DEVELOPMENT COMMITTEE
(Joint Ministerial Committee
of the
Boards of Governors of the Bank and the Fund
on the
Transfer of Real Resources to Developing Countries)

DC/S/2025-0035
April 24, 2025

STATEMENT BY
MS. ELISABETH SVANTESSON, DC CHAIR

Attached for information for the Members of the Development Committee is a Statement, which reflects the views of the majority of Committee Members, from Ms. Elisabeth Svantesson, DC Chair following the Committee's one hundred and eleventh meeting held on April 24, 2025.

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Chair's Statement: 111th Meeting of the Development Committee
Ms. Elisabeth Svantesson, Minister of Finance, Sweden

In the context of 111th Development Committee Meeting that took place in Washington, D.C. on the 24th April, DC members welcomed the ongoing efforts to end wars and conflicts, recognizing that peace is essential to restoring stability and fostering sustainable growth. DC members underscored that all states must act in a manner consistent with the Purposes and Principles of the UN Charter in its entirety. They acknowledged, however, that the DC is not a forum to resolve geopolitical and security issues which are discussed in other fora.

Building a world free of poverty on a livable planet requires decisive policy action to accelerate sustainable and resilient growth, promote macroeconomic stability, foster private sector investment, create more and better jobs, and boost productivity.

Developing countries face multiple challenges that are impeding progress toward ending extreme poverty and boosting shared prosperity. Debt burdens, fragility and conflict, displacement and migration, trade frictions, natural disasters, environmental degradation, climate shocks, and food insecurity are affecting millions across the globe. We are committed to responding collectively, working with public and private partners to deliver financing, technical and policy support, and capacity building that promotes stability, resilience, reconstruction, and sustainable and economic growth with maximum development impact.

We support the mission and vision of the World Bank Group (WBG) and recognize it as the premier multilateral development institution. The WBG aims to ensure that prosperity is shared widely through its financing, knowledge, partnerships, and convening power. We are encouraged by the ongoing efforts to streamline and speed up operations, simplify processes, enhance implementation support, and leverage lending capacity—including from the G20 Capital Adequacy Framework recommendations—while maintaining high standards and quality outcomes. We continue to call for improvements in operational efficiency and effectiveness as part of the drive to become a better Bank. We note innovations originating from the WBG Evolution process, including hybrid capital, portfolio guarantees, enhanced callable capital, and the Framework of Restoration Measures.

We encourage the WBG to deepen its role as a Knowledge Bank by leveraging the WBG Academy and knowledge hubs. We recognize the development of a new, more integrated approach to country engagement and knowledge, the rapid deployment of the new Crisis Preparedness and Response Toolkit, and steps to strengthen the reporting of outcomes through the WBG Scorecard. We commend efforts to work as one WBG, notably through Joint Country Representatives. Collectively, these efforts enhance the WBG's ability to achieve impact at scale for all clients, particularly for low-income countries and small states, while recognizing the value of a balanced graduation policy.

In the coming decade, over a billion youth will reach working age in developing countries. Those unable to find jobs will miss an opportunity to improve their lives, and the world will lose a vast pool of untapped potential, intensifying the risk of instability. The private sector is critical for job creation, which is the most effective way to fight poverty, particularly for women and youth. Job creation is especially vital to stabilizing and rebuilding peaceful societies in situations affected by fragility, conflict, and violence (FCV). Looking ahead, the WBG's new FCV strategy will allow us to deepen our understanding of specific measures to be taken by the institution. It will be a cornerstone of our engagement and added value going forward. In the context of job creation,

middle-income countries also face challenges related to declining productivity, limited capital formation, constrained private sector investment, and vulnerability to economic shocks. We call upon the WBG to identify tailored instruments and interventions to address these persistent challenges.

In a world with increasingly scarce development resources, we call on the WBG to establish the infrastructure foundation for jobs, support economic and governance reforms, mobilize private capital, and encourage greater domestic resource mobilization in client countries. We support the WBG's endeavors to unlock the potential of private sector led growth and innovation, and its work with policy makers and investors to improve business environments—especially for Small and Medium Enterprises. We also support its efforts to strengthen institutions, expand access to credit, support digital transformation, boost innovation, and match skills development and vocational training with the demands of labor markets. We encourage the WBG to reaffirm its critical role supporting human capital investments that underpin private sector growth. We see the value in increasing efforts to place private capital mobilization at the heart of the WBG's delivery.

We commend the WBG for its programs that expand economic opportunities for women entrepreneurs, including its work to provide 80 million more women and women-led businesses with capital, and elevate human capital for women and girls. We look forward to further efforts to enhance participation and leadership from all voices to promote equality in line with the WBG Gender Strategy and implementation plan. We also welcome the WBG's targets to deliver quality, affordable health services to 1.5 billion people, double agri-finance and agribusiness commitments to $9 billion annually, and expand social protection services to reach half a billion people by 2030.

We encourage the WBG to explore further options for increased affordable and reliable energy access, including potential support for nuclear energy. We call on the WBG to work with the African Development Bank, regional clients, and other partners to deliver on the promise of Mission 300 to provide reliable energy access to 300 million Africans by the end of the decade. We ask the WBG to continue working with partners and clients to develop practical solutions to respond to the impacts of natural disasters driven by the changing climate. We take note of the 45 percent commitment for climate financing and the extension of the Climate Change Action Plan to fiscal year (FY) 2026. We ask that the WBG responds to client requests for mitigation support including access to electricity, effective and resilient transportation solutions, biodiversity, sustainable food production, and basic services. We further encourage the institution to invest in resilience through adaptation measures, helping communities and businesses respond with pragmatic development solutions, including sustainable infrastructure, smart agriculture, efficient water management, and disaster-risk management.

Working in partnership with international financial institutions, governments, businesses, civil society, and other organizations remains critical to pooling resources, propelling innovation, sharing data and best practices, derisking investments, developing quality infrastructure, and driving economic growth. We call on the WBG to continue collaboration with all development partners, including with the IMF on debt sustainability, transparency, and vulnerabilities. We also encourage the Bank to continue to work with the MDB system and the UN to deliver the building blocks to improve the lives of those most in need, including healthcare, education, jobs and skills development, food security and nutrition, clean air, and clean water. We are also encouraged by the expansion of co-financing of operations and mutual reliance frameworks. We look to the UN Fourth International Conference on Finance for Development in Seville to recognize the WBG's results focus, its sustained effort to promote long-term development, and its increased financing commitments that reached nearly $120 billion in FY 2024.

We are encouraged by the commitment and generosity of donors to IDA21 and look forward to leveraging IDA's financial capacity to meet the urgent needs of the most vulnerable. IDA is a powerful tool to respond to the development challenges of low-income countries and we commend its work.

We reiterate the importance of accountability mechanisms in enhancing development outcomes and stimulating institutional learning and feedback.

We attach great importance to regular shareholding reviews, in line with the Lima shareholding principles, and look forward to progress with the 2025 Review and the Board's report at the 2025 Annual Meetings.

The next meeting of the Development Committee is scheduled for October 2025, in Washington, D.C.