Statement by
H.E. Nirmala Sitharaman
Minister of Finance and Corporate Affairs
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Representing the Constituency of Bangladesh, Bhutan, India, and Sri Lanka
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104th Meeting of the Development Committee

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Washington, DC

1. We are all happy to participate in the hybrid DC meeting today. It is a sure sign of our resolute adaptation to the challenges posed by the pandemic. While the pandemic is still not over, increasing vaccination rates, newer ways of working and our collective determination to not let our guards down make us hopeful about our ongoing work to minimize its adverse health and economic impacts.

2. Our economies are also showing signs of steady recovery. Even though the second wave was quite severe in our constituency, we were able to minimize the economic disruptions through limited and localized lockdowns. With fast increase in vaccination rates, we hope to reach a path of robust recovery in the coming months.

3. We are happy at the strong and timely response of the World Bank Group through delivery of $160 billion in financial support to more than 100 countries. We also commend the Bank for approving vaccine projects in more than 50 countries to enable purchase of more than 289 million doses of COVID vaccines. We urge the Bank to continue its support for enhancing vaccine manufacturing in developing countries and also for mitigating the shrinking fiscal space of both LICs and MICs in the current financial year and beyond.

4. With these remarks let me highlight some important components of the economic recovery efforts in each of our constituency countries:

Bangladesh

5. Bangladesh adopted the National Preparedness and Response Plan for COVID-19 in March 2020. To overcome its potential adverse effects on the economy, the government formulated an overall program with short, medium, and long-term targets. This program had four main strategic aspects. The first strategy was to increase government spending. In this, priority was given to creating jobs and discouraging luxury spending. The second strategy was to provide low-interest credit facilities through the banking system to industries and business enterprises to revive economic activities and increase the competitiveness of entrepreneurs at home and abroad. The third strategy was to increase the scope of the government's social security programs to protect the ultra-poor, the low income groups as well as the people engaged in informal sectors that suddenly become unemployed. The fourth strategy was to increase money supply in the market. However, utmost caution was exercised so that the negative effects of inflation could be controlled.
6. The government also undertook a comprehensive stimulus and economic recovery program that has gradually been expanded to 28 packages to the tune of Tk 1,876,790 million (USD 22.08 billion) to facilitate the implementation of these strategies.

7. The main objective of the government is to provide financial assistance and support to various enterprises in the industrial and services sectors, farmers and workers in the export-oriented industries, make direct cash transfers to targeted poor people, promote agricultural production, ensure food security, facilitate employment creation, increase the coverage of social safety nets, and provide interest subsidy to ensure that Bangladesh makes a quick recovery from the economic losses sustained during the pandemic.

8. The current economic trend in Bangladesh and the performance of its macro-economic indicators reflect that Bangladesh has weathered the economic shocks well. GDP growth rate was 5.47 percent in FY21. Despite the ongoing COVID-19 pandemic the average growth in the last two years was 4.5 percent. These trends establish that fiscal and other stimulus measures adopted by the government have played a highly effective role in countering the adverse economic shocks of COVID-19. It is expected to play a similar role in facilitating quick economic recovery in the coming months.

**Bhutan**

9. Bhutan registered great success in shielding herself from the devastating impact of the pandemic through stringent containment measures and surveillance. The Government placed highest priority to reinforce intensive surveillance, containment measures and mass COVID-19 vaccination of its population. Of the total 2500 positive cases in Bhutan reported till date, only three succumbed to the virus. To prevent the spread of the virus the government enforced effective containment measures including two national lockdowns. Bhutan has administrated 1.045 million doses of COVID vaccines so far resulting in full vaccination of 68.5% of the country’s population.

10. Bhutan’s economy has also shown considerable resilience to the COVID-19 crisis, mainly supported by the Druk Gyalpo Relief Kidu (DGRK), fiscal and monetary measures and the hydropower sector. However, the road to recovery can still be challenging due to the uncertainties in both the domestic and global environment.

11. Prior to the pandemic, the Bhutan’ GDP growth during 2020 was estimated at positive 6.9 percent (one of the highest as compared to past years). However, GDP growth during 2020 decelerated to -10.1 percent. The fall in gross output was substantial in the key sectors of tourism, manufacturing and construction sectors.

12. In order to build economic resilience and boost growth, the Royal Government of Bhutan adopted Comprehensive National Response to the Challenges of the COVID-19 Pandemic which included the following:

   i. Allocated a higher level of capital outlay to frontload and accelerate activities from the 12th Five Year Plan. In addition, fiscal stimulus in the FY2020-21 budget included the implementation of Economic Contingency Plan (ECP) in the areas of Tourism, Agriculture and Infrastructure.

   ii. Implementation of various Fiscal and Monetary measures.

   iii. National Resilience Fund (NRF): In order to build resilience and boost growth, a National Resilience Fund of Nu. 30 billion has been established to grant Druk Gyalpo’s Relief Kidu (DGRK) to the affected individuals and support interest payment. For the period April 2020-March 2021, more than 37,000 individuals received income support and close to 140,000 account holders received interest payment support. In view of the ongoing social and economic difficulties faced by the people due to the COVID-19 pandemic and the persisting uncertainties, the DGRK will continue till end of June 2022.
13. As the pandemic continued to pose serious risks to health and livelihood of people, the Government provided necessary budget for ensuring public health and safety, maintaining public confidence and macro-economic stability. The total cumulative expenditure for COVID-19 related activities amounted to Nu 4.644 billion from April 2020- June 2021. For the current FY 2021-22, a budget of Nu. 3 billion has been provided. With the continuation of the government’s Kidu grant, supported by the second mass inoculation program, the Government’s expansionary fiscal policy and gradual easing of containment measures, the economy is expected to rebound to 3.7 percent in 2021.

India

14. India has faced the COVID-19 crisis with great resilience and fortitude. The country’s pandemic response has focused on the twin goals of saving lives and livelihoods.

15. When faced with the second wave of infections, India again mounted a carefully calibrated and dynamic response to the evolving situation. Given that the second wave was asynchronous in its onset across states and wider in its spread, only localised lockdowns were imposed during the second wave. This approach aided reduction in cases in the COVID-19 hotspots without dampening economic activity in regions with fewer cases. Despite a more brutal second wave, India’s GDP grew at 20.1 per cent YoY during April-June quarter of 2021, recovering more than 90 per cent of the corresponding pre-pandemic output levels of 2019. The broad-based and swift recovery of both demand and supply side components reaffirms India’s resilient recovery and strong macroeconomic fundamentals. With the easing of COVID-19 restrictions, GST collections for July, August and September 2021 have crossed the INR 1 trillion mark, which testifies to the fact that the economy is recovering at a fast pace. The robust GST revenues are expected to continue in the coming months too as economic recovery gathers momentum.

16. India is one of the frontrunners in the global vaccine deployment race with the second highest total number of COVID-19 vaccines administered all over the world. As of September 30, 2021, India has administered 951.35 million doses, covering 72.8% of the 18 years (as on 10th August, 2021) and above population with at least one dose of COVID-19 vaccine. So far, all adult people in six States and Union Territories -- Sikkim, Himachal Pradesh, Goa, Chandigarh, Andaman & Nocobar, and Lakshadweep - - have received at least one dose of the vaccine. The vaccination exercise continues to be regularly reviewed and monitored at the highest level and the successful rollout of vaccinations is a testimony to the effort and dedication of all stakeholders.

17. India has also played a major role and truly "walked the talk" on the global COVID-19 effort. India’s massive Vaccine Maitri programme, under which more than 66.3 million doses of COVID-19 vaccines were exported to 95 countries worldwide bears special mention. India is all set to resume vaccine export in October 2021. India also made its digital platform for COVID-19 vaccination, CoWIN, open source for all countries to access, adapt and use. India is also at the forefront of multilateral efforts, including the Quad plan for production of one billion vaccines to be offered to South East Asian countries.

18. Our government adopted a slew of measures to provide relief to diverse sectors affected by the second wave of COVID-19 pandemic. A total of 17 measures amounting to Rs 6290 billion were adopted. The prominent ones are as follows:

Loan Guarantee Scheme for COVID Affected sectors

19. Additional credit of Rs 1.1 trillion will flow to the businesses through loan guarantee scheme. This includes Rs 500 billion for health sector and Rs 600 billion for other sectors, including tourism. The health sector component is aimed at up scaling medical infrastructure targeting underserved areas.
Emergency Credit Line Guarantee Scheme (ECLGS)

20. With a view to support various businesses impacted by the second wave of COVID-19 pandemic, the timeline of Emergency Credit Line Guarantee Scheme (ECLGS), launched as part of Atmanirbhar Bharat Package, in May, 2020, has been extended till 31st March 2022 or till guarantees for an amount of Rs 4.5 trillion are issued under the scheme, whichever is earlier. The scope of the scheme has been further expanded by certain modifications in the Scheme, which inter-alia include, additional credit support of upto 10% of total credit outstanding as on 29.02.2020 or 31.03.2021, whichever is higher, to existing borrowers under ECLGS 1.0 & 2.0; credit support of upto 30% of their credit outstanding as on 31.03.2021 to businesses who have not availed assistance under ECLGS (ECLGS 1.0 or 2.0); credit support up to 40% of their credit outstanding as on 31.03.2021, subject to the maximum of Rs 200 crore per borrower, to businesses in sectors specified under ECLGS 3.0, who have previously not availed ECLGS and incremental credit can be availed within these limits by existing ECLGS borrowers whose eligibility increased because of change in cutoff date to 31.03.2021 from 29.02.2020. As on 24.09.2021, Rs 2.86 trillion of loans have been sanctioned under the scheme, out of which Rs 2.23 trillion have been disbursed.

Credit Guarantee Scheme for Micro Finance Institutions

21. This is a new scheme which aims to benefit the smallest of the borrowers and help rejuvenate entrepreneurialisms served by the network of Micro Finance Institutions. Guarantee will be provided to Scheduled Commercial Banks for loans to new or existing NBFC-MFIs or MFIs for on lending up to Rs 1.25 lakh to approximately 2.5 million small borrowers. Guarantee will be provided up to 75% of default amount for up to 3 years through National Credit Guarantee Trustee Company (NCGTC).

Scheme for Tourists guides/stakeholders

22. This new scheme aims at providing relief to people working in tourism sector. Under new Loan Guarantee Scheme for COVID-affected sectors, working capital/personal loans will be provided to people in tourism sector to discharge liabilities and restart businesses impacted due to COVID-19 pandemic.

Additional Subsidy for DAP & P&K fertilizers

23. Additional subsidy to farmers for DAP and P&K fertilizers will be provided. Existing subsidy was Rs 275 billion in FY 2020-21 which has been increased to Rs 422 billion in FY 22.

Free food grains under Pradhan Mantri Garib Kalyan Yojana (PMGKY) from May to November, 2021

24. In the wake of economic disruptions caused by the unprecedented outbreak of COVID-19 in the country last year, the Government in March 2020 had announced the distribution of additional free-of-cost food grains (Rice/Wheat) to about 80 Crore National Food Security Act (NFSA) beneficiaries at the scale of 5 Kg per person per month under the PM Garib Kalyan Anna Yojana (PM-GKAY), over and above the regular monthly NFSA food grains. The scheme was launched initially for the period from April to June 2020. However, keeping in view the need for continuous support to the poor and the needy, the scheme was extended till November 2020. In the wake of the second wave of COVID-19 pandemic, the scheme was relaunched in May 2021 for two months to ensure food security of poor/vulnerable and the scheme has been extended till November 2021. During these eight months period (April to November 2020), as per distribution reports available from States/UTs, a total of about 29.8 million MT food grains was distributed under PMGKAY across the country (average of 750 million beneficiaries covered per month). Under Phase-III (May and June 2021) of PMGKAY, the States/UTs have reported distribution of about 7.5 million MT food grains, while, under ongoing PMGKAY Phase-IV (July to November 2021), the distribution is presently ongoing, and as per the reports available from
States/UTs so far, nearly 9.98 million MT food grains have been distributed. The performance of Phase-IV is expected to be on the same high level as seen in earlier three phases.

**Rs 231.23 billion more for public health with emphasis on children and paediatric care/paediatric beds**

25. Besides supporting the health sector through credit guarantee scheme, a new scheme for strengthening public health infrastructure and human resources with outlay of Rs 231.23 billion was adopted. The new scheme will focus on short term emergency preparedness with special emphasis on children and paediatric care/paediatric beds. The entire outlay is earmarked for the scheme to be spent in the current financial year itself. Under the scheme funds will be available for short-term HR augmentation through medical students (interns, residents, final year) and nursing students; increasing availability of ICU beds, oxygen supply at central, district and sub-district level; availability of equipment, medicines; access to tele-consultation; strengthening ambulance services; and enhancing testing capacity and supportive diagnostics, strengthen capacity for surveillance and genome sequencing.

**Rs 330 billion Boost for Project Exports through National Export Insurance Account (NEIA)**

26. National Export Insurance Account (NEIA) Trust promotes Medium and Long Term (MLT) project exports by extending risk covers. NEIA Trust has supported 211 projects of It was decided to provide additional corpus to NEIA over 5 years. This will enable it to underwrite additional Rs 330 billion of project exports.

**Rs 880 billion boost to Export Insurance Cover**

27. Export Credit Guarantee Corporation (ECGC) promotes exports by providing credit insurance services. Its products support around 30% of India’s merchandise exports. It was decided to infuse equity in ECGC over 5 years to boost export insurance cover by Rs 880 billion.

**Digital India: Rs 190 billion for Broadband to each Village through BharatNet PPP Model**

28. Out of about, 2,64,000 Gram Panchayats, 1,64, 275 Gram Panchayats (GPs) have been made service ready by 30th September, 2021. It has been decided to implement BharatNet in PPP model in 16 States (bundled into 9 packages), covering 3.61 Lakh villages including 1.37 lakh GPs on Viability Gap Funding basis. Towards this end, an additional sum of Rs 190 billion will be provided. Thus, the total outlay under BharatNet has been enhanced to Rs 611 billion. This will help to provide fast broadband and internet connectivity in the rural areas of the country.

**Rs 3.0 trillion for Reform-Based Result-Linked Power Distribution Scheme**

29. Revamped Reforms-Based, Result-Linked power distribution scheme of financial assistance to DISCOMS for infrastructure creation, up-gradation of system, capacity building and process improvement was announced in the Union Budget of 2021-22. It aims at state specific intervention in place of “one size fits all”. Participation in the scheme is contingent upon pre-qualification criteria like publication of audited financial reports, upfront liquidation of State Government’s dues/subsidy to DISCOMS and non-creation of additional regulatory assets. Under the scheme, it is aimed to provide assistance for installation of 250 million smart meters, 10,000 feeders, 400,000 km of LT overhead lines. Ongoing works of other sister schemes will also be merged in the scheme. The amount available under the scheme is in addition to the allowed additional borrowing of 0.5% of Gross State Domestic Product which will be available to the States annually for the next four years subject to carrying out specified power sector reforms.
**Other measures taken by Government of India**

30. In addition to economic relief measures, India has undertaken significant structural reforms to turn the crisis into an opportunity and emerge stronger. These reforms across diverse areas include agriculture and food processing, commercial coal mining, financial support to MSMEs and change in definition with increased thresholds, production linked incentive schemes to boost manufacturing, privatisation of PSUs and asset monetisation, increased FDI limit in defence and insurance are amongst the most notable reforms and have set a strong foundation for India’s post-COVID economic growth.

31. Production Linked Incentive (PLI) schemes have been introduced across key sectors to create national manufacturing champions and generate employment opportunities for the country’s youth. The objective is to make India a bigger and more important part of the global economy by pursuing policies that are efficient, competitive and resilient. The incentives under the package are intended to not just give a boost to domestic manufacturing but also ease the high concentration risks across global supply chains. The minimum production in India as a result of PLI Schemes is expected to be over USD 500 billion in 5 years.

32. Infrastructure development has assumed a major focus in strengthening India’s economic recovery. India has a robust National Infrastructure Pipeline (NIP) which is a first-of-its-kind, whole-of-government exercise to provide world-class infrastructure. To complement the NIP, the asset monetisation pipeline of Central ministries and public sector entities was launched recently with an estimated aggregate monetisation potential of INR 6.0 trillion through core assets of the central government, over a four-year period, from FY2022 to FY2025. Asset monetisation will help in enhancing access to high-quality and affordable infrastructure and create opportunities for high economic growth and employment generation. New models like Infrastructure Investment Trusts & Real Estate Investment Trusts will enable financial and strategic investors but also common people to participate in this asset class thereby opening new avenues for investment. The Government is committed to making the Asset Monetisation programme, a value-accretive proposition both for the public sector and private investors/developers, through improved infrastructure quality and operations and maintenance. This includes selection of de-risked and brownfield assets with stable revenue generation profile with the overall transaction structured around revenue rights. The primary ownership of the assets under these structures continues to be with the Government with the framework envisaging hand back of assets to the public authority at the end of transaction life.

33. Measures have been undertaken to promote ease of doing business with rational tax systems, simple and clear laws, reducing compliance burden and leveraging technology for better compliance. As a recent major initiative, Government has taken steps to scrap the retrospective tax law which would help resolve tax disputes and boost investor confidence. Despite the pandemic, India received its highest ever FDI inflows of USD 82.0 billion in FY 2020-21. The trend in India's FDI is an endorsement of its status as a preferred investment destination amongst global investors.

34. The measures undertaken by the Government have set a strong foundation for India’s sustained economic growth. According to the International Monetary Fund’s World Economic Outlook (July 2021), India is estimated to be the fastest growing major economy in 2021, projected to grow at 9.5% in 2021 and 8.5% for 2022.

**Sri Lanka**

35. The second wave of COVID-19 has severely affected the country. Case counts began to rise along with a growing prevalence of the Delta variant currently prevalent in the country. Given the current COVID-19 cases surge, the government of Sri Lanka has decided to establish the National Task Force for COVID Management. Vaccination of 60 percent of the population in Sri Lanka is one of major target, which is outlined in the National Deployment and Vaccination Plan for COVID-19. The target
population has already been expanded to include pregnant/lactating women and 18-30 age-group individuals.

36. While Sri Lanka has not been spared the impact of COVID-19, the country has been proactive in its response which has been measured and has taken a multi-sectoral approach covering medical and health aspect, supporting and sustaining livelihoods and businesses and ensuring the smooth functioning of logistical networks.

37. Some of the key policy responses to COVID-19 by the government are as follows:

- Establishment of the Fuel Price Stabilization Fund (FPSF) with an initial capital of Rs 50 billion. Surcharge on Customs Duty collected on fuel imports will be credited to the FPSF.
- Provisions of Rs 5,000 cash allowance to senior citizens, differently-abled persons, kidney patients and farmers and displaced daily worker for the month of April to December. With a growing prevalence of the Delta variant, the country has lock down again, Rs 2000 has been paid as cash allowances for COVID affected low income families.
- Allocation of Rs 65 billion for COVID-19 preventive measures.
- Payment of an interest-free advance of Rs 10,000 to Low Income beneficiaries through all Samurdhi Banks.
- Implementation of a debt moratorium facilitated through banks complemented by guarantees from the Central Bank.
- Suspension of the leasing loan repayment for a period of six months for 1.5 million self-employed persons, including owners of three-wheelers, trucks, school buses and vans and self-employed motorists.
- Injection of liquidity amounting to Rs 150 billion into the banking system by reducing the Statutory Reserve Ratio (SRR) to 2.00 in order to facilitate economic activity.

38. While at the start of 2020, the economy was expected to record a growth of exceeding 4.5 percent, but the impact of COVID-19 together with the overhang of the sluggish growth since 2015 to 2019, the expectations for growth in 2021 has been revised and it is expected to rebound 5.0 percent in 2021.

39. With the recent developments, the Government has revised the Medium Term Macro Fiscal Framework 2021–2025. The fiscal deficit excluding the payment of arrears in 2020 is expected to reach 7.9 percent of GDP. It is projected that fiscal deficit will increase to 8.8 percent of GDP in 2021 to provide sufficient fiscal space to increase public investments from 2.6 percent of GDP in 2020 to 5.4 percent of GDP.

With this background of determined efforts in our constituency to counter the crisis, I turn to the agenda for this meeting of the Development Committee.

WBG Financing for Green, Resilient and Inclusive Development Towards A Post-Pandemic Approach

40. India’s developmental imperatives are eradication of poverty, provision of basic needs for all citizens and access to energy for all, in the context of sustainable development. It remains paramount that the World Bank maintains and enhances its support for these. While we support broadly the Green Resilient and Inclusive Development (GRID) strategy we would like to caution that this strategy should be consistent with the NDCs of the client countries. WBG should neither promote interventions that are outside the scope of the said NDCs nor lose its razor sharp focus on its twin goals.

41. The multilateral climate change regime is based on the principles of equity and common but differentiated responsibility and respective capacities (CBDR-RC), in the light of national circumstances. It is not appropriate to compare the stringency of GHG mitigation policies across developed and developing countries given their diversity both in terms of the level of development and
the responsibility they owe due to past emissions. India’s share to global cumulative emissions (1850-2018) is only 4.37 per cent and its current per capita emissions are at 1.96 tons CO2 per capita. For Europe, the respective numbers are 33% and 7.9 tons CO2 per capita and for the USA, these numbers are 25% and 17.6 tons CO2 per capita. The emission by the developed countries has led to a huge carbon stock in the atmosphere, taking away the carbon space required by the developing countries to grow. Some of the developed countries peaked in 1979 but still aim to reach net zero by only 2050 while they expect the same transition to be performed much more swiftly by the developing countries many of whom have yet to reach their peak. What is most onerous is that this great transition is expected without clear and substantial financial support or technology transfer. It is important that the focus of the discussion on climate finance for developing countries should be on the providing adequate resources - both financial (and predominantly grant/grant equivalent) and technology transfer to facilitate the developing countries to transition to low carbon growth pathway. Hence, net zero emissions can be a global aspirational goal and historical responsibility demand that developed countries should take measures and legislate for net zero emissions by the current decade itself. For commensurate climate actions in developing countries like India, it is required to ensure adequate support from developed to developing countries in the form of finance, technology and in capacity building. The past performance of both finance and technology flow from the developed to the developing countries falls way short of the requirements.

42. The attempts to link financial flows with carbon neutrality or lowering GHG emissions does not take into account Article 2 of the Paris Agreement in its entirety. Article 2, in fact, seeks to strengthen the global response in the context of Sustainable Development and to eradicate poverty. MDBs should give equal importance to financing of adaptation action. In the pursuit of low carbon growth, the focus should be on technologies that need to be moved from lab to field and those that require targeted global research.

43. India’s NDC envisage 40 percent of its electric power installed capacity from non-fossil fuel sources by 2030. Therefore, universalization of access to energy requires that both renewable energy investments and cleaner coal investments must grow. Coal, as mentioned in India’s NDC, will continue to be a driving force behind electrification through 2040 and will continue to play an important role for energy security of the country. We have noted that the background document mentions that just transitions have to be discussed in line with national objectives and we welcome such an approach.

44. The document talks about carbon pricing to promote innovation and accelerate just transitions. A common carbon price floor assumes away the diversity among countries, especially the deep wedge between the developed and developing countries and is contrary to the principle of CBDR-RC. Further, UNFCCC is the appropriate forum to discuss this matter.

45. We also feel that the level and increase in climate finance of the WBG should not result in reduction in resources for other equally important development challenges and is not desirable.

Prevention, Preparedness, and Response The WBG’s Role in Future Crises

46. We agree that long term development support to EMDEs to increase their resilience and improve responses to crises is an important role of the WBG. We are also happy to note that Crises Response is one of the important themes in the IDA 20 replenishment. We would like to emphasize that crises response should also be an important part of the strategy for MICs for the WBG and should be incorporated in all the CPFs that will be prepared by the WBG in the coming years for all client countries.

47. While we are supportive of the overall GRID strategy, we are constrained to note that over-reliance on GRID could result in losing sight of the long term development agenda of the WBG. As observed in the background paper, crises often result in huge shock to progress in human capital. We have noted with great concern the fact that more than 11 million students have dropped out of primary and
secondary schools due to the pandemic across the world. Restoring the lost gains of human capital will therefore have to be an important component of the response to the crises. Similarly routine immunization of children has suffered during the pandemic, and could result in loss of years of progress made in immunizing children in developing countries. It is therefore paramount that response to crises focus on restoring the loss in human capital and making sure that the SDG targets are not lost sight of. We would also like to reiterate that GRID strategy for client countries should be aligned with their NDCs and GRID should not be used as a tool to promote interventions outside the scope of the NDCs.

48. We compliment the WBG for the robust response to the pandemic wherein $160 billion has been committed in the over 100 countries in the period April 2020-June 2021. We are happy to note that the WBG has done commendable work in vaccine deployment with operations in over 53 countries enabling purchase of 289 million doses. We understand that the WBG has been working closely with WHO, GAVI, COVAX etc in rolling out the vaccine operations and would like to commend this work. The pandemic response has established that global partnerships would be even more important going forward while responding to crises. We look forward to the WBG’s active participation in the new global partnerships that are being discussed in G 20 and other multilateral fora to further improve its crises response operations.

49. While we are happy to note the enhanced response for IDA through advancing of the IDA 20 cycle and advance replenishments, we would encourage the WBG to show more ambition in financing MICs. MICs remain vulnerable to severe shocks from crises and we would like to encourage the WBG to use innovative financing mechanisms and Balance Sheet Optimization strategies to further support the recovery of the MICs.

SUMMING UP

In conclusion, we would like to state that the World bank Group should build on its robust COVID-19 response operations and continue to support developing countries as they emerge from the pandemic. It would be important to maintain the high level of support for the current financial year and also FY 23 to ensure that the setback caused to the development gains by the pandemic is overcome effectively and quickly.