

**Japan's Statement at the 112th Meeting of the Development Committee (Joint
Ministerial Committee of the Boards of Governors of the Bank and the Fund)
(Washington, D.C. – October 16, 2025)**

1. Introduction

The world continues to face geopolitical crises and heightened global economic uncertainty. At the same time, it is imperative to address long-term development challenges such as rising poverty, global health, debt, and natural disasters. In this context, Japan deposited its Instrument of Commitment this June to support the International Development Association (IDA) in addressing the priority areas of its 21st replenishment (IDA21): “People,” including global health; “Prosperity,” including debt issues; and “Infrastructure,” including resilience to natural disasters. We call on other donors to promptly complete their domestic procedures required to deliver their contributions to IDA21 in accordance with their respective pledges.

Japan condemns, in the strongest terms, Russia’s illegal, unjustifiable, and unprovoked aggression against Ukraine. Russia’s ongoing aggression has been a source of uncertainties not only for Ukraine but also for the global economy, and we call for an immediate end to Russia’s aggression. We highly commend the Ukrainian Government for its engagement in achieving economic stability and advancing structural reforms, despite the hostile conditions.

Japan appreciates the World Bank Group (WBG)’s efforts under President Banga’s leadership to address development challenges through the lens of job creation. Through the Japan Social Development Fund (JSDF), Japan has supported job creation in developing countries by promoting entrepreneurship and vocational training.

Japan hereby states its expectations for the WBG, which plays a critical role in addressing the challenges developing countries face, and our contributions to the WBG in the following areas.

2. Enhancing the Functions and Role of the WBG

The development challenges facing the world are becoming increasingly diverse and complex, while public financial resources for development assistance are limited. In this context, it is essential to provide efficient and effective support that promotes growth and self-sufficiency, responding to the needs of emerging and developing countries. To this end, it is vital that the WBG functions efficiently and effectively as the core of the multilateral development banks (MDBs).

From the perspective of efficient utilization of existing capital, Japan welcomes the expansion of lending capacity through efforts based on the recommendations of the

Capital Adequacy Framework (CAF) review. We look forward to this enhanced lending capacity being used to provide sufficient support to countries that are truly in need.

To maximize development impact, it is important that all WBG institutions collaborate organically under the One WBG approach. In particular, given the limited availability of public financial resources for development assistance, private capital mobilization is increasingly necessary. We expect the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA) to play a more active role in this regard. In this context, Japan welcomes the establishment of the IFC Tokyo Business Development Hub this June. We hope this initiative will lead to more contribution from Japan's private sector to solving development challenges by using its technology and expertise.

To enhance the efficiency of MDBs, it is important that they function as a system. Japan welcomes the approval of the first co-implemented project under the Full Mutual Reliance Framework between the World Bank and the Asian Development Bank (ADB) last month, and we hope such initiatives will be expanded to other MDBs.

To provide efficient and effective support, it is important for the WBG to better incorporate the voices of developing countries in its operations. To this end, it is an urgent task to implement concrete reforms such as enhancing the capacity of Executive Directors' offices and strengthening their engagement with WBG management and staff. Japan looks forward to early implementation of Voice reforms after prompt deliberations, and is committed to making the necessary contributions.

3. Addressing Development Challenges Prioritized by Japan

Japan hereby elaborates on the priorities to which Japan attaches particular importance, as well as our expectations for the WBG in these policy areas.

(1) Global health

Japan commends the WBG's efforts and steady progress toward its goal of delivering quality and affordable health services to 1.5 billion people by 2030. Amid evolving global health challenges, Japan remains committed to working closely with the WBG to promote Universal Health Coverage (UHC) and strengthen pandemic prevention, preparedness, and response (PPR).

We welcome the WBG's ongoing efforts, in collaboration with the World Health Organization (WHO), regarding the UHC Knowledge Hub located in Tokyo. Through collaborative efforts with the WBG, WHO, and participating countries to the Hub, Japan will further strengthen its support for the development of sustainable health financing in developing countries through enhancing the capacity of officials in financial and health authorities.

The “UHC High-Level Forum,” to be convened in Tokyo this December, will bring together global health leaders, including President Banga, and representatives from developing countries committed to achieving UHC. The forum will discuss initiatives to accelerate progress toward UHC. Through the activities of the UHC Knowledge Hub and the convening of the High-Level Forum, Japan will lead the global momentum toward achieving UHC.

Improving nutrition is an essential element for strengthening human capital, alongside achieving UHC. As announced at the Ninth Tokyo International Conference on African Development (TICAD9) this August, Japan provides \$30 million over three years through the Japan Policy and Human Resources Development Fund (PHRD) to support the World Bank’s initiatives aimed at enhancing food and nutrition security in Africa. Japan will continue to work with the World Bank and other development partners to advance efforts to strengthen human capital.

(2) Climate change, disaster risk management and infrastructure

Japan has been working to mainstream disaster risk management in development through the Japan–World Bank Program on Disaster Risk Management, including support for building disaster-resilient infrastructure. In the fifth phase of the Tokyo Development Learning Center (TDLC), which began this July, we look forward to deeper collaboration between officials from developing countries, WBG staff, and Japanese cities and experts, thereby contributing to urban development that leverages Japan’s extensive experience with natural disasters.

From the perspective of quality infrastructure investment, Japan welcomes the World Bank’s policy to introduce a 50 percent minimum quality weighting requirement for most internationally competitive procurement. To ensure its effective implementation, it is essential to provide capacity building in recipient countries. We also expect the World Bank’s outreach efforts to be made toward companies, enabling diverse firms to contribute their high-quality technologies and expertise.

To achieve net zero, the Resilient and Inclusive Supply-chain Enhancement (RISE) Partnership’s efforts to strengthen supply chains for clean energy products in low- and middle-income countries represent a vital initiative. These efforts contribute to the creation of high-quality jobs and sustainable economic development, while also enhancing resilience of global economy through supply chain diversification. To further accelerate the RISE Partnership, we look forward to a deep collaboration within the WBG, including the IFC, to enhance private capital mobilization. Additionally, we encourage the RISE Partnership to work closely with regional development banks (RDBs) and national development finance institutions (DFIs) across regions such as Asia, Africa, and Latin America and the Caribbean.

(3) Debt issues and domestic resource mobilization

Addressing debt issues remains a significant challenge for achieving sustainable economic growth in developing countries. Japan will make a new contribution of \$7 million to Phase 4 of the Debt Management Facility (DMF), which will be launched next year.

We welcome the publication of the playbook at the Global Sovereign Debt Roundtable (GSDR) this spring which outlines an indicative timeline for the debt restructuring process including those under the Common Framework. To further accelerate and facilitate future restructuring process, we should continue to improve the implementation of the Common Framework. We look forward to the continued role of the IMF and the WBG, including through updates to the playbook.

Accurate and transparent debt data is essential for ensuring debt sustainability. In this regard, we welcome the Radical Debt Transparency Report published by the WBG. As the report recommends, it is critical to strengthen debt management capacity of borrowing countries, while creditor countries should also work to enhance debt transparency by ensuring that all G20 countries participate in the Data Sharing Exercise (DSE) and engage in the debt data reconciliation. In addition, Japan will continue to advance the World Bank's real-time digital reconciliation for Indonesia.

Strengthening domestic resource mobilization (DRM) through enhanced fiscal sustainability and fiscal management is also an urgent and critical challenge for achieving sustainable economic growth in developing countries.

On the revenue side, Japan has long placed emphasis on technical assistance in the field of taxation, focusing on domestic tax policy and tax administration capacity improvements. Japan also encourages tax experts from member countries to undertake regular dialogues, together with the international organizations, in order to accurately identify the challenges and needs for technical assistance and to enhance its effectiveness and efficiency. From this perspective, Japan welcomes that the Platform for Collaboration on Tax (PCT), which consists of related international organizations including the WBG and the IMF, is holding the Tax and Development Conference, focusing on DRM, in Tokyo next March.

(4) Pacific Island countries

Support for Pacific Island countries, which face region-specific vulnerabilities such as geographic isolation and limited scale, remains of paramount importance.

The ongoing withdrawal of correspondent banking services from the region poses serious challenges not only to economic development but also to the daily lives of its people. Japan highly commends the efforts of the IDA in implementing the

correspondent banking initiative, which seeks to provide short-term safety nets and establish medium- to long-term alternatives.

With regard to short-term measures, Japan is collaborating with the World Bank and the ADB to extend support to four non-IDA eligible countries through the utilization of PHRD and ADB's Asian Development Fund (ADF). As for the medium- to long-term alternatives, Japan is exploring the establishment of a centralized payment aggregation mechanism leveraging digital money. This initiative aims to reduce compliance costs related to Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT), while enhancing overall convenience. In pursuing this initiative, Japan will lead discussions to advance its materialization by engaging closely with stakeholders, particularly those in Pacific Island countries, while ensuring that national monetary sovereignty is duly respected.

Ensuring debt sustainability through the enhancement of DRM is critically important for Pacific Island countries as well. At the Second Japan–Pacific Islands Finance Ministers' Meeting held this May, the significance of strengthening DRM to achieve sound and sustainable fiscal management was reaffirmed. Japan remains committed to working in close partnership with other donor countries and international institutions, including the World Bank, to enhance the effectiveness and efficiency of support provided.

4. Concluding Remarks

Japan commends the WBG and the IMF, under the leadership of President Banga and Managing Director Georgieva respectively, for continuing to address the ever-complicated global development challenges, including through close collaboration with other institutions. We also pay deep tribute to Mr. Hiroshi Matano, who will step down as Executive Vice President of MIGA this December, for his contributions to the expansion of MIGA's activities, including the establishment of the WBG Guarantee Platform. Looking ahead, we expect MIGA to further contribute to global development under the leadership of Mr. Tsutomu Yamamoto, the incoming Managing Director, through the One WBG approach. We remain committed to supporting the WBG and the IMF, including through human resource contribution, so that both institutions may continue to play a leading role in the further development of the global economy.

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