



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**

DC/S/2025-0067
October 16, 2025

Statement by

**Alexey Overchuk
Deputy Prime Minister**

of the Russian Federation

Statement by

**Alexey Overchuk
Deputy Prime Minister**

of the Russian Federation

112th Meeting of the Development Committee

**October 16, 2025
Washington, DC**

Russian economy and regional development

Global growth is slowing, driven by rising trade barriers and persistent policy uncertainty. The World Bank projects growth to weaken to 2.3 percent in 2025 with only a modest recovery expected in 2026-27. Progress in narrowing income gaps and reducing poverty in emerging and developing economies is likely to remain limited. Additional risks include weaker growth in major economies, structural imbalances, high debt levels, and low productivity. In this environment countries need to concentrate on comprehensive reforms, the implementation of long-term growth strategies, and the responsible adoption of innovations. Our ultimate efforts should be focused on finding an international balance of economic interests across member-states through supporting steady economic growth that will take our countries to a world free of poverty.

The Russian economy maintains a sustainable growth path, marked by easing inflation and a resilient labor market. Unemployment is at its lowest level among G-20 countries and has reached a historic low (2.1% in August 2025), while real disposable incomes continue to increase. Slowing inflation has allowed for a reduction in the key interest rate gradually opening opportunities for increasing investment, productivity growth and further job creation.

Special emphasis is being made to develop regional economic integration agenda. Operating on a consensus basis the Eurasian Economic Union is successfully addressing the issues of promoting free movement of goods, services, capital and labor among its member states. In 2024 the Eurasian Economic Union demonstrated 4,2% GDP with member states economies benefiting from access to larger common markets, food security and energy supply mainly provided by its largest economy – the Russian Federation. Targeted support to the value-chain creation by the private sector in the EEU member-states as well as coordinated approach to developing international transport and logistic corridors provide better connections between producers and markets forming the environment for further economic growth and job creation in the region.

The role of the MDB system and the WBG

MDBs have a significant impact on global and regional markets. They have historically served as a bridge between the public and private sectors, helping both sides and making it easier to meet developing countries' economic needs.

One of the major challenges the MDB system faces is the stagnation of its role in the global economy. Over the past 25 years, MDB assets relative to GDP have fallen from 1.9% to 1.7%. In order to respond to global challenges, assets and investments should grow faster than the world economy, while also preserving institutions' financial sustainability.

In doing so the MDBs should devote greater attention to coordinating and joining their efforts while working with clients both in the government and private sectors. Infrastructure development projects often have transborder impacts affecting neighboring economies. The MDBs should do more in assessing and taking into account such consequences while applying the ecosystem approach.

We also acknowledge the WBGs understanding that every country faces a unique set of circumstances and its strive to use a tailored approach to these distinctive traits.

To do that most efficiently there is a need to strengthen governance and representation of client countries at the boards, among staff and senior managements of the WBG institutions.

Achieving the vision for growth

The WBG's focus on jobs creation as well as the three pillar strategy are welcome. Supporting government and private sector investment in critical infrastructure, helping countries in establishing a business-friendly environment and mobilizing private investment in job-generating sectors including infrastructure, agribusiness, healthcare, tourism and value-added manufacturing will facilitate unlocking potential of developing economies.

Accelerating investments in electricity and focusing on grid performance, supply and managing emissions can help create growth and new jobs. Renewable energy systems can expand access in specific contexts, however, at present level of technology, they would not be able to deliver the scale required for growth level needed for closing existing gap between advanced and developing nations. Large-scale sources remain necessary, which is why continued WBG engagement in hydropower and gas generation is critical, alongside building expertise in nuclear energy. Helping developing countries to reduce emissions should neither impede their economic advancement nor impose superfluous debt burdens.

Energy underpins digital transformation. Expanding use of Artificial Intelligence (AI) in healthcare, education, and other sectors is set to increase demand for reliable power. A stronger digital ecosystem enhances public service delivery, revenue administration, and procurement systems, thereby reinforcing institutions. Digitalization and AI could support economic growth despite the limited financial resources. However, some research shows that new technologies can increase inequality between countries, paving the way for higher impact in advanced economies.

In this context it is important that the WBG evolution agenda is aligned with the overall strategic direction on jobs and growth. The evolution roadmap is focused on eight global challenges that include the foundational investments required for the job creation - energy access, food and nutrition security, water security and access, enabling digitalization, pandemic prevention and preparedness. We expect WBG to pay equal attention to all these challenges, including through the distribution of volume and price incentives.

Improved efficiency, domestic resource mobilization and partnering with private sector are all important goals on their own. However, there is no one-fits-all approach to subsidies, taxation policies or laws and regulations. As national strategies in these areas are determined by legislative and executive bodies, the WBG should focus its efforts on facilitating public sector and SOE reforms, helping to strengthen tax administration and improve business climate.

IBRD and IFC Shareholding Review

We note the Shareholding Review Report, which offers a status update on this important milestone. We remain committed to the comprehensive reform of global financial architecture to enhance the voice of the client countries and their representation at the WBG and other international economic and financial institutions - to deliver more effective, credible, accountable, legitimate and fit-for-purpose bodies that are responsive to the needs of developing countries. We value the spirit of dialogue and look forward to the completion of this discussion and the final report.

Any changes in the shareholding of the WBG institutions, however, would not be sufficient on their own and must be accompanied by the competitive selections of the institutions' leadership, national and educational diversity among senior management and balanced geographic representation among staff. In this context, major delays in G4 visa issuance for Russian and Belarusian staff create direct obstacles to

their work and career development. Urgent and concrete steps should be taken to ensure that all staff are treated fairly and without discrimination.

Finally, we welcome the WBG's re-engagement in Syria and look forward to sustained assistance that addresses country's development needs for the benefit of the Syrian people. Lessons learned from this engagement will be important for future operations in the region and the WBG reputation.