Statement by

The Honourable Joe Oliver
Minister of Finance
Canada

on behalf of Antigua and Barbuda, The Bahamas, Barbados, Belize, Canada, Dominica, Grenada, Guyana, Ireland, Jamaica, St. Kitts and Nevis, St. Lucia and St. Vincent and the Grenadines
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89th Meeting of the Development Committee

April 12, 2014
Washington, D.C.

As Canada’s new Minister of Finance and Governor to the World Bank Group, I am honoured to represent this constituency at the Development Committee of the Boards of Governors of the World Bank and International Monetary Fund.

Significant progress in developing countries’ economic growth and poverty reduction has been made over the last two decades. The percentage of people living in extreme poverty in 2013 is less than half of what it was in 1990. We should all celebrate this historic achievement. Yet, 1 billion people still live in extreme poverty and benefits of global growth are not evenly shared.

Since last fall, the global recovery has progressed but remains weak. Despite strengthening in some advanced economies, the pace of activity in some key emerging market economies has weakened. Moreover, recent geopolitical risks have risen, which has created additional uncertainty. Taken together, the recovery is fragile and unemployment rates remain too high in many countries. In this context, ambitious and collective actions are needed, supported through the Group of 20 (G-20), the International Monetary and Financial Committee and the Development Committee, to secure strong, inclusive and sustainable growth and prevent the global economy from settling into a weak growth trajectory.

The World Bank Group has an instrumental role to play in helping developing countries manage the post-crisis transition and in maintaining the recent momentum in poverty reduction. Over the last year, it has undertaken a number of internal reforms to better position itself to respond to the evolving and uncertain external environment. On behalf of our constituency, I want to commend the World Bank Group for moving forward with ambitious reforms and for continuously striving to improve its policies and operations so we can meet the overarching goals of eradicating extreme poverty and promoting shared prosperity. More specifically, I would like to take this opportunity to signal our constituency’s support for the Bank’s work in five key areas.

Maternal and Child Health

In recent years, remarkable results have been achieved in the global effort to improve maternal, newborn and child health. The World Bank Group has played an important role through its work with developing countries in the health sector and other sectors which have an impact on women’s and children’s health.

But even with this progress, much work remains. The reality is that the global targets for two key Millennium Development Goals—reducing child mortality and improving maternal health—are unlikely to be met. Progress has been slowest in most parts of sub-Saharan Africa and almost non-existent in many
conflict-affected states. At the same time, our understanding of the issues has evolved, highlighting new challenges that need further attention if the results obtained to date are to be sustained.

All members of the global community—donors, non-governmental organizations, the private sector and developing countries themselves—will need to redouble their efforts to accelerate progress on women’s and children’s health. But success will not be achieved solely with more funding and more initiatives; we must also work better, smarter and more collaboratively if we are to reach every woman and every child.

I therefore encourage the World Bank Group to deploy its “science of delivery” approach to helping countries build and strengthen institutions and systems in the health sector and other areas which impact women’s and children’s health.

Going forward, our constituency will continue to work with the World Bank Group, and other international partners, to ensure that maternal, newborn and child health remains a core part of the post-2015 global development agenda. In this regard, Canadian Prime Minister Stephen Harper will host a high-level Summit on Maternal, Newborn and Child Health on May 28-30, to mobilize leaders and health experts around the next phase of efforts on maternal, newborn and child health.

**Long-Term Financing for Infrastructure and Private Sector for Development**

Unlocking long-term financing for infrastructure is critical to achieving development goals. The undersupply of infrastructure in developing economies has been estimated at around US$1 trillion per year through 2020. To overcome existing constraints to financing infrastructure in client countries, it is essential that the World Bank Group focuses on finding ways to improve underlying investment conditions, including through advancing regulatory reform, protecting standards through the implementation of safeguards, and offering technical expertise. The World Bank Group can also play an important upstream role in helping to develop a stronger pipeline of bankable projects. Our constituency encourages the Group to use all the tools at its disposal and its convening power to mobilize resources and stakeholders in support of sustainable infrastructure investments. We believe the Bank can be an important complement to work already underway, particularly within the G-20, to promote greater private sector participation and facilitate investment in infrastructure.

The World Bank Group has the potential to play a greater role in responsible resource development, and harnessing the extractive sector as an engine for sustainable development. In partnership with the G-7, the G-20, other donors, international financial institutions and multilateral organizations, the World Bank can also play a key coordinating role in ensuring efficient support to countries looking to leverage their own natural resources towards poverty reduction.

**Agriculture and Nutrition**

The World Bank Group will have an important role to play in the development of climate-smart agriculture, and approaches to help partner countries achieve the “triple win” of increasing productivity and incomes, improving nutrition and reducing climate impacts.

Agriculture and food systems also play a central role in achieving the goals of the Scaling Up Nutrition (SUN) movement by ensuring the availability and accessibility of diverse and sustainable diets. As part of this agenda, both Canada and Ireland attended the SUN donors meeting on the margins of the Spring Meetings while also co-hosting a high-level seminar looking at the lessons from past approaches to nutrition sensitive agriculture, while identifying how these lessons should help guide and inform this critical agenda going forward.
Meeting the Needs of Small States

Our constituency welcomes the continued commitment of the World Bank Group to small states and looks forward to translating this into meaningful, transformative changes for the Caribbean countries in our constituency.

The Caribbean economies have been struggling in the face of spillovers from the prolonged and uneven global recovery and growth has remained slow since our meeting last fall. Hence, more needs to be done to speed up the recovery. In this regard, we call for enhanced support from the World Bank Group to ensure macroeconomic and financial stability, and the strengthening of private sector growth. Building public-private sector partnerships in key growth areas such as infrastructure and energy will translate into new jobs, reduce poverty and ensure shared prosperity.

In addition, as increased vulnerability to climate events remains a reality for small countries, our constituency looks to the World Bank Group to find creative ways of responding and supporting the necessary resilience in small states.

Strengthening the Bank’s Financial Capacity

The need for solid financial stewardship is essential to a strong World Bank Group. In this vein, our constituency welcomes the measures recently brought forward by the management to augment the World Bank Group’s financial capacity. We understand that the Bank is currently assessing the potential benefits of further financial innovations, including exposure swaps among multilateral development banks and a proposed Global Infrastructure Facility. We encourage the World Bank Group to continue to find ways to play a catalytic role in financing development priorities. Our constituency sees these initiatives as positive for the World Bank Group as a whole and hopes it will encourage other international financial institutions to look at how they can better utilize their existing resources and strengthen their capacity to deliver development assistance.

Looking Ahead

Given the current challenges Ukraine is facing, our constituency is supportive of the World Bank Group’s readiness to provide $3 billion in aid in 2014 to support the people of Ukraine during the difficult transition. Over the next months, it will be essential for the Group to work closely with other international financial institutions to ensure support can be delivered efficiently, effectively and in a coordinated manner.

I would also like to highlight that both our borrowing and non-borrowing constituents are pleased with the outcome of the 17th replenishment of the International Development Association (IDA). Contributors have recognized that IDA17 was a unique replenishment given the importance of transitional support for India. This constituency’s continued strong support to IDA is underscored by the fact that Canada’s contribution of $1.4 billion maintains its rank as the sixth largest contributor to IDA and that Ireland maintained its contribution to IDA17 at the same level as IDA16 despite significant austerity measures at home. Our constituency believes that IDA is now at an important crossroads, and we look forward to having further discussions on the long-term vision for IDA over the coming years.

In closing, on behalf of our constituency, I would like to thank President Kim for his vision and leadership in steering the World Bank Group and in particular the change process. His work has contributed to establishing a solid foundation for the World Bank Group going forward, and our constituency remains committed to supporting this transformation.