This year the Annual Meetings come as we are setting the course for our collective efforts to eliminate extreme poverty and foster inclusive growth. World Bank President Kim has put forward a bold vision, recognizing the importance of transforming the Bank so it can contribute more effectively to the fight against poverty. The United States reaffirms its commitment to partnering with the World Bank and other shareholders to achieve our shared goals. To reach our goals we must continue to prioritize engagement with the world’s poorest countries including fragile and conflict affected states. We are working closely with other shareholders to negotiate a strong replenishment of the International Development Association (IDA-17), the single biggest source of development finance for low-income countries. While the path to eliminating extreme poverty and fostering greater equality will differ from country to country, several areas will deserve special focus and attention.

Power Africa

Africa is emerging as a pole of global growth, but without access to reliable electricity, this growth will be constrained. Working with African governments, the World Bank, the African Development Bank, and private sector investors, President Obama has set out the ambitious objective of connecting up to 20 million new households and businesses and increasing power production capacity by 10,000 megawatts over the next five years. Together, we can help countries in Africa improve their regulatory and investment frameworks to mobilize private resources, thereby attracting needed investments in generation, transmission and distribution. By spurring investments in clean power and renewable resources, we can help facilitate sustainable economic growth, which is good for Africa and the global economy.

Food Security

With 75 percent of the world’s poor still living in rural areas, we must continue our focus on agriculture, nutrition, and food security if we are to reach our goal of ending extreme poverty. The World Bank has led the way in scaling up support through collaborative efforts like the Global Agriculture and Food
Security Program (GAFSP) which brings together a broad coalition of donor and client countries, civil society, the private sector and multilateral institutions in an innovative model of collaboration. GAFSP has awarded nearly $1 billion to 25 countries, reaching more than 10 million smallholder farmers and their families. We encourage new and existing partners to come forward with additional financial support for GAFSP.

Gender

Gender equality is not only a moral imperative, but an economic one. As the World Bank’s own impressive analytical work has repeatedly shown, competitiveness, economic development and women’s empowerment are closely intertwined. Yet the World Bank can do so much more to meaningfully address gender-specific constraints and opportunities in its operations and to track disparate impacts. We reiterate our call for the World Bank to develop a new gender index that regularly assesses countries on how well their laws and institutions perform on promoting the productive potential of women and girls.

Climate Change

The development gains of the last several decades are increasingly at risk due to the impacts of climate change, particularly as many of the poorest countries in the world are vulnerable to rising sea levels and increases in average temperature. President Obama articulated our commitment to addressing this challenge at home and abroad in his Climate Action Plan (CAP) earlier this year including a call to limit global public financing of coal plants. We welcome the World Bank’s leadership in helping countries find a low-carbon growth path, as highlighted in its new Energy Strategy, including the decision to end financial support for greenfield coal power generation projects except in the rarest of circumstances. We urge other development institutions to mirror the World Bank’s policy in this regard. We encourage the World Bank to scale up its efforts on climate change including through sustained policy engagement with countries on reforms such as reducing fossil fuel subsidies. The Climate Investment Funds and Global Environmental Facility are important tools in advancing the climate change agenda and the development of the Green Climate Fund (GCF) has the potential to be an important complement to this effort.

Reform Agenda at the World Bank

Addressing these development challenges will require a reformed World Bank that can respond nimbly to the needs of its diverse members, while maintaining high fiduciary, social, and environmental standards. Given the depth and breadth of the proposed reforms, proper sequencing of reforms, a focus on execution, systematic tracking of key metrics, and continued outreach will be necessary.

The World Bank must also deepen its efforts on critical cross-cutting issues such as gender equality, climate change, and fragile states. Advancing these agendas will require sustained senior leadership backed by adequate financial resources and personnel, as well as appropriate incentives.

We applaud the World Bank’s commitment to increase citizen engagement in its programming. Elevating the voices of citizens will strengthen the World Bank’s critical ongoing efforts to promote good governance, transparency, and accountability.

We welcome the World Bank’s greater focus on the private sector, as it is these investments that will drive future transformations, spurring growth and job creation. We appreciate the International Finance Corporation’s important role in mobilizing the private sector, working alongside the World Bank to promote country-owned reforms that create a better investment environment.
We support work force reforms to provide the right mix of incentives, flexibility, and accountability to motivate innovation and exceptional performance on behalf of clients. We also urge the World Bank to prioritize diversity in its work force and make stronger efforts towards meeting its diversity and inclusion goals.

Building on its recent capital increase, the World Bank must maximize the impact of its existing resources in the implementation of its new strategy. We support ongoing analysis and work to optimize the World Bank’s use of its existing financial resources and look forward to further discussion of these issues. Due consideration should be given to achieving cost efficiencies within the administrative budget, strengthening the revenue base, and leveraging the existing capital base.

We again welcome President Kim’s efforts to reposition the World Bank so that it maintains its position as the world’s preeminent development institution with a greater emphasis on learning and results. We look forward to working with President Kim, the World Bank’s shareholders and other stakeholders to achieve our shared goals.