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Statement by the Hon. **MAGDALENA ANDERSSON**,
Governor of the Bank for **SWEDEN**,

Statement by the Hon. Magdalena Andersson
Governor of the Bank for Sweden

Mr Chairman, Ladies and Gentlemen,

I am honoured to address the 2015 Annual Meeting on behalf of the Nordic-Baltic constituency, consisting of Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden.

2015 is a year of historic importance as we establish new ambitions for a truly global sustainable development. The goals contained in the Agenda 2030 are indeed ambitious, but they are attainable if we all join forces.

The Nordic and Baltic countries strongly believe that the World Bank Group should and will play a crucial role in the work to achieve the new Sustainable Development Goals. Focus should be on assisting developing countries to achieve inclusive sustainable growth, full integration of gender equality and respect for human rights and scaled up ambitions on climate change.

(1) Global challenges

Despite modest global growth, extreme poverty has continued to decrease over the years and the world has succeeded in meeting the Millennium Development Goal target of halving global poverty.

However, much remains to be done and new challenges will emerge, as recent market turmoil has made evident. The geopolitical turmoil we have been facing in Ukraine and Syria shows once more that we live in a closely interlinked world, where cooperation and global efforts are badly needed. At the same time the EU is struggling to respond to the needs of refugees that are fleeing from conflict and attempt to seek a better life in Europe. Their need of assistance is substantial and urgent.

(2) The 2030 Agenda for Sustainable Development

The World Bank is an important actor in promoting the Sustainable Development Goals through its role as knowledge and capacity provider, as well as through its ability through leveraging financing for development needs. Keeping an integrated perspective of the whole agenda is key. The totality of the 17 goals is larger than its

separate parts. Close collaboration with the UN system, bilateral donors, and other actors is crucial, including respecting each other's mandates and roles. Continuous cooperation with Civil Society Organisations and academia is also important.

(3) Reform processes in the World Bank

The Nordic and Baltic countries welcome the discussions on the World Bank Group's reform processes. Each country's voice should be based on its weight in the World Economy and its contributions to the development mission of the World Bank Group. Furthermore, the poorest countries' influence must be protected. We believe that a capital review can only take place when a rules-based, transparent and dynamic formula for shareholding has been agreed upon. We look forward to the completion of this work by the 2016 Annual Meeting.

The on-going discussions about reforming IDA are key for the future ability of the World Bank Group to adequately respond to the needs of its poorest members. We welcome the ideas about how to make more efficient use of existing resources. However, a reform of IDA will only be a success if it enables the World Bank Group to become even better at fighting poverty. Resources for the poorest countries must be secured. And with the potential for growing volumes of lending, we must ensure that unsustainable debt burdens are not rebuilt. Having said this, the ideas and proposals now discussed hold promise, and we should continue to explore and discuss with the view to build an even more effective and efficient institution.

(4) Climate and energy issues

Climate change will, if not addressed, make sustainable development and eradication of poverty unattainable. We need to achieve a strong climate deal at COP21 in Paris. The Nordic Baltic countries commend the Bank's efforts to push the agenda forward and underscore the role the World Bank Group can play through its policy work as a standard setter, through policy advice and in catalysing climate finance.

A big challenge for the Bank today and in the years to come will be to address energy poverty. Long-term development is only possible if energy is provided in an environmentally sustainable way. In that regard, steps should be taken towards phasing out investment in fossil energy in the long term and to increase investments in renewable energy now. The World Bank Group should have an ambitious goal and a roadmap on how to achieve it. Also, the Bank should contribute to strengthening the capacity in partner countries to manage and reduce vulnerability

to natural disasters, and continue its efforts to assist countries in their work to phase out fossil fuel subsidies. Finally, to achieve the goal of limiting global warming in the Paris agreement, setting a price on carbon is necessary.

(5) Gender equality for inclusive sustainable growth

The Nordic Baltic countries firmly believe that equal rights and opportunities for everyone are a prerequisite for inclusive and sustainable growth. Gender equality is necessary to ensure individual freedom and to give people equal access to resources and opportunities to shape their own lives. And if we agree that women are as talented and capable as men, gender equality, through increased labour participation by women, will increase growth. The Nordic and Baltic countries therefore welcome the ongoing work on the new gender strategy and praise the Bank for maintaining gender equality as a top priority. It is vital that strategies and analytical work are translated into concrete action and results on the ground. Focus should be on women's economic empowerment and achieving transformative structural change in client countries. Special attention to this should be given in fragile and conflict affected states.

Thank you!