



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 THIRTEENTH MEETING
WASHINGTON, DC – APRIL 16, 2026

DC/S/2026-0007
April 16, 2026

Statement by

H.E. Sjoerd Sjoerdsma
Minister for Foreign Trade and Development Cooperation

of the Kingdom of the Netherlands

**Representing the constituency of Armenia, Bosnia and Herzegovina,
Bulgaria, Croatia, Cyprus, Georgia, Israel, Moldova, Montenegro,
the Netherlands, North Macedonia, Romania and Ukraine**

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113th Meeting of the Development Committee

**April 16, 2026
Washington, DC**

We meet at a moment when the global economic landscape is becoming more fragmented and uncertain. Geopolitical rivalry, trade tensions and persistent conflicts are increasingly shaping the conditions under which development takes place. Russia's war in Ukraine continues to have devastating humanitarian and security consequences, as well as a detrimental economic and financial impact on Ukraine, its neighboring countries and the global economy. The recent conflict in the Middle East strongly impacts the region and the global economy, in particular through its direct effect on oil and gas prices, and its disruptions to vital trade routes. At the same time, many countries face tightening fiscal space, rising debt service, climate shocks and rapid technological change that is transforming economies and labour markets. Especially for many developing economies, these pressures narrow policy space and constrain investment in growth and job creation.

In this environment, the role of strong multilateral institutions becomes even more critical. The World Bank Group remains uniquely positioned to support countries in strengthening the policy foundations for growth, mobilizing investment, and building resilience in the face of growing global uncertainty. Its combination of financing, knowledge, country presence and ability to mobilize private capital gives it a unique role in supporting countries as they pursue stability, resilience, and long-term prosperity.

We therefore welcome the focus of these Spring Meetings on *Building Prosperity through Policy*. Sustainable job creation does not happen in a vacuum. It depends on the quality of institutions, the predictability of rules, the effectiveness of governments, and the ability of countries to create an enabling environment for investment, entrepreneurship, and economic transformation.

Building Prosperity through Policy

Creating jobs remains one of the most urgent development challenges of our time. Around 1.2 billion young people are expected to enter the labour market in developing countries over the coming decade, while far fewer jobs are projected to be created under current trends. This gap poses a serious risk to growth, social cohesion, and political stability.

We support the Bank's long-term jobs agenda and its emphasis on the policy foundations needed to unlock employment at scale. Several members of our constituency have experienced first-hand how institutional reform, stronger governance, and integration into regional and global markets can accelerate growth and expand economic opportunity. Our constituency therefore emphasizes five mutually reinforcing foundations for sustainable and job-rich growth.

First, countries need strong policy and institutional foundations. Private investment will only materialize where there is legal certainty, transparent regulation, predictable taxation, effective public administration and credible enforcement of rules. We therefore encourage the Bank to continue supporting client countries

in strengthening regulatory quality, modernizing public administration, improving judicial systems and building institutional capacity. These reforms and the political buy-in from client countries, are preconditions for investment, productivity, and employment.

Second, countries need sound macroeconomic and financial foundations that allow them to invest in their future. Many developing economies continue to face acute fiscal constraints, while rising debt service limits their ability to invest in health, education, infrastructure and job creation. We therefore support the joint Three-Pillar Approach of the Bank and the Fund to address debt vulnerabilities, combining structural reforms, additional financing and lower financing costs. Strengthening domestic resource mobilization, improving debt transparency and developing local capital markets, will also be essential for building resilience and creating fiscal space for productive investment.

Third, strengthening the financial capacity of the multilateral development banks themselves remains important. Capital adequacy frameworks ultimately determine how much MDBs can lend while safeguarding their financial strength. We therefore encourage continued work toward further harmonization of MDB capital adequacy frameworks, in line with the G20 Capital Adequacy Framework Review, so that MDB balance sheets can be used as effectively as possible while preserving their strong credit ratings.

Fourthly, countries need to be able to participate in regional and global trading systems. Trade contributes to economic development and thereby creates jobs. The Bank is uniquely positioned to assist countries in strengthening trade relations by assisting with trade regulations, border management, infrastructural connectivity and logistics.

Finally, countries need an investment climate that allows the private sector to grow and create jobs at scale. The World Bank Group has a central role to play in helping countries reduce risks for investors, strengthen markets and mobilize private capital. In this light, we look forward to IFC's 2030 strategy. This strategy should promote continued innovation in financial instruments, including guarantees, risk-sharing mechanisms, and catalytic investment vehicles, and can help unlock investment in sectors and markets where private capital would otherwise remain limited. At the same time, mobilization efforts should remain firmly anchored in development impact and additionality, particularly in fragile and low-income contexts where investment gaps are greatest. Incentives and metrics should be designed to support investments in more challenging markets—where development impact is highest and Bank involvement is essential—while avoiding unintended biases toward safer, easier investments at the expense of fragile and low-income contexts where MDB additionality is most needed. These policy and financial foundations are also essential for addressing broader development challenges, including climate resilience and long-term ecological sustainability.

A Livable Planet

A livable planet remains the essential foundation for sustainable development and long-term prosperity. Climate change is not a peripheral issue. It is a systemic risk to economic stability, food security, human welfare, and development outcomes. Extreme weather, droughts, floods, and rising sea levels are already undermining livelihoods, increasing fragility, and placing additional pressure on public finances.

We therefore expect the Bank to maintain a strong level of climate ambition and to provide timely clarity on a robust successor to the Climate Change Action Plan, ensuring climate continues to be strongly embedded in the institution also after June 30th, 2026. The commitment that 45 percent of Bank financing be climate relevant remains an important benchmark for maintaining momentum. Climate finance should continue to focus on resilience, sustainable infrastructure, and the acceleration of the clean energy transition.

As the Bank reviews its energy strategy, it is important that investments remain fully aligned with the Paris Agreement and support credible transition pathways toward climate neutrality. In this context, the role of natural gas should remain limited and clearly defined. Any support should be consistent with least-cost

decarbonization pathways, avoid carbon lock-in, and demonstrate clearly how investments contribute to a transition toward sustainable energy systems.

Within this broader agenda, climate adaptation and resilience deserve particular attention. Many countries are already facing increasing water stress, more frequent floods and droughts, and growing pressures on food systems. Strengthening water security and climate-resilient infrastructure is therefore essential for economic stability, public health, and sustainable development. We welcome the Bank's Water Sector Implementation Program and its ambition to improve water security for hundreds of millions of people by 2030. Our constituency stands ready to deepen its partnership with the World Bank in this area, including through knowledge sharing and practical expertise on water management and climate adaptation.

Fragility, Conflict and Violence – and Reconstruction

Fragility, conflict, and violence are increasingly shaping global development needs. A significant share of the World Bank Group's financing now supports countries affected by conflict, displacement, and institutional fragility. In these environments, restoring growth and creating jobs requires more than financing alone. It requires rebuilding institutions, restoring trust, and strengthening resilience.

This makes the Bank's work in fragile settings central to the broader jobs agenda. In countries affected by conflict and instability, sustainable employment and economic opportunity are often among the most important foundations for long-term stability.

We therefore welcome the Bank's continued efforts to sharpen its approach in fragile and conflict-affected settings, with greater emphasis on prevention, political and institutional context, and cooperation with partners. Economic recovery must go hand in hand with conflict sensitivity, institutional legitimacy and strong local ownership.

In these contexts, implementation modalities also matter. Where government capacity is limited, additional approaches such as third-party implementation can help ensure that support reaches people and communities effectively. At the same time, these mechanisms should remain focused on strengthening national systems over time. Building local implementation capacity, ensuring transparent and competitive selection of implementing partners and maintaining full compliance with the World Bank Group's environmental and social standards are essential to ensure that such approaches support sustainable institutional development rather than long-term parallel systems.

The Bank's role in post-conflict recovery and reconstruction is also becoming increasingly important. In contexts such as Ukraine, Gaza and potentially Syria, the Bank brings significant added value through damage and needs assessments, donor coordination and the mobilization of financing, while safeguarding fiduciary standards.

Ukraine

The value of this approach is clearly illustrated in Ukraine, where the World Bank Group has played a central role in coordinating international support and providing the analytical foundations for reconstruction. The Rapid Damage and Needs Assessments have become a critical tool for aligning donors, identifying priority reforms and ensuring that recovery efforts are grounded in credible analysis and strong fiduciary standards.

Our constituency reaffirms its unwavering support for Ukraine in the face of Russia's illegal and unprovoked aggression. We recall the strong condemnation of Russian aggression by the United Nations General Assembly and call on Russia to immediately cease any use of force against Ukraine and threats to peace on the European continent. The consequences of the war continue to be devastating for Ukraine and deeply consequential for European and global security. According to the latest Rapid Damage and Needs Assessment, Ukraine's reconstruction and recovery needs are estimated at approximately USD 588 billion

over the next decade, illustrating both the scale of destruction and the urgency of sustained international support.

We commend the Bank for its continued leadership through financing, technical assistance, analytical work, and donor coordination. Effective monitoring, transparency, and reform implementation remain essential, not least in light of Ukraine's broader institutional transformation and EU accession path. The Bank has proven to be a key player in the coordination of recovery and reconstruction efforts: it has mobilized USD 88.2 billion for Ukraine. Demonstrating unwavering commitment, the Netherlands is a trusted and consistent donor to the World Bank in its support to Ukraine. This commitment is underscored by the total contribution of EUR 318 million to the Ukraine Relief, Recovery, Reconstruction and Reform Trust Fund (URTF). The URTF helps the government of Ukraine to repair destroyed energy infrastructure, roads, bridges, houses, schools and hospitals. In addition, the URTF plays a pivotal role in advancing Ukraine's reform agenda, even amid the ongoing Russian aggression.

We also recognize the Bank's important contribution to strengthening Moldova's resilience, including support for refugees and host communities, energy security, and economic reforms as the country continues to face significant spillover effects from the war.

Israel-Gaza

The conflict in the Middle East, following Hamas' terror attack on Israel on October 7, 2023, continues to impose a terrible human toll on the region. We remain gravely concerned about the humanitarian situation in Gaza and the scale of destruction affecting civilian life, infrastructure and essential services.

The World Bank Group can play an important role in supporting future recovery and reconstruction, drawing on its analytical capacity, operational experience, and fiduciary safeguards. The Rapid Damage and Needs Assessment conducted by the Bank provides an important analytical basis for planning Gaza's recovery and for coordinating international support. We therefore welcome the Bank's swift response to the call from the international community to help prepare for Gaza's recovery and reconstruction.

As discussions on the operational arrangements continue, clarity in governance structures, roles and institutional responsibilities will be essential. Strong accountability, robust fiduciary safeguards and transparent decision-making will be critical to ensure that reconstruction resources are used effectively and in line with the World Bank Group's mandate.

Shareholding and Voice

We continue to attach importance to a World Bank that is effective, representative, and legitimate. Despite the Shareholding Review concluding that there are no viable pathways to shareholder realignment through the issuing of new shares or Basic Votes we believe that we should continue to pursue meaningful opportunities that strengthen the voice and participation of developing countries, and therefore welcome the set of proposals that will be implemented as a result of the Shareholding Review discussions. In particular, ensuring that low-income and smaller countries are able to participate meaningfully in the Bank's governance and decision-making processes remains essential. Strengthening voice contributes not only to fairness, but also to the credibility and long-term effectiveness of the institution.

IDA21 Implementation and Future Success

The International Development Association remains one of the most effective instruments available to support the world's poorest countries, particularly in times of crisis, fragility, and economic stress. By combining donor contributions with market borrowing and strong policy engagement, IDA continues to deliver development impact at scale.

The results achieved under IDA20 illustrate this clearly. Millions of people gained access to electricity, social protection, internet connectivity, and essential services, including in fragile and conflict-affected settings. These investments strengthen resilience, support economic activity, and create the foundations for long-term development.

Our constituency therefore strongly supports the effective implementation of IDA21 in line with the commitments agreed in the Replenishment Report. We attach particular importance to job creation and private sector development, debt sustainability and domestic resource mobilization, and support for countries affected by fragility, conflict, and displacement. Furthermore, we look forward to exploring possibilities on how we can strengthen and enhance IDA's performance based allocation system. IDA's ability to combine financing with policy reform and institutional strengthening remains one of its greatest strengths. We look forward to discussing IDA's policy based allocation during the IDA Midterm Review.

The challenges we have outlined — from job creation and climate resilience to debt sustainability and reconstruction — are closely interconnected. Addressing them requires the policy foundations, institutional capacity, and multilateral cooperation that the World Bank Group is uniquely positioned to provide. Our constituency remains a committed partner in that effort.