



ANNUAL MEETINGS  
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October 13, 2023

Opening Address by the Chairman of the Boards of Governors,  
the Hon. **SERGII MARCHENKO**,  
Governor of the World Bank and the IMF for **UKRAINE**  
at the Joint Annual Discussion

**2023 Annual Meetings**  
**Address by the Chairman of the Boards of Governors**  
**Honorable Sergii Marchenko,**  
**Minister of Finance of Ukraine**

It is a great honor and pleasure to welcome you all to the 2023 Annual Meetings Plenary of the Boards of Governors of the World Bank and the International Monetary Fund. I would like to begin by expressing our condolences to the victims of last month's earthquake and our collective solidarity with the Moroccan people. I would also like to pay tribute to the response of the Moroccan authorities and convey our gratitude to His Majesty King Mohammed VI of Morocco. Let me also express our sympathy to the people and authorities in Libya, who continue to suffer from the devastating impacts of storm Daniel as well as those in Afghanistan suffering from the impact of the recent earthquake.

**Backdrop**

When our members face a crisis, the World Bank and the IMF are at their side. They are there in solidarity, with knowledge and finance to bring to the table. They are as an old friend and as economists, as project managers, as advisors, ready to roll up their sleeves and get to work. It is at moments like these that it is plain to see why the world needs the World Bank and the IMF.

The challenges facing our membership continue to intensify. Growth is below the historical average. Inflation, while declining in some parts of the world, still remains stubbornly high. Climate shocks and geo-fragmentation threaten to create more food and energy price spikes and complicate the flow of commodities across borders. More

than half of low-income countries and some middle-income countries are in or are at high risk of debt distress, medium-term growth is forecast to be at its lowest pace in decades. Policymakers have little room for maneuver.

### **Conflict and food security**

Of all of the global challenges facing our membership, there is none greater than countering the destructive force of war. None greater than repairing the trail of devastation, of human tragedy and disruption to economies across the world. Violent conflict has spiked dramatically since 2010, doubling in the past decade, with setbacks to stability in regions across the world.

Poverty reduction efforts are derailed by fragility, conflict and violence. Gender based violence increases during war, making it critical to protect women and girls. War cuts across all of our development objectives. Conflict drives populations from their homes and livelihoods.

Thanks to the strong partnerships with the World Bank and the IMF, as well as other generous donors, countries facing fragile situations are better able to provide basic services and avoid further economic downturn.

The people we most need to reach are growing in numbers. Nearly a third of the world's population did not have regular access to food last year. Severe food insecurity is twice as prevalent in FCV countries than non-FCV countries. Nonetheless, countries such as my own are resilient. For Ukraine, war today is a matter of life and death as we suffer from Russia's invasion. Thanks to timely support from the World Bank and the IMF, we have been able to stabilize our economy and provide critical basic services to our citizens. We have also been able to play a central role in maintaining food supplies by

ensuring that ships carrying much needed grain continue to sail from our Black Sea ports. This helps to constrain price rises and provides significant support to food security across the world.

### **Adapting to the future**

Other challenges are evolving and transcend borders. Climate change, the energy transition, and digitization - these words were not yet in the dictionary when the Bretton Woods Institutions were founded. New challenges require new tools, such as the IMF's Resilience and Sustainability Facility, which was introduced to help countries build resilience, including against climate shocks. Demand has been strong, and Morocco has just benefited from this facility. The Evolution Roadmap is painting a picture of what a bigger, better and more effective World Bank will look like. The strengthening of collaboration between the World Bank and the IMF, particularly on climate change, is to be welcomed.

### **Debt**

Then there is the debt burden, which remains elevated in emerging markets and developing countries. Not to mention the financing squeeze for low income countries. The World Bank and the IMF continue to work together in supporting the G20's Common Framework and the Global Sovereign Debt Roundtable. I hope we see further progress during these meetings.

### **Private capital**

My fellow governors, the global policy agenda is daunting. We will spend a lot of time in Marrakech discussing policy priorities and trade-offs but let us not forget that the world has enough money to solve the global challenges. The question is how to leverage it.

Part of the answer is through new mechanisms such as hybrid capital instruments and the portfolio guarantee platform being launched by the World Bank. Alongside these welcome enhancements to the financial model, lets also unlock cross-border flows and turbocharge the mobilization of private capital. This is how we will close the funding gap that we see in countries across the world. This is how we will direct private finance and expertise to the projects that need it most, including in low and middle income countries facing severe constraints on their ability to finance their development and climate priorities.

### **Close**

My fellow Governors, it is fitting that we are meeting in the shadow of the Atlas Mountains. The place where, according to myth, Zeus sentenced Atlas to hold the sky on his shoulders for eternity. Our burden is not so heavy, but the world is looking to us. The world is looking to us because our institutions have proven that they can transform chaos into stability. They can transform despair into hope. The world is looking to us because if solutions can be found anywhere, they can be found here. And so, as custodians of these institutions, we need to ask ourselves what we can do to help renew them for our times. Renew them so we that we can rise to the new challenges. Because renewal is the path forward.

Thank you.