

Zdeněk Tůma: The role of the EBRD in the transition process towards fully fledged market economies

Statement by Mr Zdeněk Tůma, Governor of the Czech National Bank and EBRD Alternate Governor, at the 15th Annual Meeting of the EBRD Board of Governors, London, 22 May 2006.

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Mr Chairman, Mr President, Governors, Ladies and Gentlemen,

It is an honour to address the Annual Meeting of the Board of Governors in London and I wish to express my appreciation also to the Government of United Kingdom and to the City of London for their hospitality.

We are today participating in the fifteenth Annual Meeting of the Board of Governors and we can look back on these years with considerable satisfaction regarding the role of the EBRD in the transition process towards fully fledged market economies. Many countries - including my country, the Czech Republic – have witnessed significant and considerable political and economic transformation. I am glad to say that the European Bank is one of those successful institutions that have significantly contributed to this process.

The Board of Governors has today approved the Bank's strategy for the period 2006 – 2010 – the Capital Resources Review 3. The new strategy reflects the successful transition achieved in the “Advanced Countries” and the Bank's activities are being focussed towards the South-Eastern and Eastern countries of its operations. We support this move.

In Central Europe the Bank focuses on just a few sectors today. This is in line with EBRD Strategy of Graduation and the graduation of EU 8 countries from EBRD operations can be envisaged.

The Czech Government has already given approval that discussions with the Bank's management on the graduation of the Czech Republic from EBRD operations can begin. We believe that October 2007 - which would be the date of the regular consideration of EBRD Strategy for the Czech Republic - could be considered an appropriate for this debate.

This time-frame should be sufficient for the Bank, the Czech authorities and investors to make the necessary arrangements. We understand that the Bank's management will make their decisions regarding the supervision of its portfolio in the Czech Republic, including decisions concerning the future of the Bank's representative office in Prague.

The mandate of the EBRD in the Czech Republic is thus approaching its conclusion, and I would like to express our gratitude and appreciation to the Bank for its support during the ups-and-downs of the transition process in my country. Our sincere thanks go to the Management and all those numerous members of staff who for years and sometime in difficult circumstances brought many successful projects to the Czech Republic. We wish the Bank much good fortune for fulfilling its mandate.

Thank you for your attention.