

**OPENING STATEMENT BY
THE CHAIR OF
THE BOARD OF GOVERNORS**

OPENING STATEMENT BY MR PIER CARLO PADOAN, MINISTER OF ECONOMY AND FINANCE, ITALY, CHAIR OF THE BOARD OF GOVERNORS

Introductory remarks

Distinguished Governors,
President,
Ladies and Gentlemen,

I am pleased to welcome you all to the 25th EBRD Annual Meeting here in London.

It is an honour to chair this Meeting at such a significant milestone in the Bank's history. It is also fitting that we mark this quarter-century at the EBRD's corporate headquarters in the City of London.

I am also pleased to welcome the Right Honourable Justine Greening at this Opening Session as the representative of the UK host government.

I would like to thank the UK authorities and the City of London for their support and co-operation with the EBRD for this Annual Meeting but also throughout the last two-and-a-half decades.

The Bank's 25th anniversary

The theme this year is '**Influencing Change – the Next 25 Years**'.

Over its first quarter of a century, we can look at the EBRD's track record and achievements. We can also learn the lessons of what went well and what we found challenging, to take into the future.

The EBRD was designed to help countries transition from centrally-planned to market oriented economies by promoting private and entrepreneurial initiative and building confidence in those new economies..

As the EBRD has faced new challenges and welcomed new countries, this mission is as relevant today as it was twenty five years ago, and it will continue to be in the years to come, even if our understanding of what transition means has to evolve.

Context and significance of this Annual Meeting

Over the recent years, we have seen how much times of crises can be detrimental to economic output and financial wealth, but mostly to people's quality of life and to employment opportunities.

Times of crises contribute to destroying trust, which holds back progress, and this is especially true for prolonged crises.

In these complex times, the Bank has continued in its counter cyclical role. Once again, it has proved to be a trusted partner when it was needed most. In all its work, the Bank continues to be guided by the principles of transition impact, additionality and sound banking.

Over the last year, the Bank's region of operations has faced continuing volatility. There has been a continued slowdown in growth. This trend has been more pronounced in the EBRD region than for emerging economies globally.

The economic outlook for the Bank's region of operations was adversely impacted by increased geopolitical and security threats, drop in oil price and lower investor appetite.

Despite these challenges, the Bank's commitment and active engagement in its region of operations is evidenced by its overall performance.

In 2015, it delivered a strong operational performance 9.4 billion Euros of annual business volume, and a realised net income of 800 million Euros.

As we look to the Bank's future, its Region faces a high degree of uncertainty.

We, the shareholders, set the tone for the Bank's investment and policy activity when we agreed the Strategic and Capital Framework for the period 2016-20 at last year's Annual Meeting.

To equip the EBRD with the additional tools required to deliver more, the Board of Directors agreed in the last year:

- The Green Economy Transition approach which aims to raise the level of environmental investment. Through this approach the EBRD can play an active part in delivering the COP21 goals in its Region.
- The EBRD's first Strategy for the Promotion of Gender Equality which sets out how the Bank will seek to increase women's empowerment and equality of opportunity over the next five years.

At a time when many are tempted to deleverage and reduce their activities due to market uncertainties, the EBRD actively sought new investors and used its experience to secure 1 billion Euros of FDI to the Bank's region of operations.

On the institutional side, let me highlight that China became the EBRD's 67th member in January this year. We look forward to co-operating closely with EBRD's newest member.

Tomorrow we will be making a number of important decisions including the allocation of additional shares to Egypt and Morocco, and the allocation of net income to a number of Bank initiatives. This Annual Meeting also marks the occasion for electing the Bank's President for the next four years.

Running alongside our meetings, the Business Forum is an opportunity to debate the Bank's future and promote business development and connections.

We are fortunate to have such a high level representation from the economic and business community amongst us. We also welcome the four members of the National Dialogue Quartet, winners of the 2015 Nobel Peace Prize, as panelists. Their discussion will focus on the positive impact civil society can have on the course of political events.

Engaging Civil Society representatives also plays a prominent role this year, which demonstrates the spirit of inclusiveness in the Bank's activities.

Conclusion

In conclusion: The last 25 years have demonstrated that we can be confident about the Bank's next chapter. Shareholder support for this institution is as strong as it has been in its history.

I am sure that the discussions and the connections, partnerships and friendships which this Annual Meeting will foster, will benefit the Bank's public mandate, and the Bank's region of operations.

At its core, the EBRD has a solid reputation as an enabling institution. And this coupled with its commitment to shaping historic changes across its Region is something we can all be proud of.

I would like to take this opportunity, on behalf of my fellow Governors, to thank you, President Chakrabarti, the Board of Directors, and of course all the EBRD staff for the achievements since we last met.

Thank you for your attention.