

*Opening Statement by Mr. Andrey Kondakov, President, Black Sea Trade & Development Bank, at the Black Sea Business Forum "The New Era Of Green Entrepreneurship"*

*Thessaloniki, Friday November 26th, 2010*

Ladies and Gentlemen,

First of all, I would like to thank organizers of this important event for inviting the Black Sea Bank to share our views on this topical subject. Indeed, the scorching summer of 2010 has vividly demonstrated once again that *the green is the new black*. In this respect, I fully agree with our forum's hosts that *the Black Sea is also gradually turning green*. Indeed, over the last years policy makers and economic operators throughout the region started to pay more attention to the interlinked issues of climate change and environment protection, sustainable development and green entrepreneurship.

I believe that this forum is an appropriate venue to discuss in detail what role entrepreneurs can play in promoting more sustainable and environmentally responsible business practices. How governments can foster and promote *ecopreneurship*. What are the tools, barriers and triggers that make firms 'go green'. And last but not the least – how IFIs, like our Bank, can facilitate sustainable development.

Some people may ask - is it the right time to pay heed to environment and green entrepreneurship while many economies of the Black Sea region are still not out of the woods and grappling with lingering effects of the crisis? No one would argue that restoring economic growth remains a top priority for the region. Yet promoting green development is fully compatible with this overarching goal.

Unfortunately, governments facing huge fiscal pressures are not in a position now to do the full job themselves financing green activities and investments. Currently, most they can do is to strengthen legislative environment and policy frameworks promoting a greener perspective in existing and nascent entrepreneurs. The rest – that is identifying appropriate sources of financing and devising innovative funding schemes - lies in the hands of ecologically conscious entrepreneurs.

And this is exactly the area where development institutions like our Bank can really help. From the very inception of the Black Sea Bank environmental considerations became an integral part of our operational activities. We firmly believe that environmentally conscious and sustainable development is a fundamental aspect of sound business management. Our shareholders clearly mandated us to rank financing of green projects among the highest priorities of the BSTDB's activities.

To fulfill this important mandate we try to identify the projects which address twin challenges of energy efficiency and climate change in the Black Sea region. To date, we have already closed several "green" deals, such as major environmental improvements program at zinc and lead smelter facility in Plovdiv, construction of Wind Farm in Suvorovo, Bulgaria, and Environmental Rehabilitation Programs for Turceni power plant and Petrom company in Romania. Our recent upgrade by Moody's to the ranks of A-rated financial institutions will give the Bank the possibility to finance more similar projects in the area of renewable energy and eco-friendly technologies.

Currently, we also explore the possibility of setting up sustainable energy financing facilities through our financial intermediaries. Additionally, we discuss possibility of establishing a multilateral Environmental Fund with a number of development banks managed by BSTDB which will be focused on financing renewable energy and energy efficiency projects. You will have an opportunity to learn more about the Bank's relevant policies and activities from a presentation that will be offered to your attention later today.

To conclude, I would like to underline that the BSTDB is fully committed to support the efforts taken at the national and regional level to promote sustainable development and green investments in the Black Sea region. We firmly believe that fostering ecopreneurship is an exciting area for the Bank to be involved in. Promoting greener business solutions that help move our economies along more sustainable ways has an immense still largely untapped potential which is both truly fascinating and rewarding.

Thank you.