

Headline: US nominee to head World Bank, Ajay Banga, to visit China, other countries

Byline: Reuters

Published Date: 09:48 AM March 03, 2023

Section: business

Word Count: 2691

Content:

WASHINGTON -U.S. President Joe Biden's nominee to lead the World Bank, ex-Mastercard chief executive officer Ajay Banga, said he plans to travel to Europe, Asia, Africa and potentially Latin America in coming weeks to hear from donor countries and borrowers on challenges facing the global institution.

Speaking with reporters at the U.S. Treasury Department, Banga said he believes the scientific evidence on climate change, and underscored the need for the bank to continue to work on poverty reduction and inequality, while also tackling the "intertwined" challenges posed by climate change.

"You cannot have economic prosperity without caring about nature, pandemics, fragility, food availability – this is our new world," Banga said. "You need to understand that the challenges are multiplied and are multipolar."

Biden last week nominated Banga, to head the World Bank, betting the India-born executive's ties to the private sector and decades of experience in emerging markets will bring fresh momentum to a U.S.-led push to overhaul the 77-year-old institution to better address climate change.

Banga, 63, would replace outgoing president David Malpass, who announced his resignation last month after months of controversy sparked by his initial refusal to say if he accepted the scientific consensus on climate change, and escalating pressure by Treasury Secretary Janet Yellen for him to adopt "bolder and more imaginative" reforms at the bank.

Banga, who oversaw the expansion of Mastercard's market capitalization to \$360 billion from \$20 billion during his 12-year tenure there, said he had already gotten support from India, Ghana and Kenya, but hoped to visit as many countries around the world "as logistically possible" over the next three weeks to understand their priorities and concerns.

Barring any last-minute challenges, Biden's nomination of Banga, now a U.S. citizen, all but assures he will assume a job that oversees billions of dollars of funding to help developing countries. The United States, the lender's dominant shareholder, has chosen every World Bank president since the founding of the institution at the end of World War Two.

Asked about a U.S.-led push to stretch the bank's balance sheet and boost its lending capacity, Banga said the bank must "do all it can" to work through recommendations prepared for the Group of 20 major economies by an independent commission last year, while still protecting the bank's AAA credit rating.

READ: Biden nominates former Mastercard CEO Ajay Banga to head World Bank

Subscribe to our daily newsletter

By providing an email address. I agree to the Terms of Use and acknowledge that I have read the Privacy Policy.