World Bank Group President David Malpass

Remarks to G20 Leaders' Virtual Summit

March 26, 2020

World Bank Group President David Malpass

As Prepared for Delivery

WASHINGTON, March 26, 2020—World Bank Group President David

Malpass today delivered the following remarks at the G20 Leaders' Virtual Summit:

“The World Bank Group has worked to take broad swift action to respond to the coronavirus pandemic. On March 17, our Board approved a \$14 billion package, focused on the immediate health and social consequences of the outbreak. We’re now finalizing an additional package that will focus on the broader economic consequences. The goals are to shorten the time to recovery; create conditions for growth; support small and medium enterprises; and help protect the poor and vulnerable. Yesterday, I presented to our Board a program that could provide as much as \$160 billion in financial support over the next 15 months. As I was speaking, the crisis hit very close to home with the news that a former U.S. Executive Director Carole Brookins had just died of coronavirus.

I’m particularly concerned about poor, densely populated countries such as India, where weak health systems need massively scalable investments in human capital, supplies and infrastructure. We are working hard to provide support through our public and private sector tools.

We have new COVID-related projects underway in 56 countries, and we’re encouraging other MDBs to co-finance follow-up tranches. In 24 countries, we’re restructuring existing projects in order to direct funds to the health emergency.

Private sector support is critical. IFC, our private sector arm, is already working on new investments in 300 companies and extending trade finance and working capital lines to clients.

Regarding the proposals by some members, we can support the call for more funding for CEPI to finance vaccine development.

International cooperation is critical in these times. We've been working closely with the IMF and WHO, among others, to determine needs assessments of client countries. The IMF Managing Director and I have convened heads of MDBs twice to discuss each institution's response, specific opportunities for co-financing, procurement, and debt reduction. We'll continue to push forward with the strongest possible international effort. Lastly, I want to highlight the importance of addressing debt vulnerabilities. This crisis will hit hardest poor countries that have high levels of indebtedness. A broad and equitable debt relief process is urgently needed, so IDA countries can concentrate their resources on fighting the pandemic and its economic and social consequences.

On Tuesday night, Kristalina Georgieva and I issued a joint IMF/WB call for debt relief in IDA countries. We urged many of you and other official bilateral creditors to suspend debt payments due from IDA countries, effective immediately. This would allow time to assess the crisis' impact and financing needs for each IDA country, and to determine what kind of debt relief or restructuring is needed. The World Bank Group and the IMF are working quickly to flesh out an approach for Debt Relief for Poorer Countries. We will present it to our Governors for endorsement by the Spring Meetings of our organizations in April and would welcome your strong support."