

Partnership, Commitment and Flexibility in Addis Ababa and Beyond

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Introduction

Good morning. *Tena yistilign.*

Prime Minister, Secretary-General, Mr. Presidents, Royal Highnesses, Excellencies, Ladies, and Gentlemen: Let me start by saying that our Managing Director Christine Lagarde is not able to join us here today because of the developments concerning Greece. She asked me to convey her deep regrets, her confidence that this conference will be a defining moment for global development, and the full commitment of the IMF to continue supporting developing and fragile countries.

As we gather here in Ethiopia—a dynamic country in a rising continent—we share a once-in-a-generation opportunity.

A decade-and-a-half ago the international community came together to launch the Millennium Development Goals. This call to combat extreme poverty was reinforced in Monterrey—as the IMF stood shoulder-to-shoulder with the UN and other partners to forge a consensus on Financing for Development.

On the journey from Monterrey to Addis Ababa, much of the world has changed. Across many developing countries, where there was once isolation and stagnation, there is now integration and growth. In *non-fragile* low-income countries, real per capita GDP has increased by almost 70 percent.

At the same time, however—and as we all recognize—fragile countries have tragically fallen behind. Across the world, the scourges of inequality and injustice remain: over a billion people still live in extreme poverty.

As the African proverb goes, “*Unity is strength, division is weakness.*” To move further ahead on the path of sustainable, inclusive growth we must be united—and guided by three key principles: *partnership, commitment, and flexibility.*

1. Partnership

First, partnership. *All* countries—developing, emerging, advanced—must work together, and with civil society, the private sector, and international organizations.

We know that developing countries are best placed to drive their own development. We know that sound macroeconomic policies are essential to help mobilize resources and use them efficiently and effectively.

But we also know that developing countries cannot do it alone. The international community has a responsibility to create an enabling environment for sustainable growth and development—working hand-in-hand with the developing countries themselves.

Together—through partnership—we are greater than the sum of our parts.

2. Commitment

Which leads to our second principle: commitment. To be effective partners, we must *all* demonstrate sustained commitment—not only for 2015, but for a generation.

Speaking for the IMF—with our global membership and mandate to promote growth and stability—we are committed to help turn the new Accord into action. As well as enhancing our core functions of policy advice and capacity building, we will also strengthen our lending to developing countries—in three key ways:

- We will expand access to all our concessional facilities by a full 50 percent.
- We will target that concessional financing even more on the poorest and most vulnerable countries.
- And we will maintain for the longer term the zero interest rate on our Rapid Credit Facility loans—for fragile states and countries hit by natural disasters.

In these very concrete ways, the IMF is strengthening the global safety net for low-income countries. And the IMF is strengthening its commitment.

3. Flexibility

So we need partnership, commitment and—our third principle—flexibility.

What challenges await? Some—like demographics, technology, and the environment—are well-known. But their future ramifications are not.

We—all of us—need to be ready to adapt to new challenges as they arise.

I can tell you that the IMF is already moving to address what we see as some of the major forces affecting our future: fighting excessive inequality; promoting women’s empowerment; mitigating climate change—and, of course, eliminating absolute poverty.

Going forward, you will see these issues feature increasingly in the work of an increasingly flexible Fund.

Closing

Let me conclude with another African proverb: “*A single bracelet does not jingle.*”

It is only by working together that we can seize this once-in-a-generation opportunity—in Addis Ababa today, and beyond.

A’mesegenalehu. Thank you.