



CLIMATE
VULNERABLE
FORUM
CVF
V20
VULNERABLE
TWENTY
GROUP



16TH V20 MINISTERIAL DIALOGUE PROSPERITY, STABILITY, AND SECURITY IN AN ERA OF PLANETARY INSTABILITY

14 April 2026 (Tuesday) | 11:30 AM - 1:30 PM (ET)
MC 13-301, World Bank Headquarters, Washington, D.C.

I look around the room, and I see predominantly the same faces that I saw a few minutes ago with a few notable exceptions. Dr. Alkhalifa, I want to welcome you, and to say to you that in your absence, I've already started to talk about our Compact that you have so graciously, and kindly agreed to work with us on.

I reflected on the meeting that we had in October last year, and our two teams have made considerable progress towards being able to put together a Compact that focuses effectively on three things with respect to the area of education, health, and water. And I think we have agreed to focus on these three areas because of how fundamental they are to human development and to the quality of life of each of our citizens.

The reality is that we want to see a scaling of concessionality with, in particular, the establishment of a 'grant floor,' and I hope that will be somewhere in the vicinity of 25 percent. We want to see a different treatment to how we approach it by ensuring that we also look for blended capital, private capital, local capital, not just international.

We want to have strong country ownership, because we know from our own experience that in the absence of strong country ownership, we will not get the progress that we need to get in these critical areas for domestic development and strong domestic economies. Strong domestic societies make for stronger international communities.

And of course, we want to ensure that we can have established crisis and shock-responsive debt instruments that will help because the one certain thing has been the uncertainty of the last decade.

I spoke about the three events of the last six years. It's almost surreal what we have been going through and will continue to go through. And we do not know where this international oil crisis will lead us. What we do know is that there's been much speculation as to where prices can go, but they're not going there on virgin territory. They're going there against the backdrop of countries that have already had to deal with structural adjustment and dislocation, and who are already stretched to the limit.

And that's why the old saying that—*it takes a straw to break the camel's back*—is so powerful because it is imputed in all of the blows and injuries that the camel was taking before the straw came along. And we are no different as countries today. I do feel that when people ask us, "Why are you continuing to fight battles that are impossible," well, they're not impossible. And the truth is that what is required is simply the political will and the motivation that our efforts are, in fact, to allow us to see people, to feel people, and to hear people, and to make life easier for them.

And what have we seen in the course of the last seven or so years? Debt swaps, which were just very much the subject of academic discussion, have become now something that is more reflective in the day-to-day reality of most of our countries.

In our own case in Barbados, we have a debt swap that was done for nature conservation in the marine environment. And we have a debt swap that, for the first time, aggregates the

savings over the medium-term to build a new capital project for the treatment of our sewage in our country.

We were told that debt clauses were impossible. And when debt pause clauses, and then when the World Bank came on board, we were told that *only the IFIs would come on board*. The market would never accept it. Well, we did our first issuance in more than a decade last June of US\$500 million, and we had market interest of almost six times that amount. And the market interest all came with the understanding that the bonds were being issued with both climate resistance clauses, debt pause clauses for nature, natural disasters, as well as for pandemics.

We were told that we would never get anywhere in the battle against surcharges with the IMF, and we have seen adjustments on that.

I give you this background because I want you to leave here to understand that this is not just another meeting. This is a meeting where we can make real and substantive progress towards changing the paradigm for what is appropriate for loans to build out our educational, our health, and our water sectors. Without that, we do not have development.

I say simply, there is no harm that has been identified in our discussions, in our thoughts, on the lender. The lender is kept whole. The lender just may not receive the same scale of profits, but hopefully, they will operate in an environment that is more sustainable. There is only protection for the borrower, and the protection comes as a result of the fact that the borrower is now in a position to be able to deal with development issues that would otherwise become Hobson's choice for them, difficult choices to make in circumstances where they could sustain more if the structure of their debt profile was different, and their debt service was different.

So, Dr. Alkhalifa, I want to salute the OPEC Fund for International Development. I want to salute the other Gulf States sovereign funds who, initially, also gave us success in terms of wanting to move in this direction to see what is possible to change the paradigm at the very time that the world needs it. And I want to salute you even more because when we started this discussion, there was no war in the Gulf States. There was no dislocation of people's circumstances. And the easiest thing for you and others to have done was to say, "This is a wonderful idea, but I'm otherwise distracted at this moment in time," and all of us would have understood it.

But that you have, far from that, continued on the pathway, in spite of the peculiar difficulties that your region is facing, to be able to ensure that we can truly turn the corner on what, if we are frank, should have been the most basic commitment given when the Bretton Woods Institutions were formed. That we are now having to confront this 80 years later is a sad indictment on the institutions which we have.

And I end on this point. Why is it a sad indictment? Because, at the very time that the Bretton Woods Institutions were being formed, the great powers of the day made commitments that caused them to recognize that tenor of loans was important. The United Kingdom in 1914 and in 1917 issued two bonds to fight World War I. It soon became clear to them that they could not repay those bonds while rebuilding the damage from World War I. They then changed them into perpetual bonds that were only finally repaid in 2014. Similarly, the same thing happened for the money that they borrowed to compensate slave owners in 1834, which was only repaid in 2014. Equally of importance is that, after World War II, the same countries that established the Bretton Woods Institutions agreed informally to ensure that Germany would not have to service debt in excess of five percent of its exports. They created a cap to facilitate the recovery of Germany from the war. The cap is related to capacity.

I say that the same treatment that was available to other great powers throughout history ought now to be available to the developing world that has become sovereign in their own right in this iteration, post-colonialism, because many of our countries at the table were already functioning civilizations long before colonialism became a part of the global landscape.

And I therefore hope that this morning, Ministers of Finance will make the political commitment to advocate with our development partners, the development financial institutions in particular, the utter and absolute urgency of being able to have 40- and 50-year loans for education, for hospitals and health matters, and for water, to lay pipes in particular and to build decent plans.

If we can get that, then we will have helped turn the corner. And the negative consequences coming from a narrow focus of the Bretton Woods Institutions would be at one time corrected with an ambition that is appropriate to the moment in which we live.

Thank you very much.

H.E. MIA AMOR MOTTLEY

Prime Minister of Barbados
CVF-V20 Presidency Chair