WBG statement at Roundtable 1: High-level Round Table 1 on "*Strengthening the three pillars of social development: poverty eradication, full and productive employment and decent work for all, and social inclusion*."

Excellencies, distinguished delegates, dear colleagues

Jobs are the surest path out of poverty. Over the next decade, 1.2 billion young people in developing countries will reach working-age. Creating opportunities for them to find more and better jobs is essential for development, stability and hope.

At the World Bank Group, our ultimate goal is to help countries build economies that convert growth into local jobs— unlocking opportunities where people already live. Jobs do more than generate income. They empower women, engage young people, strengthen communities, and reduce the need for aid. They help people move up the ladder of aspirations and build shared prosperity.

Our jobs strategy rests on three pillars:

1. **Investing in foundational** infrastructure and human capital—from roads, ports, and digital access to healthcare, education, and skills;
2. **Supporting policy** and regulatory reforms that foster business-friendly environments and transparent institutions; and
3. **Mobilizing private investment** at scale—through capital, guarantees, and risk insurance.

We are prioritizing sectors with the greatest potential for local job creation—such as infrastructure and energy, agribusiness, healthcare, tourism, and manufacturing. These are not aid-dependent sectors; they are growth industries that strengthen resilience and build vibrant, homegrown economies. They also happen to be sectors where AI won't be a massive disrupter.

When jobs grow, poverty falls. Between 2016 and 2024, Mexico created eight million jobs—two-thirds formal—and poverty declined by over 40%. Since 2020, Viet Nam has increased non-agricultural jobs by more than 40% and cut poverty by half.

Scaling up jobs to meet today's challenges requires strong private sector engagement. Our International Finance Corporation plays a critical role in this effort by aligning private sector practices with high standards on labor and working conditions. The IFC's Performance Standards—applied in over 100 countries—provide a globally recognized framework for managing environmental and social risks in private sector projects. Together with the ILO, the IFC is strengthening this effort through the Better Work Program, which since its inception in 2007 has reached close to 3.5 million workers, improving both working conditions and business outcomes.

Yet, after decades of progress, global poverty reduction has slowed to a near standstill. One in ten people still live in extreme poverty—on less than three dollars a day—and poverty is increasingly concentrated in Sub-Saharan Africa and in places affected by conflict and fragility.

Although economic growth is necessary, it is not enough to break the cycle of poverty. Stronger foundational investments in infrastructure, human capital, and institutions are critical to ensure people can climb the socioeconomic ladder and escape extreme poverty.

This brings me to social protection and inclusion. Over the past three decades, our social protection and local development programs have expanded significantly, reaching the hardest-to-reach communities. From Afghanistan to Zambia, programs combining cash transfers with training, capital support and market access have increased women's profits by up to 100%.

Our ambition is to help countries deliver social protection and employment support to 500 million people—including 250 million women—by 2030. These investments boost earnings, build resilience, and ensure that no one is left behind.

Partnerships are key to achieving these targets. We look forward to continuing working together.

Thank you.