Statement by
Minister Gerd Müller
Federal Minister for Economic Cooperation and Development
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The challenges of our time are greater and more disruptive than ever before: climate change, inequality, poverty, crises and conflicts. These are no longer local challenges – they transcend borders and affect the entire world. These challenges can only be met through intensified international cooperation.

It is in these times that our common multilateral institutions demonstrate their competence. The World Bank Group, the world's largest provider of financing for development, has a special responsibility in this regard. Its financial capacity and its wealth of knowledge and experience mean that it is an "innovation factory" and a leader in the effort to achieve sustainable development. We should further enhance that leadership role. To that end, we developed and adopted a roadmap over the last two years for a better and bigger Bank. We are committed to that roadmap and will do our part to implement it. I welcome the progress made so far on voice reform and on the Forward Look. They provide a good basis for a set of measures to strengthen the Bank's financial capacity. We should further prepare these measures in the run-up to the Annual Meeting this fall.

The World Bank's effectiveness and financial capacity, but also its legitimacy, are based on a strong consensus among its member countries. The successful IDA18 replenishment, which brought a record 75 billion US dollars and doubled resources for fragile and conflict-affected countries, was a milestone in the effort to strengthen the World Bank.

International cooperation has to become more efficient, and our efforts have to generate more synergy. We need a new way of working, as was demanded at the World Humanitarian Summit in Istanbul. The hunger crisis in a number of African countries is a stark reminder that business as usual is no longer an option.

Working in unison with the UN, the World Bank has taken the lead in coordinating multilateral aid in this hunger crisis, making available 1.6 billion US dollars in record time. The World Bank Group is also tackling other challenges proactively: as required by the Forward Look, it has enhanced its existing instruments and created new instruments. Outstanding examples include the Pandemic Emergency Financing Facility, with which quicker responses than in the Ebola crisis will be possible in the future, and the Global Concessional Financing Facility.

We have to enable the World Bank to further enhance these innovations if we want to live up to our commitments to provide quick and effective assistance and facilitate sustainable development. A better Bank means, among other things, a stronger focus on global goods, especially with regard to the implementation of the Paris climate agreement. In these times, we will only be able to reach our goals – poverty reduction and the promotion of shared prosperity – on a sustained basis if we take account of the limits of the planet and of climate change mitigation and adaptation. There is a need for the World Bank to
make headway, together with other multilateral development banks, on support for developing countries with regard to their nationally determined contributions and on its own contributions toward implementing the Paris Agreement, so as to achieve climate-smart development. The Bank needs to invest not only in climate change mitigation and adaptation but also in other global public goods: crisis and conflict prevention, prevention of epidemics, and knowledge. We would like to see the Bank significantly broaden its work in these areas. To that end, it needs to strengthen its know-how and its financial resources and be willing to adapt its business model, for example by making the global public goods agenda an integral part of country programs and further enhancing its architecture for crisis response and, in particular, crisis prevention.

Africa is particularly important to us. Africa is a continent of opportunity, even if it is often perceived to be only a source of crisis and refugee flows. We must add a new dimension to our cooperation with Africa. The Cornerstones for a Marshall Plan with Africa which I proposed represent an integrated overall approach and a basis for discussion. One focus is the mobilization of private investment by using ODA as a catalyst, and the improvement of the investment environment on the ground. As part of our G20 partnership, we are working, among other things, to give targeted support to reform champions in Africa. To that end, investment partnerships are to be concluded between international organizations, African countries and G20 partners. The creation of new jobs for young people is of special importance. This requires, in particular, investments in training, agriculture and infrastructure in rural areas. The World Bank is a key player in this regard. The Bank is also very influential when it comes to setting standards and simultaneously working for compliance with – and dissemination of – minimum social and environmental standards.

We have an ambitious reform agenda ahead of us. But a strong, innovative World Bank is well positioned to lead the way in financing and implementing these goals. In that context, we also welcome the Bank's internal reform efforts, including its work to increase gender diversity (including in the Executive Board), which has our express support.