

Remarks by World Bank Group President David Malpass to the G20 Leaders' Summit – Session I: Global Economy and Health

October 30, 2021

Thank you, Prime Minister Draghi.

The developing world faces multiple severe problems. The pandemic and the scarcity of COVID-19 vaccines are the most immediate. In addition, the recovery is being undercut by inflation, energy shortages, and the breakdown of the supply chain.

The multiple problems are causing devastating reversals in development. Poverty rates are rising, and literacy rates have dropped due to school closures. Progress on gender equality and education of girls have also reversed. Fragility and insecurity have become more common in dozens of countries, including in Sudan.

The World Bank Group has mobilized the largest and fastest crisis response in our history. Thank you all for your encouragement and strong support. Much more will be needed by all of us in terms of resources, energy, and actions.

COVID-19 vaccines are the highest priority and the most achievable. Our Multilateral Leaders Task Force – WHO, WTO, IMF, and the World Bank – is working well together. Following our meeting last night, [we issued a joint statement](#) urging G20 members to fulfill all donation pledges in ways that deliver vaccines to arms. We noted that many pledges still do not specify a timeframe for delivery or even the type of vaccine that the donor expects to send. It's vital for countries with high vaccination rates to swap their near-term delivery schedules, particularly those in November and December, with low-income countries. The World Bank is standing by and will actively finance these vaccines and their deployment.

Progress on debt has stalled. Debt for low-income countries rose 12% during the pandemic. This leaves no fiscal space for vaccines, education, safety nets, or climate. I urge you to explicitly accelerate the implementation of the Common Framework, request transparency and reconciliation of debt, and require the participation of private creditors. I join Kristalina in urging a debt payment standstill in the context of strengthening the Common Framework. Looking forward, steps need to be taken to balance the legal relationship between creditors and sovereign debtors. The current relationship heavily favors creditors, disadvantaging people in low-income countries.

Climate impacts and costs hit the poor the most. I've strongly advocated climate actions that integrate climate and development. We can't approach the climate problem in a way that punishes the poor. The World Bank is spending more than ever on climate. The core of our Climate Change Action Plan is to bring multiple funding sources to bear on priority projects that will reduce greenhouse gas emissions and improve adaptation.

Let me conclude by urging all of you to support IDA. Concessional finance and grants are critical for the poorest countries. IDA provides 4 to 1 leverage for your contributions.

It has been a main source of funding and preparedness for vulnerable countries and explicitly supports health, education, nutrition, and climate adaptation. We count on your support for an ambitious IDA20 replenishment in December as we tackle all these challenges together.

Thank you, Chair.