

Speech by Commissioner Urpilainen at EBRD-ECDPM-EDFI-EIB Online event “Team Europe: Joining forces for financing the global recovery”

Friday 11 September 2020

Ladies and Gentlemen,

Good afternoon to you all,

Introduction

My thanks, firstly, for your invitation to take part in today’s event.

Let me start my intervention with wise words from Nelson Mandela: “There are few misfortunes in this world that you cannot turn into a personal triumph if you have the iron will and the necessary skill.”

Madiba’s uplifting advice is very relevant to the situation we are in now.

It is not an understatement to describe the past few months as a “misfortune”.

Every single one of us felt the shock of the COVID-19 pandemic.

First, we were caught off guard by the health crisis. So many of us falling ill. So many of us losing someone dear. And now, we are reeling from the economic shock of months of lockdown.

An economic shock, which is laying bare the inequality in our societies.

Because, like an x-ray, the pandemic has exposed difficult and unfair realities.

This is particularly evident in many of the EU’s partner countries in Africa, Asia and Latin America.

More pressure on unprepared health systems. More pressure on fragile water and sanitation systems. More pressure on global agri-food systems. More businesses struggling for lack of digital skills. These are tough realities our partners are facing.

Team Europe

One thing is clear, however. The health and economic crisis is a shared global challenge. It requires a shared global solution.

Early on into the crisis, Europe rose to the occasion. We identified a need for global leadership, and led by example.

With Team Europe, we joined forces: the European Union, Member States and you – European financial institutions.

You could say that, with “iron will”, we took imminent, effective and impactful action to help our partners.

To date, we have invested more than 36 billion Euros to support our partners on three fronts:

- One: Helping them deal with the immediate health emergency and humanitarian crisis;
- Two: Strengthening national health, food supply chains, sanitation plans and systems;
- And three: Mitigating the socio-economic impact and the consequences on national budgets, financial intermediaries, companies and workers.

Thank you

So as I stand before you all today – standing virtually that is – let me take the opportunity to thank all of you for your commitment to Team Europe.

It is a big achievement to join forces for a greater cause.

With our Team Europe package, we are bringing together our “skills”, in the shape of our different expertise and tools.

Whether it is budgetary support, guarantees, technical assistance, blending and equity, or liquidity for SMEs, we are giving our partner countries a set of financial and technical support options.

Options tailored to their local context and needs.

We can be proud of Team Europe’s success so far. We have shown solidarity with partner countries during these challenging times. We have raised substantial amounts. And we are leading international efforts and doing all we can to avoid destabilising consequences on fragile economies and vulnerable populations.

‘Recovering better for sustainability’ and Moving forward together

Ladies and Gentlemen,

Coming back to Nelson Mandela’s words, you might wonder how we can possibly speak about “triumph” in these circumstances?

To this, I make the case that the next generation will look back at this moment in time, and see it as a turning point in history.

The moment where there was a before and an after.

And right now, we are at a juncture where we can spearhead a recovery that does not repeat mistakes of the past. A recovery, that is future-proof. We have the opportunity to turn our recovery from challenge to opportunity.

This is what Team Europe is about as well.

Not only are we helping our partners in the short-term, we are also united in a vision of a future that is green, digital and resilient.

Sustainability can be the engine of growth to resilient recovery, in the words of UN Secretary General António Guterres.

Our continued collaboration as Team Europe – including with you as European financial institutions – will be crucial for taking forward this transformative agenda.

Let there be no doubt.

You have a major role to play in spurring on a global recovery.

We will be relying on you to help improve climate and environmental disclosure and reporting standards and help develop frameworks for aligning finance with the SDGs and the Paris Agreement.

Another key opportunity will be the ‘Finance in Common Summit’ this coming November, the first ever gathering of public development banks in support of the global recovery.

Going forward with European IFIs (examples of cooperation)

So my message today to you as representatives of European international financial institutions is clear.

We look forward to our continued partnership as Team Europe.

This has to remain a true collective endeavour.

We will continue to rely on you as crucial partners in the implementation of Team Europe funded development activities in the coming years.

With your collective development finance expertise, we can go the extra mile in climate action, food security, human development, the digital transition and many other areas.

But we will also need you to rely further on us.

This implies aligning our priorities, communicating with each other, pursuing joint development objectives, bringing together our resources and being accountable to each other.

And of course, coordinating the implementation of our activities.

Not just at Headquarters level, but also on the ground.

I am very hopeful for what we can achieve together.

Because investment, dialogue and cooperation with all stakeholders at country and regional levels is the way forward for growth and prosperity.

It is how we will fight inequality and build a greener, more resilient and peaceful world.

Take for example food systems.

We already have good experience of blending our funds in agriculture with several financial institutions.

But we can do more. I hope that we can further ramp up sustainable agricultural investments in the coming months.

The health of our planet, our people and our economies depend on it.

Likewise, more investment in literacy, learning, skills and healthcare will be game changers for human development, creating more choice and opportunity for the whole of society.

Here, public-private partnerships will be critical.

With regard to digital communication and technologies, you know as well as I do, how this helped us during lockdown to stay close while being apart.

How this helped to keep schools and universities going, even though they were shut.

We need to step up our joint efforts to ensure that every person, and every corner of the world gets connected and benefits from the Digital Age.

Together – European Institutions, EU Member States and Financial Institutions – we can coordinate efforts to help partner countries’ digital transformation.

The EU Digital4Development Hub is part of this “Team Europe” spirit, fostering investment and partnerships for digital infrastructure and ecosystems.

And I invite you all to get on board with this initiative from the very beginning.

One last, but certainly not least, example of cooperation: climate action.

If we want to ensure that life on earth will be sustainable for future generations, we need to reduce greenhouse gas emissions urgently.

We can do this by generating more renewable energy, making transport more sustainable and promoting more investment in energy efficiency.

Our partner countries – many of whom are already very vulnerable to climate change – will need our support in all of this.

Together, we can ramp up climate change compatible investments.

Already the EU Taxonomy for Sustainable finance and the incoming EU Green Bonds Standards will help to maximise domestic, international, and public, private financing.

But challenges are many, and we will need all the coordination and cooperation possible to fight the climate emergency.

Conclusion

Dear Colleagues,

Let me finish my intervention the same way I began, using the words of great late Mandela.

Within us, and between us, I know that we have the “iron will” and the “necessary skill” to not just bounce back from the COVID crisis, but to leap forward into a better future for all.

We can turn this recovery into “a triumph”.

We can recover better, together.

Right now, there is political momentum to link the COVID recovery with investments and the green and digital agendas.

We will be counting on you to help make that happen.

Together, let’s forge true partnerships that deliver results.

Together, let’s act as one Team Europe.