

U.S. DEPARTMENT OF THE TREASURY

Remarks by Secretary of the Treasury Janet L. Yellen at United Nations Forum on Financing for Development

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As Prepared for Delivery

Thank you to President Stoeva, Secretary General Guterres, and President of the General Assembly Kőrösi for the invitation to address this Forum. We need bold action to address the global challenges that confront us—ones that threaten to set back our progress towards achieving the Sustainable Development Goals.

Even before the onset of the COVID-19 pandemic, the progress we had made on poverty reduction was beginning to lag. Today, it is clearer than ever that transboundary challenges—such as climate change, pandemics, and fragility and conflict—are disproportionately affecting the poorest and most vulnerable populations. Put simply, it is no longer possible to fully deliver on our development goals without addressing global challenges with the urgency and scale required.

The multilateral development banks are a key pillar of the development financing system. That is why one of my top priorities has been to evolve these banks—so they can take decisive action on global challenges. Specifically, we have been building a large coalition of shareholders—across borrowing and non-borrowing countries, low- and middle-income countries—to press for reforms in four areas: vision and mission, incentive structures, operational approach, and financial capacity. That work has begun with the World Bank.

Last week in Washington, we discussed the important progress we have made in just six months on our initiative. I am pleased with our preliminary work to refresh the Bank's mission, which reflects the need to build resilience in the face of global challenges. We are updating the Bank's operational approach and removing institutional constraints to addressing global challenges at speed and at scale. This includes updating our approach to diagnostics, country strategies, and incentives for private capital and domestic resource mobilization. And we are generating additional financial capacity by stretching the Bank's balance sheet in a financially responsible manner.

Yet there is more work to be done. The United States and other shareholders are calling for an ambitious workplan through October and beyond, leveraging major international gatherings to drive progress. We look forward to continuing to work with the World Bank and all its shareholders on this initiative.

Thank you.

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