-carbon and climate-resilient economies, taking into account the specificity and level of development of each Member. Admittedly, decarbonisation of the energy sector is an urgent challenge, and the EBRD experience should continue to be shared through policy advice and institutional capacity-building. We shall do everything in our power to promote a green and sustainable recovery, harvesting the opportunities that it entails while ensuring a fair transition towards our common goal. This shall be done by mobilising additional financial resources for these higher ambitions, mitigating the social costs, and maintaining the competitiveness of our economies.

At national level, the EBRD was part of the team preparing a recent report on supporting green finance. We are eager to continue the cooperation we have already established by working together on implementing its recommendations.

We support the themes identified under the building back better package, in particular the EBRD contributing to equity market development in the countries of operations, further supporting SMEs and supply chain resilience.

In conclusion, we are confident that the EBRD is an important pillar in the process of the rapid recovery of Members' economies.

STATEMENT BY MR MAXIM RESHETNIKOV, GOVERNOR FOR THE RUSSIAN FEDERATION

It is a real honour for me to greet you all on behalf of the Russian Federation.

As all countries bar none are currently faced with the impact of the Covid-19 pandemic on their economies and communities, the role of the EBRD is acquiring greater significance. The Bank's management and shareholders will need to ensure support is equally distributed, consolidate the Bank's position as green and sustainable, and avoid losing its operational capacities.

1. The EBRD has taken prompt crisis-response measures that have generally had a positive effect. However, I should mention that the distribution of the Solidarity Package financing has been selective. The largest recipients of resources have often not been the countries and companies hit hardest by the pandemic.

I believe it is essential that the Bank continues to fulfil its mission, particularly given the depth of the crisis and its aftermath.

Over the past year, the position of the Bank's management and shareholders in denying Russian clients access to the Solidarity Package has not altered. On that note, I would like to add that the Russian economy has weathered the crisis better than expected. At the end of last year, Russia's GDP was declining by 3 per cent, which was less than in a number of leading countries. This was mainly due to fiscal and monetary policy support measures.

The Russian economy is continuing to recover, and the trajectory of its recovery is slightly outpacing our expectations. A number of industries – manufacturing, retail, freight transport and construction – have already clearly outstripped their pre-crisis levels. The capital investment situation is positive. In the fourth quarter of last year, the annual figure had already ended up in the black (+1.2 per cent year-on-year), with a continuation of this growth into the first quarter of 2021 (+2.0 per cent year-on-year).

2. Russia welcomes the EBRD's commitment to global climate goals. As a major player in global trade and key international climate agreements, we are interested in launching substantive expert dialogue with the EBRD.

In 2019, we adopted a national adaptation plan for climate change. As part of the Paris Agreement, Russia submitted its first nationally determined contribution in 2020 to the Secretariat of the UN Framework Convention on Climate Change. We are devising a draft strategy for low-carbon development to 2050. The State Duma of the Russian Federation Federal Assembly has approved the Greenhouse Gas Emissions Limitation Bill. This will introduce compulsory carbon reporting for major emitters and create a system for voluntary climate projects and carbon exchange. A pilot is being launched to create a greenhouse gas emissions trading scheme on Sakhalin, which will help the region achieve carbon neutrality by 2025.

Given the significant differences in countries' approaches to climate-policy implementation, we would stress the importance of strictly complying with the principles set out in the UN Framework Convention on Climate Change and the Paris Agreement. The goal here is to

rule out the use of unilateral climate measures as a tool for unfair competition, not to mention issues around carbon pricing, whose impact on the economy should be carefully examined.

The development of green financing should supplement existing instruments. It should be achieved through incentives and careful assessment of the real contribution to reducing greenhouse gas emissions made by the full range of low-carbon technologies.

When planning the timeframes and tools to be used for the transition to a greener economy, consideration must be given to the potential costs to growth, employment and investment in the medium and long term. The impact of climate change and global trends in decarbonising the economy should be taken into account.

We believe that, to reduce greenhouse gas emissions, the full range of technologies should be deployed to cut emissions as part of a joint approach, with those involved allowed to choose the optimal technological solutions to suit their national circumstances.

3. On expanding the scope of activities to sub-Saharan Africa, we believe that the possible volume of EBRD activity and the systemic impact of the Bank's engagement in the region would be negligible.

A departure from the Bank's mandate and its accumulated expertise may lead to a fall in investment volumes and lower-quality projects in traditional countries of operations. The specific risk profile of countries in the region will inevitably lead to a deterioration in the financial performance of the Bank's project portfolio and its capital position.

Turning to the EBRD's proposed preparatory analytical work on expanding into sub-Saharan Africa, we fail to see the premise for diverting relatively substantial Bank resources for a whole year to such large-scale research, whose aims and objectives are, in our view, highly questionable.

We are opposed to the Bank making premature contacts with counterparties in sub-Saharan Africa, including as part of any analytical engagement, or selecting on formalistic criteria a sample-group of countries to develop engagement further. It is our view that, even as an analytical exercise, this could predetermine the Governors' decision in 2022. As a result, we prefer to abstain from the resolution to be voted on today.

4. We recall that, by joining in with the anti-Russian nationally-led sanctions in July 2014, the EBRD cast doubt on its status as an international financial institution that "should not be covered by any sanction regimes." The so-called "political guidance" on the suspension of new operations in Russia directly contradicts a number of articles in the EBRD's main statutory document, the Agreement Establishing the Bank.

In 2020, Russian clients were excluded from the EBRD's crisis-response package.

Nevertheless, Russia remains a responsible EBRD shareholder and is ready for an open dialogue with the Bank. We continue to support the presence and operation of a fully fledged EBRD Resident Office in Moscow, whose work is nowadays mainly focused on Central Asia and a number of the EBRD's other countries of operations. We realise that, for convenience, security and efficiency, Moscow is an important operational hub for the Bank; we are ready to continue ensuring the current special arrangements for the EBRD Resident Office and to discuss prospects for its expansion.

As already mentioned, Russia is a reliable participant in the global climate agenda and is engaged in systemic national-level work to build a sustainable economy. We are interested in intensifying bilateral expert cooperation, and sharing knowledge and technologies on climate investment with the EBRD, given its particular expertise in this field.

Recently, there has been growing interest from both Russian experts and multilateral financial institutions in expanding professional dialogue into other areas of economic development, such as global procurement, legal and contractual issues and public-private partnerships. We

believe that establishing a professional dialogue with the Bank is very promising; and so for our part, we are always open to working together.

STATEMENT BY MS NADIA CALVIÑO, GOVERNOR FOR SPAIN

We would like to thank wholeheartedly the EBRD management and all staff members for achieving a remarkable performance in 2020 despite the challenges posed by Covid. The Bank was able to provide a timely and focused response to the pandemic, supporting countries of operations with valuable liquidity and trade finance. We welcome too the prudent risk management and the positive financial results.

The Strategic and Capital Framework 2021-2025 approved last year provides the guidelines the Bank should follow in the coming years. Spain stands strongly by it, and expects its successful implementation. We welcome therefore the proposals presented to this Meeting. In particular, we regard as being of the utmost importance the work programme that should allow Governors to take an informed decision next year about the extension of the geographical scope of the Bank to Iraq and sub-Saharan Africa.

The commitment to frontload the timetable to align the Bank with the Paris Agreement is very welcome. We would also like to encourage management to keep on with the work to promote digitalisation and inclusion in countries of operations. Transition is at the core of the mandate and purpose of the EBRD. In the last 30 years, much has been advanced in many countries of operations. It is therefore time to adopt a post-graduation approach that allows those economies ready to graduate to take this step with adequate support. We additionally welcome the timeline for the implementation of the Code of Conduct reform, and consider the establishment of the new Ethics Committee a remarkable step forward that will align the EBRD with best governance practices among its peers.

Building back better after Covid is a huge challenge for all of us. The EBRD can play a meaningful role in this endeavour and the Bank can expect our support in the years ahead.

STATEMENT BY MR MAX ELGER, ALTERNATE GOVERNOR FOR SWEDEN

The last year has been challenging for us all, and many of the Bank's countries of operations have been hit hard by the economic effects of the pandemic. I am therefore pleased that the EBRD has stepped up so forcefully, with a record-high annual investment in 2020, to help its Members through the crisis and to build back better.

So how can our economies emerge stronger and better from the crisis, and how can the Bank aid its countries of operations in this task? I will mention three areas where I think the Bank can play a very important role.

Climate – We appreciate that the EBRD's activities will be in line with the Paris Agreement in 2023. Well done! International financial institutions have a very important role in assisting countries on their pathway to low-carbon and resilient economies. This includes increased investments in renewable energy and the phasing out of fossil fuels. The opportunities to accelerate this work in the recovery phase after the pandemic must not be wasted.

Gender Equality – In many ways, women have been hardest hit by the pandemic. The EBRD's commitment to promote sustainable and sound development through increased gender equality is therefore more important than ever. It is very welcome that the Bank has decided to continue with a separate strategy for the promotion of gender equality instead of combining it with economic inclusion in a common strategy.

Tax revenues – To finance a green, equal and sustainable recovery, tax revenues will be much needed. Here the EBRD has a role to play to work with countries on robust tax systems and to minimise the risks of tax avoidance. In this way, domestic revenue can be increased to support the recovery.

Finally, I would like to mention the Bank's possible expansion. As there are ample opportunities for investments in the present countries of operations, we strongly encourage

the Bank to focus on these pressing needs, and not on a possible expansion. The pandemic has made this even more important.

STATEMENT BY MR RAYMUND FURRER, ALTERNATE GOVERNOR FOR SWITZERLAND

On behalf of Switzerland, I would like to commend the EBRD for its outstanding work in this time of great uncertainty and challenge. I also commend the Bank for its swift response to the Covid-19 crisis as reflected in its record level of investment in 2020.

The crisis has revealed structural weaknesses in many economies, underlining the need to develop more resilient, sustainable and inclusive economies for the future. I welcome the EBRD's commitment to shift from short-term crisis response to building back better in support of the medium to long-term recovery. While all countries of operations have been affected by the pandemic, the Bank should focus its work on those countries least advanced in transition, most notably the early transition countries, the Western Balkans and the SEMED region. The principles of multiparty democracy and pluralism remain fundamental to the EBRD's work. The respect of good governance and the rule of law is key for social and economic progress.

While the crisis has exposed many challenges and weaknesses across different sectors of the economy, the EBRD should stay close to its mandate and primarily focus on the private sector. Governments have played an important role in managing the crisis and mitigating its impact on the economy. Going forward, they will have to provide adequate framework conditions for the private sector to grow and overcome the challenges it faced during the crisis. With governments gradually phasing out their support schemes, SMEs in particular are likely to face renewed liquidity risk. The EBRD is well placed to support SMEs in becoming an integral part of a more sustainable economy.

Recovery efforts have to be paired with climate action. I strongly welcome and wholeheartedly support the Bank's commitment to full alignment with the Paris Agreement by the end of 2022. Multilateral development banks need to be ambitious and play a leading role when it comes to addressing climate change. I welcome the Bank's commitment to step up its investment in renewable energy and to further narrow and limit fossil fuel investment. I expect the Bank to continue working in tandem with others and deepen its partnerships with multilateral and bilateral actors. I encourage the Bank to deliver on its broader green financing objectives as foreseen under the GET 2.1 approach and to report on impact using best practice, granular metrics and harmonised methodologies.

Institutionalisation of gender mainstreaming has to remain a priority for the Bank under the upcoming new strategy on gender equality. The pandemic has highlighted the uneven burden women carry across all levels of society and the economy, threatening to reverse progress on gender equality. Mainstreaming will enable the Bank to deliver more projects with a clear and verifiable impact on gender equality. The focus needs to be on enhanced business cases and products with potential systemic impact.

EBRD investments need to demonstrate better how improved skills and new technologies contribute to job creation and decent work. The Bank has shown that it can make a meaningful contribution to strengthening skills. As part of the upcoming equality of opportunity strategy, the Bank should reflect on how it will address the challenges in skills development, respond to changes in the nature of jobs, and clearly outline the link between skills and job creation. Technology will play a key role in the recovery. In its upcoming approach to digitalisation, the Bank should pay particular attention to enabling equal and affordable access to data and technology for SMEs as well as to the acquisition of appropriate skills for entrepreneurs and employees.

These priorities are well anchored in the Bank's Strategic and Capital Framework 2021-2025. They provide the focus and the strategic selectivity needed to ensure the impact and effectiveness of Bank operations.

That said, Switzerland remains very sceptical regarding the possible future expansion of the Bank's activities to sub-Saharan Africa. While I can agree to the proposed work plan for further preparatory work, my main concerns relate to the lack of bankable projects, which remains a challenge for all financial institutions in sub-Saharan Africa, and the EBRD's compatibility and complementarity with other multilateral development banks and development actors, as well as the implications for the EBRD's operating and business model, resources, capital utilisation, and governance. For Switzerland, it is of fundamental importance that no action is taken that might compromise the EBRD's AAA rating or lead to a request for additional capital contributions.

In closing, I would like to thank the EBRD President, Ms. Odile Renaud-Basso, for her leadership, and EBRD staff whose hard work and dedication have been vital in enabling the Bank to continue to deliver its mandate even in the most challenging of circumstances.

STATEMENT BY MR JAMSHED KARIMZODA, GOVERNOR FOR TAJIKISTAN

Please accept my greetings at this, the Annual Meeting of the EBRD Board of Governors, and allow me to thank you for the opportunity to speak on current issues that are of paramount importance to us.

The meeting's agenda includes such items as the recovery of the economy and its development, the transition to green economy financing, and geographical expansion into sub-Saharan Africa and Iraq.

Experience has shown that expanding the EBRD's mandate into other countries has a direct and positive impact on the sustainable development of the relevant region by providing financing for socioeconomic aspects of the economy.

Tajikistan therefore supports the Bank's policy of expansion into new regions in view of the globalisation of international economic relations.

It should be noted that the EBRD's expansion into new areas would be a basis for tackling the region's acute social problems and a catalyst for enhancing its economic stability.

Another important item on the agenda is the transition to green economy financing, which is highly relevant in the international community, including for Tajikistan because of its geographical location and the considerable hydropower resources it has in the region.

This subject involves the full implementation of the objectives of the EBRD's country strategy for Tajikistan.

The Republic of Tajikistan joined other members of the United Nations in signing the Paris Agreement on Climate Change in 2016 at UN headquarters; it was then ratified by the country's parliament.

Tajikistan has 4 per cent of the world's hydropower reserves, a renewable and environmentally friendly source of energy. Only 4 per cent of its 527 billion kWh of hydropower potential has been developed to date.

Based on this figure, our country ranks eighth in the world and number one in central Asia.

Currently, the hydropower sector generates about 95 per cent of Tajikistan's electricity. This explains the country's reputation as a clean and completely renewable energy producer.

Tajikistan's hydropower potential is three times higher than the current level of electricity consumption across the whole of central Asia. If these resources are used efficiently, the region could be provided with low-cost, green energy.

While Tajikistan's existing infrastructure is currently being updated, a number of major energy projects are underway that will significantly increase the efficiency of the power grid and take regional cooperation to a whole new level.

With that in mind, we should note that the unique inter-regional CASA-1000 energy project, which is unparalleled in our region, involves the construction of a cross-border high-voltage transmission line. It will connect the power grids of Tajikistan and the Kyrgyz Republic to Afghanistan and Pakistan.

Delivering this project will not only benefit these four countries, but will also improve power grids and help resolve socioeconomic problems across the entire region.

Given the global challenges in transitioning to clean energy and the efforts of the international community to reduce carbon emissions, we can confidently say that Tajikistan, through its transition to generating clean energy, is making a valuable contribution to preserving our planet for future generations, and is ready to deepen its regional economic cooperation further for the good of our common future.

Tajikistan is currently working on the construction of the Rogun hydropower plant, which has a capacity of 3,600 MW. The environmentally friendly electricity produced at this plant will be a catalyst for developing green energy in the region.

We are therefore confident that the EBRD, working jointly with development partners, will support the Tajik Government's plans to integrate renewable energy sources by increasing grants, technical assistance and concessional loans for the development of solar energy, and by introducing energy-efficient technologies to offset the adverse effects of climate change.

The Republic of Tajikistan is committed to a consistent policy of working together with the EBRD in the energy and other sectors, specifically through the implementation of joint public investment projects in the green energy space.

STATEMENT BY MR ALI KOOLI, GOVERNOR FOR TUNISIA

It is always an honour for me to represent my country Tunisia at the EBRD Board of Governors, and to participate for the second year in a row in the work of the Annual Meeting; this year marks its 30th session. The Meeting is taking place under exceptional circumstances for the whole world as we continue to face the Covid-19 pandemic and its effects, in spite of a sustained international effort to tackle and contain this affliction.

I have to applaud the no less exceptional effort made by the Bank to maintain and even strengthen ties with its various Members during these trying times, including by holding this Meeting at the appropriate juncture. Of course, a virtual meeting will not provide us with the warmth and appeal that face-to-face contact would; but it will not prevent us from giving this annual event the full level of engagement that it deserves. On the contrary, we see this meeting as an unmissable opportunity for those involved to communicate, discuss and exchange ideas constructively.

Tunisia, which has been a Member of the EBRD since 2011, will continue to strive towards closer joint working and capitalise further on the potential for cooperation available to us. We will follow in the footsteps of all those operations that we have completed together in areas that reflect so positively on the length of our relationship.

The Covid-19 crisis has taught us all to strengthen our relationships in order to develop a more mutually supportive approach and to better identify effective and viable areas of joint working. From the very start of the crisis, the EBRD has been able to respond and act effectively by listening to its partners and prioritising rapid responses to the urgent needs that the onset of Covid-19 has triggered. In this regard, I should mention the financing package for the STEG restructuring programme, which involved a loan of around €300 million.

Tunisia, which is continuing, like many other countries, to endure the fallout from the pandemic, is currently endeavouring to lay the foundations for its economic recovery by gaining a better understanding of the socioeconomic circumstances that have been affected so much by events, in spite of a proactive approach that was highly commended at the very start of the crisis. In fact, the continuation of the situation has seriously aggravated matters; but it

should encourage us to work together with all our partners so as to deploy all the resources we need to overcome the crisis.

I also remain confident about the future and the prospects for our relations with the EBRD, given the strong desire we share to strengthen further our joint work in areas of common interest.

STATEMENT BY MR LÜTFİ ELVAN, GOVERNOR FOR TURKEY

Covid caused a major shock to the world economy. It has worsened pre-existing inequalities, having an impact on all sectors and all parts of the population. It has not only reversed the years of progress on poverty, but has also revealed significant financing needs in infrastructure.

This backdrop highlights the ever-more crucial role of the EBRD as a reliable partner for its region. I highly commend the Bank's Solidarity Package and Resilience Framework. This could be attributed to the Bank's strong financial position and effective governance.

Despite the unfavourable circumstances, Turkey was able to decouple positively in 2020, by recording a 1.8 per cent growth rate. Swift and effective measures, support packages and expanded credit facilities have been instrumental in sustaining growth during the pandemic.

As Turkey, we would like to act promptly in this current unpredictable environment. Thus, our Government took early action to frame economic priorities for resilient growth. We designed a comprehensive set of economic actions to reduce vulnerabilities, boost productivity, further integrate into global value chains, and improve competitiveness. All these actions will play a crucial role in achieving strong, sustainable, inclusive and balanced growth.

The package includes 161 specific actions targeted to further improve fiscal discipline, ensure price stability, strengthen the financial sector, decrease the current account deficit, and support employment. On the structural front, we will focus on strengthening institutional governance, encouraging private-sector investments, facilitating domestic trade, increasing competitiveness, and strengthening market surveillance and supervision. According to our timetable, we aim to complete 78 per cent of actions by the end of this year. The whole package will be completed by March 2023.

As more countries are moving into recovery, the EBRD has a larger role to play in building back better, greener and more resilient economies. Indeed, the EBRD has proved itself throughout its history as a relevant multilateral development bank, catalysing the transition efforts of its countries of operations. We are pleased to celebrate the Bank's thirtieth year.

In the post-Covid era, we have strong expectations that the Bank's support will have high impact for the countries of operations. I would like to emphasise some areas where the EBRD should focus in the coming period.

First. We support the Bank's initiative to align its activities with the Paris Agreement. Yet we should note that a one-size-fits-all approach for screening could be misleading.

In its activities, the EBRD should consider the current situation of the countries of operations. As such, with many of the Bank's Members, natural gas is a much greener transition fuel. We should recognise that, when replacing solid fossil fuels, natural gas could reduce emissions significantly with well-known and proven technologies. In that regard, we expect the EBRD to continue supporting the natural gas sector.

Green transformation is a priority for Turkey. We have been transforming our power-generation capacity into renewables for quite some time. We have an ambitious reform agenda to further strengthen our climate and sustainable recovery actions. For the last few decades, Turkey has accumulated considerable experience in developing bankable projects and successfully implementing them.

Although Turkey has not yet ratified the Paris Agreement due to its unfair classification as an Annex 1 country, we have already started to align with the core elements of the Agreement. Specifically, we are targeting up to a 21 per cent reduction in emissions between 2021 and 2030 from the business-as-usual level.

Our private sector is aware of the fact that energy and resource efficiency has become a key source of competitiveness. We appreciate the EBRD's strong and continuous support to our private sector's green transition. In particular, the support of the EBRD in the decarbonisation of our steel sector will pave the way, and become a precedent for our manufacturing sectors in adopting Paris-aligned pathways.

Second. Turkey supports the Bank's expansion to sub-Saharan Africa and Iraq with a limited and incremental approach. Yet during the process, we expect the Bank to prioritise the recovery efforts of its current countries of operations affected by Covid.

For a successful expansion, the selection of prospective members is very important. In that sense, we propose focusing on those candidates with which our current region already has close economic connections.

Third. We also support the EBRD's new strategy to broaden its focus on economic inclusion as a cross-cutting theme in all activities. Given the vital role of micro, small and medium-sized enterprises in driving economic activity, the EBRD should continue targeting financial and technical support at these businesses, with a particular focus on those owned by women and disadvantaged groups.

Lastly. We welcome the EBRD's focus on accelerating the digital transition of its Members. This will certainly be a substantial pillar of the *building back better* agenda. In this regard, the EBRD's technical assistance to Turkey's technology-focused national programmes is well appreciated.

Covid has showed the importance of decentralisation. The Bank has a comparative advantage with its Resident Offices' strong presence in the field. Reaching out to new clients is crucial to deepen the Bank's assistance to its Members. This can be achieved through enhancing the capacity of regional offices.

In conclusion, we strongly believe that the EBRD has the capacity to retain its vital role as a leading development partner in its region. As always, Turkey is committed to strong support and cooperation with the Bank.

STATEMENT BY MR MARK BOWMAN, TEMPORARY ALTERNATE GOVERNOR FOR THE UNITED KINGDOM

- I commend the EBRD for hosting another successful virtual Annual Meeting, though I hope we can all meet together in Marrakech next year.
- I would also like to thank all EBRD staff, here in London, in regional offices, or indeed wherever virtual working has taken them, for the extraordinary support the Bank has provided during the Covid crisis.
- It has deployed its resources at an unprecedented speed and scale, while also safeguarding its financial security, as the 2020 Results show.
- The Bank has demonstrated that, on its 30th anniversary, it is a vital part of the global financial architecture.
- The Strategic and Capital Framework we agreed at last year's Annual Meeting remains the foundation for the Bank's future. At the core of this will always be the Bank's steadfast commitment to democracy and free markets under Article 1. There is no more important principle to guide the Bank's work.

- As we meet today, we will vote on two key Resolutions for the Bank's future – on climate, and on the process to determine its potential geographical expansion to sub-Saharan Africa.
- **Firstly, the climate ambition Resolution is a landmark moment for the EBRD.** It will unlock new opportunities for the Bank and its countries of operations to pursue just transitions.
- I strongly support the Bank aligning its operations with the Paris Agreement from 31 December 2022. I welcome its enhanced approach to fossil fuel lending and increased support for nationally determined contributions. All reinforce the EBRD's leadership on climate.
- The Bank will need to continue to put this leadership into action on other climate priorities in the run up to COP26 in November. As COP26 host in partnership with Italy, the UK looks forward to the Bank driving progress on mainstreaming nature-based solutions into investments, setting out its plans to mobilise greater private finance, and building its pipeline of adaptation and resilience projects.
- Over its 30-year history, the Bank and its shareholders have shown incredible determination in tackling urgent challenges. I trust the Bank will rise to the challenge again and help drive increased climate ambition at COP26 and beyond.
- **Secondly, I support setting out a process through which shareholders can assess potential expansion to sub-Saharan Africa.**
- In the Strategic and Capital Framework, we unanimously confirmed our strategic interest in a limited and incremental expansion to sub-Saharan Africa and Iraq, and that Governors would consider an update in 2022.
- This could offer an opportunity for the EBRD to leverage its unique business model and international character to support new countries of operations.
- Nonetheless, this would be a major decision for the EBRD and must be subject to thorough assessment by the Bank and its shareholders.
- Given the importance of this decision next year, it is right that the Resolution sets out the key areas for assessment. I urge the Bank to analyse the capital impacts of a limited and incremental expansion, present the legal implications of expanding to a new geographic remit, and identify how and where the EBRD can add most value, complementing and working in partnership with other actors operating in the region.
- I look forward to all Governors taking a clear and informed decision on this important strategic question at next year's Annual Meeting.
- Finally, I am looking forward to joining the Bank as the Vice President for Policy and Partnerships this autumn.

STATEMENT BY MR ANDY BAUKOL, GOVERNOR FOR THE UNITED STATES OF AMERICA

On behalf of the United States, I would like to thank the management and staff of the EBRD for making it possible for the Board of Governors to meet virtually.

We meet at a time of continued challenges. Although global economic prospects have improved, developing countries still face limited access to vaccines, and limited fiscal and monetary policy space to respond to the economic crisis. This has led to the pandemic having a disproportionate impact on the poor and vulnerable, as well as marginalised groups. Last month, we joined other G7 countries and announced our intent to build back better for the world – green, inclusive and just. The EBRD is well placed to help deliver on that ambition. As the world recovers from this pandemic over the medium term, the EBRD's specialised

knowledge of private-sector development in its countries of operations will be crucial to ensure the rapid restoration of economic growth and job creation, particularly in its less advanced transition economies.

We commend the Bank for answering the call to align its operations with the Paris Agreement according to an ambitious timetable. We look forward to seeing the Bank's plans to contribute to our shared goal of mobilising \$100 billion per year to support developing countries in their transition to net-zero emissions in the context of meaningful and transparent decarbonisation efforts. As the US Administration's climate finance plan makes clear, the EBRD and other multilateral development banks are going to be critical partners for delivering on this goal.

At the same time, the United States remains deeply concerned by the use of all forms of forced labour in global supply chains, including the state-sponsored forced labour of vulnerable groups and minorities in supply chains for the agricultural and solar sectors.

To enable EBRD engagement and mobilise additional resources, countries must pursue the principles that are at the core of the EBRD's mission – commitment to open markets, entrepreneurship, and multiparty democracy and pluralism. All EBRD shareholders should share the goal of fostering vibrant democracies with fully functioning market economies, including in Belarus, where well-targeted, private-sector-focused EBRD activities could help promote economic growth and reform, and support the rights of the Belarusian people to a legitimate democratic process. The EBRD is providing important advisory support to Ukraine to maintain progress on outstanding economic and governance reforms to make its economy competitive and resilient.

We look forward to the Bank following through on its commitment to increase the proportion of its investment directed at less advanced transition countries, where its work can have greatest impact. We encourage the Bank to take further concrete steps to help countries more advanced in their transition progress closer to graduation, to enable resources to be used where gaps remain wider. We continue to believe that graduation from EBRD investment is the ultimate indicator of the Bank's success in achieving its transition mission.

We recognise that progress is not always linear. Durable graduation may depend on allowing recently graduated countries experiencing a crisis to return to EBRD financing on a short, time-bound basis under certain established criteria. Along these lines, we recently supported the Czech Republic's re-engagement request, and welcome the development of a Post-graduation Operational Approach.

That Approach is just one piece of a broader discussion on graduation that Governors will have at the Strategic and Capital Framework midterm review. We look forward to a comprehensive update on graduation at the midterm review, as agreed last year. We will be closely analysing the capital capacity assessment that management will provide this fall to aid in any strategic decisions. The EBRD must be able to sustain its operations on organic capital growth alone, and must recognise that any expansion may be capital and resource intensive. In contemplating any expansion, shareholders must assess that the EBRD provides added value and complements, but does not compete with, other development finance institutions. Therefore, to avoid overstressing the Bank's capital and budget, any expansion to sub-Saharan Africa must be accompanied by concrete progress on narrowing and reducing investment in, and ultimately graduating, advanced transition economies. We will need to see options on offsetting measures to evaluate any potential expansion properly.

Lastly, let me highlight an important point. The international character of the EBRD and its diverse shareholder base remain foundational strengths, and other efforts to coordinate international development assistance should not undermine those strengths. The United States remains committed as a strong partner with the EBRD as it extends private-sector-led economic opportunities and democratic values across the region.

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

Thank you Chair for the opportunity to say a few words. I will be very brief because a lot has been said already; but I would like to start with very warm thanks to all Governors for your appreciation of the Bank's work. I know that this is of much value for all Bank staff and, more widely, to the overall EBRD community.

I would like to say a few words about your participation and your contribution to the Roundtable earlier today. Your strategic guidance is extremely important for us to navigate in these uncertain times and to make the best of our resources so as to deliver impact for our clients and countries of operations.

Once again, let me assure you that the Bank, and all management and staff, are fully dedicated to supporting our clients and our countries of operations in these very economically challenging times. As a multilateral organisation, we have a responsibility, and I think that the discussion showed that our mandate is as relevant today as it was thirty years ago.

I drew from the discussion that the three cross-cutting priorities of our Strategic and Capital Framework to support greener, more equal (including gender issues – a very important dimension of the equal opportunity agenda) and more digital economies should be at the core of our investments and policy activities for the months and years to come.

You also emphasised the need for the Bank to remain agile and to tailor its operations to the specific situation of each country, all the more because recovery may happen at a different pace.

Finally, I heard your support for the Bank to continue to innovate in the areas of greatest importance – namely equity, financing support to SMEs, and in particular advisory services, but also policy engagement – to unleash the full capacity of the private sector.

I note that, in the current circumstances, the private sector has a very important role to play at a time when we are coming to the end of the crisis with high levels of public debt, which will reduce the capacity of governments to further support the economy.

I also note the importance you continue to attach to abiding by Article 1 principles, and democracy, pluralism and good governance.

I also take note of suggestions by some Governors on being more involved in health issues and looking at biodiversity, with a focus on cross-border projects. We take good note of that, and will see how we can develop it.

I would like to strongly welcome your quite unanimous support for Paris Agreement alignment by the end of next year. I think that this is a major step forward. It will have a lot of implications for our activity. We commit to supporting all of our countries of operations to realise the opportunities of this transition; and to have an approach tailored to the needs of each country; and to take into account – this was mentioned a number of times – the differences in the starting situations of different countries. The framework we have designed gives us the flexibility to address these specificities.

It is a strength of the EBRD to have all countries of operations as shareholders, which gives us not only the opportunity, but also the responsibility to develop together the most efficient tools and responses to these challenges.

You set for us, Governors, a very ambitious agenda for the months ahead to next year. We have a lot to deliver before our next Annual Meeting in May 2022 in Marrakech. We will redouble our efforts to support all countries in their recovery in this critical phase. And the EBRD will stand by you to build back greener, better, fairer and smarter.

We will also deliver swiftly on your requests for more analysis and more information about the financial and operational implications for the EBRD of a possible progressive and

incremental expansion to sub-Saharan Africa and Iraq, to pave the way for an informed decision next year.

Let me close with a few thanks. I would like to start by thanking colleagues in the Office of the Secretary General, in particular our technicians and event management colleagues. This is always a stressful situation, where we are not together but need to manage the technicalities. They have worked hard to deliver this Annual Meeting, again in very stressful circumstances.

This was, as you mentioned, Chair, the last meeting for Enzo, as the Bank's Secretary General. His guidance over the past months has been, personally for me, extremely valuable. I really want to thank him personally for all the work done for the Bank in these 20 years of activity, as Board Director for Italy and then as Secretary General.

Let me express my personal thanks also to all of you, Governors, for your rich interventions today, and to the Board of Directors for their tireless efforts to prepare this meeting and to help us navigate, on a daily basis, how to better serve our countries of operations. I look forward to working closely with you all in London as soon as possible.

Finally, dear Paschal, let me thank you for your extremely efficient management of the Meeting together with your two Vice Chairs, and for your support in leading this discussion.

On behalf of the management team and all the staff of the EBRD, I thank you once again for your support, trust and guidance, and look forward to seeing you in Marrakech. Before that, I hope that I will have the opportunity to meet in person with as many of you as possible.

CLOSING STATEMENT BY MR PASCHAL DONOHOE, CHAIR OF THE BOARD OF GOVERNORS

As the Chair of the meeting, I would like to make a few summary remarks on the Roundtable discussion.

This is, as many Governors have acknowledged, the 30th anniversary of the EBRD. Many praised the Bank for the performance over its lifetime. Governors also stressed the continuing importance of the Bank's mandate set out in Article 1 of the Bank's founding charter, including its political aspects – the keystone of our Bank's work, as the Governor for Estonia said.

Today we have played our part in the Bank's history. Your support for and adoption of the Resolution on climate ambition is an important signal from finance ministers of their dedication to tackling the climate challenge before us all. As the Chancellor of the Exchequer put it, the Bank's bold commitment to align all investment with the goals of the Paris Agreement from the end of next year is indeed a landmark moment. It sustains the Bank's tradition of leadership.

You underscored the profound consequences of the pandemic. The Bank's swift, strong and relevant response to meet the urgent needs of its clients was widely praised. All the more so when complemented by a very solid financial performance in 2020. On behalf of the Governors, I wish to express our appreciation for the commitment of the Bank's staff.

There is also continued appreciation for the Bank's proactivity and flexibility as we emerge from the crisis-response phase. The relevance of the Strategic and Capital Framework themes – a low-carbon transition, a digital transition, and equality of opportunity – were strongly reconfirmed. All of these will be a strong driver of growth in our countries of operations as they build economies which are stronger, more inclusive and greener.

Turning to the issues highlighted in the Annual Meeting, and which Odile reminded us of at the outset of this discussion, the recovery from the crisis is uneven. There is a diversity of experience across the Bank's region. Many Governors have emphasised the need for the Bank to tailor its support to the specific country's circumstances and needs, drawing on its strong local presence.

There was broad agreement that the pillars identified in management's paper – targeted equity funding, strengthening support for SMEs, and enhanced policy support, as well as the full Paris alignment of projects – provide a solid foundation to support crisis recovery. While endorsing these elements, you encouraged the Bank to use its deep understanding of our countries of operations to respond to emerging opportunities with flexibility and agility; for example, in the strengthening of supply chains, as highlighted by the Governor for Uzbekistan.

The importance of the Bank's distinctive private-sector focus was emphasised by many. Governors also stressed the importance of multilateral collaboration and, in this respect, the Bank was encouraged to work closely and in complementarity with other institutions, each drawing on its own unique strengths. A number of Governors highlighted the interaction with the EIB in particular.

I note that a number of Governors commented on the Resolution and the possible incremental expansion of the Bank's geographic mandate. I know that the President and her team took good note of this important matter, which Governors highlighted to be taken into account over the coming year.

Thank you for your comments. Thank you for your contributions, for your experiences, and showing determination in working together. The thoughts you expressed today will provide guidance for the Bank's future activities as it continues to deliver value for its countries of operations.

Your Excellency, Governors, ladies and gentlemen, it has been a great honour for me to chair this Thirtieth Annual Meeting of the Board of Governors of the EBRD. I am very grateful for the active and constructive contributions from you, Odile, as President, and from all our Governors. It is this quality of engagement that has guided the Bank's transition impact for 30 years and I am certain it will support further success in the years to come.

Allow me to briefly highlight a few key points. First, the overwhelming agreement by the Board of Governors to endorse the EBRD's climate ambition is an important signal of the international community's solidarity on the need for strong steps to address the climate crisis. At its heart, the decision to align all the Bank's activities with the goals of the Paris Agreement from 1 January 2023 is a bold and important step.

Second, the Board of Governors has provided guidance on the work needed to prepare discussions at the 2022 Annual Meeting on a possible limited and incremental expansion to sub-Saharan Africa and Iraq.

Third, we had a rich discussion on the ways in which the Bank can continue to actively support its countries of operations, as the recovery from Covid-19 begins. We still have a long distance to travel here, and the progress towards recovery may well be slow and uneven.

Lastly, I would be remiss if I did not relay the many expressions of appreciation that Governors have made for the Bank's staff and its leadership – for their continued efforts in response to the Covid crisis. Shareholders praised the Bank's innovative work to support new and existing clients over the past 18 months. This is a demonstration yet again that the Bank can apply its unique competencies to deliver impact in profoundly challenging situations.

Overall, the last year has captured the essence of the EBRD. The Bank works innovatively, reacts effectively, and answers decisively to the needs of its clients and its shareholders. The Bank has turned the adversity of our volatile times into opportunities to build a greener and better future.

In concluding, I would like to thank the UK for hosting us in virtual format again this year. I take deep pride in being part of this endeavour, and I hope that today, you all feel the same. In closing this Plenary Session, I would like to thank you all; I would like to thank the Vice Chairs for their help this afternoon in the Annual Meeting; and I want to thank all of you for the patience and for the flexibility that you have all shown.

**DOCUMENTS SUBMITTED TO THE BOARD OF GOVERNORS
FOR CONSIDERATION BEFORE THE ANNUAL MEETING**

**REPORT OF THE BOARD OF DIRECTORS
TO THE BOARD OF GOVERNORS
FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS'
REPORT FOR 2020**

In accordance with Article 27(iii) of the Agreement Establishing the Bank and Section 13(a) of the By-Laws, the Annual Financial Report 2020, including the audited Financial Statements of the Bank for 2020 and the Independent Auditors' Report, is submitted to the Board of Governors for approval.

A draft Resolution* is attached for consideration by the Board of Governors.

* The text of Resolution No. 238 as adopted by the Board of Governors is reproduced on page 135

**DOCUMENTS SUBMITTED TO THE BOARD OF GOVERNORS
FOR CONSIDERATION AT THE ANNUAL MEETING**

AGENDA

Opening Session (09:30-10:30)

The Opening Session will be streamed as-live on the EBRD website, with a video link released in advance to Governors, Alternate Governors and EBRD Board of Directors.

1. Opening of the Meeting
The Chair will formally open the Annual Meeting of the Board of Governors
2. Opening Statement by Guest of Honour for the United Kingdom
3. Opening Statement by the Chair of the Board of Governors
4. Opening Statement by the President of the EBRD

Plenary Session (11:00-15:00)

Attendance is open to Governors and Alternate Governors, registered Delegation representatives, EBRD Directors and Alternate Directors, and nominated EBRD management

Items 5 and 6 will be taken together:

5. Adoption of the Agenda and Programme Overview
Governors will be invited to adopt the Agenda and take note of the Programme Overview
6. Report of the Procedures Committee
Governors will be invited to take note of the Report of the Procedures Committee

Items 7 and 8 will be taken together:

7. Roundtable Discussion: Building Back Better Economies
Governors will be invited to discuss the questions posed in relation to the EBRD's efforts in support of building sustainable and resilient economies in its Recipient Countries in the light of the impact of the COVID-19 pandemic
8. EBRD Climate Ambition: Report of the Board of Directors and Resolution
Governors will be invited to adopt the Resolution on EBRD's climate ambition
9. Preparatory Work for an Update on the EBRD's Possible Limited and Incremental Expansion to Sub-Saharan Africa and Iraq – Governors' Direction: Report of the Board of Directors and Resolution
Governors will be invited to adopt the Resolution on the work to be undertaken in order to prepare an update on this matter to the 2022 Annual Meeting of the Board of Governors, where further guidance will be sought
10. 2020 Net Income Allocation: Report of the Board of Directors and Resolution
Governors will be invited to adopt the Resolution approving the 2020 Net Income Allocation

11. Special Funds' Financial Statements 2020: Report of the Board of Directors and Resolution
Governors will be invited to adopt the Resolution approving the Special Funds' Financial Statements 2020
12. Strategy Implementation Plan 2021-2023
Governors will be invited to take note of the Strategy Implementation Plan 2021-2023
13. Date and Place of the 2022 Annual Meeting: Report of the Board of Directors and Resolution
Governors will be invited to adopt the Resolution approving the Date and Place of the 2022 Annual Meeting
14. Review of the EBRD Codes of Conduct: Status Update
Governors will be invited to take note of progress on the EBRD Codes of Conduct Review
15. Election of Chair and Vice Chairs for 2021-2022
Governors will be invited to elect the Chair and Vice Chairs for 2021-2022 (as outlined in the Procedures Committee Report)
16. Closing Statement by the President of the EBRD
17. Closing Statement by the Chair of the Board of Governors
18. Closing of the Meeting
The Chair will formally close the Annual Meeting of the Board of Governors

PROGRAMME OVERVIEW

Time* <i>shown in GMT+1</i>	Event	Platform	RSI (Remote Simultaneous Interpretation)
Monday 28 June 2021			
09:00 – 10:30	Civil Society Organisations – Meeting with Board of Directors (<i>closed session</i>)	WebEx; Interactio	English, Russian, Arabic
11:30 – 12:30	Civil Society Organisations – Meeting with EBRD President (<i>closed session</i>)	WebEx; Interactio	English, Russian, Arabic
13:00 – 13:30 14:00 – 15:15	<u>Discussion Panels:</u> Rising to the Climate Challenge Thinking the Unthinkable	Virtual Attendee Hub	No RSI
Tuesday 29 June 2021			
09:30 – 10:15	Regional Economic Prospects Press Briefing	Virtual Attendee Hub; EBRD Social Media (tbc)	No RSI
10:00 – 13:00	Small Business Impact Fund Assembly (<i>by invitation only</i>)	WebEx	No RSI
11:15 – 12:00	Civil Society Organisations – Open Panel	Virtual Attendee Hub	No RSI
12:00 – 13:00 14:00 – 15:00 15:00 – 16:00	<u>Discussion Panels:</u> The Sustainability Event The Future of Capitalism – the State Strikes Back Digital agenda – maximising opportunities, minimising threats	Virtual Attendee Hub	No RSI
Wednesday 30 June 2021			
Available from 09:30 (tbc)	Board of Governors - Opening Session Video link released to Governors, Alternate Governors and Board of Directors	Video link	Video available in English, French, German, Russian (voice-over)
11:00 – 13:00 14:00 – 16:00	Donor Meetings (<i>by invitation only</i>)	WebEx	No RSI
09:30 – 10:30 13:00 – 14:00	<u>Discussion Panels:</u> Building a better and more equal future – Voices from the EBRD region Where do we go from here?	Virtual Attendee Hub	No RSI
12:00 – 15:00	Trade Facilitation Programme	Virtual Attendee Hub	No RSI

Time* <i>shown in GMT+1</i>	Event	Platform	RSI (Remote Simultaneous Interpretation)
Thursday 1 July 2021			
09:30 – 10:30	Board of Governors - Opening Session Video link released to AM participants and the public	Virtual Attendee Hub; EBRD Social Media (tbc) and www.ebrd.com (tbc)	Video available in English, French, German, Russian (voice-over)
11:00 – 15:00	Board of Governors - Plenary Session	WebEx; Interactio	English, French, German, Russian
11:45 – 12:30	RBI Forum Partner session (title tbc)	Virtual Attendee Hub	No RSI
13:30 – 14:15	UniCredit Forum Partner session (title tbc)	Virtual Attendee Hub	No RSI
15:00 – 15:45	Virtual Experience	Virtual Attendee Hub	No RSI
Friday 2 July 2021			
09:30 – 10:15	EBRD President Press Conference	Virtual Attendee Hub; EBRD Social Media (tbc)	No RSI
10:30 – 11:30 12:30 – 13:30 14:00 – 14:45	<u>Discussion Panels:</u> Natural Capital and Blue Economy Reinventing Capital Markets 30 th EBRD Anniversary Event – What will the next 30 years bring?	Virtual Attendee Hub	No RSI

REPORT OF THE PROCEDURES COMMITTEE 2020-2021

In accordance with its terms of reference, set forth in Resolution No.3 of the Board of Governors adopted on 15 April 1991, the Procedures Committee for 2020-2021 submits the following Report, including recommendations relating to the provisions for the conduct of the 2021 Annual Meeting of the Board of Governors which will be held in virtual format on Thursday 1 July.

Opening Session (09:30-10:30 UK time)

The Chair of the Board of Governors, Mr Paschal Donohoe (Governor for Ireland), will formally open the Meeting.

In the Opening Session, statements will be delivered by the Guest of Honour for the United Kingdom, the Chair of the Board of Governors and the President of the EBRD.

The Opening Session will be broadcast as-live on the EBRD Virtual Attendee Hub and on LinkedIn Live from 09:30 UK time on Thursday 1 July. The ability to listen in English, French, German and Russian will be available via individual links per language.

A link to the Opening Session will be released to Governors, Alternate Governors, registered Delegation representatives and the EBRD Board of Directors on Wednesday 30 June.

Plenary Session (11:00-15:00 UK time)

The Plenary Session will be held in WebEx Events format. Remote Simultaneous Interpretation (RSI) in English, French, German and Russian will be available via the “Interactio” App. Connection details will be communicated prior to the Session.

Attendance will be open to Governors and Alternate Governors, registered Delegation representatives from each member, EBRD Directors and Alternate Directors, and nominated EBRD management. Each Delegation should consist of up to a maximum of eight people (Governor + seven persons).

Having established that there is online connection from a sufficient number of Governors to ensure a quorum, the Secretary General will announce that the Plenary Session may commence.

Adoption of the Agenda

The Committee recommends that the Board of Governors consider for adoption the *Agenda for the Board of Governors Meeting* (Document BG30/1), and with such changes as the Chair may announce in the course of the Meeting. The Committee also recommends that the Board of Governors take note of the *Programme Overview* (Document BG30/1A).

Governors may intervene on any item on the agenda, if desired.

Part 1: Roundtable Discussion (closed session)

Governors are invited to take an active part in the Roundtable Discussion, and to discuss the questions posed in relation to the EBRD’s efforts in support of building sustainable and resilient economies in its Recipient Countries in the light of the impact of the COVID-19 pandemic, as set out in *Building Back Better Economies* (Document BG30/3).

The Committee recommends that the Board of Governors consider for adoption the draft Resolution attached to the Report of the Board of Directors on the *EBRD Climate Ambition* (Document BG30/4).

The Chair of the Board of Governors will first invite three Lead Speakers (the Host and Governor for the United Kingdom, the Vice Chair of the Board of Governors and Governor for Armenia and the Vice Chair of the Board of Governors and Governor for Uzbekistan) to open the Roundtable Discussion. Governors will then be invited to speak as confirmed by the pre-determined Speakers List, followed by interventions from any remaining Governors who have not spoken. The Speakers List will be circulated to all Delegations on Tuesday 29 June.

Part 2.1: Institutional and Financial Matters (closed session)

The Committee recommends that the Board of Governors consider for adoption the draft Resolution attached to the Report of the Board of Directors on the *Preparatory Work for an Update on the EBRD's Possible Limited and Incremental Expansion to Sub-Saharan Africa and Iraq – Governors' Direction* (Document BG30/5), on which the work will be undertaken in order to prepare an update on this matter for the 2022 Annual Meeting of the Board of Governors where further guidance will be sought.

Part 2.2: Institutional and Financial Matters (open session)

The Committee recommends that the Board of Governors consider for adoption the draft Resolution attached to the Report of the Board of Directors on the *2020 Net Income Allocation* (Document BG30/6).

The Committee recommends that the Board of Governors consider for adoption the draft Resolution attached to the Report of the Board of Directors on the *Special Funds' Financial Statements 2020* (Document BG30/7).

The Committee recommends that the Board of Governors take note of the *Strategy Implementation Plan 2021-2023* (Document BG30/8).

The Committee recommends that the Board of Governors consider for adoption the draft Resolution attached to the Report of the Board of Directors on the *Date and Place of the 2022 Annual Meeting* (Document BG30/9).

The Committee recommends that the Board of Governors take note of the progress on the *Review of the EBRD Codes of Conduct Review: Status Update* (Document BG30/10).

Election of the Chair and Vice Chairs for 2021-2022

The Committee recommends that the Governor for Portugal be elected Chair and that the Governor for Estonia and the Governor for Morocco be elected Vice Chairs of the Board of Governors for 2021-2022. The Chair and Vice Chairs will take up office following the closure of the 2021 Annual Meeting. The Chair and Vice Chairs will constitute the Procedures Committee for 2021-2022, and will be available until the end of the 2022 Annual Meeting.

Reports and Resolutions noted and adopted prior to the Annual Meeting

Prior to the 2021 Annual Meeting, the Board of Governors had noted Reports and adopted Resolutions on the following institutional and financial matters:

- *Financial Statements and Independent Auditors' Reports for 2020*: Resolution No.238 (Document BG30/11)
- *Annual Financial Report 2020* (Document BG30/12)
- *Annual Review 2020* (Document BG30/13)

Closing of the Meeting

Statements will be delivered by the President of the EBRD and the Chair of the Board of Governors, following which the Chair of the Board of Governors will close the Meeting and an electronic message will be sent to all Annual Meeting participants.

Governors' Statements

Governors are invited to provide guidance to the Bank in the form of formal written statements. The statements will be posted on the Bank's website after the end of the Opening Session, and will also be included in the Proceedings of the Meeting.

Mr Paschal Donohoe

EBRD Governor for Ireland

Chair of the Board of Governors

23 June 2021

ROUNDTABLE DISCUSSION – QUESTIONS FOR GOVERNORS

BUILDING BACK BETTER ECONOMIES

Introduction

The Covid-19 crisis has been the biggest economic shock in at least a century with growth in the EBRD region slowing sharply from 2.6 per cent in 2019 to -7.5 per cent year on year in the second quarter of 2020 and -2.1 per cent in the year as a whole. Nearly all countries of operations experienced a contraction in GDP as social distancing measures to address the pandemic reduced both domestic demand and supply. Differences in economic structure have led to variations amongst countries: for example, particularly sharp contractions were experienced in economies dependent on the tourism and hospitality sectors or remittances.

Policy has also driven a differential impact of the crisis. Countries of operations have collectively introduced fiscal stimulus totalling 4.3 per cent of GDP. Within this, job losses and firm closures were reduced in those countries with larger stimulus. For the region as a whole survey evidence suggests that the direct impact of the crisis has been felt by a greater share of the population in EBRD countries than in advanced Europe with the burden of the crisis falling disproportionately on those with lower income and education.

Overall, the Covid-19 crisis has had an even greater real economy impact than the Global Financial Crisis. It has also exposed structural weaknesses in many economies and highlighted long standing social stresses supporting the need for countries of operations to develop a more resilient, sustainable and inclusive economies for the future. Growth is expected to return in 2021, although the pace of recovery is likely to vary depending on both the pace and success of vaccine roll out and the availability of additional fiscal space. Public debt has risen sharply by 11 per cent across the EBRD countries of operations.

EBRD's Crisis Response

The Bank's operational response to the onset of the pandemic was swift and decisive through a Solidarity Package and continuing investment through which up to €21 billion is anticipated to be channelled to countries of operations by the end of 2021. As a result, a record €11 billion was invested in 2020. Two dedicated crisis response facilities were created – the Resilience Framework to provide short-term liquidity rapidly to existing clients and the Vital Infrastructure Support Programme to support public and private utility companies facing cash flow challenges stemming from the crisis. These two facilities accounted for just over 20 per cent of total investment. The Bank's Trade Facilitation Programme saw both record investment (42 per cent higher than 2019) and record annual turnover (32 per cent higher). Table 1 shows the distribution of the Bank's investment activity.

Table 1: 2020 Annual Bank Investment (ABI) by category

	ABI (€ bn)	Share of ABI
On-going business	6.0	55%
Trade Facilitation Programme	1.8	16%
Resilience Framework	1.5	14%
SME Frameworks	0.9	8%
Vital Infrastructure Support Programme	0.8	7%
Total	11.0	

Investment was also supplemented by rapid response crisis-focussed policy engagements with a particular focus on building capacity in public authorities. Innovative ways of working, including the on line provision of business advice for SMEs, have helped preserve transition gains, protect livelihoods and economic activity. However, the difficulty of pursuing the achievement of essential long-term goals in crisis conditions was shown by the fall in the share of green investment from 46 per cent in 2019 to 29 per cent in 2020. The Bank supported existing clients well, but reaching new clients proved difficult in pandemic conditions. Finally, uncertainty saw the share of equity in annual investment fall to the lowest level in the Bank's history.

Building Back Better

The Bank's transition mandate and experience with multiple crises and recoveries mean it is well equipped to support a better future post crisis. As economies become more stable and recovery takes hold, the EBRD will do everything possible to help its countries of operations and its clients to recover strengthening further the quality and impact of its activities. The Bank will use this opportunity to reinforce its support to countries of operations to accelerate the transition to economies which are more competitive, inclusive, green, well-governed resilient and integrated – the essential characteristics of a sustainable and well-functioning economy.

As the latest Strategic and Capital Framework 2021-2025 shows, this work is being underpinned by three cross cutting strategic themes which are at the heart of a better future. Each are more important and urgent as a result of the crisis and the Bank can make a distinctive contribution through its private sector focus and established business model:

- **Supporting the transition to a low carbon economy** through a wide-ranging programme of policy and investment activity. The transition opens significant new opportunities for economic growth and employment and the Bank's climate ambition is set out in the Report of the Board of Directors (BG30/4). Aims include having at least half of the Bank's annual investment in green projects by 2025, aligning all projects with the goals of the Paris Agreement from 2023 and enhancing support for countries' decarbonisation strategies.
- **Addressing inequality of opportunity** by building on the Bank's successful model of increasing economic inclusion through private sector investment and policy dialogue. A new Equality of Opportunity Strategy will consider broadening the current focussed on addressing inequalities stemming from circumstances at birth to new areas including lifelong learning and the future of work. Deepening gender mainstreaming will be a key goal of a companion Gender Strategy.
- **Accelerating the digital transition** in pursuit of transition objectives. The Bank's new approach will support the foundations of the digital economy including infrastructure and regulation, the use of technology to support competitiveness and governance and fostering technological innovation.

Strong incentives and ambitious targets for delivering both high levels of investment and high quality of impact in line with the SCF priorities have been set in the Bank's Corporate Scorecard. This sees a significantly increased ambition on green, new measures for the Bank's work in its less advanced countries, share of gender projects and financial performance and further strengthens the Bank's private sector focus.

From Intention to Implementation

The EBRD is in a strong financial position, capable of supporting annual investment flows of up to €13 billion sustainably in support of building better economies with its countries of operations.

Delivering high levels of high quality investment in the crisis recovery will be challenging. The level of direct and indirect investment through the Bank's SME facilities was lower than in previous years in 2020, although demand for advisory services rose considerably. More generally, private sector investors' caution in the face of continuing economic uncertainty may slow the pace of any rebound. The challenge of achieving the Bank's ambitious aim that at least 75 per cent of its investment is in the private sector is compounded by further factors. The first is the increased role of the state and state ownership as a result of the crisis. Secondly, investment in the state sector – especially through state owned enterprises – is important for meeting the region's climate change goals and the Bank's own targets for green investment. Finally, restricted travel conditions will continue to impede business development aimed at new clients.

However, flexibility is a core characteristic of the Bank's strategic approach. As a result, one of the Bank's strengths is its ability to remain agile and respond to changed circumstances with new tools and fresh thinking. Responding to the emerging implications of the pandemic and the developing needs in the Bank's countries of operations, new opportunities for ensuring the Bank is fully able to support building back better economies as economic growth recovers have already been identified, including:

- **Equity finance** is needed more than ever. The Bank is looking to meet this need through increasing its focus on identifying equity opportunities with both transition and financial potential. Three new initiatives have been launched to target equity funding gaps exposed by the crisis and allow the Bank to respond quickly and efficiently to client needs.
- **Enhanced SME Advisory services.** SME investment has dipped in the crisis risking future growth and job creation. The Bank is piloting new products, for example in supply chain financing. In addition, new targeted advisory support is being developed to support SMEs, with an emphasis on making them greener and integrating Environmental, Social and Governance standards. Donor support will be critical for success.
- **Additional Policy Support:** Continuing policy advice will be needed to support countries in navigating the post crisis world. The Bank will adapt its Rapid Advisory Response to the post-crisis recovery period to offer short and sharp policy support where needed and requested across the region. A Policy Review is underway which will identify ways of working and delivering policy reform advice to enhance its impact.
- **Paris Alignment:** As already highlighted, the Bank's move towards full alignment with the Paris Agreement at the start of 2023 will enable it to focus its investments and policy agenda on low carbon transition. The Bank is considering what opportunities for new products are opened by the move to full Paris alignment and decarbonisation, and new facilities to support countries' ambitious policy development.

In addition, the crisis has highlighted longer-term economic, financial and social trends which may – over time – open new opportunities for delivering its transition mandate. In the short term, the Bank can play a role in supporting efficient management – and ultimately reduction – of the heightened economic role of the state caused by the pandemic. In European countries of operations, demographic change is raising the importance of elderly care. The crisis has also sharpened the focus on the resilience of supply chains and health systems. The Bank will

determine whether – given its mandate, skills and operating principles – there is an increased role for the EBRD to play on these issues.

Questions for Governors

Governors may wish to comment on:

- What the implications of the current economic situation and the pattern of recovery in countries of operations are?
- What does ‘Building Back Better’ mean in practice for EBRD’s countries of operations?
- Are the themes and priorities identified above for the EBRD to support crisis recovery and ‘Building Back Better’ the right ones? Are there any missing themes?
- How should the Bank balance its priorities, such as investment volume; private share; green ambition?

REPORT OF THE BOARD OF DIRECTORS TO THE BOARD OF GOVERNORS

EBRD CLIMATE AMBITION

1. This Report sets out the context for the EBRD's climate action, and presents three new developments in the Bank's ambition: alignment with the goals of the Paris Agreement; accelerated decarbonisation of the energy sector; and support for low carbon and climate resilient strategies. The Bank's ongoing commitment to the 38 economies in which it operates is the common thread throughout.

The EBRD region and the climate crisis

2. The scale and nature of the climate crisis are well known. In 2021 the world stands at a turning point, facing an urgent call to action as the impacts of climate change become ever more obvious, while emissions continue to rise. EBRD shareholders and countries of operations will play a key role at the 26th UNFCCC Conference of Parties (COP26) taking place in Glasgow in November 2021.
3. The 2015 Paris Agreement established the goals of limiting global warming to well below 2 degrees Celsius compared to pre-industrial levels, and pursuing efforts to limit any temperature increase to 1.5 degrees Celsius. The Paris Agreement makes it clear that central to achieving these goals is an early peak in emissions, rapid reductions thereafter and reaching in the second half of this century a balance between anthropogenic emissions by sources, and removals by sinks, of greenhouse gases. The transformation required to achieve this net zero outcome is widely known as the "low carbon transition", for which Paris Agreement signatories have, in the light of different national circumstances, "common but differentiated responsibilities and respective capabilities".
4. The Paris Agreement also established a global adaptation goal that aims to strengthen the global climate change response by increasing the ability of all to adapt to adverse impacts of climate change and foster climate resilience and low greenhouse gas emissions development.
5. The 2018 IPCC Special Report on Global Warming of 1.5°C highlighted the scale and urgency of the climate crisis, confirming that CO₂ emissions need to fall by around 45% by 2030 (from 2010 levels) and reach net zero by mid-century to limit warming to 1.5°C. The report also confirmed that significant physical climate change impacts should be expected even if mean global warming is limited to 1.5°C.
6. Achieving net zero will require a simultaneous reduction in energy intensity (energy use per unit of GDP) and carbon intensity (GHGs per unit of energy). The economies in which the EBRD operates remain among the most energy and carbon intensive in the world. The energy intensity of the EBRD regions varies significantly, but is on average 25% higher than OECD economies. Carbon intensity is higher still, at 35% more than the OECD average, reflecting the fact that the EBRD region is even more reliant than the world average on fossil fuels for its primary energy supply, at 87% compared to 80%. Coal is the major contributor to the associated carbon emissions, providing on average 20% of primary energy supply in EBRD countries of operations, and for seven countries of operations more than 40% of primary energy supply: transition from coal is a top climate action priority in these countries.
7. Much of the EBRD region is also characterised by a large stock of ageing industrial assets and buildings, reflecting the legacy of decades of command economies focused on

industrialisation. This presents a *challenge*, since in the case of each of these sectors in the EBRD region they emit at least three times more CO₂ than OECD equivalents. They are also associated with high levels of air, water and soil pollution which severely damage the quality of life for many citizens of EBRD countries of operations. This state of affairs also however an *opportunity* for widespread investment that promotes decarbonisation, improves competitiveness and living conditions and generates employment and economic growth.

8. The share of renewable energy in total energy supply is already higher in the EBRD region than the OECD average, and has potential to grow significantly further since many EBRD countries of operations have world class renewable resources in offshore and onshore wind, solar and hydropower. This positions them well to benefit from the ongoing energy transition, in shifting away from conventional fuel sources, especially coal, and also from fast growing opportunities for "power to X" solutions such as green hydrogen.
9. The challenge of the radical low carbon transition over the next thirty years is huge and unprecedented. Similarly, the associated opportunity is enormous: a clear commitment to the goals of the Paris Agreement, whether by country or company, creates the enabling environment to unleash innovation and investment, creating high quality jobs, opening new markets, diversifying economies, creating cleaner, more liveable communities and boosting sustainable growth. The goal of the EBRD is to support its countries of operation in creating that environment, and innovators and investors in realising those opportunities.
10. EBRD regions have been heavily affected by the Covid-19 pandemic, and fiscally constrained governments have focused on addressing the immediate impacts of the crisis by prioritising additional funding for healthcare systems, as well as employment and liquidity support. The EBRD was the first MDB to approve a Covid-19 crisis response package, providing emergency liquidity to financial institutions, corporates and vital infrastructure providers alongside rapid advisory support to governments. The EBRD will continue to support COO partners in their efforts towards a sustainable, inclusive and green recovery, and the Bank is further intensifying its activities to ensure that green considerations are at the heart of rescue, recovery and resilience plans in its countries of operations. These plans, and the broader efforts to recover from the devastating impacts of the pandemic, also present an opportunity to tilt investment and economic activity on to a durably sustainable trajectory.
11. In October 2020, Governors adopted the Strategic and Capital Framework 2021-2025 ("the SCF"), with an overarching goal for the EBRD to preserve and accelerate transition in its countries of operations. Responding to the centrality of the green agenda across the EBRD region the SCF identified the Green Economy Transition as a primary strategic theme for the Bank, and committed to allocating more than 50% of investments to the green economy by 2025.
12. The risks that climate change poses to business, financial markets, and society as a whole are real and present, and will only increase. The EBRD was the first MDB to sign up as a supporter of the Task Force on Climate-related Financial Disclosures (TCFD). Since 2018, TCFD disclosures have formed part of the Bank's Sustainability Report, and the Bank now produces an annual standalone disclosure document on climate-related risks faced by the EBRD.
13. Green finance and climate risk assessment alone, however, are not enough. To support its countries of operations through the low carbon transition, the EBRD must scale up its strategic support for economic activity aligned with the goals of the Paris Agreement.

Alignment with the goals of the Paris Agreement

EBRD activities shall be fully aligned with the goals of the Paris Agreement by 31 December 2022.

14. The objective of aligning the EBRD's financial flows with the goals of the Paris Agreement is anchored in Article 2.1(c) of the Paris Agreement, which commits signatories, including EBRD shareholders, to make "finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development".
15. Reflecting this critical goal, the EBRD has worked with other Multilateral Development Banks (MDBs) to prepare to align all its operations, and in particular its investment operations, with the goals of the Paris Agreement, limiting any temperature increase to 1.5 degrees Celsius and achieving net-zero emissions by the middle of the century. In doing so it intends to ensure that all of the Bank's finance is consistent with a genuinely sustainable world.
16. This alignment, which will be implemented progressively in the coming 18 months, with full alignment from 1 January 2023, is both a challenge and an opportunity for the Bank and its countries of operations. It sets a rigorous standard that not all economic activities or investments will meet. But it also creates a robust foundation for critical investments in a country's transition, and a prism to focus economic activity on to a sustainable trajectory.
17. The Bank has played a leading role in the development of a joint MDB Paris Agreement alignment methodology. This underlines the importance of climate finance and policy development support, which are core to the Bank's SCF commitments. The methodology highlights the need for alignment of internal corporate activities and robust reporting and sets out a comprehensive project screening approach that addresses both climate change mitigation and climate change adaptation.
18. The Bank's approach to project screening for climate change mitigation entails demonstrating that each project meets two conditions: (i) consistency with long-term low carbon development, to give assurance that the project is part of a credible transition to a future consistent with the Paris Agreement mitigation goals; and (ii) the combination of its technical and commercial characteristics with the applicable regulatory environment result in a low risk of carbon lock-in, to give assurance that the project does not enable an emissions intensive asset to continue to operate in the future when economically preferable lower carbon options could replace it.
19. The Bank's approach to project screening for climate change adaptation entails demonstrating, for each project, that it meets the following two conditions: (i) physical climate risks have been identified and addressed; and (ii) project activities do not undermine climate resilience within the context the project operates in.
20. A project must meet each of these conditions to be determined Paris aligned. For most projects this will be straightforward (for example projects with a limited carbon footprint), while for others (particularly those that entail significant GHG emissions or are exposed to material physical climate risks) this will require detailed analysis drawing on complementary analytical tools and evidence.
21. The Bank has begun project screening of direct finance operations and will continue to fine-tune this approach through a full public consultation to be concluded at the 2021 Annual Meeting. The specific approach for indirect finance will be concluded by November 2021, allowing project screening to build up from early 2022. Methodologies

for alignment of other activities are underway, including for the Bank's buildings, mobility, procurement, treasury, pensions and governance.

Accelerating decarbonisation of the energy sector

As part of the low carbon transition, decarbonisation of the energy sector is an urgent challenge. The EBRD will increase financing for renewable energy and associated energy systems, and will further narrow and limit fossil fuel financing to projects that meet a strong ambition to accelerate the low carbon transition in specific country contexts.

22. All decarbonisation scenarios require that emissions must halve in the next decade and that, by 2050, or shortly after, fossil fuels are either phased-out or fully decarbonised. This challenge requires both a physical transformation of the infrastructure that underpins all modern economic activity and a systemic transformation of the market and regulatory structures that govern that activity.
23. Decarbonising an energy sector that is so heavily reliant on fossil fuels requires the urgent and rapid scaling-up of low carbon sources, and an energy system that can integrate these sources. The climate crisis now calls for increased risk appetite and more sophisticated market structures, both in financing renewables and grids, which the Bank will pursue, seeking in particular to mobilise private capital and technology, and supporting the development of regional markets and carbon markets. This will include growing support for market-based reforms such as renewable energy auctions and the promotion of innovative financial instruments such as green and sustainability-linked bonds.
24. This focus responds also to the remarkable fall in the cost of renewable energy in recent years. The Bank's countries of operations are now able to access secure, domestic supplies of energy, without carbon emissions or any local pollutants, at a cost equal to or below conventional energy. This development creates an extraordinary opportunity for economies to achieve the goals of the Paris Agreement while also boosting their energy security and improving air quality. Realising this opportunity requires not just massive investment in renewables and other low carbon energy sources but a wholesale transformation of energy sectors: shifting energy demand to electricity; reengineering networks that transmit and distribute energy to be digitised, smart and flexible; promoting demand side participation and strengthening regional interconnection.
25. The Bank will invest increasingly rarely in fossil fuels, being guided throughout by a holistic view of energy systems. In exceptional cases, specific fossil fuels investments, when carefully designed and assessed, can contribute significantly to the low carbon transition: first to achieve an early peaking and rapid reduction of emissions; and second to ensure energy security in a sector increasingly dominated by intermittent renewable sources. Such investments can also contribute to material reductions in air pollution and support a just transition.
26. In these specific contexts the EBRD will, where the situation requires its skills and resources, invest in fossil fuels projects which are not only aligned with the goals of the Paris Agreement, but go beyond that requirement to demonstrate strong ambition to accelerate the low carbon transition as an essential part of a credible low carbon pathway consistent with the goals of the Paris Agreement.

Supporting low carbon and climate resilient strategies

The EBRD will scale up policy advice and institutional capacity building for low carbon and climate resilient strategies, promoting and supporting ambitious action in, and with, its countries of operations.

27. EBRD shareholders and countries of operations face an enormous challenge as they design their way from economies built around fossil fuels and greenhouse gas emissions, to economies without those features within the next three decades. There will be more and more attention, at all levels of the economy, to planning for the low carbon and climate resilient transition. The commitments adopted by the Bank's countries of operations will create this need, and ESG and TCFD standards will drive it for investment flows at the corporate level. As these pressures increase, societal support for the transition will be crucial, and contingent on inclusive and well-governed change planning.
28. The EBRD has a critical role to advise its countries and clients on these pathways, to make sure that they get the best out of the transition and that they create the economic frameworks and conditions that attract investment. The Bank can also support with the task of securing the social conditions for a sustainable and just transition, including a focus on equality of opportunity and gender equality. EBRD alignment with the goals of the Paris Agreement is above all about bringing the concept and practice of alignment with low-carbon pathways to countries of operations and clients.
29. The impact on the Bank's investment volumes of alignment with the goals of the Paris Agreement, and of accelerating decarbonisation of the energy sector, will depend primarily on the trajectories chosen by the Bank's countries of operation and its clients. Pathways to the Paris Agreement goals entail multiple choices about the distribution of costs and benefits; choices which are ultimately determined by the governments and citizens of each country. Accordingly the role of Nationally Determined Contributions (NDCs), Long-term Strategies (LTSS) and sector-specific low carbon pathways will be crucial in setting both the long-term and the immediate context for investors and other economic actors.
30. The EBRD will support government, finance and business with planning for the transition towards net zero, and will increase its policy advisory and capacity building assistance. Such technical assistance, unlocking investment, is core to the EBRD value proposition. Yet the challenges and opportunities of the transition towards net zero require a significant scaling up of this policy and institutional engagement work. The Bank will be directed in this work by its key comparative advantages: a strong presence in, and understanding of, its countries of operations, and its ability to work at the nexus between private and public sectors, which gives it a particular aptitude in helping to shape regulatory frameworks that ensure the private sector deploys its capital and innovation to deliver public goods.
31. As the Bank supports only those investments which are compatible with the Paris Agreement goals, so it will significantly increase the support it offers to countries and companies in designing their own pathways to meet the Paris Agreement goals, in particular supporting the adoption and implementation of robust NDCs, LTSS and low carbon pathways. Where such instruments are still in development, or are incomplete, the Bank will draw on other tools to assess the consistency of investments with the Paris Agreement goals. In all cases such pathways shall be science-based, use best available international practice and tools, including for example the work of the International Energy Agency, and will be oriented towards investment needs and opportunities. There is therefore a synergy between the success of the Bank's support for low carbon and climate resilient planning, and its capacity to invest for systemic impact.
32. In addition to work on NDCs and LTSS, the Bank will work through a range of interventions. It will engage with the authorities to develop green capital market development strategies aimed at incentivising green investments and removing legal and regulatory obstacles to green finance. At sub-national level, the Bank will engage through its green cities programme to promote low carbon and liveable urban environments. At

sector-level, science-based pathways and plans will include advisory work on green power systems and markets, scaling-up of renewables through competitive procurement, distributed energy sources, smarter and resilient grids, e-mobility, and well-functioning markets that deliver net-zero power systems. Sustainable transport and greening the financial system are also key themes. Advisory work will also cover corporate climate governance; climate laws and regulations; standards; and monitoring, verification and enforcement; carbon pricing and carbon markets; and the just transition.

33. The Bank will engage at national, regional, municipal, utility, financial institution and corporate levels, wherever its investments and client relationships position it to do so effectively, prioritising in particular private sector investment flows that enable the low carbon and climate resilient transition. The Bank's support for these instruments will both inform, and be informed by, its work to prepare and agree Country Strategies for each of its countries of operations.
34. Where climate ambition is limited, the Bank will indicate the investment opportunities available if progress along low carbon and climate-resilient pathways is accelerated. Where climate ambition is strong, the Bank will provide enhanced support for that higher ambition, and will finance the increased investment opportunities that follow.
35. Partnerships are critical for enhanced policy support. The Bank will continue to play a leading role among the MDBs, including on coordinated support for NDCs and LTSs. It will work with UN agencies and the European Union, notably with respect to implementation of the European Green Deal, supporting the International Platform on Sustainable Finance, and promoting the development and adoption of EU sustainability standards and practices. It will continue to engage actively with the G20 Sustainable Finance Working Group, the Coalition of Finance Ministers for Climate Action, the Network for Greening the Financial Sector, the Climate Bonds Initiative, and the Energy Transition Council. The Bank will tailor its interventions in this context to match its particular strengths and develop with other MDBs a lean and effective mechanism to ensure that all MDBs' efforts are efficient and effective.
36. The EBRD donor strategy sets out an ambitious vision for donor partnerships to ensure the Bank is an effective partner of choice in developing sustainable market economies in its countries of operations. The Bank will further develop its strategic partnerships with multilateral and bilateral donors, which offer unique leverage for policy advice, capacity building, and finance for impact at scale in support of the low carbon and climate resilient transition.
37. In-country coordination platforms with policy makers and regulatory authorities, civil society, business round tables, and international development partners will be the essential foundation for accelerated ambition, grounded in country specific realities. The EBRD Resident Office Network has unrivalled expertise in the intersection of enterprise, finance and government. It will be further strengthened, with a view to boosting the Bank's policy advice and capacity building support to country authorities and clients, as they plan and execute low carbon and climate resilient pathways.
38. Support for low carbon and climate resilient strategies will feature prominently in the Bank's strategic and resource planning documents, including Country Strategies, the Enhanced Approach to Policy Dialogue, the Strategy Implementation Plan, and the Shareholder Special Fund Work Plan.

The Bank for transition

39. The Bank's transition mandate has never been more important. As the Bank marks 30 years of operations, its countries of operations face the challenge of making the transition to a green, low carbon and climate resilient economic model in the coming 30 years. This transition is as big and fundamental a challenge for these countries of operations as many faced when their transition to the market economy began, for which the EBRD was created.
40. Climate change is the result of critical market failures. Supporting the low carbon transition is therefore at the heart of the Bank's mission of supporting the transition to modern and well-functioning market economies. The green transition is also a generational opportunity to create smarter, more sustainable and more inclusive economies. The Bank will thus deploy its unique attributes as a private sector oriented multilateral development bank, with strong local presence, combining investments with policy dialogue and financial mobilisation, and on the principles of sound banking, transition impact, additionality, and environmentally sound and sustainable development.
41. For the EBRD, climate action is not an abstract challenge, but a country-by-country, client-by-client, project-by-project story of engagement, partnership, opportunity, investment, transformation, sustainable growth, and changing lives. A former Chief Economist of the Bank, Nicholas Stern, frames the overarching ambition: "Achieving net zero greenhouse gas emissions means we must change the whole economy, but the good news is that this can be the growth story of the 21st century."

The Board of Directors recommends that the Board of Governors adopt the attached Draft Resolution*, which signals the EBRD's climate ambition and vocation, and commits the EBRD to full alignment with the goals of the Paris Agreement by 31 December 2022.

* The text of Resolution No. 239 as adopted by the Board of Governors is reproduced on page 137

REPORT OF THE BOARD OF DIRECTORS TO THE BOARD OF GOVERNORS

PREPARATORY WORK FOR AN UPDATE ON THE EBRD'S POSSIBLE LIMITED AND INCREMENTAL EXPANSION TO SUB SAHARAN AFRICA AND IRAQ – GOVERNORS' DIRECTION

Introduction

The Strategic and Capital Framework (SCF) 2021-2025 was approved unanimously by the Board of Governors at the EBRD's Annual Meeting in London in 2020. The SCF sets out the Bank's medium term goals as stated in Box 1 of the SCF and attached as an annex to this report to preserve and accelerate transition in its countries of operations, recognising the immediate consequences and longer-term implications of the Covid-19 pandemic. To support the building of sustainable and resilient economies, the SCF presents a number of sectoral, thematic and geographic strategic aspirations that are being actively implemented. Amongst these it affirms the Bank's continued strategic interest in a limited and incremental expansion to sub-Saharan Africa and Iraq during the SCF period. It also sets a clear timetable whereby the Board of Governors will give direction at the 2021 Annual Meeting on the preparatory work required for an update to be provided to Governors at the time of the review of the implementation of the SCF 2021-2025, scheduled for the 2022 Annual Meeting. On the basis of this update, the Board of Governors will provide further guidance.

The SCF 2021-2025 concluded that the EBRD's capital stock was adequate to support all the strategic aspirations set out for the period to the end of 2025, including supporting countries of operations throughout the crisis response and recovery phases and possible expansion into selected countries both within and outside the Bank's current geographic scope. In 2020 the Bank has faced a volatile economic and financial environment. Nevertheless the actual financial and operational results of 2020 were solid and did not lead to any material deviation from the capacity analysis performed at the time of the preparation of the SCF 2021-2025, either in the statutory capital stock or in the size of possible portfolio and operating assets, with the size of members' equity above original estimates. As a result, whilst some uncertainty remains, the projections included within the SCF 2021-2025 remain reasonable and plausible. Accordingly, on the basis of the current position, the Board of Directors considers that the rationale and the timetable set out in the SCF 2021-2025 for examining in further depth the Bank's possible limited and incremental expansion to sub-Saharan Africa and Iraq remains appropriate at this time.

This report sets out the preparatory work to be undertaken and reflected in the update to be provided to the Governors, as well as the way in which the work will be approached. Annex 1 presents a draft resolution of the Board of Governors, containing the Governors' direction in this respect.

Background

The SCF mid-term review in 2022 will report on progress in its implementation, including, inter alia, supporting transition to a green, low carbon economy, promoting equality of opportunity, accelerating the digital transition and strengthening the support available to any country which chooses to graduate through a revised Post Graduation Operational Approach.

With respect to the preparatory work needed for an update on the EBRD's possible expansion into sub-Saharan Africa and Iraq, the Board of Governors approved Resolution 219 *Preparatory Work for the Strategic and Capital Framework 2021-2025* at the Bank's

2019 Annual Meeting in Sarajevo. One element of that work required consideration of a workstream for:

‘Analysing potential future options for limited and incremental expansion into new countries of operations beyond the geographic scope of the Bank’s mandate as currently stipulated in Article 1, such as a select number of African and other countries that are closely integrated with the Bank’s present geographical scope’.

The Bank undertook a substantial amount of work¹ on this issue which Directors discussed in Board Committee meetings. The Board of Governors also received a progress report² outlining the content of the work and discussions. The analysis was based on a detailed desk-top research. In a first stage, the transition and development challenges and opportunities in sub-Saharan Africa were set out at a continent-wide level. In the second stage, further desk-top research was carried out focussing on an illustrative set of sub-Saharan African countries identified in concert with the Board of Directors, taking into account the linkages with existing countries of operations. Iraq was also identified as appropriate for analysis and a similar desk-top research was conducted.³

Reflecting this analysis, important initial guidelines and areas for further examination for possible expansion were set out in paragraph 103 of the SCF 2021-2025 as follows:

- The Bank’s mandate to support transition impact, whilst adhering to the operating principles of additionality and sound banking, should remain unchanged;
- Any activity must be compatible with, and complementary to, the roles that other development actors and IFIs are already playing;
- New countries of operations should be approached with the same business model and in the same framework as existing ones, with the Bank leveraging deep local knowledge from local business and policy communities and undertaking its work with the same underlying institutional objectives, for example with respect to private activity, the disciplined use of donor funds, or green investment;
- The EBRD’s activities must contribute to enabling a wider range of investible deals than are currently available and create new markets, while crowding in investors and other sources of financing; and
- A thorough understanding of the financial, resource and governance implications for the Bank itself noting that incremental expansion should not compromise the Bank’s triple-A rating nor lead to a request for additional capital contributions.

These principles and areas for further examination provide the starting point for identifying the information needed by Governors in the update for the 2022 Annual Meeting.

The work highlighted the fundamental challenge of a dual reality in sub-Saharan Africa whereby the level of unmet needs is huge, but bankable projects are few. The analysis suggested that, in the right circumstances, the Bank’s private sector focus, locally based business model and policy and investment offering might add value to countries in sub-Saharan Africa and Iraq and complement the work of other development actors. The EBRD may be able to contribute its distinctive skills in areas less covered by others (for example, local currency lending, capital market development, sub-sovereign lending,

¹ Study on potential expansion to Iraq – First Deliverable; Study on potential expansion to select countries in sub-Saharan Africa – First Deliverable; Establishing a short list of Sub-Saharan African countries for further analysis; Study on potential expansion beyond the geographic scope of the Bank’s mandate – Second deliverable; SSA Country Fiches.

² Preparatory Work for the Strategic and Capital Framework 2021-2025 Roadmap/Progress Report.

³ Study on potential expansion to Iraq – First Deliverable; Study on potential expansion beyond the geographic scope of the Bank’s mandate – Second deliverable.

commercialisation and privatisation), deepen private sector support in the corporate and financial sectors and contribute to generate more bankable opportunities in the infrastructure and green energy sectors. The work also noted that, in prior geographic expansions, the Bank's work had complemented, and not supplanted, the activities of other development partners, but rather expanded bankable opportunities for all.

The factors that would be most conducive to the Bank's effectiveness were also identified. In accordance with the Bank's mandate, any new country of operations would need to be judged committed to and applying the principles of multiparty democracy, pluralism and market economics. Beyond this, a sufficient level of private sector development, a strong reform trajectory and adequate peace and security would also be particularly important.

Many development finance institutions and partners are active in sub-Saharan Africa and some – notably the AfDB and IFC – have received recent capital increases and a mandate to expand their activity. An essential prerequisite for the success of any limited and incremental expansion into the region by the EBRD would be the establishment of clear modalities for collaboration with existing institutions, such as the IFC, EIB and bilateral DFIs. Above all, it would be particularly desirable to create a concrete partnership with the AfDB that would benefit both institutions.

With respect to Iraq, the analysis also showed that the Bank could possibly play a positive and complementary role in addressing transition challenges, if the political and security conditions are supportive. Preliminary work suggests that, in the right circumstances, the Bank might add value, for example, in supporting diversification of the economy. Iraq is in the process of becoming a member of the Bank.

Objective and Approach

The Board of Directors confirm that the preparatory work for the update to be provided at the 2022 Annual Meeting should be underpinned by the principles that a limited and incremental expansion to sub-Saharan Africa and Iraq should not:

- Impair the Bank's ability to support its current countries of operations;
- Lead to additional capital contributions;
- Compromise the EBRD's triple-A credit rating; or
- Deviate from the Bank's mandate to support transition and its operating principles of additionality and sound banking.

And such an expansion should be:

- Compatible, complementary and additional to the activities of other multilateral and development actors already on the ground.

The objective of the preparatory work is to provide Governors with an adequate basis for giving clear guidance and taking potential decisions at the 2022 Annual Meeting, adding value to the work which has already been undertaken. Building on the guidelines provided within the SCF, it is proposed that the update for the Board of Governors at the 2022 Annual Meeting cover the areas delineated by the following set of questions:

- Can the EBRD's potential value proposition be defined and validated, including taking into account the new context of the Covid-19 pandemic and economic crisis and bearing in mind experience from previous expansions, especially to the southern and eastern Mediterranean (SEMED) region?

- How in practice would the EBRD collaborate with other institutions already active on the ground, such as the AfDB, EIB, IFC and bilateral DFIs, to ensure compatibility with, and complementarity to, the roles they are already playing?
- What are the potential implications and risks of any possible limited and incremental expansion for the Bank's capital, credit rating, budget and operations and governance over the period to the end of 2030?
- How an amendment to the EBRD's geographic scope under Article 1 of the Agreement Establishing the Bank (AEB) could be formulated?

Outline Workplan

Only the Board of Governors can take decisions on the expansion of the EBRD's geographic scope and it is important that nothing in the nature and conduct of this preparatory work risks prejudging the discretion of the Board of Governors with respect to the expansion of the EBRD's geographic scope.

The preparatory work for the update at the 2022 Annual Meeting will be undertaken in a sequenced manner in close consultation with the Board of Directors:

- A capital capacity assessment with a time horizon until 2030 including a set of sensitivities and risk considerations will be conducted by the end of September and discussed with the Board of Directors to confirm the Bank is able to support over the medium term all the strategic aspirations outlined in the SCF 2021-2025, including possible expansion into selected countries outside the Bank's current geographic scope.
- Options for amendment of Article 1 of the AEB will be discussed by the Board of Directors by the first half of October 2021.
- Definition and validation of the value which the EBRD can add in sub-Saharan Africa and Iraq. This analysis will consider the ways in which the Bank could complement and collaborate with existing development partners and would take place in the fourth quarter of 2021. In both sub-Saharan Africa and Iraq this work would involve informal technical engagement with relevant stakeholders, the scope and nature of which would be agreed with the Board of Directors in the first half of October 2021. No engagement with specific countries will take place before these modalities are agreed.
- A confirmation of the capital capacity up until 2030 to incorporate the latest information about the end of year 2021 financials. The adequacy of this capital capacity would be assessed on the basis of input from the specific work on sub-Saharan African countries and Iraq, considerations on budget requirements, the implementation of the Bank's priorities and take into account different scenarios for possible incremental expansion. This second phase of the analysis will be performed in first quarter of 2022. This work will be complemented by analysis of the potential implications and risks of any possible limited and incremental expansion for the Bank's credit rating, budget and operations and governance over the period to the end of 2030.

The Board of Directors recommends that the Board of Governors adopt the attached draft Resolution* concerning the direction of the preparatory work required in order that the update for the 2022 Annual Meeting allows clear guidance to be provided.

* The text of Resolution No. 240 as adopted by the Board of Governors is reproduced on page 139

Annex 1: Strategic Aspirations of the Strategic and Capital Framework 2021-25

Box 1: The Bank in 2025

Based on the strategic directions of the SCF, by 2025, the Bank will have:

- Provided timely and effective support to countries of operations to preserve and accelerate transition in the context of the economic crisis caused by the Covid-19 pandemic.
- Demonstrably focused its efforts on supporting those of its countries of operations less advanced in transition, including the Early Transition Countries* (ETCs), SEMED and the Western Balkans, through enhanced investment and policy activity.
- Reinforced its private sector focus by ensuring that more than three-quarters of the Bank's total investment in the SCF period is in the private sector.
- Directly supported progress towards green, low-carbon economies through higher levels of investment in the Green Economy Transition.
- Promoted equality of opportunity for disadvantaged groups and deepened the mainstreaming of gender considerations in projects through strengthened capacity for investment and policy engagement.
- Launched comprehensive and coherent activities to help countries of operations leverage the digital transition as an enabler of transition across all sectors.
- Successfully begun operations in new countries of operations within the Bank's existing region, such as Algeria, subject to the approval of Governors.
- If approved by the Board of Governors, taken steps to begin operations in a limited number of countries beyond the Bank's current geographic region.
- Strengthened support for any country that chooses to graduate from the use of the Bank's resources through an enhanced Post-Graduation Operational Approach.
- Increased the levels of private capital it mobilises for countries of operations through a widened and deepened scope of activities.
- Achieved greater transition impact by further integrating policy engagement and investment activity and reinforced its ability to measure its effectiveness
- Strengthened its overall results framework, knowledge management and the use of evaluation findings to improve the design and impact of operations.
- Enabled cost effective delivery of the SCF through investment in staffing, skills, processes, systems and IT upgrades, as well as increased efficiency and reallocation.

The priorities will be implemented through future annual SIPs with continued efforts to manage both existing projects and new commitments to pursue transition impact whilst balancing, at the portfolio level, risks, returns and costs to ensure financial sustainability.

* Armenia, Azerbaijan, Belarus, Georgia, Kyrgyz Republic, Moldova, Mongolia, Tajikistan, Turkmenistan and Uzbekistan.

REPORT OF THE BOARD OF DIRECTORS TO THE BOARD OF GOVERNORS

2020 NET INCOME ALLOCATION

1. Introduction

This Report presents proposals for allocation of the Bank's 2020 net income.

The paper is structured as follows:

- Section 2 describes the governance process for net income allocations provided in accordance with Article 36.1 of the Agreement Establishing the Bank (the “EBRD Agreement”), as well as the principles approved by the Board of Directors within the ‘Framework for Net Income Allocation Proposals’. The principles, together with a qualitative and quantitative framework, support the development of net income allocation proposals by Management;
- Section 3 assesses this governance framework against the Bank's current financial position;
- Section 4 sets out the proposed allocation of the 2020 net income; and
- Section 5 notes the implications of the proposals on the Net Income Allocation Framework.

2. Governance considerations

Decisions regarding the allocation of net income and reserves are made in accordance with Article 36.1 of the EBRD Agreement which provides that:

“The Board of Governors shall determine **at least annually** what part of the Bank's net income, after making provisions for reserves and, if necessary, against possible losses ... shall be allocated to surplus or other purposes and what part, if any, shall be distributed. ... No such allocation, and no distribution, shall be made until the general reserve amounts to at least ten (10) per cent of the authorised capital stock.”

For these purposes, the Bank's accumulated net income or ‘general reserve’ is interpreted as the level of unrestricted general reserves.¹ These reserves exclude the Special Reserve, Loan Loss Reserve and also prudently exclude any unrealised gains on equity and loan investments, but are reduced by unrealised losses below cost on individual equity and loan investments. As such, the net income in the year for the purposes of allocation pursuant to Article 36.1 of the EBRD Agreement, or change in unrestricted general reserves will differ from net profit or loss reported in the Bank's financial statements.

In addition to compliance with Article 36.1, any net income allocation proposals are also assessed under the ‘Framework for Net Income Allocation Proposals’ which sets out principles to guide Management in formulating proposals for net income allocations. This Framework reflects the importance of considering the potential impact of net income allocations on the Bank's financial sustainability and ability to deliver its strategic objectives, as well as on the perception of the Bank by rating agencies and bondholders.

¹ See the ‘Review of the Statutory and Prudential Limits Policy’.

The 'Framework' consists of the following three key principles:

1. The magnitude and composition of any net income allocation must preserve the financial position and standing of the Bank, including maintaining capital adequacy above the limits acceptable for a 'triple A' institution (assessed in the Capital Adequacy Policy), and not endangering the implementation of the Strategic and Capital Framework (SCF) through Strategy Implementation Plans (SIPs).
2. Overall net income allocations need to be consistent in the medium term with the Bank retaining a significant majority of its net income within the capital base to support the Bank's strategic objectives and mitigate against potential losses.
3. Net income allocations need to be prioritised based on their link to the operational activity and business model of the Bank and their potential to deliver transition impact. In particular, priority will be given to allocations that support the Bank's medium term directions and strategic orientations as set out in the SCF.

In addition, within the Framework document there is a specific framework for the implementation of the principles that includes qualitative and quantitative elements to be balanced when developing net income allocation proposals during the period to 2020. Reflecting the implementation of both the first and second principles above, this includes the expectation that on a rolling three year basis at least 75% of the Bank's growth in members' equity² should be retained in reserves. Recognising the volatility in the Bank's financial results, this should be prudently planned over any given three year SIP period and ultimately over the Strategic Capital Framework period(s).

Any decisions regarding the allocation of the Bank's net income are made by the Board of Governors under Article 36.1 of the EBRD Agreement.

The Framework provides guidance to Management for formulating initial net income allocation proposals subsequently submitted for review and approval by the Board of Directors, prior to being forwarded to the Board of Governors for their consideration. It has been agreed that the Framework is applicable on an ongoing basis, not linked to any specific SCF period and does not require to be amended.

3. Growth in reserves

In 2020, growth in members' equity was €176 million, which comprises net profit of €290 million³ and unrealised losses classified through other comprehensive income and other reserves of €114 million.

In accordance with Article 36.1

Based on the Bank's authorised share capital of €30 billion, the 10% threshold under Article 36.1 of the EBRD Agreement is equivalent to €3.0 billion. At the end of 2020, the unrestricted general reserves was €9.0 billion (2019: €9.1 billion), which is €6.0 billion above the 10% threshold. The Bank therefore has sufficient reserves to make an allocation from net income to 'other purposes'.

² Adjusted for prior year's net income allocation, paid-in capital received and changes to accounting policy (if any).

³ This represents net profit before net income allocation of €115 million paid in 2020, but related to 2019 Net Income Allocation decision. The Bank's financial results are presented in the 'Annual Financial Report for the Year Ended 31 December 2020'.

4. Proposed allocation of 2020 net income

It is proposed to allocate a total of €80 million from Bank's 2020 net income to other purposes as follows:

- €65 million to the EBRD Shareholder Special Fund (SSF), and
- €15 million to the EBRD Trust Fund for West Bank and Gaza (WB&G) to finance the Bank's operational activities in WB&G.

The balance of the Bank's net income for 2020 will be allocated to surplus (retained in ordinary capital resources).

4.1 Allocation to the EBRD Shareholder Special Fund

It is proposed that €65 million is allocated to the EBRD Shareholder Special Fund (SSF).

The SSF is an efficient and effective funding tool to support the Bank's transition-focused activities. It plays both a strategic and a leveraging role in supporting the Bank's work, by funding key projects that drive the Bank's impact and strategic direction, and by enabling the Bank to realise its investment, policy and advisory plans and priorities. In line with the approved 2021-2025 Donor Strategy, the SSF plays a critical role as a complement to external donor finance. Experience to date shows that the SSF is of key importance in strategic areas where donor funding may be unavailable or insufficient, such as related to the Bank's policy work, or in support of investment project preparation.

In 2020, the Board of Directors approved the concept of multi-year SSF Work Plans (SSF Update), based on an annual orientation of €100 million. In early March 2021, BAAC discussed a draft proposal for a two-year €200 million 2021-2022 Work Plan. It was agreed to delay this Work Plan until after the 2021 Annual Meeting and to revise it further to ensure close alignment to the Strategic and Capital Framework with a focus on the specific contribution that the SSF can make towards it in 2021-22. Meanwhile, the Board of Directors has been requested to reopen the 2019-2020 Work Plan with savings of €35 million to cover project requests until the revised Work Plan is adopted.

The revised Work Plan will run from mid-2021 to end 2022. It will reflect the needs and priorities set out in the 2021 Funding Outlook with a focus on support for the regions facing the highest transition challenges, on technical assistance support plus a strong focus on activities falling within the green Transition Quality. More specifically, the Work Plan will target the SCF's crosscutting priority themes of green, inclusion and digital with a focus on supporting crisis response and recovery, and Building Back Better over the coming 18 months. It will take full account of the Bank's emerging priorities as expressed in: 1) its GET 2.1 and more specifically alignment to the Paris Agreement; 2) in the revised strategies for gender and inclusion respectively; 3) and in the forthcoming approach paper on digital transition.

As these strategic approaches take shape over the coming year, it will be important to ensure a degree of flexibility in the forthcoming SSF Work Plan such that it can respond effectively and in a timely way to support the Bank's emerging plans. The 18-month SSF Work Plan will be presented for adoption by the Board in July 2021. It is likely to target the following areas:

- Building back better through green economy transformation for SMEs and households, energy infrastructure, green cities and environmental infrastructure as well as activities related to the Just Transition agenda;

- Climate change policy reforms and capacity building with a focus on supporting countries in their development of Nationally Determined Contributions (NDCs), Long Term Strategies (LTSs) and Low Carbon Pathways (LCPs) in various sectors in line with the Paris Agreement;
- SME Covid response with a focus on access to finance, digitalisation and supply chain development;
- Sustainable infrastructure support including investments in basic public infrastructure, key public utilities, and sub-sovereign municipal projects;
- Gender and economic inclusion looking at areas such as skills and employment programmes, digitalisation, mainstreaming gender in green investments;
- Support in cross-cutting areas such as crisis-related policy reforms and capacity building, SOE governance, local currency financing and legal reforms in response to Covid.

The precise grant and concessional financing needs for the next 18 months cannot be known in advance, especially as the Bank's business plan for 2022 is still several months away. However the areas indicated above define a set of vectors that allow a degree of confidence that the needs will be high and SSF resources crucial to meet them. The SSF plays a key strategic role in providing support in many areas where alternative sources of funding may not be available, and without which the Bank could find it hard to achieve its country, sector and medium-term priorities as set out in the SCF.

The SSF is a stable and flexible source of grant and concessional co-financing at a time of uncertainty. The effects of the pandemic are also lasting longer than initially expected, suggesting that recovery efforts and investments may be pushed well into 2022, with related needs for grant support. The recovery period is expected to generate higher grant needs than was the case during the peak of the crisis, when the Bank successfully deployed comparatively less grant-intensive instruments to support its clients.

Meeting those needs with donor funds is another source of uncertainty. While certain multilateral partners like the EU have mobilised additional resources to fight the crisis and aid recovery, it is possible that some of the Bank's bilateral donors will reduce future support. Indeed, some have already signalled the intention to do so. The continued access to grant co-financing, as opposed to reimbursable financial instruments which some donors are turning to as alternative ways to aid development, is also open to question. This makes the SSF an even more important source of flexible, grant-based support for project preparation, implementation and policy work.

Given the degree of uncertainty regarding the Bank's future need for grant support and ability to mobilise hoped for amounts, the Bank continues to consider an annual orientation of €100 million for the SSF an appropriate level of funding for 2022. This annual orientation is consistent with funding levels since 2015 and also appropriate in terms of recent utilisation levels, which have landed between 95-100%. Spend in 2020 was lower than expected at 84%, which can be explained in part by additional savings added to the Work Plan and in part by a slowdown in grant usage following the pandemic. As noted above, it is expected that 2021-22 will see a pick up in demand for SSF resources to more normal utilisation levels.

Equally, the Bank believes it will be important to carefully monitor SSF usage and demand during the forthcoming Work Plan to assess whether the €200 million over two years is sufficient to meet the crisis response, recovery and other needs in the Bank's region. A touchpoint with the Board at the time of preparation of the 2022 Funding Outlook in Q4 2021 offers an opportunity to consider this further.

Governors have already approved €100 million for SSF as a first instalment for the 2021-2022 Work Plan. Taking account of existing savings of €35 million, which will be used over the next months until a new 18 month Work Plan is approved, the current proposal requests a new

net income allocation of €65 million to be considered by Governors at the 2021 Annual Meeting.

With an additional €65 million allocated towards the SSF Work Plan, the Bank will be able to benefit from a total of €200 million in net income support from its shareholders for 2021 and 2022, which should go a long way towards meeting the Bank's co-financing needs for grant and concessional support as it continues to tackle the crisis, starts to help countries build back better and takes forward its new strategic priorities.

The amount of €65 million allocated to the SSF will be transferred into the SSF account once €100 million of the WP 2021-2022 has been committed to projects.

It is furthermore proposed to maintain a strong focus on countries facing the highest transition challenges. In consequence, the Bank will propose a continued high ODA share of 95% of new net income.

Finally, Management is ready to explore with the Board options for a closer alignment and more optimal sequencing between the Bank's regular analysis for future grant needs, its Net Income Allocation proposal and preparation of related SSF Work Plans.

4.2 Allocation to the EBRD Trust Fund for West Bank and Gaza

It is proposed that €15 million be allocated as required funding to the EBRD Trust Fund for West Bank and Gaza (WB&G) for operational activities in West Bank and Gaza as outlined below. This represents the fifth allocation since the establishment of the Trust Fund and approval of the EBRD engagement in West Bank and Gaza in May 2017. The proposed additional allocation of €15 million would bring cumulative allocations to €100 million.⁴

Operations in WB&G picked up in 2020 and the total investments are now equivalent to the target ABI profile which was foreseen to take place around three years after beginning operations in 2017. As of March 2021, total Board approved projects under EBRD's WB&G Trust Fund reached €51 million in 14 transactions (with seven different counterparts). In addition financing of €3 million for technical assistance and policy dialogue has been provided, resulting in utilisation of €54 million since starting operations.

Funding or 'capital' within the Trust Fund needs to be managed very prudently with funds set aside for expenses and contingency and for 100% of the Fund's commitments (investments and grants). As such, after setting aside funds for management fees and admin costs, the available headroom in the WB&G Trust Fund stands at €22 million, as shown in table 1.

⁴ An initial €30 million allocation was made at the 2017 Annual Meeting (Resolution No. 203), followed by €20 million allocation at the 2018 Annual Meeting and €20 million allocation at the 2019 Annual Meeting, and €15 million at the 2020 Annual Meeting.

Table 1: WB&G Trust Fund status as of March 2021

	€m
Accumulated NIA contribution	85.0
Board approved projects and TCs/policy dialogue	(54.0)
Management fees	(2.5)
Administrative costs	(1.5)
Contingency reserve	(5.0)
Subtotal	(63.0)
Available headroom	22.0

Given that the current pipeline of €30 million (out of which €15 million is expected to be signed by end of 2021 and another €15 million in the first half of 2022), together with any future costs (for illustration, average annual administrative costs have amounted to around €0.5 million) exceeds the available headroom, it is proposed to allocate €15 million to WB&G Trust Fund.

In addition, contributions from the West Bank and Gaza Multi Donor Trust Fund play a supporting role in financing transactional and non-transactional TCs, policy dialogue and similar initiatives. The Multi Donor Trust Fund was activated in the first quarter of 2019. Two donors; DFID and The Netherlands Government contributed €3.6 million in total, out of which €1.3 million has been utilised (comprising €0.8 million from the Netherlands and €0.5 million from the UK contribution). Another €0.5 million contribution is expected from the Spanish Government in 2021, which will support financing energy and agribusiness policy dialogue and technical assistance projects in WB&G.

5. Implications on the Net Income Allocation Framework

When assessing net income allocations to ‘other purposes’, decisions are based on the financial results of the previous year, albeit they are generally accounted for as a reduction to reserves and therefore overall members’ equity in the year that they are decided.

In total, the Bank’s 2021 financial statements are expected to record aggregate transfers of net income approved by the Board of Governors of €80 million, shown as a reduction to members’ equity.

Based on a rolling three year average, the cumulative allocations represent 15% of capital growth for net income allocation framework purposes compared to the threshold of 25%.

Table 2: Overview of overall Net income allocations to ‘other purposes’ applied to the Bank’s current financial position

The year that the profits are recognised:	2018	2019	2020
Growth in capital for NIA framework purposes	273	1,662	176
The year of NIA decision/ when the actual allocation is accounted for:	2019	2020	2021
Shareholder Special Fund	95	100	65
EBRD Trust Fund for West Bank and Gaza	20	15	15
Community Special Fund	2	-	-
Total allocation (reserve reduction to be reflected in):	117	115	80
Implications on NIA framework:			
Net income allocation as proportion of capital growth	43%	7%	45%
3 year average	20%	13%	15%

As at 31 December 2020, Capital Adequacy Policy (CAP) utilisation was 67% (2019: 66%) at reported rates, compared to a prudential threshold of 90%; and statutory capital utilisation was 79% (2019: 76%), compared to the 92% threshold.

The impact of the proposed allocations of €80 million would not materially increase the Bank’s capital utilisation from current levels.

Following a year of significant economic turbulence, greater attention must be given to the consideration by rating agencies/bondholders regarding the perception of allocating the Bank’s net income to “other purposes”. Under such circumstances, demonstrating discipline against the Bank’s existing policies and frameworks (used to protect the Bank’s capital base) will be perceived as positive. The allocation from 2020 net income of €80 million is fully compliant with the Framework, and retains significant headroom to the maximum level of 25% on 3 year rolling basis. In addition, the proposals represent the lowest annual allocation to “other purposes” in the last 10 years, thus providing evidence of effective governance and controls following a year where reported profits were below planned levels.

6. Draft Resolution

The Board of Directors recommends that the Board of Governors adopt the attached draft Resolution.*

* The text of Resolution No. 241 as adopted by the Board of Governors is reproduced on page 141

PUBLIC

**REPORT OF THE BOARD OF DIRECTORS
TO THE BOARD OF GOVERNORS**

SPECIAL FUNDS' FINANCIAL STATEMENTS 2020

In accordance with Article 27(iii) of the Agreement Establishing the Bank and Section 13(a) of the By-Laws the audited Special Funds' Financial Statements for 2020 are submitted to the Board of Governors for approval.

The Board of Directors recommends that the Board of Governors adopt the attached draft Resolution.*

* The text of Resolution No. 242 as adopted by the Board of Governors is reproduced on page 143

Special Funds' Financial Statements 2020 Summary

Attached are the financial statements for the 17 Special Funds and 2 Trust Funds administered by the Bank. A complete list of funds and extracts from the financial statements are included in the attached highlights.

All of the Funds' financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board. The basis of preparation is the historical cost convention modified, where appropriate, by the revaluation of financial assets and financial liabilities measure at fair value through profit or loss, together with all derivative contracts. The exception to this is the Baltic Investment Special Fund which is in the process of termination and therefore reported at net realisable value rather than historical cost.

The external auditors have issued an unqualified (clean) audit opinion on each of the 19 financial statements.

The Special Funds' financial statements show that the majority of the funds incurred losses during the year. These losses predominately reflect the Funds' objectives to use donor money to support activities aligned with the Bank's mission. Such support includes the provision of technical assistance, performance and incentive fees, concessional lending and risk sharing.

Additional information on projects supported and financed by donor funds, including Special Funds, can be found in the annual Donor Report.

Special Funds' Financial Statements 2020

1. The Balkan Region Special Fund
2. The Baltic Investment Special Fund
3. The Central Asia Risk Sharing Special Fund
4. The EBRD CIF Special Fund
5. The EBRD Community Special Fund
6. The EBRD-EU Special Fund
7. The EBRD GEF Investment Special Fund
8. The EBRD Green Climate Fund Special Fund
9. The Special Fund for the High Impact Partnership on Climate Action
(formerly The Green Energy Special Fund)
10. The EBRD Post-Graduation Special Fund
11. The EBRD Shareholder Special Fund
12. The EBRD SME Special Fund
13. The Financial Intermediary and Private Enterprises Investment Special Fund
14. The Italian Investment Special Fund
15. The Russia Small Business Investment Special Fund
16. The Russia Small Business Technical Cooperation Special Fund
17. The SME Local Currency Special Fund
18. The Trust Fund for West Bank and Gaza
19. The Multi donor Trust Fund for West Bank and Gaza

Special Fund Highlights 2020

	The Special Fund for the High Impact Partnership on Climate Action (previously known as the EBRD Green Energy Special Fund)											
	Balkan Region Special Fund	Baltic Investment Special Fund	Central Asia Risk Sharing Special Fund	EBRD CIF Special Fund	EBRD Community Special Fund	EBRD-EU Special Fund	EBRD GEF Investment Special Fund	EBRD Green Climate Fund Special Fund	EBRD Green Energy Special Fund	EBRD Post-Graduation Special Fund	EBRD Shareholder Special Fund	EBRD SME Special Fund
	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000
Extract from the statement of comprehensive income for the year ended 31 December 2020												
Profit/(loss) for the year	(42)	39	(36)	7,000	(430)	(4,865)	1,521	(21,750)	(2,175)	(48)	(82,000)	(1,383)
Other comprehensive income/(expense)	-	-	-	(19,000)	-	-	(2,437)	(26,180)	-	-	-	-
Total comprehensive income/(expense)	(42)	39	(36)	(12,000)	(430)	(4,865)	(916)	(47,930)	(2,175)	(48)	(82,000)	(1,383)
Extract from the balance sheet at 31 December 2020												
Loans	-	-	-	135,000	-	-	-	110,481	20,942	-	-	-
Provisions for impairment	-	-	-	(15,000)	-	-	-	(1,598)	(2,227)	-	-	-
	-	-	-	120,000	-	-	-	108,883	18,715	-	-	-
Share investments	-	578	-	-	-	2,203	-	-	-	-	46,000	3,431
	-	578	-	-	-	2,203	-	-	-	-	46,000	3,431
Placements and other financial assets	7,908	40	7,125	72,000	1,340	40,112	29,874	179,415	24,704	9,402	438,000	2,574
Contributions receivable	-	-	-	36,000	-	-	-	3,603	-	-	144,000	-
Total assets	7,908	618	7,125	228,000	1,340	42,315	29,874	291,901	43,419	9,402	628,000	6,005
Other financial liabilities	122	-	9	16,000	48	2,690	876	22,993	6,810	-	49,000	39
Contributors' Resources	7,786	618	7,116	212,000	1,292	39,625	28,998	268,908	36,609	9,402	579,000	5,966
Total liabilities and contributors' resources	7,908	618	7,125	228,000	1,340	42,315	29,874	291,901	43,419	9,402	628,000	6,005
Undrawn loan, share, guarantee and other legal commitments	4,370	-	501	40,000	-	19,384	1,932	105,524	28,550	-	128,000	-

Special Fund Highlights 2020

	Financial Intermediary and Private Enterprises Investment Special Fund	Italian Investment Special Fund	Russia Small Business Investment Special Fund	Russia Small Business Technical Cooperation Special Fund	The SME Local Currency Special Fund	Trust Fund for the West Bank and Gaza	Multi Donor Trust Fund for the West Bank and Gaza	Aggregated Investment Special Funds
	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000
Extract from the statement of comprehensive income for the year ended 31 December 2020								
Profit/(loss) for the year	(8,163)	(330)	(143)	(3)	(1,010)	(5,915)	(350)	(120,083)
Other comprehensive income/(expense)	-	-	(5,851)	(150)	(4,576)	-	-	(58,194)
Total comprehensive income/(expense)	(8,163)	(330)	(5,994)	(153)	(5,586)	(5,915)	(350)	(178,277)
Extract from the balance sheet at 31 December 2020								
Loans	33,216	726	11	-	-	16,861	-	317,237
Provisions for impairment	(9,957)	(449)	(11)	-	-	(1,569)	-	(30,811)
	23,259	277	-	-	-	15,292	-	286,426
Share investments	-	2,578	1,424	-	-	-	-	56,214
	-	2,578	1,424	-	-	-	-	56,214
Placements and other financial assets	20,362	10,789	61,800	1,597	62,420	62,209	1,186	1,032,857
Contributions receivable	-	-	-	-	-	-	-	183,603
Total assets	43,621	13,644	63,224	1,597	62,420	77,501	1,186	1,559,100
Other financial liabilities	117	2,062	626	-	6,145	810	227	108,574
Contributors' Resources	43,504	11,582	62,598	1,597	56,275	76,691	959	1,450,526
Total liabilities and contributors' resources	43,621	13,644	63,224	1,597	62,420	77,501	1,186	1,559,100
Undrawn loan, share, guarantee and other legal commitments	6,478	2,107	821	-	62,420	11,193	-	411,280

REPORT OF THE BOARD OF DIRECTORS TO THE BOARD OF GOVERNORS

STRATEGY IMPLEMENTATION PLAN 2021–2023

The Strategy Implementation Plan (SIP) 2021-2023 is the first SIP under the Strategic Capital Framework 2021-2025 (the “SCF”), approved by Governors in October 2020. As with every SIP, it is multi-dimensional, bringing together over a three year period the Bank’s planning for implementation of strategic priorities, transition impact, operations, financial sustainability and human resources, and sets concrete objectives for the year ahead, through the Budget and the Corporate Scorecard.

But this is a SIP unlike previous SIPs.

It is a SIP shaped by the crisis. The planning horizon is clouded by profound uncertainty, with respect both to market developments and to the operating capacity of the Bank through prolonged remote working. Uncertainty however must not result in inaction. The Bank will continue to be a reliable partner in unstable times with a firm commitment to step up and support its countries of operations and clients, as it has done since March 2020 through the Solidarity Package to preserve transition gains. The balance through 2021 between rescue instruments, such as the Resilience Framework, and more complex restructuring and recovery projects is difficult to foresee at this stage. A greater preponderance of rescue instruments would likely deliver ABI at the upper end of the planning range set at €11.0 billion, as in 2020. If demand for rescue finance is lower however, a balance of investments tilted towards the recovery, including complex restructurings and accelerating transition, would be unlikely to deliver such high overall business volumes.

It is a SIP of ambition. The SCF lays out an agenda whose range, complexity and tempo require a bold start in Year 1. The most urgent priority is the green economy transition (GET), reflecting the Bank’s existing strengths as well as a strategic prioritisation given the external context. Yet, the share of GET business may continue to be moderated in 2021 to the extent that demand is ongoing for the Bank’s rescue instruments, which by definition have little or no GET impact. It, therefore, will be essential from early 2021 to lay the foundations for enhanced and scaled up GET delivery throughout the SCF period, with a trajectory to achieve a green finance ratio of more than 50 per cent by 2025. This critical foundational work will include a review of resource distribution, on-boarding of new resources, and clear steps towards alignment with the Paris Agreement.

Recognising that only a learning bank can deliver on SCF ambitions, particularly with a fast-evolving external environment, the SIP also prioritises investing in self-evaluation and results management, building on the recommendations of the Kirk Report. The Bank will also take sequenced steps in 2021 to begin focusing on other SCF goals. The Corporate Scorecard, formulated to the new template approved in October 2020, summarises the Bank’s ambition for 2021.

It is a SIP that follows a sustained period of institutional growth, within constrained resources. In the less than three years between December 2017 and October 2020, the Bank’s operating assets have grown by approximately 18 per cent, and the number of portfolio projects by more than 12 per cent. Operating assets are the driver of revenue over which the Bank has the greatest direct control, whereas the number of portfolio projects is an indicator of both impact and resource intensity. During the same period, the administrative resources of the Bank have grown in real terms by a smaller margin (less than 7 per cent when CPI adjusted). This has created increased pressure on the Bank’s operational systems and resources. 2020 has brought into focus the need to invest in long-term operational sustainability, as proposed for the first time in this SIP. This will likely continue to be a priority throughout the SCF. The

Core Administrative Budget proposal for 2021 is £394.5 million (€441.8 million), a 2.9 per cent increase on the 2020 Budget (1.1 per cent when expressed in euros, the financial currency of the EBRD). This includes a 0.9 per cent increase for Compensation and Benefits proposals, 1.9 per cent increase due to non-discretionary increases and carry over impacts, and 2.2 per cent growth for new resources (£8.5 million, rising to £11 million with additional use of donor fees). The growth in new resources is almost entirely offset by permanent savings and budget reductions of 2.1 per cent.

It is a SIP addressing exceptional needs with two extraordinary budget items. The need to overcome a legacy of under-investment in IT with a very significant multi-year investment programme was accepted by the Board in July 2020, and implementation work has begun. Capex for Phase 1 is now confirmed at £78.3 million, of which £52.2 million will be invested in 2021. The cost impact on the 2021 Budget (operating expenses and depreciation) is £3.9 million, rising to £18.6 million in 2022 and £28.9 million in 2023. In addition, a one-off investment is required to complete the LIBOR transition, a regulatory requirement that entails a ring-fenced budget of £7.8 million in 2021. These two items bring the total budget increase proposal to 5.9 per cent (4.1 per cent in euro terms).

It is a SIP for vigilance on financial sustainability. Deteriorating credit margins in the market, increased provisioning for loan losses and continued equity volatility all contribute to a challenging outlook. At the same time, costs will increase, notably with respect to IT investment. Thus, cost to debt income is estimated to rise from 52 per cent in 2020 to 59 per cent in 2023. This calls for reflection to inform future decisions. Overall, however, the Bank is projected to remain profitable throughout the planning period. In addition, levels of capital and liquidity remain very strong and in line with triple-A standards. In recognition of the challenges ahead, the Bank will pay increasing attention to the balance between revenue-generating and non-revenue-generating activities when new ideas, initiatives and investments are considered and, in addition, will assess, whenever relevant, tools, processes and structures to ensure they are efficient. The SCF underlines that the starting point for resourcing decisions is the Bank's goal to deliver value for money for its shareholders. As such, the Bank will look first for opportunities for reallocations among activities reflecting strategic priorities and streamlining processes. Accordingly from 2021, the first year of the SCF, Management will further strengthen its efforts to identify opportunities for reallocations, savings and efficiency gains. The overall outcome will be presented to Directors in the context of preparatory discussions for future SIPs, and will be taken into account in future "cornerstones" discussions. As the SCF period progresses, all budget proposals will be made and considered in the context of the Bank's financial sustainability and in compliance with the relevant control parameters.

ANNEX 1: PROJECTED TOTAL ADMINISTRATIVE EXPENSE BUDGET 2021-2023

Administrative Expenses Budget £m	2020 Budget	2021 Budget	2022 Projection	2023 Projection
Core Admin Expenses Budget GBP	383.4	394.5	414.2	434.9
GBP/EUR rate	1.14	1.12	1.12	1.12
Core Admin Expenses Budget EUR	437.0	441.8	463.9	487.1
Extraordinary Budget Items GBP		11.6	18.6	28.9
LIBOR Transition		7.8	0.0	0.0
IT MYIP (opex and depreciation)		3.9	18.6	28.9
Extraordinary Budget Items EUR		13.0	20.8	32.4
LIBOR Transition		8.7	0.0	0.0
IT MYIP (opex and depreciation)		4.3	20.8	32.4
Total Admin Expenses Budget				
GBP	383.4	406.1	432.8	463.8
EUR	437.0	454.9	484.8	519.5

ANNEX 2: CORPORATE SCORECARD 2021

	2021	30/09/2020	2020	2019
	BP Budget	and Actual	BP and Budget	Actual
TRANSITION IMPACT				
Average Expected Transition Impact	63-67	66.2	Min 63	66.4
Average Portfolio Transition Impact	Min 67	70.6	Min 65	70.9
Transition Qualities				
Competitive, innovative economies	CPA	Very Good / Good / Requires Attention	CPA	Good
Well-governed economies and firms	CPA	-	CPA	Very Good
Environmentally sustainable, green	CPA	-	CPA	Very Good
Inclusive, Gender-equal economies	CPA	-	CPA	Very Good
Resilient economies and firms	CPA	-	CPA	Good
Well-integrated, connected markets	CPA	-	CPA	Good
Green Economy Transition (% ABI)	40 %	25 %	40 %	46 %
Gender-tagged Operations (% / No. of ops)	Min 18 %	-	-	-
OPERATIONAL				
Number of Operations	395-435	274	395-445	452
Annual Bank Investment (€ billion)	10.0– 11.0	7.9	9.7-10.7	10.1
Annual Mobilised Investment (€ billion)	Min 1.2	0.9	Min 1.1	1.3
Disbursements (€ billion)	7.0 – 8.0	5.7	6.9-8.2	7.2
Private Sector Share (% ABI)	Min 75 %	75 %	n/a	74 %
Activity in Early Transition Countries, Western Balkans and SEMED (% / ABI)	Min 48 %		n/a	
FINANCIAL				
Return on Required Capital (3 year rolling average)	Min 3.5 %	4.7 %	Tracked	3.3 %
Debt Return on Required Capital before Costs	Min 10.3 %			
INSTITUTIONAL				
Productivity (number of operations based)	1.5-1.7	-	1.5-1.7	1.7
Cost to Debt Income Ratio	Max 55 %			
Staff Engagement Ratio	tracked	-	Tracked	
RESOURCE FRAMEWORK				
EXPENDITURE				
Core Administrative Expense Budget				
Euro (million)	441.8		437.0	415.0
Pound Sterling (million)	394.5		383.4	370

**REPORT OF THE BOARD OF DIRECTORS
TO THE BOARD OF GOVERNORS**

DATE AND PLACE OF THE 2022 ANNUAL MEETING

The Board of Directors of the European Bank for Reconstruction and Development wishes to express appreciation to the authorities of Morocco for the invitation to host the 2022 Annual Meeting of the Board of Governors (Resolution No.229).

The Board of Directors recommends that the 2022 Annual Meeting be held in Marrakesh on Tuesday 10, Wednesday 11 and Thursday 12 May 2022.

The Board of Directors recommends that the Board of Governors adopt the attached draft Resolution*.

* The text of Resolution No. 243 as adopted by the Board of Governors is reproduced on page 144

REPORT OF THE BOARD OF DIRECTORS TO THE BOARD OF GOVERNORS

REVIEW OF THE EBRD CODES OF CONDUCT: STATUS UPDATE

The status update and timeline for the Review of the EBRD Codes of Conduct is outlined below. These are submitted to the Board of Governors for information. The Board of Governors is invited to take note of this Report at their 2021 Annual Meeting on 1 July 2021.

1. Status update on the EBRD Codes of Conduct review process

Focus of the review:

Misconduct Procedures in the Code of Conduct for Officials of the Board of Directors of the EBRD (“Board Code”) and the Code of Conduct for EBRD Personnel (“Staff Code” and, together with the Board Code, the “Codes”)

The cornerstone of the revised Codes architecture is a standing Ethics Committee.

This Committee will set the tone for high-level conduct and ethics matters in the Bank and investigate alleged misconduct of the “Covered Persons”, being (i) Board Officials; (ii) the President; (iii) Vice Presidents; (iv) the Chief Evaluator, (v) the Chief Accountability Officer, (vi) the Chief Compliance Officer, and (vii) the Chief Internal Auditor.

Tasks completed to date:

- Detailed benchmarking against the practice of the comparator MDBs and other international organisations, presented to and endorsed by the Audit Committee.
- A Concept Note, explaining the key features of the proposed revised Codes and the functioning of the Ethics Committee, presented to and endorsed by the Audit Committee.
- The amended Codes, together with the detailed Rules of Procedures for the Ethics Committee, presented to and endorsed by the Audit Committee and the Board of Directors.

Issues discussed by Audit Committee and the Board

- Directors discussed extensively the scope of the Covered Persons group. Consistent with governance across the MDB comparators, the Secretary General is not a Covered person. Reflecting the importance of the Secretary General’s position to the Board and Shareholders, an enhanced disclosure mechanism will be included in the Rules of Procedure for the Ethics Committee. A number of Directors have indicated that the Secretary General might, in due course, become a Covered Person and a Vice President, noting that this would require an amendment to Article 31 the Agreement Establishing the Bank.
- Strict confidentiality in respect of misconduct proceedings - no disclosure beyond mandatory reporting by Ethics Committee members to anyone, whether internal or external to the Bank, in misconduct cases - to protect the privacy of all individuals concerned and integrity of the process. Rule 10 of the Board Code has been amended accordingly.

2. Next Steps

- Draft Codes circulated to the Board of Governors for approval, which process is expected to be completed on 3 September 2021. The detailed Rules of Procedures for the Ethics Committee have already been approved by the Board of Directors, contingent on the Board of Governors' approval of the Codes and their coming into effect.
- Q3/Q4 2021: Changes to be prepared and approved by the relevant decision-making bodies to the Whistleblowing Policy (including a change that would enhance the protection of Staff Council representatives from retaliation), Conduct and Disciplinary Rules and Procedures, Terms of Reference of the Internal Audit Department and certain other Directives and Procedures. These will be a condition precedent to the effectiveness of the amended Codes of Conduct. These documents are expected to be prepared during the summer and submitted to the relevant decision-making bodies after appropriate internal consultation (including with the Staff Council) in September/October 2021.
- When all of these documents have been approved by the relevant governance bodies, the President will confirm the adoption of such documents and will declare them all effective – expected in October 2021.
- Selection of the Ethics Committee and substitute members (November/December 2021).
- Training of the Ethics Committee members, substitutes and, to the extent useful, include other Board Directors in the training (November/December 2021).

**RESOLUTIONS ADOPTED
SINCE THE TWENTY-NINTH ANNUAL MEETING**

RESOLUTION NO. 236

MEMBERSHIP OF THE UNITED ARAB EMIRATES

WHEREAS:

The United Arab Emirates has applied for membership of the EBRD;

As a non-European country which is a member of the International Monetary Fund, the United Arab Emirates is eligible for membership of the Bank in accordance with Article 3, paragraph 1, of the Agreement Establishing the Bank;

The proposed capital subscription by the United Arab Emirates is permissible under the provisions of Article 5, paragraph 2, of the Agreement;

Shares for the proposed capital subscription can be made available from the existing capital stock of the Bank; and

The Board of Directors, in a Report submitted to the Board of Governors, has recommended that the United Arab Emirates be admitted to membership of the Bank.

NOW THEREFORE THE BOARD OF GOVERNORS RESOLVES:

That the United Arab Emirates be admitted to membership of the Bank as a non-European country member on the following terms and conditions:

Subscription to Capital Stock

1. The United Arab Emirates shall subscribe to 203 shares of the capital stock of the Bank as follows: (i) 37 shares are paid-in; and (ii) 166 shares are callable.

Payment for Paid-in Shares

2. The United Arab Emirates shall make payment for its paid-in shares in the amount of EUR 370,000, which shall be due or payable on or before 31 January 2022, or such later date as the Board of Directors may determine.

Conditions Precedent to Membership

3. The United Arab Emirates shall become a member of the Bank only if on or before 31 January 2022, or such later date as the Board of Directors may determine, the following conditions precedent to membership shall have been satisfied:
 - (i) The United Arab Emirates shall have deposited with the Bank an Instrument of Accession stating that it accepts, in accordance with its law, the Agreement Establishing the Bank and all the terms and conditions of membership set forth in this Resolution, and that all necessary steps have been taken to enable it to carry out its obligations under the Agreement Establishing the Bank and this Resolution;
 - (ii) The United Arab Emirates shall have deposited with the Bank an Instrument of Subscription stating that the United Arab Emirates subscribes to the paid in and callable shares of the capital stock of the Bank allocated to it pursuant to section 1 above;
 - (iii) The United Arab Emirates shall have furnished to the Bank evidence in the form of a legal opinion, satisfactory to the Bank, that the Instruments referred to in (i) and (ii) above have been duly executed and deposited in accordance with its law; and
 - (iv) The United Arab Emirates shall have paid all amounts due in respect of the paid-in shares to which it has subscribed

Effective Date of Membership

4. The United Arab Emirates shall become a member of the Bank on the date on which the Secretary General of the Bank certifies in writing that the conditions precedent to membership specified in paragraph 3 of this Resolution have been satisfied.

(Adopted 22 January 2021)

RESOLUTION NO. 237

ANNUAL MEETING CYCLE 2024-2025

THE BOARD OF GOVERNORS RESOLVES THAT:

The 2024 Annual Meeting of the Board of Governors of the European Bank for Reconstruction and Development take place in Yerevan, Armenia;

The 2025 Annual Meeting of the Board of Governors of the European Bank for Reconstruction and Development take place in London, United Kingdom;

The authority to determine the precise dates of the 2024 and 2025 Annual Meetings be delegated to the Board of Directors.

(Adopted 26 February 2021)

RESOLUTION NO. 238
FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS’
REPORT FOR 2020

THE BOARD OF GOVERNORS

Having reviewed the Independent Auditors’ Report on the Financial Statements of the Bank for 2020

RESOLVES THAT:

The audited Financial Statements are approved.

(Adopted 14 May 2021)

**RESOLUTIONS ADOPTED
AT THE THIRTIETH ANNUAL MEETING**

RESOLUTION NO. 239**EBRD CLIMATE AMBITION****THE BOARD OF GOVERNORS:**

Having regard to the United Nations Framework Convention on Climate Change and the goals of the Paris Agreement, in particular Article 2.1c: “Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.”

Recalling that the Strategic and Capital Framework (SCF) affirms the principles agreed in the Green Economy Approach 2021-2025, including “to raise the share of green finance to at least 50 per cent and to reduce net CO₂ by 25 million to 40 million tonnes by the end of the SCF period” and “to implement an operational framework to align with the principles of international climate agreements, including principally the Paris Agreement”.

Understanding that EBRD regions have been heavily affected by the Covid-19 pandemic, and affirming that the EBRD (the Bank) will continue to work to support its countries of operations in their efforts towards building sustainable and inclusive economies with green considerations at the heart of rescue, recovery and resilience plans;

Noting the Bank’s unique attributes as a private sector oriented multilateral development bank for transition, combining investment with policy advice and noting also the Bank’s long established expertise and experience in climate finance;

Affirming the particular importance of the Bank’s support for urgent decarbonisation of the energy sector, and noting that the Bank will step up investment in renewable energy and associated energy systems and will further narrow and limit fossil fuel financing to projects meeting a strong ambition to accelerate the low carbon transition in specific country contexts;

Affirming the critical importance of adaptation finance, and the Bank’s intention to scale up such investments alongside systematic project screening for climate risk;

Welcoming the commitments taken by the Bank’s countries of operations and clients in nationally determined contributions, long term strategies and other low carbon policies and plans, and affirming stepped up deployment of the Bank’s capacity building and policy advisory support for accelerated action;

Affirming the importance of the Bank’s partnerships with multilateral development banks, the EU, and other co-financing partners, and of maximising the effectiveness of joint climate action;

Having considered the Report from the Board of Directors on EBRD Climate Ambition;

NOW RESOLVES:

All EBRD activities shall be fully aligned with the goals of the Paris Agreement no later than 31 December 2022, thus accelerating the Bank's support for countries of operations as they build sustainable and inclusive market economies on the basis of ambitious low carbon and climate resilient pathways.

(Adopted 1 July 2021)

RESOLUTION NO. 240**PREPARATORY WORK FOR AN UPDATE ON THE EBRD'S POSSIBLE LIMITED AND INCREMENTAL EXPANSION TO SUB SAHARAN AFRICA AND IRAQ – GOVERNORS' DIRECTION****THE BOARD OF GOVERNORS**

Recalling that the Strategic and Capital Framework (SCF) 2021-2025 sets out the EBRD's sectoral, thematic and geographic strategic aspirations and acknowledging the Bank is engaged in advancing those strategic priorities for review in 2022;

Noting that the SCF 2021-2025 affirms the Bank's continuing strategic interest in a limited and incremental expansion to sub-Saharan Africa and Iraq;

Recognising that the SCF 2021-2025 requires an update to be provided to the Board of Governors for further guidance at the time of the review of the implementation of the SCF 2021-2025, scheduled for the 2022 Annual Meeting, and that the Governors will give direction on the preparatory work required for this update at the 2021 Annual Meeting;

Noting the initial guidelines and areas for further examination for possible expansion set out in the SCF 2021-2025;

Stressing in particular that any possible limited and incremental expansion to new countries of operations must not: impair the Bank's ability to support its current countries of operations; compromise the Bank's triple-A rating; lead to a request for additional capital contributions; or deviate from the Bank's mandate to support transition and its operating principles of additionality and sound banking;

Emphasising that such an expansion must be compatible, complementary and additional to the activities of other multilateral or bilateral development actors already on the ground;

Welcoming the Board of Directors' Report on the scope and approach of the preparatory work to be undertaken.

RESOLVES THAT:

In view of further guidance and potential decisions on expansion of the Bank's geographic scope by the Board of Governors at the 2022 Annual Meeting, the Board of Directors should update the Board of Governors on the EBRD's possible limited and incremental expansion to sub-Saharan Africa and Iraq. This update should address the following areas, as set out in the Board of Directors' Report:

- i. The potential implications and risks of any limited and incremental expansion for the EBRD in terms of capital, credit rating, budget and operations and governance over the period to the end of 2030;
- ii. Clarification on how an amendment to the EBRD's geographic scope under Article 1 of the Agreement Establishing the Bank could be formulated; and
- iii. The EBRD's potential value proposition and the Bank's compatibility, complementarity, and additionality to other development actors, including potential modalities of cooperation and collaboration.

(Adopted 1 July 2021)

RESOLUTION NO. 241**2020 NET INCOME ALLOCATION****THE BOARD OF GOVERNORS**

Having considered and being in agreement with the ‘Report of the Board of Directors to the Board of Governors: 2020 Net Income Allocation Proposals’ (the “Report”);

Having noted from the Report that the Board of Directors recommends that, after making provisions for reserves and, if necessary, against possible losses under Article 17 of the Agreement Establishing the EBRD (the “EBRD Agreement”), a portion of the Bank’s net income for 2020 should be allocated to other purposes, and a portion should be allocated to surplus;

Acknowledging that the net income allocation proposals are made within the framework of a set of principles approved by the Board of Directors that aim to balance the demands on the Bank’s net income with the importance of the Bank retaining capital to support financial sustainability and to pursue its strategic objectives;

Recognising that the impact of the Bank’s operational activity on the transition process in its countries of operations has been substantial and that it was achieved with the aid of technical assistance and other support;

Further recognising the importance of the EBRD Shareholder Special Fund in supporting the Bank’s strategic priorities;

Further acknowledging the importance of the Bank’s engagement to the West Bank and Gaza, a net income allocation to the EBRD Trust Fund for West Bank and Gaza is necessary in order to provide the resources required for financing operations and activities of the Bank in West Bank and Gaza;

RESOLVES THAT:

1. In accordance with Article 36.1 of the EBRD Agreement, a net income allocation for other purposes from the Bank’s net income for 2020 and after making provisions for reserves, and, if necessary, against possible losses under Article 17 of the EBRD Agreement, shall be made as follows:
 - (a) An amount of EUR 65 million shall be allocated as a contribution to the EBRD Shareholder Special Fund. From this amount allocated to the EBRD Shareholder Special Fund and any returns, recoveries, reflows, reimbursements, and income deriving from such allocated amount, not less than 95% shall be used to support ODA countries;

- (b) An amount of EUR 15 million shall be allocated as a contribution to the EBRD Trust Fund for West Bank and Gaza;
- (c) The balance of the Bank's net income for 2020 shall be allocated to surplus.

(Adopted 1 July 2021)

RESOLUTION NO. 242
SPECIAL FUNDS' FINANCIAL STATEMENTS 2020

THE BOARD OF GOVERNORS

Having reviewed the Special Funds' Financial Statements 2020

RESOLVES THAT:

The audited Special Funds' Financial Statements are approved.

(Adopted 1 July 2021)

RESOLUTION NO. 243

DATE AND PLACE OF THE 2022 ANNUAL MEETING

THE BOARD OF GOVERNORS

Having considered and being in agreement with the recommendations set forth in the Report of the Board of Directors on the Date and Place of the 2022 Annual Meeting of the Board of Governors;

RESOLVES THAT

The 2022 Annual Meeting of the Board of Governors of the European Bank for Reconstruction and Development be held in Marrakesh on Tuesday 10, Wednesday 11 and Thursday 12 May 2022.

(Adopted 1 July 2021)

**OFFICERS OF THE BOARD OF GOVERNORS AND OF THE
PROCEDURES COMMITTEE FOR 2020–2021 AND 2021–2022**

**OFFICERS OF THE BOARD OF GOVERNORS AND OF THE
PROCEDURES COMMITTEE FOR 2020–2021 AND 2021–2022**

2020–2021

Board of Governors

Chair	Ireland
Vice Chairs	Armenia, Uzbekistan

Procedures Committee

Members	Ireland, Armenia, Uzbekistan
---------	------------------------------

2021–2022

Board of Governors

Chair	Portugal
Vice Chairs	Estonia, Morocco

Procedures Committee

Members	Portugal, Estonia, Morocco
---------	----------------------------

MEMBERS OF DELEGATIONS*

*Information provided by Constituency Offices

MEMBERS OF DELEGATIONS

Albania

Mrs Anila Denaj
Minister of Finance and Economy
Albanian Ministry of Finance and Economy
Albania
Governor

Mrs Adela Xhemali
Deputy Minister of Finance and Economy
Albanian Ministry of Finance and Economy
Albania
Alternate Governor

Mrs Elona Mistrovica
Director, Coordination of Foreign Aid
Albanian Ministry of Finance and Economy
Albania
Delegate

Armenia

Mr Tigran Avinyan
Deputy Prime Minister
Prime Minister Administration
Armenia
Governor

Mr Avag Avanesyan
Deputy Minister of Economy
Ministry of Economy
Armenia
Alternate Governor

Mr Vahan Kerobyan
Minister
Ministry of Economy
Armenia
Delegate

Mr Martin Galstyan
Governor
Central Bank of Armenia
Armenia
Delegate

Ms Aneta Babayan
Adviser to Deputy Prime Minister
Prime Minister Administration
Armenia
Delegate

Australia

Mr Philip Lindsay
Alternate Director
EBRD
Australia
Temporary Alternate Governor

Ms Hannah Bartlett
Analyst
The Treasury
Australia
Delegate

Austria

Mr Harald Waiglein
Director General for Economic Policy, Financial Markets and Customs Duties
Federal Ministry of Finance
Austria
Temporary Alternate Governor

Ms Edith Frauwallner
Deputy Director General for Economic Policy, Financial Markets and Customs Duties
Federal Ministry of Finance
Austria
Alternate Governor

Ms Elisabeth Gruber
Director, Department for International Financial Institutions
Federal Ministry of Finance
Austria
Temporary Alternate Governor

Ms Christina Kölldorfer
Advisor, Department for International Financial Institutions
Federal Ministry of Finance
Austria
Delegate

Mr Martin Komnacky
Advisor, Department for International Financial Institutions
Federal Ministry of Finance
Austria
Delegate

Mr Leander Treppel
Board Director
EBRD
Austria
Director

Ms Elisabeth Resch
Adviser to Board Director
EBRD
Austria
Adviser to Board Director

Azerbaijan

Mr Mikayil Jabbarov
Minister of Economy
Ministry of Economy
Azerbaijan
Governor

Mr Rovshan Najaf
Deputy Minister of Economy
Ministry of Economy
Azerbaijan
Delegate

Mr Huseyn Aliyev
Advisor to the Minister
Ministry of Economy
Azerbaijan
Delegate

Ms Inara Mustafayeva
Acting Director of Cooperation with International Organizations Department
Ministry of Economy
Azerbaijan
Delegate

Ms Ulviyya Veliyeva
Head of Division
Ministry of Economy
Azerbaijan
Delegate

Ms Mehriban Abbasli
Senior Adviser
Ministry of Economy
Azerbaijan
Delegate

Belarus

Mr Dmitry Yaroshevich
Deputy Minister of Economy
Ministry of Economy
Belarus
Alternate Governor

HE Mr Maxim Yermalovich
Ambassador
Embassy of Belarus in the United Kingdom
Belarus
Delegate

Mr Mikhail Metelsky
Counsellor
Embassy of Belarus in the United Kingdom
Belarus
Adviser to Board Director

Belgium

Mr Ronald De Swert
Counsellor General
Treasury - Ministry of Finance
Belgium
Temporary Alternate Governor

Mr Philippe Nizeyimana
Advisor
Belgian Treasury
Belgium
Temporary Alternate Governor

Mrs David Avarello
Director
EBRD
Belgium
Director

Mr Bruno Debergh
Adviser to Board Director
EBRD
Belgium
Adviser to Board Director

Bosnia and Herzegovina

Mr Dado Šarić

Head of the Office of the Minister

Ministry of Finance and Treasury of Bosnia and Herzegovina

Bosnia & Herzegovina

Temporary Alternate Governor

Mr Vedran Knezović

Adviser to Minister

Ministry of Finance and Treasury of Bosnia and Herzegovina

Bosnia & Herzegovina

Delegate

Bulgaria

Mr Assen Vassilev
Minister
Ministry of Finance
Bulgaria
Governor

Miss Monika Dimitrova-Beecher
Deputy Minister
Ministry of Finance
Bulgaria
Temporary Alternate Governor

Mrs Karina Karaivanova
Alternate Director
EBRD
Bulgaria
Alternate Director

Canada

Mr Patrick Halley
Associate Assistant Deputy Minister - International Trade and Finance
Finance Canada
Canada
Temporary Alternate Governor

Ms Sarah Fountain Smith
Board Director, Canada, Morocco, Jordan, Tunisia
EBRD
Canada
Director

Ms Sarah Tessier
Senior Economist
Finance Canada
Canada
Delegate

Ms Savi Wesche
Advisor to Board Director
EBRD
Canada
Adviser to Board Director

Mr Evan Farough
Advisor to Board Director
EBRD
Canada
Adviser to Board Director

China

Mr Bo Li
Deputy Governor
People's Bank of China
China
Temporary Alternate Governor

Mr Ping Sun
Deputy Director General of International Department
People's Bank of China
China
Temporary Alternate Governor

Mr Dong Tao
Director of MDBs of International Department
People's Bank of China
China
Delegate

Mr Qian Yu
Staff
People's Bank of China
China
Delegate

Mrs Wencheng Xia
Staff
People's Bank of China
China
Delegate

Mrs Hui Li
Adviser
EBRD
China
Delegate

Croatia

Mr Zdravko Marić
Deputy Prime Minister and Minister of Finance
Ministry of Finance
Croatia
Governor

Mr Stipe Župan
State Secretary
Ministry of Finance
Croatia
Alternate Governor

Mr Hrvoje Mršić
Director General
Ministry of Finance
Croatia
Temporary Alternate Governor

Ms Silvija Belajec
Head of Sector for EU and International Financial Relations
Ministry of Finance
Croatia
Temporary Alternate Governor

Ms Irina Obućina
Head of Service for International Financial Institutions
Ministry of Finance
Croatia
Delegate

Mr Goran Cvek
Senior Adviser Specialist
Ministry of Finance
Croatia
Delegate

Mr Domagoj Čipčić
Adviser to Board Director
EBRD
Croatia
Adviser to Board Director

Cyprus

Mr Kyriacos Kakouris
Director
Ministry of Finance
Cyprus
Temporary Alternate Governor

Ms Maria Elena Komodromou
Financial Officer
Ministry of Finance
Cyprus
Delegate

Czech Republic

Mrs Alena Schillerová
Deputy Prime Minister and Minister of Finance
Ministry of Finance
Czech Republic
Governor

Mrs Lenka Dupáková
Deputy Minister of Finance
Ministry of Finance
Czech Republic
Temporary Alternate Governor

Mr Vojtěch Belling
Executive Director of Financial Regulation and International Cooperation Department
Czech National Bank
Czech Republic
Delegate

Mrs Klára Krol
Board Director
EBRD
Czech Republic
Temporary Alternate Governor

Miss Dagmar Silná
Adviser to Board Director
EBRD
Czech Republic
Adviser to Board Director

Mr Martin Kratochvíl
Acting Head of the International Financial Institutions and Development Coop. Unit
Ministry of Finance
Czech Republic
Delegate

Miss Lucie Bartošková
Desk Officer
Ministry of Finance
Czech Republic
Delegate

Ms Inka Mullerová
Senior Expert
Ministry of Finance
Czech Republic
Delegate

Denmark

Mr Michael Dithmer
Permanent State Secretary
Ministry of Industry, Business and Financial Affairs
Denmark
Alternate Governor

Mr Steen Lohmann Poulsen
Deputy Permanent Secretary
Ministry of Industry, Business and Financial Affairs
Denmark
Temporary Alternate Governor

Mr Jens Lundsgaard
Director
EBRD
Denmark
Temporary Alternate Governor

Mr Morten Klinge
Special Advisor
Ministry of Industry, Business and Financial Affairs
Denmark
Delegate

Egypt

Ms Rania Al-Mashat
Minister of International Cooperation
Government of Egypt
Egypt
Governor

Ms Sherin Taha
Assistant Minister for Cooperation with IFIs and Economic Research
Ministry of International Cooperation
Egypt
Temporary Alternate Governor

Mr Mohamed Abdelgawad
Minister Plenipotentiary, Head of Sector, Cooperation with IFIs
Ministry of International Cooperation
Egypt
Delegate

Ms Malak Taher
Adviser
EBRD
Egypt
Adviser to Board Director

Mr Moataz Mansour
Economic Researcher
Ministry of International Cooperation
Egypt
Delegate

Mr Sayed Badr
Media Coordinator
Ministry of International Cooperation
Egypt
Delegate

Estonia

Mrs Keit Pentus-Rosimannus
Minister of Finance
Ministry of Finance
Estonia
Governor

Mr Märten Ross
Deputy Secretary General
Ministry of Finance
Estonia
Temporary Alternate Governor

Mr Märt Kivine
Alternate Director
EBRD
Estonia
Alternate Director

Mr Andres Kuningas
Head of EU & International Department
Ministry of Finance
Estonia
Delegate

European Investment Bank

Mr Thomas Östros
Vice President
European Investment Bank
European Investment Bank (EIB)
Governor

Ms Lilyana Pavlova
Vice President
European Investment Bank
European Investment Bank (EIB)
Alternate Governor

Mr Frank Schuster
Director of Governing Bodies Department
European Investment Bank
European Investment Bank (EIB)
Temporary Alternate Governor

Mr Jörn Thiessen
Head of Strategic Shareholdings
European Investment Bank
European Investment Bank (EIB)
Temporary Alternate Governor

Mr Luca Lazzaroli
Director General - Deputy Head of Operations
European Investment Bank
European Investment Bank (EIB)
Delegate

Mr Gerhard Hütz
Director for the European Investment Bank
EBRD
European Investment Bank (EIB)
Director

Mr Alfredo Panarella
Alternate Director for the European Investment Bank
EBRD
European Investment Bank (EIB)
Alternate Director

Mr Juha Sulkanen
Head of Vice President Office
European Investment Bank
European Investment Bank (EIB)
Delegate

Ms Dorothea Hampel
Adviser to Board Director

EBRD

European Investment Bank (EIB)
Adviser to Board Director

European Union

Mr Valdis Dombrovskis
Executive Vice-President
European Commission
European Union
Governor

Ms Elena Flores Gual
DG ECFIN Deputy Director General
European Commission
European Union
Temporary Alternate Governor

Mr José Leandro
EBRD Board Director Representing the European Union
European Commission
European Union
Temporary Alternate Governor

Ms Sofja Ribkina
Member of Cabinet
European Commission
European Union
Temporary Alternate Governor

Mr Peter Basch
EBRD Alternate Director Representing the European Union
European Commission
European Union
Alternate Director

Mrs Styliani Matakidou Heinze
Policy Officer - DG ECFIN
European Commission
European Union
Delegate

Mr Christopher Moore
Adviser to Board Director
EBRD
European Union
Adviser to Board Director

Ms Cristina Fediuc
Adviser to Board Director
EBRD
European Union
Adviser to Board Director

Mr Markus Aspegren
Policy Officer
European Commission
European Union
Delegate

Ms Carmel O'Donovan
Board Assistant
EBRD
European Union
Delegate

Finland

Mrs Nina Vaskunlahti
Under Secretary of State
Ministry for Foreign Affairs of Finland
Finland
Alternate Governor

Mrs Kristina Sarjo
Director
Ministry of Finance
Finland
Temporary Alternate Governor

Mr Pekka Hirvonen
Director
Ministry for Foreign Affairs of Finland
Finland
Temporary Alternate Governor

Ms Anne af Ursin
Financial Counsellor
Ministry of Finance
Finland
Temporary Alternate Governor

Mr Joonas Haverinen
Desk Officer
Ministry for Foreign Affairs of Finland
Finland
Temporary Alternate Governor

Mr Ilkka Raisanen
Alternate Board Director
EBRD
Finland
Temporary Alternate Governor

France

Mr William Roos

Head of Multilateral, Development and Trade Affairs at the French Treasury

Ministry of the Economy, Finance and the Recovery

France

Temporary Alternate Governor

Mr Alain Beauvillard

Head of Multilateral Financing for Development and Climate

Ministry of the Economy, Finance and the Recovery

France

Temporary Alternate Governor

Mr Antoine Aucuit

Desk Officer

Ministry of the Economy, Finance and the Recovery

France

Temporary Alternate Governor

Mr Vincent Pringault

Alternate Director

EBRD

France

Temporary Alternate Governor

Georgia

Mr Lasha Khutsishvili
Minister of Finance
Ministry of Finance
Georgia
Governor

Mr Koba Gvenetadze
Governor and Chairman of the Board
National Bank of Georgia
Georgia
Alternate Governor

Mr Nikoloz Gagua
Deputy Minister of Finance
Ministry of Finance
Georgia
Temporary Alternate Governor

Germany

Mr Joerg Kukies
State Secretary
Federal Ministry of Finance
Germany
Alternate Governor

Ms Eva Wimmer
Director General
Federal Ministry of Finance
Germany
Temporary Alternate Governor

Mrs Elke Kallenbach
Deputy Director General for Financial Markets Policy
Federal Ministry of Finance
Germany
Temporary Alternate Governor

Mr Christof Harzer
Head of Division
Federal Ministry of Finance
Germany
Temporary Alternate Governor

Mr Albert Meyer
Policy Officer
Federal Ministry of Finance
Germany
Temporary Alternate Governor

Mr Horst Becker
Desk Officer
Federal Ministry of Finance
Germany
Delegate

Mr Michael Offer
Director
EBRD
Germany
Temporary Alternate Governor

Mrs Brigitte Schwadorf-Ruckdeschel
Alternate Director
EBRD
Germany
Alternate Director

Mr Reinhard Schelle
Adviser
EBRD
Germany
Adviser to Board Director

Greece

Mr Ioannis Tsakiris
Deputy Minister of Development and Investments
Ministry of Development and Investments
Greece
Alternate Governor

Mr Dimitris Metaxas-Trikardos
Board Alternate Director
EBRD
Greece
Temporary Alternate Governor

Mr Antonis Glaros
Public Servant
Ministry of Development and Investments
Greece
Delegate

Mr Dimitrios Andronikos
Senior Policy Official
Ministry Development Investments
Greece
Delegate

Mr Christos Geroulanos
Advisor to the Deputy Minister
Ministry of Development & Investments
Greece
Delegate

Mr Angelos Vourvachis
Head of Unit
Ministry of Development & Investments
Greece
Delegate

Mrs Konstantina Karveli
Official
Ministry of Development & Investments
Greece
Delegate

Hungary

Mr Mihály Varga
Deputy Prime Minister and Minister of Finance
Ministry of Finance
Hungary
Governor

Mr László Balogh
Deputy State Secretary
Ministry of Finance
Hungary
Alternate Governor

Mr György Barcza
Alternate Director
EBRD
Hungary
Delegate

Mr Patrik Polai
Head of Department
Ministry of Finance
Hungary
Delegate

Mrs Rita Sipőcz Pálfiné
Head of Department
Ministry of Finance
Hungary
Delegate

Mr Endre Török
Head of Unit
Ministry of Finance
Hungary
Delegate

Ms Andrea Deák
International Expert
Ministry of Finance
Hungary
Delegate

Mr Tamás Bittman
International Expert
Ministry of Finance
Hungary
Delegate

Iceland

Mr Sigurður H. Helgason
Deputy Permanent Secretary
Ministry of Finance and Economic Affairs
Iceland
Temporary Alternate Governor

Ms Steinunn Sigvaldadóttir
Head of Division / Specialist
Ministry of Finance and Economic Affairs
Iceland
Temporary Alternate Governor

India

Ms Manisha Sinha
Joint Secretary
Ministry of Finance India
India
Temporary Alternate Governor

Mr Prasanna Salian
Deputy Secretary
Ministry of Finance India
India
Delegate

Mr Subhasis Dhal
Board Adviser
EBRD
India
Delegate

Ireland

Mr Paschal Donohoe
Minister
Department of Finance
Ireland
Governor

Mr Paul Ryan
Director
Department of Finance
Ireland
Temporary Alternate Governor

Mr Alan Hall
Adviser
EBRD
Ireland
Adviser to Board Director

Mr David Owens
Principal
Department of Finance
Ireland
Delegate

Ms Niamh McGuire
Assistant Principal
Department of Finance
Ireland
Delegate

Ms Niamh Kavanagh
Administrative Officer
Department of Finance
Ireland
Delegate

Israel

Ms Shira Greenberg
Chief Economist
Ministry of Finance
Israel
Alternate Governor

Ms Anat Swicki-Bainhoren
Chief of Staff to the Chief Economist
Ministry of Finance
Israel
Delegate

Mr Eyal Medan
Director, Multilateral Development Banks Unit
Ministry of Finance
Israel
Temporary Alternate Governor

Ms Zoe Heiliczer
EBRD Desk Officer
Ministry of Finance
Israel
Delegate

Mr Alon Messer
Alternate Director
EBRD
Israel
Alternate Director

Italy

Mr Daniele Franco
Minister of Economy and Finance
Ministry of Economy and Finance
Italy
Governor

Miss Federica Diamanti
Director, Multilateral Development Banks
Department of the Treasury, Ministry of Economy and Finance
Italy
Temporary Alternate Governor

Ms Lucia Senofonte
Senior Adviser, Multilateral Development Banks
Department of the Treasury, Ministry of Economy and Finance
Italy
Temporary Alternate Governor

Mr Fabio Sokolowicz
Diplomatic Advisor
Ministry of Economy and Finance
Italy
Delegate

Ms Manuela Nenna
Director Italy
EBRD
Italy
Director

Mr Massimo Canelos
Alternate Director Italy
EBRD
Italy
Alternate Director

Mr Paolo Cappellacci
Advisor Italy
EBRD
Italy
Adviser to Board Director

Miss Erica Genua
Assistant
EBRD
Italy
Assistant

Japan

Mr Taichiro Motoe
Parliamentary Vice-Minister of Finance
Ministry of Finance
Japan
Temporary Alternate Governor

Mr Atsushi Mimura
Deputy Director-General of the International Bureau
Ministry of Finance
Japan
Temporary Alternate Governor

Mr Masashi Tanabe
Director of the Multilateral Development Banks Division
Ministry of Finance
Japan
Temporary Alternate Governor

Ms Yoko Morishima
Deputy Director of the Multilateral Development Banks Division
Ministry of Finance
Japan
Delegate

Mr Takashi Matsumoto
Official, Ministry of Finance
Ministry of Finance
Japan
Delegate

Mr Shinichi Nakabayashi
Board Director for Japan
EBRD
Japan
Director

Mrs Keiko Futami
Alternate Director for Japan
EBRD
Japan
Alternate Director

Mr Yuya Goto
Adviser to Board Director
EBRD
Japan
Adviser to Board Director

Jordan

Mr Nasser Shraideh
Minister of Planning and International Cooperation
Ministry of Planning and International Cooperation
Jordan
Governor

Mr Emad Shanaah
Director of International Cooperation
Ministry of Planning and International Cooperation
Jordan
Temporary Alternate Governor

Kazakhstan

Mr Dauren Kengbeil

Vice-Minister

Ministry of Finance of the Republic of Kazakhstan

Kazakhstan

Alternate Governor

Korea

Mr Jung-in Youn
Director
Ministry of Economy and Finance
Korea
Temporary Alternate Governor

Mr KyooHong Cho
Director
EBRD
Korea
Director

Ms Woori Lee
Deputy Director
Ministry of Economy and Finance
Korea
Delegate

Mr Seunghyun Shim
Adviser
EBRD
Korea
Adviser to Board Director

Ms Su Run Lim
Manager
Bank of Korea
Korea
Delegate

Kosovo

Mr Hekuran Murati
Minister
Ministry of Finance, Labor and Transfers
Kosovo
Governor

Mr Ilir Kapiti
Deputy Minister
Ministry of Finance, Labor and Transfers
Kosovo
Delegate

Mr Berat Havolli
Adviser
EBRD
Kosovo
Adviser to Board Director

Ms Antoneta Azemi
Executive Assistant to the Minister
Ministry of Finance, Labor and Transfers
Kosovo
Delegate

Ms Nida Krasniqi
Senior Officer for International Finance Cooperation
Ministry of Finance, Labor and Transfers
Kosovo
Delegate

Kyrgyz Republic

Mr Akylbek Japarov

Deputy Chairman of the Cabinet of Ministers - Minister of Economy and Finance of the Kyrgyz Republic

Ministry of Economy and Finance of the Kyrgyz Republic

Kyrgyz Republic

Governor

Mr Mirlanbek Baigonchokov

Deputy Minister of Economy and Finance

Ministry of Economy and Finance of the Kyrgyz Republic

Kyrgyz Republic

Alternate Governor

Mr Nurbek Akjolov

Head of Department

Ministry of Economy and Finance of the Kyrgyz Republic

Kyrgyz Republic

Delegate

Mrs Dinara Duishenkul Kyzy

Head of Division

Ministry of Economy and Finance of the Kyrgyz Republic

Kyrgyz Republic

Delegate

Mrs Aisuluu Nogoibaeva

Leading Specialist

Ministry of Economy and Finance of the Kyrgyz Republic

Kyrgyz Republic

Delegate

Latvia

Mr Ints Dalderis
Adviser to the Minister of Finance
Ministry of Finance
Latvia
Temporary Alternate Governor

Mr Atis Zakatistovs
Parliamentary Secretary
Ministry of Finance
Latvia
Temporary Alternate Governor

Ms Baiba Bane
State Secretary
Ministry of Finance
Latvia
Delegate

Ms Liga Klavina
Deputy State Secretary
Ministry of Finance
Latvia
Temporary Alternate Governor

Ms Inga Forda
Head of International Financial Institutions Division
Ministry of Finance
Latvia
Temporary Alternate Governor

Ms Liene Vitola
Senior Expert, International Financial Institutions Division
Ministry of Finance
Latvia
Delegate

Mr Jurijs Spiridonovs
Adviser
EBRD
Latvia
Adviser to Board Director

Lebanon

Mr Hasan Hamdan
Head of Strategic Planning and Risk Development
Ministry of Finance
Lebanon
Temporary Alternate Governor

Liechtenstein

Mr Roland Marxer
Ambassador
Government of Liechtenstein
Liechtenstein
Alternate Governor

Lithuania

Ms Gintarė Skaistė
Minister of Finance
Ministry of Finance
Lithuania
Governor

Mr Mindaugas Liutvinskas
Vice-Minister of Finance
Ministry of Finance
Lithuania
Alternate Governor

Mr Aloyzas Vitkauskas
Alternate Director
EBRD
Lithuania
Alternate Director

Ms Miglė Tuskienė
Director, EU and International Affairs Department
Ministry of Finance
Lithuania
Delegate

Ms Dovilė Jasaitienė
Head of the International Affairs Division
Ministry of Finance
Lithuania
Delegate

Ms Ieva Stulgytė
Chief Specialist, International Affairs Division
Ministry of Finance
Lithuania
Delegate

Ms Jurgita Uzielienė
Senior Adviser, EU and International Affairs Department
Ministry of Finance
Lithuania
Delegate

Luxembourg

Mr Pierre Gramegna
Minister of Finance
Government of Luxembourg
Luxembourg
Governor

Mr Christophe Zeeb
Alternate Director
EBRD
Luxembourg
Temporary Alternate Governor

Malta

Mr Edward Scicluna
Governor
Central Bank of Malta
Malta
Governor

Mr Clyde Caruana
Minister
Minister for Finance and Employment
Malta
Alternate Governor

Mr Alexander Demarco
Deputy Governor
Central Bank of Malta
Malta
Delegate

Ms Kalina Koleva
Manager
Central Bank of Malta
Malta
Delegate

Mr Matthew Zammit
Expert
Central Bank of Malta
Malta
Delegate

Ms Lorraine Bonavia
International Relations Officer
Central Bank of Malta
Malta
Delegate

Mr Ahmed Hnesh
Research Officer
Central Bank of Malta
Malta
Delegate

Mr Felipe González De León
Senior Officer
Central Bank of Malta
Malta
Delegate

Mexico

Mrs Brenda Ciuk Cano
Director General of International Financial Organisations
Ministry of Finance and Public Credit of Mexico
Mexico
Temporary Alternate Governor

Mrs Luciana Vanessa Camargo Jofre
Director of International Financial Organisations
Ministry of Finance and Public Credit of Mexico
Mexico
Delegate

Mr Miguel Adrian Ramirez Viguera
Deputy Director of International Financial Organisations
Ministry of Finance and Public Credit of Mexico
Mexico
Delegate

Ms Susana Berruecos
General Manager
Nacional Financiera, S.N.C.
United Kingdom
Delegate

Moldova

Mr Octavian Armaşu
Governor
National Bank of Moldova
Moldova
Alternate Governor

Miss Valeria Cernetchi
Principal Economist
National Bank of Moldova
Moldova
Delegate

Mongolia

Mr Javkhlan Bold
Minister
Ministry of Finance
Mongolia
Governor

Mr Lkhagvasuren Byadran
Governor
Bank of Mongolia
Mongolia
Alternate Governor

Mr Batkhoo Idesh
Director General of Development Financing Department
Ministry of Finance
Mongolia
Delegate

Mr Enkhjin Atarbaatar
Director General
Bank of Mongolia
Mongolia
Delegate

Mr Gan-Ochir Doojav
Chief Economist
Bank of Mongolia
Mongolia
Delegate

Mr Davaadalai Batsuuri
Advisor to the Minister
Ministry of Finance
Mongolia
Delegate

Ms Anu Molor
Specialist
Bank of Mongolia
Mongolia
Delegate

Mrs Undram Tod
Consultant
Ministry of Finance
Mongolia
Delegate

Montenegro

Ms Katarina Živković

Head of the Division for Debt Management, Indebtedness Analysis and Foreign Relations

Ministry of Finance and Social Welfare

Montenegro

Alternate Director

Mr Šučo Orahovac

Coordinator in the Cabinet of the Ministry of Finance and Social Welfare

Ministry of Finance and Social Welfare

Montenegro

Delegate

Morocco

Mr Mohamed Benchaaboun
Minister of Economy, Finance and Administration Reform
Ministry of Economy, Finance and Administration Reform
Morocco
Governor

Ms Faouzia Zaaboul
Director of Treasury and External Finances
Ministry of Economy, Finance and Administration Reform
Morocco
Alternate Governor

Mr Mohammed Elkharmoudi
Central Director
Ministry of Economy, Finance and Administration Reform
Morocco
Delegate

Mr Hicham Talby
Deputy Director of the Department of Treasury and External Finance
Ministry of Economy, Finance and Reform Administration
Morocco
Temporary Alternate Governor

Mr Brahim Chouqui
Head of Europe Division in the Department of Treasury and External Finance
Ministry of Economy, Finance and Administration Reform
Morocco
Delegate

Mr Naoufal Benabdesselam
Head of Department
Ministry of Economy, Finance and Administration Reform
Morocco
Delegate

Mr Mohammed El Idrissi
Head of EU Service in the Department of Treasury and External Finance
Ministry of Economy, Finance and Administration Reform
Morocco
Delegate

Ms Nora Tanane
Program Officer Department of Treasury and External Finance
Ministry of Economy, Finance and Administration Reform
Morocco
Delegate

Netherlands

Mr Michel Heijdra
Deputy Treasurer General
Ministry of Finance
Netherlands
Temporary Alternate Governor

Mr Robert-Jan Sieben
Head of the Department of International Financial Institutions
Dutch Ministry of Foreign Affairs
Netherlands
Delegate

Mr Caspar Veldkamp
Board Director
EBRD
Netherlands
Director

Mr Jan Willem van den Wall Bake
Alternate Director
EBRD
Netherlands
Alternate Director

Mr Frans van der Straaten
Coordinator Regional Development Banks
Dutch Ministry of Foreign Affairs
Netherlands
Delegate

Mrs Michalli Harmsen
Senior Policy Advisor
Ministry of Finance
Netherlands
Delegate

Mr Siem Pelgrom
Policy Advisor Multilateral Development Banks
Dutch Ministry of Foreign Affairs
Netherlands
Delegate

Mr Andries Bakker
Adviser
EBRD
Netherlands
Adviser to Board Director

Mr Tommie Vermaat
Trainee
EBRD
Netherlands
Delegate

New Zealand

Mr Philip Lindsay
Alternate Director
EBRD
New Zealand
Temporary Alternate Governor

North Macedonia

Mr Fatmir Besimi
Minister of Finance
Ministry of Finance
North Macedonia
Governor

Mrs Jelena Tast
State Secretary
Ministry of Finance
North Macedonia
Delegate

Mrs Magdalena Simonovska
Adviser to the MoF
Ministry of Finance
North Macedonia
Delegate

Mrs Suzana Peneva
State Adviser
Ministry of Finance
North Macedonia
Delegate

Mr Dejan Nikolovski
Head of Department
Ministry of Finance
North Macedonia
Delegate

Mrs Kristina Pavlovska
Deputy Head of Department
Ministry of Finance
North Macedonia
Delegate

Mr Andrija Aleksoski
Deputy Head of Department
Ministry of Finance
North Macedonia
Delegate

Mrs Lence Bozinoska
Head of Unit
Ministry of Finance
North Macedonia
Delegate

Norway

Mr Jan Tore Sanner
Minister of Finance
Ministry of Finance
Norway
Governor

Ms Hege Eliassen
Deputy Director
Ministry of Finance
Norway
Temporary Alternate Governor

Mr Per Sanderud
Director
EBRD
Norway
Temporary Alternate Governor

Mr Øystein Tangen Andresen
Senior Adviser
Ministry of Trade, Industry and Fisheries
Norway
Temporary Alternate Governor

Ms Ellen Balke Hveem
Advisor
Ministry of Foreign Affairs
Norway
Delegate

Poland

Mr Tadeusz Kościński

Minister of Finance

Minister of Finance

Poland

Alternate Governor

Mrs Marta Kightley

NBP Vice President, First Deputy President

Central Bank of Poland (NBP)

Poland

Temporary Alternate Governor

Mrs Wioletta Barwicka-Lofthouse

Director for Poland, Board Director

EBRD

Poland

Director

Mr Ryszard Kokoszczyński

Member of the Management Board of Central Bank (NBP)

Central Bank of Poland, NBP

Poland

Temporary Alternate Governor

Mrs Agata Łagowska

Director, International Department

Central Bank of Poland, NBP

Poland

Delegate

Mr Piotr Szpunar

Director, Economic Analysis Department

Central Bank of Poland, NBP

Poland

Delegate

Mr Tomasz Skurzewski

Deputy Director

Ministry of Finance

Poland

Delegate

Mr Grzegorz Wasilewski

Minister's Advisor

Ministry of Finance

Poland

Delegate

Mr Przemysław Gorny
Adviser to Director for Poland
EBRD
Poland
Adviser to Board Director

Portugal

Mr João Leão
Minister of State for Finance
Ministry of Finance
Portugal
Governor

Mrs Rosa Caetano
Deputy Director-General
GPEARI - Ministry of Finance
Portugal
Temporary Alternate Governor

Mr Jose Brito
Board Director
EBRD
Portugal
Delegate

Mr Luis Pereira
Board Adviser
EBRD
Portugal
Delegate

Mrs Catarina Proença
Adviser
Ministry of Finance
Portugal
Delegate

Mrs Clotilde Reis
Adviser
Ministry of Finance - GPEARI
Portugal
Delegate

Ms Fatima Azevedo
Advisor
GPEARI
Portugal
Delegate

Romania

Mr Alexandru Nazare
Minister of Finance
Ministry of Finance
Romania
Governor

Mr Leonardo Badea
Deputy Governor of the National Bank of Romania
National Bank of Romania
Romania
Temporary Alternate Governor

Mr Serban Matei
Director, International Relations Department
National Bank of Romania
Romania
Delegate

Mr Lucian Isar
Alternate Director for Turkey/Romania/Azerbaijan/Moldova/Kyrgyz Republic
EBRD
Romania
Alternate Director

Mr Alin Chitu
Secretary of State
Ministry of Finance
Romania
Delegate

Mrs Boni Florinela Cucu
General Director
Ministry of Finance
Romania
Delegate

Ms Maria-Anca Craiu
Senior Expert
Ministry of Finance
Romania
Delegate

Russian Federation

Mr Vladimir Ilichyov
Deputy Minister of Economic Development of the Russian Federation
Ministry of Economic Development of the Russian Federation
Russian Federation
Temporary Alternate Governor

Mr Sergey Verkashanskiy
Executive Director
EBRD
Russian Federation
Temporary Alternate Governor

Mr Dmitry Birichevskiy
Director of the Department of Economic Cooperation
Ministry of Foreign Affairs of the Russian Federation
Russian Federation
Delegate

Mrs Elena Melnikova
Director of Department for analytical support of foreign economic activity
Ministry of Economic Development of the Russian Federation
Russian Federation
Delegate

Mr Oleg Podomatko
Deputy Director of the Department for International Financial Relations
Ministry of Finance of the Russian Federation
Russian Federation
Delegate

Mr Dmitry Aksakov
Head of ESG Banking
VEB.RF
Russian Federation
Delegate

Mr Denis Piminov
Senior Counsellor, Head of Economic Affairs
Russian Embassy to the UK
Russian Federation
Delegate

Ms Maria Smirnova
Alternate Director
EBRD
Russian Federation
Alternate Director

Mr Nikolai Teplovodskii
Advisor
EBRD
Russian Federation
Adviser to Board Director

San Marino

Mr Nicola Ceccaroli
Chairman and CEO
Banka Kovanica d.d.
San Marino
Alternate Governor

Serbia

Mr Sinisa Mali
Minister of Finance
Ministry of Finance
Serbia
Governor

Mr Nenad Vlaketich
Director of Central Fiduciary Unit
Ministry of Finance
Serbia
Delegate

Slovak Republic

Mr Martin Polónyi
Director General, International Relations Section
Ministry of Finance of the Slovak Republic
Slovak Republic
Temporary Alternate Governor

Ms Iveta Lukáčová
General Counsellor, Financial Instruments and International Institutions Department
Ministry of Finance of the Slovak Republic
Slovak Republic
Temporary Alternate Governor

Mr Tomáš Hlavatý
International Relations Expert
National Bank of Slovakia
Slovak Republic
Delegate

Mrs Martina Kobilicová
Adviser to Board Director
EBRD
Slovak Republic
Delegate

Slovenia

Mr Andrej Šircelj
Minister of Finance
Ministry of Finance
Slovenia
Governor

Ms Nina Marin
Head of Legal Services
Ministry of Finance
Slovenia
Alternate Governor

Mr Damjan Kozjak
Adviser to Board Director
EBRD
Slovenia
Adviser to Board Director

Spain

Mr Felipe Martinez
Board Director
EBRD
Spain
Temporary Alternate Governor

Mr Pablo Gasos
Board Alternate Director
EBRD
Spain
Alternate Director

Mr Rafael Dominguez
Vice Deputy Director for International Financial Institutions
Ministry for Economy and Digitalization
Spain
Delegate

Mr Enrique Alejo
Assistant General Director for Communication
Ministry for Economy and Digitalization
Spain
Delegate

Sweden

Mr Max Elger
State Secretary
Ministry of Finance
Sweden
Alternate Governor

Ms Eva Cassel
Director
EBRD
Sweden
Temporary Alternate Governor

Mr Tomas Bergenholtz
Adviser to the Board Director
EBRD
Sweden
Delegate

Ms Kristina Akesson
Senior Adviser
Ministry of Finance
Sweden
Delegate

Mr Erik Malmberg
Desk Officer
Ministry of Foreign Affairs
Sweden
Delegate

Ms Hedda Most
Desk Officer
Ministry of Finance
Sweden
Delegate

Switzerland

Mr Raymund Furrer
Head of Economic Cooperation & Development SECO
State Secretariat for Economic Affairs
Switzerland
Governor

Mr Remigi Winzap
Board Director for Switzerland/Ukraine/Liechtenstein/Turkmenistan/Serbia/Montenegro/Uzbekistan
EBRD
Switzerland
Director

Mr Ivan Pavletic
Head of Multilateral Cooperation
State Secretariat for Economic Affairs SECO
Switzerland
Delegate

Mr Jürg Schneider
Programme Manager
State Secretariat for Economic Affairs SECO
Switzerland
Delegate

Mrs Anne-Marie Pragnell
Adviser to Board Director
EBRD
Switzerland
Adviser to Board Director

Miss Irene Frei
Adviser to Board Director
EBRD
Switzerland
Adviser to Board Director

Miss Viktoriya Sherstyuk
Executive Assistant
EBRD
Switzerland
Delegate

Tajikistan

Mr Jamshed Karimzoda
First Deputy Minister
Ministry of Finance
Tajikistan
Governor

HE Mr Masud Khalifazoda
Ambassador
Embassy of Tajikistan in the UK
Tajikistan
Delegate

Mr Parviz Eshonjonov
Third Secretary
Embassy of Tajikistan in the UK
Tajikistan
Delegate

Tunisia

Mr Ali Kooli

Minister of Economy, Finance and Investment Support

Minister of Economy, Finance and Investment Support

Tunisia

Governor

Ms Saloua Hsoumi Mejdoub

General Director of the European Cooperation

Ministry of Economy, Finance and Investment Support

Tunisia

Alternate Governor

Turkey

Mr Lütfi Elvan
Minister
Ministry of Treasury and Finance
Turkey
Governor

Mr Serhat Köksal
Acting Director General
Ministry of Treasury and Finance
Turkey
Temporary Alternate Governor

Mr Mehmet Alper Batur
Acting Deputy Director General
Ministry of Treasury and Finance
Turkey
Delegate

Mr Çağatay İmirgi
Board Director for Turkey/Romania/Azerbaijan/Moldova/Kyrgyz Republic
EBRD
Turkey
Director

Mrs Bengü Aytekin
Head of Department
Ministry of Treasury and Finance
Turkey
Delegate

Turkmenistan

Mr Muratdyrdy Orazdurdyev
Deputy Chairman
Central Bank
Turkmenistan
Governor

Ukraine

Mr Sergii Marchenko
Minister of Finance of Ukraine
Ministry of Finance of Ukraine
Ukraine
Governor

Mr Kyrylo Shevchenko
Governor
National Bank of Ukraine
Ukraine
Alternate Governor

Mr Yuriy Heletiy
Deputy Governor
National Bank of Ukraine
Ukraine
Delegate

Mr Oleksandr Kava
Deputy Minister of Finance of Ukraine
Ministry of Finance
Ukraine
Delegate

Mr Yuriy Draganchuk
Deputy Minister of Finance of Ukraine for European Integration
Ministry of Finance of Ukraine
Ukraine
Delegate

Ms Olga Zykova
Head of Department of Foreign Affairs and Analytics
Ministry of Finance of Ukraine
Ukraine
Temporary Alternate Governor

Mr Volodymyr Kuchyn
Head of Office for European Integration and International Programs
National Bank of Ukraine
Ukraine
Delegate

Mr Dmytro Mantsurov
Acting Head of International Relations and Cooperation Dpt
Ministry of Finance of Ukraine
Ukraine
Delegate

Mr Artem Shevaley
Alternate Director for Switzerland/Ukraine/Liechtenstein/Turkmenistan/Serbia/Montenegro/Uzbekistan
EBRD
Ukraine
Alternate Director

Mr Nikolai Kravets
Adviser to Board Director
EBRD
Ukraine
Adviser to Board Director

United Kingdom

Mr Rishi Sunak
Chancellor of the Exchequer
H M Treasury
United Kingdom
Governor

Mr Mark Bowman
Director General
HM Treasury
United Kingdom
Temporary Alternate Governor

Ms Veda Poon
Director International Finance
HM Treasury
United Kingdom
Temporary Alternate Governor

Mr Peter Curwen
Director for the United Kingdom
EBRD
United Kingdom
Temporary Alternate Governor

Mr Mark Paskins
Alternate Director for the United Kingdom
EBRD
United Kingdom
Delegate

Mr Robin Tasker
Deputy Director, Prosperity and Multilateral Investment
HM Treasury
United Kingdom
Delegate

Mr Hugo Jones
Head of Multilateral Investment Bank Unit
HM Treasury
United Kingdom
Delegate

Mr Adam Terry
Senior Policy Advisor - Multilateral Investment Banks
HM Treasury
United Kingdom
Delegate

Ms Anusree Thome
Adviser to UK Director
EBRD
United Kingdom
Adviser to Board Director

Mr Sam Taylor
Policy Advisor - European Bank for Reconstruction and Development
HM Treasury
United Kingdom
Delegate

Miss Rhiannon Lloyd-Jones
Policy Advisor
Foreign Commonwealth and Development Office
United Kingdom
Delegate

United States

Mr Andy Baukol
PDO Under Secretary for International Affairs
U.S. Department of Treasury
USA
Governor

Mr Mathew Haarsager
Deputy Assistant Secretary for International Development Finance and Policy
U.S. Treasury Department
USA
Temporary Alternate Governor

Mr Brian McCauley
Acting Deputy Assistant Secretary
U.S. Treasury Department
USA
Delegate

Mr Charles Moravec
Director, Office of Multilateral Development Banks
U.S. Treasury Department
USA
Delegate

Mr Steven Swartz
Deputy Director
U.S. Department of Treasury
USA
Delegate

Ms Anna Jewell
International Economist
U.S. Treasury Department
USA
Delegate

Mr John Kriegsman
Alternate Director
EBRD
USA
Alternate Director

Mrs Marisa Plowden
Adviser United States of America
EBRD
USA
Adviser to Board Director

Ms Janelle Weyek
Adviser United States of America
EBRD
USA
Adviser to Board Director

Ms Sahar Priano
Adviser
EBRD
USA
Adviser to Board Director

Uzbekistan

Mr Sardor Umurzakov

Deputy Prime Minister, Minister of Investments and Foreign Trade

Ministry of Investments and Foreign Trade of the Republic of Uzbekistan

Uzbekistan

Governor

Mr Shukhrat Vafaev

Deputy Minister of Investments and Foreign Trade

Ministry of Investments and Foreign Trade of the Republic of Uzbekistan

Uzbekistan

Alternate Governor

Mr Oybek Shagazatov

Head of Department, Ministry of Investments and Foreign Trade

Ministry of Investments and Foreign Trade of the Republic of Uzbekistan

Uzbekistan

Delegate

Mr Shakhruh Abdurashidov

Adviser to Board Director

EBRD

Uzbekistan

Adviser to Board Director

DIRECTORS AND ALTERNATE DIRECTORS**as at 1 July 2021**

Directors	Alternates	Constituencies
David Avarello	Christophe Zeeb	Belgium/Luxembourg/Slovenia
Wioletta Barwicka-Lofthouse	Karina Karaivanova	Poland/Bulgaria/Albania
José Brito	Dimitris Metaxas-Trikardos	Portugal/Greece/San Marino/India
Eva Cassel	Märt Kivine	Sweden/Iceland/Estonia
KyooHong Cho	Philip Lindsay	Korea/Australia/New Zealand/Egypt
Peter Curwen	Mark Paskins	United Kingdom
-	John Kriegsman	USA
Sarah Fountain Smith	Nathalie Dubé	Canada/Morocco/Jordan/Tunisia
Gerhard Hütz	Alfredo Panarella	European Investment Bank
Çağatay İmirgi	Lucian Isar	Turkey/Romania/Azerbaijan/Moldova/ Kyrgyz Republic
Klára Król	György Barcza	Czech Republic/Hungary/Slovak Republic/ Croatia/Georgia
José Leandro	Peter Basch	European Union
Jens Lundsgaard	Aloyzas Vitkauskas	Denmark/Lithuania/Ireland/ Kosovo
Felipe Martínez	Pablo Gasós	Spain/Mexico
Shinichi Nakabayashi	Keiko Futami	Japan
Manuela Nenna	Massimo Carnelos	Italy
Michael Offer	Brigitte Schwadorf-Ruckdeschel	Germany
William Roos	Vincent Pringault	France
Per Sanderud	Ilkka Räisänen	Norway/Finland/Latvia/Lebanon
Leander Treppel	Alon Messer	Austria/Israel/Cyprus/Malta/Kazakhstan/ Bosnia & Herzegovina
Caspar Veldkamp	Jan Willem van den Wall Bake	Netherlands/China/Mongolia/ North Macedonia/Armenia
Sergey Verkashanskiy	Maria Smirnova	Russian Federation/Belarus/Tajikistan
Remigi Winzap	Artem Shevaley	Switzerland/Ukraine/Liechtenstein/ Turkmenistan/Serbia/ Montenegro/ Uzbekistan