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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On behalf of Canada, Ireland and the Caribbean countries that comprise our constituency, I would like to express our appreciation and support for the leadership of the World Bank Group over the past year, particularly as it has responded to a number of urgent crises.

The world is facing an increasingly complex array of social, economic and political challenges. The global economic recovery continues to underperform, growth in major emerging economies is slowing and unemployment remains unacceptably high. Global policy makers must take actions to boost job creation, ensure sustainable public finances, and make their economies stronger and more resilient. In order to meet its twin goals of ending extreme poverty and boosting shared prosperity, the World Bank Group has an important role to play in these efforts by helping developing member countries to achieve stronger, more sustainable and more inclusive growth.

As the Development Committee representative for a large and diverse constituency, I believe that it is important to focus and balance many legitimate development priorities. In this respect, I would like to take the opportunity to commend the World Bank Group on the recent launch of the innovative Global Financing Facility, which builds on Prime Minister Harper’s leadership in maternal, newborn and child health. The Facility will provide the critical financial infrastructure to mobilize support for developing countries’ plans to accelerate progress on the health-related Millennium Development Goals and bring an end to preventable maternal and child deaths by 2030. The Facility will also establish a multi-donor platform to help developing countries build and strengthen their civil registration and vital statistics systems. Canada is pleased to be an anchor donor to this initiative.

I will now proceed by raising three areas that our constituency also considers as priorities for the Bank over the coming year. These are areas in which the Bank is already hard at work, and in which our constituency intends to continue to provide support.

Responding Effectively to Crises

Recognizing the impact of pandemic disease, geopolitical tensions and economic uncertainty on poverty, the World Bank Group has continued to demonstrate its ability to respond quickly to a number of critical situations over the past year, putting in place a range of projects and programs to help moderate the impacts of crises on the world’s most vulnerable people.

Most notably, our constituency is highly appreciative of the World Bank Group’s leadership in responding to the Ebola crisis. Both the human cost of the Ebola outbreak and the potentially serious
impacts on growth and stability in the affected countries are of serious concern to the global community. There is also a risk that the crisis will have a chilling effect on investment, commerce and growth in other areas of Africa, exacerbating the economic impact across the continent. I encourage the World Bank Group to continue to mobilize financing and to coordinate its interventions closely with other international and country partners.

The World Bank has played a major role as part of the coordinated international response to the Ukraine crisis, where the Russian-backed insurgency has intensified economic and financial uncertainties which began in 2014. As the Bank moves forward with the implementation of a number of projects in Ukraine, it is crucial to ensure continued attention to careful planning and appropriate risk analysis. In light of the challenges facing Ukraine, the Bank must continue to deliver high quality lending and advisory services while carefully monitoring its programs. Conversely, as long as Russia undermines Ukraine’s sovereignty, territorial integrity and independence, Canada will continue to be seriously concerned about any World Bank Group involvement with Russia.

Addressing Enduring and Complex Development Challenges

More than six years have passed since the global economic crisis, and many of the Caribbean countries in our constituency are still struggling through the slow recovery. While some countries are showing signs of progress, much work remains. The ongoing problem of low and sluggish growth remains a concern and must be aggressively addressed by building stronger partnerships with the private sector. Governments alone cannot be the main drivers of growth, especially in the current environment where high deficit and debt levels remain a constraint. Going forward, our constituency will continue to underscore the importance of adapting the Bank’s existing operations to effectively meet the needs of small states, and we look to the World Bank Group for help in crafting a strategy which can become the model for engagement with small states.

While some development challenges are geographically bounded, others—such as the infrastructure gap—span borders. Investment in infrastructure is essential to lifting long-term growth and reaching the World Bank Group’s twin goals. In this context, our constituency welcomes the launch of the Global Infrastructure Facility, a new platform developed by the World Bank Group to foster a collaborative approach among public and private sector players in order to lift the quality of infrastructure investment in emerging markets and developing economies. In particular, I am pleased to note that Canada signed a Collaboration Agreement with the Global Infrastructure Facility team earlier this week. Our constituency looks forward to working with the Bank to further shape the Global Infrastructure Facility. Key success factors will be its ability to work with developing countries to introduce reforms to improve the investment environment and collaborate with other stakeholders to attract institutional investors.

About 805 million men, women and children around the world face chronic hunger. Lack of access to sufficient, safe and nutritious food is one of the major obstacles to reducing poverty in developing countries. Ireland has brought real leadership to developing a stand-alone goal on ending hunger, ensuring food and nutrition security for all, and building sustainable agriculture systems. Moving forward, both Ireland and Canada will also continue to advance attention to the important connections between nutrition, food security and climate resilience, evident in the increasingly important climate smart agriculture agenda. Working as One World Bank Group will be of paramount importance in identifying innovative and responsive solutions for countries seeking to address food insecurity and malnutrition.

Promoting Development Effectiveness Through Internal Reforms

The World Bank Group has undertaken significant internal reforms over the past year, with the goal of better helping countries achieve their poverty reduction and shared prosperity ambitions. On behalf of our
constituency, I would like to thank President Kim for his leadership during this intense period of internal changes. While the work is not yet over, the World Bank Group staff can be proud of what has been accomplished to date, and our constituency stands ready to work with the Bank on refining the many pieces of the Bank’s change agenda.

In addition, our constituency is eager to engage over the coming months in the multi-phased process to update the World Bank environmental and social safeguard policies. In this area, we will continue to work with the World Bank to ensure respect for human rights and governance principles are reflected in and effectively implemented through the Bank’s safeguards. Non-discrimination, equality, empowerment, participation, transparency and accountability are among the key principles to be addressed. We also encourage stakeholders from across Canada, Ireland and the Caribbean to actively engage directly in the external consultation process being managed by the World Bank Group, and to contribute their ideas and perspectives regarding the safeguards.

In 2014, the World Bank Group approved a number of measures to strengthen the Bank’s financial sustainability framework. Our constituency applauded the Bank’s leadership in this area and has since then encouraged regional development banks to follow the World Bank Group’s financial stewardship. We continue to believe that altogether, multilateral development banks can further optimize their balance sheets. With regards to the World Bank Group, our constituency also looks forward to the full results of the expenditure review and will press the Bank to pursue further financial innovations that can play a catalytic role in financing development priorities.

Looking Ahead

Before closing, I would like to say a few words on a global process that demands all of our attention in the development community. As the world moves towards finalizing a post-2015 development agenda at the United Nations next year, our constituency is advocating, among other things, for robust targets and indicators related to improving the investment climate, business growth, productivity, competitiveness and skills development. We look to the World Bank Group as a key partner in advocating for these priorities, and in contributing to their achievement, once defined by the global community.

Finally, I would like to note that our constituency has just re-elected Alister Smith as Executive Director. In the last year, he has rapidly earned respect within the Bank and the capitals that he represents. I look forward to continuing to work with Mr. Smith over the duration of his next term, and I trust he will be a constructive voice in supporting the World Bank Group’s ambitious agenda.