Statement by

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Since last year's Annual Meetings, we have made great progress. We have negotiated a package for a capital increase that is balanced in terms of the issues addressed. The package highlights the ways in which the World Bank will be making the contributions we expect from it with a view to implementing the 2030 Agenda and the Paris Agreement. And it takes all members of the cooperative into account, with all their different needs and contributions. The World Bank must be a bank for all its members, and of course its programs must be tailored to each country's specific situation. In particular, this means more financing for poorer members and more advisory services for wealthier members that are increasingly able to borrow in the capital markets.

In the more advanced countries in particular, the Bank can make a great difference in responding to global challenges, especially when it comes to climate action. In countries with lower income, the Bank continues to put a strong focus on reducing poverty and inequality and supporting economic growth, resilience and adaptation to climate change. In the future, the Bank will engage much more with the private sector than in the past, and it will create markets wherever that is possible and useful. This is also the approach pursued by the initiatives on Africa which Germany helped to launch – the Marshall Plan with Africa and the G20 Compact with Africa. The World Bank Group, and especially IFC, is an indispensable partner in this regard.

I consider it important that the Bank keeps getting better as it gets bigger. When we speak of a better Bank, we have in mind a Bank that operates in a financially sustainable manner, works efficiently by reducing costs and increasing income, and improves its ability to take preventive action and respond to crises quickly. However, above all, we want to ensure that the Bank increasingly uses its additional financial resources to act as a catalyst and as a driver of transformation processes.

As a global development bank, the World Bank is ideally positioned to respond to global challenges. This is its comparative advantage, and we must systematically make use of that advantage and enhance it even further. I am pleased that we were able to set up a small concessional window at IBRD, too.

Germany considers it important that the Bank is willing to commit itself to more ambitious climate targets. Germany does believe, however, that there is still room for increases in this regard in the period up to 2030. On a general note, we expect the World Bank Group to make a growing contribution to climate finance, not only through public funding but, in particular, also by mobilizing private investment. Fundamentally, this is about charting the right course for the future. Fostering decarbonization, preventing carbon lock-in – this is where the challenges are, from my point of view. The Bank still has to align its work even more closely with the targets of the Paris Agreement. Our cooperation with the World Bank within the NDC Partnership and the InsuResilience Global Partnership is an important contribution towards further
raising ambition on climate change mitigation and adaptation. We want the Bank to bring this ambition to the Talanoa Dialogue of the climate negotiations.

In the past few years, climate change, crises and conflicts have dominated our lives and the work of the World Bank. Development processes are not linear. Rather, we are increasingly encountering high levels of uncertainty and volatility. The Bank has to adapt its business model accordingly. It must become more agile and invest more in resilience and prevention. Soon the vast majority of people living in poverty will be in fragile regions at high risk of crisis. And in these places in particular, we need to achieve and secure development progress.