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Remarks by World Bank Group President Ajay Banga at the Lowy Institute in Sydney, Australia

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As Prepared for Delivery

Thank you for the kind introduction.

For me, this moment marks the culmination of a journey that began over a year ago –when I first started at the World Bank and promised to visit every region where we operate.

It's a journey that has taken me across the globe, from Latin America to Africa, Asia, the Middle East, and now to the Pacific. This tour was about much more than just visiting countries; it was about listening, learning, and reimagining how the World Bank can serve a world in profound need of change.

Our mission was to write a new playbook for the World Bank Group—one that is fit for today's challenges and the uncertainties of tomorrow.

But our work has only just begun.

Last week's visit to the Pacific Islands—the first of many I'm sure—is critical to that effort. It is a region on the frontlines of many of the crises we are working to address. A region that may seem remote – but with experiences and struggles and ambitions – that are close to home for many.

At the World Bank, we see these global challenges as intertwined – climate change, inequality, and fragility. We understand that the challenges of the Pacific Islands are a microcosm of forces playing out around the globe.

Between my first trip to Peru on to this final visit to Tuvalu, I have visited 27 countries on six continents, and met with leaders of developed and developing economies alike. I was able to speak with civil society stakeholders, business leaders, experts in climate, development, and finance. Most importantly I had the privilege to see first-hand how people are benefiting from the work of the World Bank.

Each stop has reaffirmed several truths.

Though aspirations of people around the world are universal, we live in a world of greater polarization and extremes. While countries are facing a shared set of intertwined challenges they are experiencing them differently. And though countries appreciate the work the World Bank has contributed to their development goals, they need more and require us to be faster, simpler, and more impact oriented.

Over the past year, we have advanced a set of reforms – many informed by the G20 Expert Group – aimed at making the World Bank Group better, bigger, and more effective. Pulling from the exceptional people across this institution to deliver quality assistance in all its forms—knowledge, capacity building, policy dialogue, and finance—targeting the World Bank’s mission, operational model (speed and simplicity), and financing capacity.

We are advancing this evolution at the fastest pace we can. Already:

We’ve expanded our mission and vision: To create a world free of poverty on a livable planet.

Shortened our project-approval process by three months, and we aim to shorten it by many more.

Integrated operations as “One World Bank” in 20 pilot countries to remove bureaucracy, break down silos, free up client capacity, and approach challenges collectively.

Found new ways to stretch our existing balance sheet further, leading to \$120 billion of additional lending over the next 10 years.

Overhauled our Knowledge Bank structure – anchored in five verticals – people, planet, prosperity, infrastructure, and digital. Each with clearly defined expertise. Bringing knowledge experts to the forefront of our country driven model – and Country Partnership Frameworks. Creating bankable projects and implementing them. And providing capacity to client governments when needed – a change that is welcomed by Pacific leaders.

We've worked to rebuild a focused corporate scorecard – moving from 150 items to 22 – driving the institution toward impact. In doing so, we also give shareholders, clients, and taxpayers – the ability to clearly see the impact we are delivering.

As a direct result of these reforms, the World Bank Group is on a path to deliver greater scale and greater impact. Manifesting as an ability to take on bigger, more ambitious projects, work seamlessly across the institution, and better aid countries in their development journeys.

Some of you may have seen the early signs of this ambition.

We've committed to deploy 45% of World Bank Group funds toward climate, with half of development finance for mitigation and half for adaptation, by 2025. In the Pacific region 97 percent of our climate financing goes to adaptation.

We've set a target to provide quality, affordable health care to 1.5 billion people by 2030. Part of this work was on display in Fiji where the World Bank is expanding access through medical facilities, telehealth, and community health workers.

We're executing an action plan to bring cleaner, stable, and affordable energy to 300 million Africans by 2030—250 million from the Bank and 50 million from the African Development Bank. And expanding social protection programs – with partners – to alleviate hunger for half a billion people by 2030 – aiming for half of these beneficiaries to be women.

We are excited about what we can deliver with these changes in place. But we are clear-eyed about the scale of our challenges.

This is why we are working to secure a significant replenishment of International Development Association – IDA – which as the Lowy Institute stated plainly in a paper last week – is critical for the development and stability of the Pacific Islands.

Many shareholders – like Australia – are making hard budget decisions and tradeoffs over the next few months. During this time, I hope they will keep in mind that the magic of IDA is not only the lifeline it offers to these countries, but its unique capacity to multiply every donor dollar four times. It's the best deal in development.

We know that the World Bank alone won't be enough to provide the trillions required annually for climate, fragility, education, hunger alleviation, health care, and inequality.

Or produce jobs fast enough to absorb the 1.2 billion young people in emerging markets who will become working age adults over the next 10 years. This generation is facing a job market that is projected to only offer spots for 420 million of them, leaving nearly 800 million without a clear path to prosperity.

That is why we need all shoulders at the wheel – governments, philanthropies, and multilateral development banks working together.

But to close the financing and jobs gap, we also need the private sector. We require their ingenuity, speed, and resources to create the demand for investment by generating bankable projects.

That is why we recruited 15 leading CEOs – including Shemara at Macquarie, Noel at HSBC, Hironori at Mitsubishi, Chandra at Tata, and Dilhan at Temasek – to help us find solutions to dramatically increase private sector investing in renewable energy in emerging markets and began implementing their feedback.

We've also launched a dedicated initiative aimed at generating jobs led by Presidents Tharman of Singapore and Michelle Bachelet of Chile. They will lead a group of business leaders, civil society, and academics – who will meet for the first time at our Annual Meetings in October – in the design of strategy to create jobs for young people focused on energy, infrastructure, agribusiness, health, and tourism.

For us, this is just the beginning. We have additional reforms underway and greater ambition on the horizon.

Ultimately, the World Bank is an instrument that reflects the ambition of those on whose generosity it relies, and the progress we aspire to achieve demands more.

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