



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)

**ONE HUNDRED AND TWELFTH MEETING
WASHINGTON, DC – OCTOBER 16, 2025**

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October 16, 2025

Statement by

**H.E. Sheikh Salman bin Khalifa Al Khalifa
Minister of Finance and National Economy**

Kingdom of Bahrain

**on behalf of Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Maldives,
Oman, Qatar, United Arab Emirates,
and Yemen**

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112th Meeting of the Development Committee

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The Middle East and North Africa continue to face deep instability. While the recent announcement of a ceasefire in Gaza offers a moment of relief, it does not in any way erase the immeasurable human suffering and catastrophic toll of the war which has had and continues to cause lasting damage to the region's economic and social resilience and beyond. Alongside this conflict, our countries confront entrenched structural challenges—record youth unemployment, persistently low female labor force participation, and learning poverty that threatens to lock an entire generation out of opportunity. These overlapping crises are not isolated; they spill through trade, investment flows, and displacement pressures, straining our collective stability.

The effective implementation of the WBG Fragility, Conflict and Violence (FCV) Strategy is indispensable for our region, where protracted conflict, displacement, and institutional fragility threaten to erase hard-won development gains, restore critical financing, enhance institutional resilience, and provide services to vulnerable populations and mitigate the spillover effect on neighboring countries. We welcome the FCV Strategy's enhanced support to countries affected by fragility and conflict. It is crucial for the IFC 2030 agenda to scale up support to fragile and conflict situations (FCS). We emphasize that country ownership should remain the cornerstone of all engagements in FCS, and we expect the Bank to seize transition windows with agility and to establish a firm reconstruction and recovery framework for coordinated, proactive response across the region. It is crucial that the new FCV strategy builds on the IDA21 commitment to remain engaged and strengthens its capacity to stay engaged in countries facing conflict, while exploring ways to implement projects through government institutions to enhance country ownership, national institutions and state legitimacy. Establishing a comprehensive reconstruction and recovery framework would enable a more coordinated, proactive, and responsive approach to recovery and reconstruction across the region.

We commend the Bank's intensified country diagnostic work, including Country Growth & Jobs Reports and Country Private Sector Diagnostics, which help sharpen reform roadmaps. Progress in digital inclusion, energy transition, and private sector mobilization in fragile contexts is encouraging, reaffirming the WBG's potential as a development anchor. However, the scale of disruption demands that the pace, ambition, and risk appetite continue to grow.

Complementing these efforts, the Guarantee Platform, now unifying guarantee products under MIGA, is simplifying access to risk-sharing tools and unlocking private capital at greater scale. Amid declining FDI flows to IDA countries, the platform is pivoting toward short-term trade finance guarantees, policy-based and partial credit guarantees in blend countries, and capital optimization guarantees in IBRD countries. These innovations are critical to unlocking private capital in fragile and underserved markets.

We also note IFC's efforts to mobilize private capital and deliver impact in fragile and middle-income contexts. The commitment of over \$41 billion in private sector financing, with a significant share directed to IDA and FCS countries and aligned to climate and gender outcomes, is encouraging. For MENA

economies, where private sector resilience is vital to recovery and inclusive growth, IFC's expanded field presence and second-generation diagnostics are sharpening reform strategies. Investments in agribusiness, digital finance, and blended climate finance reflect a shift toward upstream engagement and operational efficiency.

We welcome the launch of IFC innovative "originate to distribute" securitization tool, marked by the successful inaugural \$500 million issuance. We see this as a significant advancement in development finance, with strong potential to mobilize greater private investment and support financial sector development in our region. Importantly, we recognize that this tool will contribute to the deepening of capital markets in emerging markets and developing economies by creating new investment opportunities and attracting a broader investor base. We encourage the Bank to continue scaling such innovative approaches, which are essential for unlocking capital, fostering economic diversification, and supporting sustainable growth and job creation across our economies.

Jobs remain the cornerstone of dignity, stability, and poverty reduction, and the renewed emphasis across WBG operations reflects both the urgency of the moment and the scale of unmet demand, where tackling acute youth unemployment and low female participation can deliver resilience and inclusive growth. In that context, Women's economic empowerment is vital to regional progress. We urge swift action on the Regional Gender Action Plans, with a focus on measurable results and expanded access, inclusion, and leadership for women.

As we pursue these goals, our countries remain committed to clean energy transitions aligned with our Nationally Determined Contributions (NDCs). However, we emphasize that this transition must be just, orderly, and sensitive to national circumstances. We look forward to the Bank's evolving Energy Strategy, including expanded use of natural gas, exploration of nuclear energy, and adoption of technologies such as carbon capture, utilization, and storage (CCUS). We also expect the Bank to sharpen its focus on rising debt vulnerabilities in fiscally constrained in FCS and small economies. This includes fast deployment of flexible concessional instruments and exploring debt-for-climate swaps to help countries preserve macroeconomic stability and sustain reform momentum.

Finally, humanity has been experiencing one of its worst atrocities ever in Gaza over the past two years and it has been only getting worse. The scale of destruction has been staggering with tens of thousands brutally killed, widespread starvation, mass displacement, and the complete destruction of infrastructure. What was once a densely populated home for millions has been reduced to rubble — a stain on our collective conscience and a test humanity continues to fail. We commend the world bank's approval of a fourth additional financing under the Palestinian Emergency Financing Facility to sustain essential education and health services in Gaza and the West Bank, yet we hope to establish sustainable financing resources. The scale of destruction in Gaza and the extremely difficult situation of the Palestinian Authority expanded immediate needs significantly. In that context, the WBG should increase its assistance to the Palestinian Authority, both financially and technically immediately and should also expand its coordination with potential donors. We remain optimistic that the latest positive developments both politically and, on the ground, would lead to a permanent ceasefire, that would enable holding an early recovery and reconstruction conference in Egypt to immediately deal with humanitarian, recovery and reconstruction efforts paving the way to deal with the long-term prospects of the strip. We anticipate high-level participation from the World Bank Group. We must conclude by affirming that an independent stable and prosperous Palestine will remain the only reliable foundation that a peaceful region can be built on.