

WORLD BANK GROUP

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
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INTERNATIONAL DEVELOPMENT ASSOCIATION
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Statement by the Hon. **VALDIS DOMBROVSKIS**,
Governor of the Bank for the **REPUBLIC OF LATVIA**,
on behalf of the Bank Baltic Group,
at the Joint Annual Discussion

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Mr. Chair, Mr. President, Fellow Governors, Delegates, Ladies and Gentlemen.

I. Introduction

It is my great pleasure and honor to address the 2003 Annual Meetings on behalf of the Baltic States – Latvia, Lithuania and Estonia.

In my speech, I will concentrate upon the issues that are common for all three Baltic countries and related to cooperation with the World Bank. All other issues, to which we fully agree, are already addressed in the Nordic World Bank speech.

II. EU accession challenges

Let me touch on some issues that are now on the agenda in our countries, the main issue being the EU accession.

After finalizing the accession negotiations at the end of last year, the Baltic countries, along with other EU accession states, have signed the accession treaties and entered into the final stage of our accession to the EU. One of the recent major steps was the positive referendums in our countries. Latvia was the last accession country where in a referendum just a few days ago, people voted for our entry into the EU. EU accession will also mark new challenges for the cooperations of the Baltic states with the World Bank.

For a number of consecutive years, the Baltic countries have been the fastest growing economies among the EU accession states. We hope that this trend will continue.

As you well know, our countries have gone through the difficult and complicated transition process. We have come a long way with restructuring our economies and state institutions, as well as enforcing new legislation. Although the assistance from the European Union has been important. We certainly also would not be so far today without the considerable help that we have been given by the World Bank. Therefore, I would like to take this opportunity to extend my greatest gratitude and compliments to the institution for the work it has done for the Baltic States over the past decade. In addition, let me point out that we are prepared to participate in the development agenda by sharing our experience gained in this transition process over the years with other countries and regions.

III. Cooperation challenges

I would like to emphasize one particular issue where our countries have good cooperation with the Bank. This is the Knowledge Economy. Several recent studies also suggest that the economies of the Baltic states need to increase their competitiveness to become serious players in the international arena. There is some progress in our countries in the four main pillars of a knowledge economy – improvement of the policy regime; fast ICT development; changes in the education and training system; and the beginning of national innovation development. This important work could be continued in cooperation with the Bank in order for the Baltic states to become countries with a developed knowledge economy. Therefore, I would like to commend the Bank for its effort to support the transition to knowledge economies.

IV Conclusion

To conclude, let me thank the management of the Bank for its effective management of this multilateral institution. We hope to be able to give back to the institution at least as much as we have been getting ourselves. Being together with the Nordic countries in a constituency, we have good role models to learn from and we plan to do our best by contributing to the fight against poverty and to all other good causes that the Bank stands for.