Statement by

H. E. Joaquim Levy
Minister of Finance
Brazil

On behalf of Brazil, Colombia, Dominican Republic, Ecuador, Haiti, Panama, Philippines, Suriname, and Trinidad and Tobago
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92nd Meeting of the Development Committee

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First of all, we would like to thank the Government of Peru for hosting this Annual meetings. This is an opportunity appreciate the impressive development results achieved by the Peruvian people in recent years.

The 2030 Development Agenda

The year of 2015 brings together the major conferences on development – the Third Conference on Financing for Development, International Conference on Sustainable Development and the COP21 – and sets the development agenda for the next 15 years.

The 2030 Agenda, together with its 17 Sustainable Development Goals, outlines the future we want and reaffirms the basic tenet of Rio+20: it is possible to grow, include, preserve and protect.

Our Leaders set an ambitious agenda and now we must implement it. Meeting the SDGs will require strong global commitment, solidarity and action.

Unfortunately, the international community strives with a different scenario and more challenging scenario from that at the turn of the millennium. Slower growth, low commodity prices, lack of jobs, rising inequality, frequent natural disasters and strong climate events add complexity and shall make it more difficult for countries to mobilize public resources to advance the development goals and meet the respective targets. The mobilization of Official Development Assistance (ODA) and Climate Finance still falls short to what is necessary.

The role of the World Bank Group and the IMF

The 2030 Agenda encompasses the social, economic and environmental dimensions of sustainable development, giving latitude for Bank’s and Fund’s action. We, therefore, expect full support and commitment by the Bank and the Fund.

The IMF has an important role to play in supporting the 2030 Agenda, helping boost economic resilience and sustain local and global economic and financial stability. The Fund, together with the Bank, can
support and build capacity of developing countries to better mobilize and manage domestic resources. Tackling issues such as illicit finance and tax evasion, shall contribute for the provision of means of the SDGs’ implementation.

The WBG should be a leader in the implementation of the 2030 Agenda, supporting and collaborating with the UN and engaging with other important actors – such as the IMF, MDBs, the private sector and civil society. The Bank shall mobilize and leverage resources at scale and act in a more innovative way.

It will be crucial for the WBG to articulate a clear strategy and initiatives for meeting the SDGs’ ambition, taking into account (i) the lessons from the Millennium Development Goals (MDGs), (ii) the Bank’s comparative advantages and (iii) countries’ realities, needs and demands. This strategy shall take advantage of the alignment between the SDGs and the new structure of the Bank. The goals, targets and indicators set by the United Nations could serve as basis for planning and evaluation, increasing synergies and impact in areas such as health, education, agriculture, jobs, etc.

Under the “Billions to Trillions” paradigm, the WBG could support countries develop capital markets, PPPs and a strong financial sector in order to promote investments at scale. Supporting financial institutions and vehicles that follow sound social and environmental standards and offer innovative financing products will contribute to the transition to a more sustainable economy. IBRD and IDA should help governments develop regulation, markets and instruments – like green Bonds and private equity – for promoting projects that are socially and environmentally sustainable.

As part of the 2030 Agenda, fighting climate change and managing risk of disasters will essential for securing social and economic development. Particularly in the case of small states and islands, the WBG can help build resilience, adapt to climate change and mitigate the impact of disasters, and also improve access to financing. Given the specific characteristics of the Caribbean, we call for dedicated consideration to needs of this region.

The WBG could play a greater role in mobilizing new and additional climate finance to support the implementation of countries’ Intended Nationally Determined Contributions (INDCs). The Bank can help facilitate an effective transition towards a low carbon economy by supporting countries to (i) use efficiently use limited budgetary resources, (ii) harmonize incentives and (iii) mainstream climate-change in public policies. IFC and MIGA can help crowd in the private sector and scale-up investments in key areas, such as renewable energy, biofuels, reforestation and sustainable agriculture, contributing to protect the world’s climate.

The implementation of the SDGs will also require adequate management of social and environmental risks. We look forward to the completion of the review and update of the Bank’s Environmental and Social Framework (ESF). The ESF should ensure proportionality and balance between costs and risk management, vis-a-vis development needs. It must provide space for greater use of borrowers’ framework, where it meets the Bank’s standards. This shall contribute to increase the efficiency of the operations and strengthen countries capacities.

**Monitoring Development**

Tracking progress shall help keep us in the right path to achieve the SDGs. The availability of data can lead to more precise analyses and strengthened decision-making. We call the WBG and the IMF to help build capacity of countries, especially national statistics agencies, to generate data with quality, coverage and frequency necessary to support the effective design, implementation and evaluation of public policies.
The Bank’s Global Monitoring Report – based on the UN’s targets, indicators and framework – can be a powerful tool for monitoring the SDGs. We welcome that the latest GMR examined the changes in global demography and how it could impact development during the next 15 years. We ask the Bank to support countries design development policies, taking into consideration issues as demographic transition and migration.

**Refugee crisis**

The displacement of millions of people, due to the proliferation of regional conflicts, poses both a humanitarian and development challenge. We call the Bank to cooperate with the UN in order to support fragile and conflict affect states, as well as developing countries disproportionally impacted by the inflows of refugees.

**Governance and Reform of WBG**

In order for the Bank to effectively deliver on the 2030 Agenda, the institution should also keep itself aligned with the transformations of the global governance and economy. With that aim, our countries decided, five years ago, to reform the governance structure of the WBG. The overarching goal of this long and inconclusive reform process was and should continue to be enhancing the voice and participation of Developing and Transition Countries (DTCs). The agreed Istanbul principles are still valid: to move towards equitable voting power and protect smallest poor countries.

We should keep our commitments, meet the proposed roadmap and adopt, by the 2016 Annual Meetings, a dynamic formula which primarily reflects countries’ evolving economic weight and the World Bank’s development mission. This should lead to a meaningful shareholding realignment, to be agreed by 2017, increasing substantively the voting power of DTCs under-represented in this institution. In this process, we should also make progress in other dimensions of voice and participation, such as diversity and inclusion.