

Mugur Isărescu: Opening speech - Annual EBRD EU-11 Meeting

Opening speech by Mr Mugur Isărescu, Governor of the National Bank of Romania, at the Annual EBRD EU-11 Meeting, Bucharest, 13 April 2018.

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Vice President Heilbronn,

Minister Teodorovici,

Your Excellences,

Ladies and gentlemen,

You are most welcome here, at the National Bank of Romania. Together with the Board of the Bank we are privileged to greet you here, today, for the Annual European Bank for Reconstruction and Development EU-11 Meeting.

Let me begin by saying that the National Bank of Romania has always had a consistent and reliable cooperation with the European Bank for Reconstruction and Development. Several high ranking officials from the EBRD have visited the National Bank of Romania, Jacques de Larosière being one of them, in order to discuss topics of mutual interest and, of course, the EBRD activity in Romania (especially EBRD's contribution to the reform of the banking sector in Romania).

I would like to recall that the National Bank of Romania has hosted, over the years, more than a few official presentations of the EBRD Transition Report, including the 2014 edition, "Innovation in Transition". On a more personal note, I confess I am among those who signed the Agreement establishing the Bank in 1991, as the representative of Romania to that historical moment.

I will take this opportunity to acknowledge the role that the European Bank for Reconstruction and Development had in mitigating the global financial crisis. EBRD's involvement in two very important initiatives, namely the *Local Currency and Local Capital Market Initiative* and the *Vienna Initiative*, has been essential for Romania and the region.

I am closely following the evolution of the EBRD. I believe that it finds itself at a cross-road, as the world has been changing rapidly due to the remarkable achievements of the past century: the IT revolution, artificial intelligence, the technological progress and so on. EBRD, as other financial institutions, ought to adapt itself to this new environment and try to respond wisely and appropriately. In this respect, I think that EBRD has to continue its work in the countries for which the Bank was initially created, as transition gaps still exist. We all need to share our experience with the new countries of operations, adjusting our knowledge to new challenging environments.

We need to remain open minded and ready to tackle further challenges in this multidimensional environment. EBRD needs to be ready to share, when and if its help is required. Together with the other institutions of European Union, the European Commission, the EIB Group, as well as the national development agencies of the member states, we all have a duty to help/assist the less fortunate.

However, as expansion is a "hot topic" today in the EBRD, should it be considered by the shareholders in the future, it needs to be calibrated with a strong and decisive intervention in the current countries of operations, to remove as much as possible the transition gaps. This approach should be a consensual approach of the shareholders, a transparent one, where everybody, sponsors and countries of operations agree on the principles and objectives.

Ladies and gentlemen,

Allow me to conclude by saying that the National Bank of Romania strongly supports the partnership with the European Bank for Reconstruction and Development. We appreciate the assistance provided and its benefits and positive impact. We will remain your reliable partner, as always.

I invite Mr. Eugen Teodorovici, Minister of Finance and Governor to the EBRD to give his keynote speech on *“Romanian Government Program and Future Presidency of the European Union Council”*.

I wish you fruitful and successful discussions.

Thank you.