



IIB Chairman made a speech during an international conference in Budapest and conducted meetings with the heads of the Hungarian delegation of the Bank

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The Chairman of the Board of the International Investment Bank (IIB), **Nikolay Kosov**, headed the IIB delegation to Hungary to take part in the 35th BACEE (The Banking Association for Central and Eastern Europe) conference on October 16-17, 2017 and to held separate meetings the heads of the Hungarian Ministry for National Economy. N. Kosov also gave interviews to leading Hungarian media.

The 35th BACEE conference focused on the analysis of risks and the evaluation of prospects that the financial sectors of both the CEE (Central-Eastern Europe) and the CIS are currently facing. The IIB supported this event, acting as a “Gold Sponsor”.

Nikolay Kosov, as one of the keynote speakers of the event, outlined the Bank’s strategic priorities in the context of the IIB’s operational activities in its member-states in the CEE region. The speech focused on the relevant challenges and opportunities faced by Multilateral Development Banks (MDBs) when implementing the new principles of financing and banking regulations such as the reporting standard IFRS-9 (kindly find [the link](#) to the Chairman’s speech).

The IIB’s top executive reviewed the possible outcomes of the IFRS-9 implementation in MDBs, taking into account the mission that development banks are executing in the global financial architecture. The Chairman noted the potential for intensifying the cooperation between financial institutions of the CEE, in such areas as project financing, capital markets and while generating common position in the long-term dialogue with regulators and rating agencies.

More than 120 top executives and experts participated in the conference from numerous financial organizations of the CEE, Germany, Austria, Italy, Russia, the Republic of Belarus and a number of other countries. During the plenary sessions and round tables, a number of issues were discussed, including the expansion of support to SMEs both national and regional levels, the influence that international requirements in the area of risk management have on the performance of banking institutions.

The Chairman also participated in the working negotiations with the Minister for National economy and Head of the Hungarian delegation in the IIB Council **Mihály Varga** and the Minister of State for Financial Affairs at the Ministry for National Economy **Ágnes Hornung**. The parties discussed a wide range of issues related to the further expansion of credit activities of the Bank, including in the context of capital adequacy, as well as the issues of strategic development of the Bank, like the potential addition of new shareholders, the IIB’s capitalization and the introduction of new areas of operations, including equity investments.

N. Kosov briefed his Hungarian colleagues on the current and future investment projects of the Bank in the country, and presented the main provisions of the IIB country strategy for Hungary, which is focused on the support for priority sectors of the national economy. The following issues were highlighted: the total volume of the Hungarian projects is close to EUR 70 million; an increase of the number of Hungarian counterparties, which participate in the IIB's Trade Finance Support Programme (TFSP); a steady increase in the volume of the Bank's treasury operations on the Hungarian monetary and foreign exchange markets (about 18% of the Treasury portfolio).

For his part, Mr. Varga praised the IIB's activities in Hungary, while also expressing interest in attracting a long-term funding from the IIB to implement the sustainable development projects both in Hungary and with the participation of Hungarian companies on foreign markets. The minister expressed his support for IIB's plans to place bond issue on the Budapest stock exchange, as well as to expand the geography of its operations by attracting new shareholder countries and economies. He stressed his readiness to provide necessary assistance.