Statement by

H.E. Nadia Fettah Alaoui
Minister of Economy and Finance
of the Kingdom of Morocco

On behalf of the Constituency of Afghanistan, Algeria, Ghana, the Islamic Republic of Iran, the Kingdom of Morocco, Pakistan, and Tunisia
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The pandemic has led to an increase in the number of persons living in extreme poverty and continues to exact a heavy human and economic toll, particularly on emerging market and developing economies, which include middle-income countries and countries in fragile and conflict-affected situations. What is most worrying is that the duration of this pandemic remains uncertain. In this context, the assistance provided by the World Bank Group (WBG) and the international community is more necessary than ever in order to build a brighter future for everyone. In this regard, we commend the Bank’s experts for drafting, in preparation for our meeting, the comprehensive and relevant papers titled “WBG Financing for Green, Resilient and Inclusive Development: Towards A Post-Pandemic Approach” and “Prevention, Preparedness, and Response: The WBG’s Role in Future Crises.”

We would also like to thank the World Bank Group for the reports providing updates on the 2020 Shareholding Review and the IDA Voting Rights Review.

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

We applaud the considerable efforts of the World Bank Group to resolve a myriad of pandemic-induced problems. We are also pleased that the WBG provided two-thirds of the financial assistance from multilateral development banks to developing countries and we call for the strengthening of these commitments in the future, given the mounting economic challenges facing these countries.

We believe that tools such as the Country Partnership Framework, (CPF), the Country Engagement Note (CEN), and the Performance and Learning Review (PLR) should play a key role in country operations. These tools in fact provide a solid framework for WBG interventions aimed at the practical application of green, resilient and inclusive development. We therefore strongly recommend tailoring the green, resilient and inclusive development approach (GRID approach) to client demand and the specific context of each country, based on proper analyses of human capital, poverty, inequality, access to energy, and climate challenges. It is also extremely important to take into account the difference between the needs of low-income countries and those of middle-income countries, which require actions suited to country specificities.

We agree that the climate issue is crucial for development. It should, however, be weighed against other key challenges. From our point of view, the twin goals of the World Bank Group and the 2030 Agenda are of paramount importance in formulating WBG interventions. To this end, we believe that the future of human capital, jobs, and food security as well as access to energy, access to digital technology, transport, and logistics also require the support of the World Bank Group.
We agree that the WBG’s experience with blended concessional financing and the recent IFC mechanisms, including the Global Health Platform and IDA’s Private Sector Window, should be leveraged to help unlock more private capital. The leading role played by our institution in setting standards for blended concessional financing can also help increase the mobilization of private capital from partner organizations.

In addition, we encourage IFC and MIGA to be bolder and more innovative in designing instruments and programs during the recovery period, which could both offset the dearth of public resources and increase WBG financing and advisory services.

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

We agree that the WBG’s role in future crises and preparedness is critical. We therefore approve the proposed framework approach for the WBG’s role in future crises.

We also appreciate the recognition that emerging market and developing economies, countries in fragile and conflict-affected situations, and small island states have limited capacity to prevent, prepare for, and respond effectively to crises. These countries are grappling with multiple development needs and, as a result, require support from the WBG through timely use of its various instruments, as well as its comparative advantages and synergies among its institutions.

While we have recognized and welcome the WBG’s impressive response to the pandemic and the economic crisis in recent months, we nevertheless believe that its impact has not yet fully materialized. In this context, the framework-approach should be explained and supported by independent assessments of the COVID-19 response and feedback from stakeholders, relating in particular to the WBG’s financing instruments and effectiveness in global and regional policy coordination, particularly for vaccines.

The WBG should also help countries and governments review their own response systems and the main weaknesses of the system beyond social safety nets, in order to more effectively help them develop appropriate prevention, preparedness, and response frameworks.

III. 2020 Shareholding Review

We reiterate our position that the 2020 shareholding review should be closed and that the next review should be conducted in 2025, as recommended in the report. We agree with the next steps and timeline, presented in the report, for technical work on shareholding. With regard to IFC, we support the technical work on the selection of the preferred option in preparation for the next shareholding review.

IV. IDA Voting Rights Review

We are pleased that the review of the IDA voting rights framework was completed ahead of the 2021 Annual Meetings, as requested by the Governors. We believe that the new framework strengthens IDA and its financial sustainability in order to promote the WBG’s twin goals and the sustainable development goals. Lastly, we call for a more effective implementation of the new framework.