

World Bank Group

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Arab League Sustainable Development Week

Opening Session Speech

Part #1: Introduction

I would like to thank the Arab League for the invitation to join this important event on the occasion of the Arab League Sustainable Development Week. In particular, I would like to thank His Excellency Ahmed Aboul Gheit (Secretary General) for inviting us to this important event, to our host represented by her Excellency Minister Dr. Ghada Waly (Minister of Social Solidarity), and Dr. Mourad Whaba (Assistant Secretary General, UN Development Group), and Dr. Khawla Matar (Acting Executive Secretary, ESCWA) for their presence in this important event.

This gathering provides a unique opportunity for the Arab League member states to develop a **collective** vision of the future of the region on the **path towards sustainable development**.

Building a sustainable economy is not only a concern for policy-makers, but also and more importantly, for businesses and for all citizens. It is also an imperative if we want to protect the gains in development, which globally have been made in the last decades.

We have **three strategic objectives**:

1. Meeting basic and essential needs (such as food, water, shelter, education, transport, energy).
2. Helping ensure sustainability in order to avoid the depletion of natural resources (i.e. ensuring aquifer recharge to avoid underground water depletion).
3. Promoting long term perspectives in planning investments to ensure they are fit for purpose in the context of changing demographics, climate change and technology.

Development failures often lead to extremism, violence, and even war. We see the early warning signs when public and private institutions lose their broad legitimacy. And we see the warning signs when citizens see themselves excluded from economic gains. This makes it all the more important to achieve sustainable development.

Part #2: Mobilizing Resources in Support of the 2030 agenda

Yet we face **multiple challenges** towards sustainable development. These include climate change, pandemics and violence that spills across national borders. There is also **a substantial gap** in the access to investments in human capital -- like education, training, and health care -- and these are creating additional strains on our political institutions. All these challenges are global in nature, meaning that **international cooperation** at many levels is required to address them.

If these challenges weren't enough, today there are 20 million people -- including 1.4 million children -- who are suffering from famine in the Arab world. Nigeria, South Sudan, Somalia, and Yemen. These famines are caused by multiple drivers including conflict, civil insecurity, poor governance, large-scale displacement, and water insecurity. There is also a credible risk of famines in Ethiopia, Kenya, and Sudan, with drought conditions extending also to Uganda and Tanzania.

This challenge also easily crosses borders. For example, food insecurity in Somalia and famine in South Sudan are accelerating the flow of refugees into Ethiopia. The UN is already calling this the worst humanitarian crisis since 1945. It is clear that ***short-term life-saving support has to be accompanied by longer term development responses*** that assist countries to develop better coping mechanisms.

The World Bank Group is engaging with countries to protect the poor and vulnerable, and to ensure inclusive and accountable service delivery, with a stronger private sector that can create jobs and opportunities. We also believe that it is important to improve equality for development and growth. Equality between men and women, between urban and rural populations, and between nations.

Official development assistance finance, even when combined with government resources, will never be enough to meet the global challenges we face. Going forward, the core focus will have to be on leveraging and mobilizing global funds -- especially from the private sector and institutional investors -- through innovative mechanisms to meet the extraordinary financing needs of the region.

In the past, we tried to address these longer-term development challenges through the framework of the Millennium Development goals, but progress was mixed.

In 2015, the global community came together to frame the Sustainable Development Goals (or SDGs), which are comprehensive, and apply to all countries, not just developing nations.

The SDGs are interconnected and interdependent. The SDG acknowledge that we can't look at poverty, health, and education as stand-alone achievements.

Each of these will require adequate financial support, and robust participation from the private sector. It will also require good data, and savvy delivery to implement these ambitious plans.

The World Bank Group is doing its part, through a variety of mechanisms. To better sequence our interventions, we've developed a "***cascade approach***" to investment decision-making to encourage access to commercial financing, while leveraging and preserving scarce public dollars for critical public investments.

If commercial financing is available, that is the preferred course. If it is absent, we try to address market failures. If those efforts are unsuccessful, we use utilize risk instruments and our own matching capital to try to crowd in private investment. Finally, if necessary, then public and concessional financing will be used.

It is important to note that countries' own domestic resources are the largest source of funds available for countries to finance their development.

These new approaches to finance are absolutely necessary if we are to raise sufficient resources to achieve the ambitious SDGs.

Part #3: Water is at the core of the Sustainable Development Goals

I am particularly pleased to be here today representing the World Bank Group and the Water Global Practice. ***Water is at the center of the sustainable development agenda.***

Not only is there a dedicated goal for Water – SDG 6 – managing water will be critical to success in achieving 15 of the 17 SDGs

To name just a few:

- Abundant water supplies are vital for the production of food and will be essential to attaining SDG 2 on food security;
- Clean and safe drinking water and sanitation systems are necessary for health as called for in SDGs 3;
- Water is needed for powering industries and creating the new jobs identified in SDGs 7 and 8;
- Adequate and safe water is important to nourish the planet's life-sustaining ecosystems identified in SDGs 13, 14 and 15.

Part #4: Concluding Remarks

This week ahead of us presents an opportunity to start building these partnerships and collaborations, to ensure that we move together towards the goals.

I hope that we can make the most of this important event, actively join the discussion and be an actor of change towards sustainable development in our area of work and I feel very honored to participate in the launch of the week.