

October 16, 2026

Opening Address by the Chair of the Boards of Governors,
the Hon. **CARLOS CARVALLO SPALDING**
Governor of IMF and the World Bank for **PARAGUAY**
at the Joint Annual Discussions

2026 Annual Meetings
Address by the Chair of the Boards of Governors
Dr. Carlos Carvallo Spalding
Governor of the Central Bank of Paraguay

Excellencies, Honorable Governors, Distinguished Colleagues,

- It is an honor to welcome you to the 2026 Annual Meetings of the International Monetary Fund and the World Bank Group. Let me start by expressing my deep gratitude to the Thai authorities and people for their incredible hospitality and organization of these meetings.
- I would also like to offer my sincere condolences to the Royal Family and to the people of Thailand during this period of national mourning and express our solidarity with the people of Bangkok for the loss of life and damage caused by the recent flooding.
- Thirty-five years ago, the IMF and the World Bank Group convened in Bangkok for the Annual Meetings, in this very convention center. Since then, Thailand has undergone a remarkable transformation. But the dynamism and warmth of the Thai people have remained constant.
- We meet at a precarious time. War and geopolitical tensions, global debt, trade frictions, natural disasters, and climate risks are amplifying economic uncertainty. Our shareholders are confronting an increasingly constrained financing environment. Emerging markets and developing economies are facing the weakest per capita income growth since the pandemic, and rising debt is driving up borrowing costs, affecting governments, businesses, and everyday lives of people.
- The challenges we face are impossible to solve alone. And this is why we are here. It's because we believe in the power of collective action and because the IMF and the World Bank Group are invaluable partners to us on this journey.
- I know first-hand what partnership with these essential institutions can deliver. Only a few decades ago, Paraguay stood at an economic crossroads with a sharp recession, steep currency depreciation, and double-digit inflation.
- With the IMF and World Bank Group by our side, the Paraguayan people embarked on a decades-long journey of homegrown economic reform and development.
- With IMF support, we not only restored macroeconomic stability, and strengthened fiscal institutions, but we also built capacity that helped us weather several shocks that we have all experienced in recent years.
- At the same time, the World Bank Group supported Paraguay's development by investing in our people, and strengthening and building critical infrastructure.
- Today, Paraguay is one of the fastest-growing economies in South America and our strong track record of economic policymaking has earned us investment-grade status for the first time in our history.
- But as the world changes, our institutions, frameworks, and tools must also adapt. Just this year, the IMF and World Bank Group collaborated on important reviews of joint work that will affect how they serve members for years to come.

- The joint reviews of the **Debt Sustainability Framework for Low-Income Countries** and the **Financial Sector Assessment Program** incorporated profound changes in the financing landscape for low-income members. These reviews also strengthened early warning capacity, with stronger coverage of emerging risks in the financial sector and cybersecurity.
- The IMF also completed the **Comprehensive Surveillance Review** and the **Review of Program Design and Conditionality**, which will make its surveillance and lending more responsive, tailored to country needs, and impactful. Complementing these efforts, the IMF advanced its work on understanding global imbalances.
- The World Bank Group has taken significant steps to simplify its operations and processes, and to mobilize far more private capital, while making job creation the centerpiece of its development agenda.
- The results speak for themselves. In fiscal year 2026, the World Bank Group more than tripled its private capital mobilization. This capital is delivering tangible impact, driving economic growth, creating jobs, and transforming people's lives.
- In addition to creating jobs, we must prepare for the future. We are all seeking to understand how best we can use Artificial Intelligence to drive growth, make work more efficient, and push the frontiers of innovation. I am pleased to see that the IMF and the World Bank Group are moving forward and featuring this topic prominently at these meetings.
- From helping countries manage the macroeconomic and labor-market implications of AI, to providing development strategies for small AI, both institutions are focused on helping members harness the potential of this technology while balancing its risks.
- We are at a consequential moment, but the global economy has navigated momentous shifts before.
- When Bangkok last hosted the Annual Meetings, few could have predicted the vast progress the next 35 years would bring.
- The future may be uncertain, but the actions we take today will help define it. Together, let us set a course toward another 35 years of shared prosperity and transformative growth. Thank you.