



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 FIFTH MEETING
WASHINGTON, DC – APRIL 22, 2022

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April 22, 2022

Statement by

The Honourable Chrystia Freeland
Deputy Prime Minister and Minister of Finance

Canada

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

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105th Meeting of the Development Committee

**April 22, 2022
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While the COVID-19 pandemic continues to affect the lives and livelihoods of people around the world, a new threat to global security and the rules-based international order has emerged. Russia's illegal and unprovoked invasion of Ukraine is a clear violation of international law and of Ukraine's territorial integrity and sovereignty. Our constituency condemns in the strongest possible terms Russia's egregious attack on Ukraine, and stands in solidarity with the brave Ukrainians who have sought nothing but the ability to live free and peaceful lives.

On behalf of our constituency, Canada commends the World Bank Group's swift and comprehensive response to support Ukraine. The US\$945 million in financing mobilized by the Bank since the beginning of the Russian invasion has helped Ukraine to continue providing government services, social protections, and humanitarian needs, and to make critical and time-sensitive investments. However, there will be a need for continued support. This will include helping Ukraine rebuild, and addressing the emerging humanitarian crisis that has resulted in ten million people being forced to leave their homes, of whom nearly four million are now refugees. We encourage the World Bank to think creatively to address these issues, and welcome the proposal to use resources from the nineteenth replenishment of the International Development Association to support Ukraine and Moldova.

Russia's invasion of Ukraine is also causing the largest shock to the global food system since the 2008-09 Food Price Crisis. Food price inflation is having a significant impact on food security, and will most affect those living in poverty and crisis-affected settings. We encourage the Bank to continue to help build resilient food systems through support to the intensification of climate-smart agriculture, sustainable agri-food value-chains, and better food system governance.

The Bank must also not lose sight of the global COVID-19 pandemic. We acknowledge the substantial work the Bank has done on this front, including the historic US\$93 billion replenishment package of the International Development Association. Throughout the pandemic, the joint response of the International Bank for Reconstruction and Development and the International Development Association has helped to save lives in more than 100 countries. The International Finance Corporation and Multilateral Investment Guarantee Agency have also enabled the private sector to promote an inclusive and sustainable recovery.

As the COVID-19 crisis continues to disproportionately affect women, young people, racialized communities, Indigenous peoples, low-income workers, the precariously employed, and other vulnerable groups, the World Bank must work to ensure that global recovery efforts leave no one behind. We commend the Bank for committing more than US\$7.5 billion for vaccine operations across 67 countries, and urge the Bank to continue to act in close collaboration with other development partners and initiatives, particularly the World Health Organization and ACT-A.

The rise of authoritarianism and geopolitical tensions are compounding the ongoing impacts of COVID-19. These issues, alongside rising fragility and the risk of further destabilization, are undermining global peace, security, and prosperity. We commend the World Bank's commitment to engage in fragile and conflict-affected countries and to support its Fragility, Conflict, and Violence Strategy. Canada encourages further integration of gender in related interventions, such as accounting for the important role that women play in peacebuilding. Continued partnerships across the Humanitarian, Development, Peace (HDP) Nexus, such as with refugee support organizations and refugee-hosting countries, will also be important.

The Bank must also continue to address global emergencies arising from the climate crisis and the rapid decline of biodiversity. We encourage the Bank to increase its climate ambition; mobilize greater private finance; advance timelines in order to protect nature; meet global climate targets; and align its portfolio with the Paris Agreement. We also encourage the Bank to continue making ambitious investments to help member countries build resilience to climate change, particularly in Small Island Developing States, which are highly vulnerable to climate-related disasters.

Sovereign debt is increasing around the world, including in Small Island Developing States who have been disproportionately impacted by the pandemic and face climate vulnerabilities that challenge their debt sustainability. Unsustainable debt compromises macroeconomic stability and could threaten the ongoing global recovery from the pandemic. To respond to this, the G20 must follow through on its commitments and step up its efforts to implement the Common Framework in a timely, orderly, and coordinated manner. In this regard, Canada welcomes the priorities the IMF and World Bank Group have identified for strengthening the Common Framework for Debt Treatment beyond the DSSI implementation. Improving debt transparency will also be essential to addressing growing debt-related vulnerabilities. Debt transparency is the cornerstone of good debt management and we welcome all efforts by International Financial Institutions, borrowers, and creditors to foster debt transparency internationally.

Beyond these global challenges, Canada and our constituency understand what is at stake. Now, more than ever, it is important that we come together to defend the rules-based international order. We know that the people of Ukraine, in fighting for their lives and their sovereignty, are fighting for us, too. They are fighting for democracy, and we stand with them.