Remarks by World Bank Group President David Malpass at the Fourth Ministerial of the Coalition of Finance Ministers for Climate Action

October 12, 2020

Thank you, Kristalina. I'm very pleased to join the Fourth Ministerial of the Coalition of Finance Ministers for Climate Action.

The COVID-19 pandemic is not just impacting health, livelihoods, and economies. It has demonstrated—with deadly effect—that national borders offer little protection against some calamities. The pandemic has underscored the deep connections between economic systems, human health, and global well-being. And it has focused our efforts on building systems in countries that will better protect all people in the future, especially the poorest and most vulnerable citizens.

Countries now have a chance to set themselves on a greener, smarter, and more equitable development path. Making the right investments now can unlock short term gains—jobs and economic growth—as well as deliver the benefits for people and communities of cleaner air and water, healthier oceans, more resilient cities, and more sustainable food and agriculture systems. Low-carbon stimulus programs can drive new jobs that are sustainable, inclusive and equitable.

It is critical that countries work toward their climate and environmental goals. A high priority for the world is to lower carbon emissions from electricity generation, including the termination of new coal- and oil-dependent power generation projects and the wind-down of existing high-carbon generators. Many of the world's largest emitters—both developing and developed countries—are still not making sufficient progress in this area.

As countries find themselves saddled with rising debt, there is also an opportunity now to reform harmful subsidies—from agriculture and fisheries to fossil fuels. With oil prices lower, this is a good moment for countries to work toward reducing and reforming their fossil fuel subsidies. It's also time to reorient the more than \$500 billion that governments spend every year on agricultural subsidies, toward more climate-smart and sustainable outcomes for our food systems. If carefully managed, subsidy reform can provide a triple dividend by making the economic recovery fiscally sound, environmentally sustainable, *and* resilient to future shocks.

Amid the pandemic, the World Bank Group has remained the largest multilateral funder of climate investments in developing countries, having committed \$83 billion to climate-related investments over the last five years. For example, our work has helped 120 million people gain access to weather data and early-warning systems crucial to saving lives in disasters. We have added a total of 34 gigawatts of renewable energy into grids to help communities, businesses and economies thrive. I'm happy to say that, in Fiscal Year 2020, my first full year as President, the World Bank Group made more climate-related investments than at any time in its history. We intend to step up that work over the next five years.

Two examples of our work: we are helping countries put an economic value on biodiversity—including forests, land, and water resources—so they can better manage these natural assets. We are also helping them assess how climate risks affect women and others who are already vulnerable.

Let me close by thanking the leadership of Chile and Finland, Minister Briones and Minister Vanhanen, in this Coalition. We welcome this Coalition Meeting and the steps forward.

Thank you everyone.