Mr. Secretary General, Mr. President of the Islamic Development Bank, Ministers and distinguished guests: thank you all for gathering here today in support of the Middle East and North Africa region. The Secretary General and I convened this meeting because this region stands at one of the most critical points in its history, at a time marked by conflict and instability.

These conflicts have caused a devastating amount of violence and destruction, severely affecting the livelihoods of millions of people, and creating destabilizing effects at the global level. In Syria alone, preliminary damage assessments estimate the cost of the war at over $170 billion dollars. Taken together with the conflicts in Iraq, Yemen, and Libya -- as well as the turmoil caused by violent extremism in other countries -- the collective human and economic costs are overwhelming. Instability across the region has also resulted in severe economic downturns affecting various countries, threatening prospects for growth and greater shared prosperity.

In addition, over fifteen million people have fled their homes, giving rise to the largest forced displacement crisis since World War II. Countries like Lebanon and Jordan have seen a massive inflow of refugees, putting immense strain on their ability to provide basic public services to their citizens. The scale of the crisis has now become global, with migrants advancing into Europe and beyond.
We are therefore confronted with humanitarian, economic and social crises which are unprecedented and threatening the short- and long-term development of countries across the region. The international community must urgently address these crises in order to mitigate the risk of conflicts exacerbating, and to prevent instability from becoming the long-term norm.

The World Bank Group has advanced a new strategy for engagement in the Middle East and North Africa region, precisely because business as usual is no longer an option. Our new strategy will seek to promote economic and social inclusion to contribute to peace and stability in the region. It will aim to do so by addressing both the underlying causes of conflict and violence, as well as the urgent needs of people affected by those conflicts.

Our new strategy is built on four pillars:

1. Renewing the social contract between citizens and the state to address the underlying causes of violence;
2. Promoting regional cooperation to build economic interdependence and trust among countries of the region;
3. Strengthening the resilience of societies to address the influx of refugees and internally displaced persons (or IDPs); and
4. Mobilizing recovery and reconstruction efforts to rebuild societies impacted by conflict and unrest.

Our shift in strategy stems from the recognition that peace and stability are prerequisites for development, and should be regarded as global public goods. Concerted action by the international community is essential, or else violence and conflict will continue to corrode the economies, societies, and lives of millions of people.

As mentioned by the Secretary General, it is our collective responsibility to support the Middle East and North Africa region at this critical time, and this requires significant resources -- more than any one country or organization is able to provide on their own. Therefore, in order to implement the new strategy for the Middle East and North Africa, and to address the urgent need for increased financing for the region, we are working in partnership with the United Nations and the Islamic Development Bank Group -- and with you all -- to mobilize support for the region through an innovative financing initiative.
The aim of the two proposed financing mechanisms is to provide much-needed resources to countries rebuilding from the ashes of war and recovering from economic and social instability, as well as nations significantly affected by large numbers of refugees and IDPs:

- First, in support of recovery and reconstruction efforts in the Middle East and North Africa, the World Bank Group is prepared to issue bonds, backed by donor guarantees, in partnership with the Islamic Development Bank Group, which is prepared to issue Sukuk. The proceeds from these bonds and Sukuk would be used by participating international and regional financial institutions to fund recovery and reconstruction.

- Second, in support of countries impacted by large numbers of refugees and IDPs, we are proposing a concessional financing mechanism. This would blend grant resources from donors with lending from multilateral development banks in order to provide concessional-level financing to middle-income countries that are hosting refugees. These mechanisms aim to provide countries across the region with financing at the time when they need it most. Through this new financing initiative -- and with your support -- we have the opportunity to alleviate a portion of the suffering, and begin to invest in a new future for the Middle East and North Africa region. While the new World Bank Group strategy and the financing proposals may seem ambitious and risky, we must recognize that a failure to act -- or to not do enough -- is much riskier and threaten future prospects for peace and stability.

In conclusion, I would like to reiterate my thanks to all of you for gathering here today in support of the people of the Middle East and North Africa. Today, and in the months ahead, we must work together to mobilize support for the millions of children, women, and men who are victims and hostages of war, and to demonstrate our common commitment to help them survive these conflicts, and create a better life once the guns fall silent. Thank you very much.