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 TWO MEETING
WASHINGTON, DC – OCTOBER 16, 2020
(VIRTUAL)

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October 16, 2020

Statement by
Alexey Overchuk
Deputy Prime Minister
of the Russian Federation
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102nd Meeting of the Development Committee

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This is our second meeting dominated by the COVID-19 agenda. Russia welcomes the Bank’s swift moves to help client countries respond to this multi-dimensional crisis.

In Russia the Government has focused on protecting the lives of our people and taken early actions limiting the spread and transmission of the COVID-19. As early as January we started closing our national boundaries for foreign travelers. We made procurements of extra medical supplies and expanded our hospital facilities. We increased the number of equipped hospital beds, many regular hospitals were converted to treat infectious patients and many new hospitals were constructed in record building time across the country.

Russian people were rapidly provided with affordable virus testing. Russia also granted its testing systems as well as provided medical expert teams to many countries.

We have invested in development of three new vaccines against COVID-19. Two vaccines are registered and are going through final test stages. Over 20 countries have already expressed interest in our vaccine testing and manufacturing. We plan to launch a nationwide vaccination program towards the end of the year.

Like many other countries we had to shut down our economy from April till June and we have taken extra measures to offset its effects on people and economy.

With most of the people having to stay at home through the economy shutdown our government digital services have received a new development boost and we would be happy to share our digital government knowledge and experience with the rest of the world.

We must acknowledge that the pandemic is still rapidly spreading across the world. It will take the biggest toll on low-income countries, which are facing delayed reopening if they are not provided with ample vaccines.

We appreciate the groundwork being laid by the World Bank for COVID-19 vaccination. It would be our honor to partner with the World Bank to contribute Russian vaccines to the global fight against the pandemic. These vaccines provide hope that we might be able to return to our regular lives soon.
It is vitally important for the Bank to keep a longer perspective with the focus on the sustainable recovery and growth. Therefore I would like to underscore the role of analytical research projects carried out by the Bank, including the Doing Business survey.

For nearly a decade the Doing Business survey facilitated improvement of business climate in Russia. As we progressed our reform program has been expanded far beyond indicators covered by the report.

We often found ourselves among those who suggested improving the assessment methodologies and the way they were sometimes applied. Despite this we have always considered the annual Doing Business report as a source of valuable guidance. We are looking forward to the next Doing Business report publication.

We are committed to the spirit of the G20 Debt Service Suspension Initiative and expect it to make available additional resources for the poorest countries to address healthcare and economic challenges. Many countries are now benefitting from it and are expecting the Bank and the Fund to provide necessary support in facilitating priority spending and fiscal monitoring.

We join the call to all public and private creditors to do their share in this Initiative and ensure full and transparent participation. We will work with others to align approaches towards debt suspension and debt transparency, including through a Memorandum of Understanding.

We are open to consider an extension of the Initiative for a period of 6 to 12 months for the countries that still require additional debt suspension. However, we need to be vigilant of cases where debt is already unsustainable or where countries are at high risk of debt distress. In such cases additional conditionality for DSSI access might be required in the form of Fund and Bank supported programs. The Bank and the Fund should pay additional attention to IDA countries in unsustainable debt situations, including countries outside of the DSSI perimeter. We delegate to the Boards of these two Institutions close supervision and coordination of this work.

We take note of the Report on the 2020 Shareholding Review and all the work done by the IBRD and the IFC Boards in response to their 2010 commitment. Having considered options, we believe that neither the IBRD nor the IFC are ready for a new shareholding realignment and capital increase just two years after the previous one.

The 2018 subscription process is ongoing, and the global economic situation remains challenging. We also do not believe that further technical work on options for an adjustment of shareholding using unallocated shares from 2010 and 2018 capital increases is required at this time. The 2018 shareholding subscription will continue at least until October 2023, and we should not retroactively change this date to create additional unallocated shares.

Thus, we support options A in para 25 of the Shareholding Review submitted to us - that is to complete the Review, concluding that no further work is required and no shareholding adjustment is necessary either for IBRD or IFC at this time.