

Statement by the Governor for Japan
at the 35th Annual Meeting of the European Bank for Reconstruction and Development

Riga, Latvia - June 6, 2026

1. Introduction

Mr. Chair, Madame President, distinguished Governors, ladies and gentlemen:

On behalf of the Government of Japan, I would like to express my sincere gratitude for the warm hospitality extended by the Government of Latvia and the people of Riga at the 35th Annual Meeting of the European Bank for Reconstruction and Development (EBRD).

Latvia, which hosts this Annual Meeting, is one of the countries leading the world, particularly in the field of digitalization. We expect that its efforts to advance digitalization across a wide range of sectors, including everyday life, will serve as an excellent model for economic growth and governance reforms in the EBRD's countries of operations.

2. Middle East-related matters

The impact of the conflicts in the Middle East has become increasingly evident in Asia and Africa, including the EBRD's countries of operations. We hope that the turmoil in the global economy and financial markets will come to an end as soon as possible.

In responding to and recovering from the crisis, it is important to provide support for the stabilization of energy, food, and logistics, as well as infrastructure assistance, while also paying close attention to the impact of fertilizer shortages on future food production. In this regard, we welcome the EBRD's announced plan in April to invest €5 billion in countries and regions affected by the conflict in the Middle East, including Jordan and Lebanon. We expect these efforts to bolster the region's economic recovery and, furthermore, foster resilient economic growth.

It is essential to continue development efforts even in these difficult circumstances. Japan has agreed with the EBRD to establish the "Japan-EBRD Initiative for Development Acceleration and Inclusion (JIDAI) Special Fund," through which Japan will contribute up to \$1 billion over seven years through the Japan International Cooperation Agency (JICA) to the EBRD. This fund will provide local currency loans and related operations in many of the EBRD's countries of operations. Through such local currency financing, we will help reduce currency mismatches, strengthen resilience to external shocks such as exchange rate fluctuations, and promote private sector-led growth.

In addition, it is important to support SMEs, which are particularly vulnerable in times of crisis. Through the Special Transition Allocation for Africa's Resilience (STAR), established under the Japan Trust Fund at the 9th Tokyo International Conference on African Development (TICAD9) held in Yokohama last August, Japan has begun supporting improvements in access to finance and competitiveness for SMEs in Sub-Saharan Africa. We look forward to the EBRD making effective use of these resources for Africa's development.

In implementing these initiatives, we also expect the EBRD to work in a complementary manner with its partners, including Japan. In April, Japan announced the "Partnership on Wide Energy and Resources Resilience Asia (POWER Asia)," a \$10 billion initiative to further enhance energy and resource supply capacity in the Asia-Pacific region. We look forward to the EBRD collaborating with Japan, as well as the Asian Development Bank (ADB) and the African Development Bank (AfDB), which have strong ties with Asia and Africa respectively, to deliver effective and efficient support by leveraging their respective comparative advantages.

3. Ukraine

Russia's prolonged aggression against Ukraine for over four years has caused extensive damage to Ukraine and represents an outrageous act that undermines the very foundations of the international order.

We welcome the approval of a new IMF Extended Fund Facility (EFF) program, reflecting the Government of Ukraine's continued efforts to advance reforms despite the challenging conditions of the ongoing war. We urge the Government of Ukraine to continue its reform efforts.

Support for Ukraine remains among the EBRD's top priorities, and Japan reiterates its unwavering support for Ukraine.

To address Ukraine's financial needs in the first half of 2026, Japan has front-loaded part of its Extraordinary Revenue Acceleration (ERA) Loan for Ukraine, which is to be repaid by future flows of extraordinary revenues stemming from immobilized Russian sovereign assets. Furthermore, we have decided to provide an additional \$4.5 billion of credit enhancement to the International Bank for Reconstruction and Development (IBRD) loans to support Ukraine's continued reforms.

Sustaining economic activity under current wartime conditions is critical for Ukraine's future recovery. The EBRD plays a vital role with its core mandate to support the private sector. Since the outset of Russia's aggression, we welcome the EBRD's mobilization of over €9.7 billion and the steady delivery of support, particularly in the areas of energy security and critical infrastructure.

In addition to the fiscal support mentioned earlier, Japan has also been supporting the continuation of economic activities. Specifically, through the Japan Trust Fund established at the EBRD, Japan is supporting workforce development and productivity enhancement in Ukraine, including employment support such as vocational training for women and veterans. In February this year, Japan provided an additional €1 million to this trust fund, which supports technical assistance in the EBRD countries of operations, including Ukraine.

In continuing these efforts, we emphasize that the support for Ukraine is a joint effort by like-minded countries beyond Europe. Japan values the EBRD's long-standing principles of open procurement and untied aid, and calls on all donors to uphold these principles, especially for support to Ukraine. Future donor support provided through multilateral development banks (MDBs) should not be subject to procurement restrictions that disadvantage other shareholders, with the exception of those working against the interests of the MDBs. We strongly believe that Japanese companies can contribute to enhancing the efficiency and effectiveness of the operations, especially at the time of full-scale reconstruction.

4. Cooperation between the EBRD and Japan

As the EBRD expands its operations into regions including the Middle East, Asia, and Africa, it is essential that the Bank strengthen its capacity to effectively address increasingly diverse and complex needs while delivering high-quality support.

To this end, it is critically important to promote the recruitment and advancement of staff with diverse background—including nationality—within the composition of the EBRD staff, including the talent from Japan. We also encourage the EBRD to further leverage the technologies and expertise of private sector companies, including those from Japan, in its operations.

We expect the EBRD Tokyo Office to serve as a bridge between Japan and the EBRD, facilitating the effective utilization of Japanese human resources, technologies, and expertise in the EBRD's countries of operations.

5. Closing

Much has been achieved since President Renaud-Basso assumed office in 2020, despite the challenging environment marked by the COVID-19 pandemic, the Russian invasion of Ukraine, and the conflict in the Middle East. At a time when the world faces increasing uncertainty due to various factors, the importance of the EBRD's role is growing. Under the strong leadership of President Renaud-Basso, we expect the EBRD to forge ahead with delivering its mission, including

development support, assistance for the transition to market economies, and the promotion of fair and competitive business environments.

Japan remains committed to providing support on multiple fronts, including finance, policy support, and human resources.

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