Governor’s Statement No. 15

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Statement by the Hon. **JOVEN BALBOSA,**
Temporary Alternate Governor of the IBRD for **THE PHILIPPINES**

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Good morning, Mr. Chair, Governors, and colleagues.

The Philippines extends its deepest appreciation to the World Bank Group for convening a successful Annual Meeting which serves as a platform for countries to continue the dialogue on the Bank's mission to end extreme poverty and boost shared prosperity on a livable planet. For a developing country such as the Philippines, shared priorities of growth, jobs, and resilience are not abstract ideals but essential to ensuring that economic gains translate into tangible improvements in the lives of our people. In this regard, we value the Bank's continued support to the Philippines in pursuing inclusive economic growth and sustainable development.

Our country enters these discussions with cautious optimism, as the Philippine economy continues to demonstrate strength and resilience amid a challenging global environment. In the second quarter of 2025, our economy grew by 5.5 percent, maintaining our position as one of the fastest-growing economies in East Asia and the Pacific despite global volatility. We are poised to graduate to upper middle income country status soon, but we are also aware that this transition brings with it greater challenges: sustaining growth, bridging infrastructure gaps, reducing inequality, and strengthening our institutions. We are determined to confront these challenges head-on and ensure that progress is both inclusive and sustainable.

We appreciate the Bank's unwavering support since 1945. For over 80 years, we have worked hand in hand with the Bank to reduce poverty, generate more jobs, improve our education and health systems, human capital development and social protection, infrastructure, disaster and pandemic preparedness, as well as climate change adaptation and mitigation, among others. The World Bank today stands as the Philippines' third largest official development assistance (ODA) partner, providing financing and knowledge to support our development objectives. Notwithstanding, we urge the Bank and the IMF to scale up its support to developing countries even as the Philippines transitions to UMIC status to help our nations navigate external and domestic headwinds, and remain responsive and agile to adapt to changing needs and emerging priorities.

We also welcome the launch of the Bank's Country Partnership Framework (CPF) for the Philippines for 2025–2031, providing a comprehensive commitment and partnership aligned with the Philippine Development Plan 2023-2028. The CPF's focus serves as a testament of the Bank's commitment to shape a future that is more inclusive, competitive and resilient in areas such as basic services, resilience, private sector job creation, and digital transformation.

Further, we highlight that despite making progress, developing countries continue to face deep structural challenges. Limited fiscal space, infrastructure deficits, and the growing risks from climate events weigh heavily on our path to sustainable growth. The Bank must sustain and continue to expand its engagement, particularly by going beyond traditional financing and developing innovative instruments that can de-risk investments, catalyze private capital, and accelerate reforms, including in the form of guarantees, blended finance, and risk transfer solutions.

We acknowledge the Bank's involvement and collaboration as one of the main contributors in the successful implementation of our reform initiatives. Furthermore, we recognize the relevance and valuable contribution of the IBRD's Grant Facility for Project Preparation (GFPP) which will provide the Philippines with crucial support in project preparation. The GFPP will enable the government to accelerate project readiness and strengthen implementation capacity through grant-based assistance for feasibility studies and technical assessments. With this innovative tool, we strongly support the Bank's continued efforts to further expand this type of financing mechanism to support the LMICs and developing countries.

We reiterate our call for the Bank to further review its financing mechanisms and instruments to make it more innovative and concessional to help countries address high debt vulnerabilities. To this end, the Bank must ensure sustainability of the work on the Framework for Financial Incentives, and pursue IBRD pricing reform Stage 2 to help developing countries amidst tight fiscal buffers and boost competitiveness and affordability of IBRD loans. We also encourage closer collaboration among Multilateral Development Banks (MDBs) to foster comprehensive dialogue aimed at ensuring the integrity of financial systems and responding to the critical challenges of the international community.

In closing, we reaffirm our nation's steadfast commitment and support to the shared vision of sustainable growth and inclusive development that underpins this year's Annual Meetings. We strongly believe that tangible initiatives, robust institutions, and strong partnerships are indispensable in building an inclusive environment for all. The Philippines stands ready to continue working closely with the Bank, IMF, and other partners in pursuit of a prosperous and sustainable future for all.

Thank you.