



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 HUNDREDTH MEETING
WASHINGTON, DC – OCTOBER 19, 2019

DC/S/2019-0047
October 19, 2019

Statement by

The Honourable Bill Morneau
Minister of Finance
Canada

**on behalf of Antigua and Barbuda, The Bahamas, Barbados,
Belize, Canada, Dominica, Grenada, Guyana, Ireland, Jamaica,
St. Kitts and Nevis, St. Lucia and St. Vincent and the Grenadines**

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100th Meeting of the Development Committee

**October 19, 2019
Washington, DC**

On behalf of our constituency, I would like to express appreciation and support for the continued leadership of the World Bank Group (WBG) in pursuit of the Sustainable Development Goals (SDGs) and the WBG's Twin Goals of Eliminating Poverty and Boosting Shared Prosperity. As we gather for the 100th Development Committee, it is a great opportunity to reflect on past progress and challenges ahead.

Since the Development Committee endorsed *The Forward Look: A Vision for the WBG in 2030*, the WBG has achieved important milestones, including endorsement of a capital and policy package in 2018, advancement of the 19th Replenishment of the International Development Association (IDA19), along with many internal efficiency measures. The WBG has continued to work concertedly to reduce the financing gap by leveraging partnerships with the private sector and finding innovative ways to finance development. Similarly, Domestic Resource Mobilization and the building of effective tax administrations will also be vital to achieving the SDGs. Yet, with just over 10 years until 2030, there are still challenges ahead, as noted below.

Fragility, Conflict and Violence (FCV)

FCV represents a major challenge for development and poverty reduction. To achieve the SDGs and reach the WBG's twin goals, we need to address the drivers of FCV, and provide enhanced support to affected people and communities. We are pleased that the WBG is well on track to meet its IDA18 commitment to increase staff in fragile states and look forward to the continued implementation of the capital package financing commitments in this area. We thank the WBG for undertaking global consultations to inform their first FCV Strategy and look forward to the release of the final Strategy.

Debt

Addressing debt vulnerabilities must be a global priority. While debt is an important ingredient of development, high debt burdens can impede growth and sustainable development, hence the need for strong debt management. Having debt transparency principles will help all borrowers and creditors have better practices. We welcome the development of the new Sustainable Development Financing Policy, to better address the issue of incentives and to encourage strengthened debt management practices among borrowers. To maximize the impact of these principles and policies, the WBG needs to work together with other multilateral development banks to ensure complementarity and full alignment.

Disaster Responsiveness

Our thoughts and sympathies are with the Bahamas, a member of our constituency, which was severely impacted by Hurricane Dorian in early September. We thank the WBG for standing-by to offer its support, and welcome the liquidity provided by the Caribbean Catastrophe Risk Insurance Facility, which continues to be a critical instrument for building resilience. As evidenced by this devastation, our constituency remains particularly exposed to climate-related disasters, and we encourage the WBG to pursue goals to help address these issues. We ask the WBG to improve access to climate-related funding and programming for Small Island Developing States (SIDS) that face climate-related disasters.

World Development Report (WDR) on Trading for Development in the Age of Global Value Chains

This year's WDR on Trading for Development reminds everyone how important trade has been for global growth and development. We agree that there is still a path to growth and development through trade. Our constituency strongly supports a rules-based trade system that facilitates developing countries' participation in global value chains (GVCs). Given the importance of trade for development, we would encourage the WBG to ensure that trade policy and frameworks are fully incorporated into the WBG's analytics, strategies and operations.

Human Capital

Investments in human capital provide women and men with the knowledge, skills, and health services they need to contribute to economic growth. Our constituency is very supportive of the ongoing work on the Human Capital Project and the expanded coverage of the Index to help countries respond to health and education challenges. In this regard, we are pleased to note that Ireland has recently announced its intention to become a Champion of the Human Capital Network. We welcome the inclusion of gender-disaggregated data for 126 of the 157 countries in the Index and encourage the use of data to inform operations to help narrow gender gaps. Doing so would improve the enabling environment for jobs, transformation and economic empowerment, particularly for women and girls.

IDA19

IDA is deploying remarkable efforts to address these challenges and others. As the 19th IDA Replenishment approaches its final stretch, our constituency wants to express our support for the ongoing negotiations. In closing, our constituency would like to commend the WBG for its continued work on these crucial development challenges. Collaboration, including on improving aid effectiveness, remains key to tackling these challenges and we look forward to continuing to work with all stakeholders in an effort reach the WBG's twin goals in support of the SDGs.