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Statement by **AJAY BANGA**,
PRESIDENT of the **WORLD BANK**, at the
Annual Meetings of the Boards of Governors of the
World Bank Group and the International Monetary Fund

**2025 Annual Meetings
Address by Ajay Banga,
President of the World Bank,
to the Board of Governors of the World Bank,
at the Joint Annual Discussion**

Good morning.

Deputy Prime Minister Correia, thank you for chairing this plenary.

Kristalina, I'm glad to celebrate this partnership with you.

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The recent events in Syria and Gaza give us reason to hope that peace is possible wherever conflict exists—DRC, Sudan, Ukraine, Yemen, and beyond.

As we hope for peace, we must also prepare for it.

In that pursuit, we've convened expert groups to plan for reconstruction in Gaza and Ukraine—drawing on regional specialists from both the public and private sectors. The Gaza group is now coordinating with partners active in the region.

Reconstruction is an essential part of our mandate.

A service we stand ready to deliver whenever and wherever it's needed and to the best of our ability.

At the same time, as an institution of development, we are equally committed to conflict prevention.

Alongside rebuilding what has been lost, we must also focus on creating the conditions for opportunity and stability.

That is what motivates our actions and decisions today.

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We are living through one of the great demographic shifts in human history.

By 2050, more than 85% of the world's population will live in countries we call "developing" today.

In just the next 10 to 15 years, 1.2 billion young people will enter the workforce—vying for roughly 400 million jobs. That leaves a very large gap.

Let me express that urgency another way:

- *Four* young people will step into the global workforce every second over the next ten years.
- So in the time it takes to deliver these remarks, tens of thousands will cross that threshold—full of ambition, impatient for opportunity.

The pace of population growth is most staggering in Africa, which will be home to one in four people by 2050. Between now and then estimates suggest:

- Zambia will add 700,000 people every year.
- Mozambique's population will double.
- While Nigeria will swell by about 130 million, firmly establishing itself as one of the most populous nations in the world.

These young people—with their energy and ideas—will define the next century.

- With the right investments—focused not on need, but opportunity—we can unlock a powerful engine of global growth.
- Without purposeful effort, their optimism risks turning into despair—fueling instability, unrest, and mass migration—with implications for every region and every economy.

This is why jobs must be at the center of any development, economic, or national security strategy.

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But what do we mean by a job?

- It can mean working for a company and advancing through it to higher levels...
- or a being employed at a small business...
- but it could also mean starting your own as an entrepreneur.

A job is more than a paycheck. It is what allows both women and men to pursue their aspirations.

- It's purpose. It's dignity.
- The anchor that holds families steady and the glue that keeps societies together.
- It is the straightest line to stability—and the hardest progress to reverse once achieved.

That is why we have reframed what we do...

...how we measure it....and how we deliver it—around this reality.

Over the past two years, we have worked to move with more speed, simplicity, and substance.

- Average project approval times have been cut from 19 months to 12. Some projects are now approved in less than 30 days.
- We consolidated our leadership in 40 country offices, giving clients a single point of contact. By June next year, every country will have this structure.
- Our Knowledge Bank is being combined across the Group—focused on replicating solutions at scale.
- While unifying corporate services like budgeting, human resources, procurement, and real estate.
- 153 internal metrics have been replaced by a corporate scorecard with 22 outcome indicators.
- Through new instruments and optimization, we expanded financial capacity by about \$100 billion.
- The MDB co-financing platform has grown a pipeline of 175 projects. Of those, 22 are financed—worth \$23 billion.
- We established full mutual reliance with the Asian Development Bank—reducing duplication for clients. We are working to expand among MDB partners.

- And we're developing an IFC2030 strategy to strengthen private capital mobilization.

These reforms are the foundation.

The mission is jobs.

Most jobs—nearly 90 percent—ultimately come from the private sector. But they don't all begin there.

Countries move along a continuum:

- early on, the public sector drives job creation;
- over time, private capital and entrepreneurship take the lead.

But the private sector—whether large or small, local or global—can't do it alone.

Entrepreneurs need the right conditions to start, grow, and hire.

Those conditions don't happen by accident.

This is where the World Bank Group brings something unique through our three-pillar strategy:

First, governments lead—often with input from the private sector—to build the human and physical infrastructure that underpins opportunity: roads, ports, electricity, education, digitization, and healthcare. Our public arms—IBRD and IDA—finance these investments and help countries use resources effectively, and establish public-private partnerships.

Second, a business environment with clear rules, a level playing field, and sound economic management. That means secure land rights, predictable taxes, transparent institutions—as well as responsible debt management and exchange rate policies. We support these reforms alongside the IMF through our Knowledge Bank, using policy tools and performance-based financing.

Third, once the basics are in place, we help the private sector scale and reward risk-taking through IFC and MIGA—providing capital, equity, guarantees, and political risk insurance—backed up by ICSID.

This continuum—foundation, policy, capital—is how we translate ambition into jobs. It's how we move from potential to paychecks.

We've identified five sectors with potential to create jobs: infrastructure and energy, agribusiness, healthcare, tourism, and value-added manufacturing—including crucial minerals.

These are not aid-dependent sectors. They are engines of growth—capable of generating locally relevant jobs without displacing work from developed economies.

And they help build the middle class that will fuel tomorrow's global demand, including goods and services from developed markets.

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Over the past two years, we've launched a set of strategic initiatives across many of these sectors. They are not siloed plans. They reinforce one another—and bring together the full breadth of the World Bank Group, alongside partners. Because it will take all of us working in concert to deliver results at scale.

Our electricity strategy focuses on accessibility, affordability, and reliability—while managing emissions responsibly. It powers Mission 300, our effort to connect 300 million Africans to electricity by 2030. Countries have the flexibility to choose what fits their needs and context—whether upgrading grids or installing solar, wind, hydro, gas, and

geothermal. But we have also begun the work—in partnership with the IAEA—to offer nuclear support for the first time in decades. The goal is enough power to drive productivity for people and businesses.

We've set a goal to help deliver healthcare for 1.5 billion people. This December, we will bring together governments, investors, and innovators at a summit in Tokyo to drive the agenda forward. Indonesia is already leading the way, committing to provide every citizen with an annual primary care visit on their birthday—an approach that could reshape the future of healthcare for 300 million people.

Through AgriConnect we're helping smallholder farmers move from subsistence to surplus. Building an ecosystem around cooperatives that integrates financing for farmers and SMEs, links producers to markets, and harnesses digital tools like small AI. It's underpinned by a pledge to double our financing to \$9 billion a year and mobilize an additional \$5 billion.

We are also finalizing a minerals and mining strategy to help countries move beyond raw extraction into processing and regional manufacturing—so that more value, and more jobs, stay local. We expect to share this strategy in the coming months.

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So, how do we make this real?

We begin with a single Country Partnership Framework across the World Bank Group that is developed with the country's leadership and our subject matter experts.

Each framework is a long-term strategic plan that unites the full capacity of IDA, IBRD, IFC, MIGA, and ICSID around a focused set of priorities—tailored to a country's unique needs and ambitions.

In one country, that might mean end-to-end mineral value chains...in another, tourism rooted in nature and culture...perhaps stronger health systems that heal and employ...or agribusiness ecosystems that lift smallholder farmers.

The path is tailored, but the fundamentals are shared:

- build infrastructure,
- set clear, predictable rules,
- and support private investment.

To reach scale—and free up our balance sheet for the toughest challenges—we must unlock the full power of the private sector.

That's why we are breaking down barriers to investment and creating conditions where private capital can deliver development impact.

We are advancing the roadmap the Private Sector Investment Lab provided, deploying tools and practical solutions across the institution:

- Regulatory clarity—first deployed through Mission 300 with more applications underway, our redesigned Knowledge Bank will carry this work forward.
- Guarantees—now managed centrally by MIGA and growing well—with a goal to triple the business by 2030.
- Foreign exchange solutions—With IMF, we're developing local capital markets in 20 countries. While IFC has reached one-third of its lending in local currency with a goal to hit 40% by 2030.
- Junior equity—we launched the Frontier Opportunities Fund, seeded by IFC net income, but it needs additional contributions from philanthropy and governments;
- And perhaps most transformational—an originate-to-distribute model, bundling assets into investable products to bring institutional capital into emerging markets at scale. An effort led by former S&P CEO Doug Peterson.

Just weeks ago, we completed our first transaction— packaging \$510 million of IFC loans into rated securities. Demand was strong. The next challenge is supply—so we're building a sustained pipeline across the Bank. And we are planning to work with others.

Each step lowers risk, boosts confidence, and helps meet private capital halfway.

But capital won't come without a strong foundation from the start.

That's why we focus on doing development right: resilient, fiscally sound, rooted in trust, and built to last:

Smart. Development.

Many countries today are trying to grow, create jobs, and lift people out of poverty while facing droughts, storms, and floods—often on shaky fiscal ground, eroded by debt, weakened by corruption, or deprived of the resources needed to move forward.

Smart development means building physical resilience and institutional strength.

That is what our clients are asking for. And that demand is reshaping our work.

You can see the shift in the numbers. Last year, 48% of our financing qualified as having climate co-benefits under the shared MDB methodology—exceeding our own expectations.

Within that, resilience made up 43% of the public sector portfolio—up from one-third just two years ago.

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I want to take a moment to explain this co-benefit formula and why client demand is driving these results.

- When we build a road that connects a pharmaceutical manufacturer to a market—if it is built of quality to withstand floods and doesn't have to be rebuilt.
- That is counted.
- When we build a school or skills incubator with insulation and reflective roofs, so extreme heat or cold doesn't impact learning.
- That is counted.
- When we help a farmer access drought-resistant seeds and drip irrigation that increase crop yields, profits, and guard against dry-periods.
- That is counted.
- And if we build a corridor that transports goods via train instead of truck, which moves freight faster and cheaper.
- That is counted.

Smart development is lasting development.

The same demand is reshaping our work on institutions and public finance. More countries are asking for help to strengthen core systems—and we're innovating:

- Launching a new generation of Public Finance Reviews to help governments redirect spending to high-impact priorities—14 completed, and 22 more expected soon.
- Helping manage liquidity risks before they escalate: IDA net flows reached \$21 billion last fiscal year—up from \$12 billion three years ago.

- Deploying debt-for-development tools to ease burdens and free up resources. We started with Côte d'Ivoire and now have nine similar transactions in the pipeline. With an appetite to do more.
- And we are working closely with partners like the IMF to accelerate debt restructuring under the G20 Common Framework, while also advancing domestic revenue reforms, expanding financing, and supporting liability management. At the same time, we're trying to improve transparency by expanding the Debtor Reporting System to all G20 countries—giving all parties greater clarity and confidence.

And as desire grows for tools that build trust, we're responding:

- Helping governments fight corruption with data-driven tools, digital IDs linked to assets, better fraud detection, and AI that connects tax, property, and identity data. Over the past decade, we've supported 120 governments in this effort and are currently working with 26 more to target corruption and illicit financial flows.
- And because even the best systems need capable stewards, our Knowledge Academy is equipping public servants to lead reform. More than 200 senior officials have already completed training, with six new tracks launching soon.

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We're beginning to see what's possible.

In just two years, our annual financing grew from \$107 billion to \$119 billion.

Private capital mobilization rose from \$47 billion to \$67 billion.

Total commitments, including PCM, reached \$186 billion.

And we raised another \$79 billion from private investors through bond issuances.

That scale is translating into real impact:

Since launching the new World Bank Group Scorecard in 2024, we've helped:

- 20 million farmers access technology, inputs, and markets.
- 60 million people connect to electricity
- 70 million people get an education or develop a skill
- And 300 million experience quality health and nutrition services

These aren't just larger numbers—they reflect sharper focus and a shift in mindset.

One that treats development not as charity, but as strategy. And sees jobs not as a side effect, but as the outcome of development done right.

Because when we focus on jobs, we are not turning away from healthcare, infrastructure, education, or energy—we are doubling down on all of them.

A job is what happens when a school leads to a skill, when a road leads to a market, when a clinic keeps someone healthy enough to work, when energy powers a business.

That is how our efforts come together. That is how we turn investment into impact.

And that is how we deliver what people want most, need most, and deserve most:

A job.

A chance.

A future.

And....dignity.