Statement by

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On behalf of the Constituency of Angola, Nigeria and South Africa
We welcome the emerging signs of recovery to the global economy, even though recent perspectives show that recovery in Sub-Saharan Africa (SSA) will be relatively slower given the current limited fiscal and monetary policy space available to support growth and also due to the slower pace of vaccination against the COVID-19 virus. We remain concerned that the impact of the COVID-19 pandemic on developing countries continue to be severe with serious long-term negative implications for development. It is regrettable that the pandemic is reversing the progress achieved by developing countries over the last decades in reducing poverty, with around 120 million people estimated to have been pushed into extreme poverty in 2020 alone. We appreciate the financial, advisory, and technical support so far from the World Bank and the IMF to developing countries to help deal with these challenges.

We underscore that access to vaccines for all countries is extremely critical given the urgency to save lives and help our economies reopen. We are encouraged by the progress we see from the World Bank in facilitating procurement and deployment of vaccines from its US$12 billion program. Furthermore, we appreciate the current collaboration between the World Bank, WHO, GAVI and UNICEF to help developing countries with readiness plans to deploy the vaccines and to enhance their health systems. Our countries require comprehensive financial support to achieve their vaccination targets for herd immunity against COVID-19, and in this regard, we encourage further pooling together of resources between the World Bank and other multilateral initiatives, particularly the COVAX Facility and the African Union initiative.

We are concerned about the supply constraints in vaccine production and support initiatives for a fair and equitable global vaccine allocation. We further caution against what we see as vaccine nationalism and ask for developed countries to release excess stock of vaccines to developing countries that currently have limited or no access. We also believe the ultimate solution to the supply side constraints is to encourage production capacities of vaccines in developing countries. On this, we see strong potential in SSA, especially in South Africa and Nigeria. It is also our view that the lack of transparency in countries’ procurement arrangements with the key manufacturers is worsening the supply constraints and causing a lot of uncertainty. We therefore call on the World Bank Group to work with other stakeholders to ensure transparency on these contracts, particularly those funded by the World Bank. We also call on the World Bank to ensure that its regulatory framework allows countries to access all vaccines that have been judged as appropriate for procurement and deployment by local authorities.

As we begin to revamp our economies, we agree with the World Bank that an approach that balances the short-term growth needs, with consideration for long term equity and climate change is vital for sustainable improvement of lives and livelihood. In this regard, we support the green, resilient, and inclusive
development (GRID) framework proposed by the Bank and endorse its use as a platform for helping clients to achieve strong and durable recovery and sustainable growth. We also agree on the need for an integrated development which is inclusive of climate strategies and in line with our Paris Agreement commitments. However, while pursuing the GRID framework, we call for flexibility and a gradual and just transition that takes into consideration the countries’ natural resource endowments, in the pursuit of access to affordable and reliable energy.

Unsustainable public debt continues to be a challenge for many of our countries, as we balance the fiscal needs of the COVID-19 response and the requirements to urgently rebuild buffers against future crisis. We welcome the additional liquidity provided by the Debt Service Suspension Initiative (DSSI) to eligible countries, with the estimated savings of US$5.7 billion for the beneficiary countries in 2020 and look forward to further savings in this calendar year. Given the lingering liquidity needs of Low-Income Countries from COVID-19, we welcome the G20 Finance Ministers and Central Bank Governors’ decision to further extend the DSSI by another six months to the end of calendar year 2021. We also welcome the Common Framework for Debt Treatments and encourage progress in its implementation, with urgent support for the African countries that have already requested its support. We call for the full participation of private creditors to ensure a meaningful treatment of debt challenges for countries requesting support under this framework.

We welcome the critical support from the International Development Association (IDA) to the poorest members of the World Bank in the context of COVID-19. In this regard, we appreciate the frontloading of IDA-19 resources and call for maintaining the current elevated financial support to recipient countries given their acute financial needs for responding to the COVID-19 pandemic and to meet the long-term development gaps. In this context, we fully support the decision of the IDA Deputies to bring forward the IDA-20 replenishment by a year. We look forward to an ambitious replenishment, which retains and expands on progress made under IDA-19 on critical areas such as energy access and jobs and economic transformation including support for new priorities such as digital transformation.

We pledge the commitment of our three countries to work with the international community to fight against the COVID-19 pandemic and to reignite our economies for the prosperity of our people. We see the World Bank and the IMF as critical and valuable partners in this endeavor.