DEVELOPMENT COMMITTEE
(Joint Ministerial Committee of the Boards of Governors of the Bank and the Fund on the Transfer of Real Resources to Developing Countries)

NINETY-THIRD MEETING
WASHINGTON, D.C. – OCTOBER 11, 2014

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Statement by
Rt. Hon. Justine Greening, MP
Secretary of State for International Development

and

Rt. Hon. George Osborne, MP
Chancellor of the Exchequer

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World Bank vision

The UK commends World Bank Group President Jim Kim and his staff for the recent reforms to ensure the Group remains relevant in a changing world and effectively delivers the twin goals of poverty reduction and shared prosperity. We look forward to seeing the fruits of these efforts.

To ensure that the gains from the new structure are realised other change processes will also need to succeed. We look forward to the new strategic country diagnostics identifying the priority development challenges where the Group can have the biggest impact and to the change in structures driving greater collaboration across the Group. We recognise the substantial progress made in the implementation of the Expenditure Review and will work with the Group to bring about a further improved budget process that secures efficiency and maximises results through client facing activity over the medium term.

Economic development

Economic development is the main driver of long term poverty reduction and shared prosperity. Accelerating economic development is thus essential if the twin World Bank Group (WBG) goals are to be achieved. The UK and the WBG have therefore increased their collaboration to support economic transformation, particularly in fragile and the poorest countries.

The private sector is the engine of growth. Successful businesses drive growth, create jobs and pay the taxes that finance services and investment. Governments have a critical role in planning for the right sort of investments, encouraging responsible business, being intelligent customers of private sector providers, and helping markets work better for poor people. We are keen to see the new WBG structure bring closer together the public and private arms of the Bank to better promote policies and investments that encourage high, sustainable and inclusive growth. We welcome the creation of the Global Practice Group on Jobs to enable the WBG to improve its own diagnosis and policy/programming on jobs and play a stronger lead in the international development community on this issue.
Growth is more sustainable and has a greater impact on poverty reduction if countries ensure it is inclusive of all segments of society, in particular girls and women. This requires actions to tackle the structural barriers that deny marginalised people the chance to find jobs and raise their incomes. We encourage the Bank to better track and monitor the impact of its economic development work to ensure no one is left behind.

Post 2015

Negotiation of the Post 2015 Framework is a critical opportunity to accelerate poverty reduction and sustainable development. It is also essential to meet the zero poverty goals of the post-MDG framework. Our best chance of success is if the goals are concise, compelling and focused on eradicating extreme poverty. The framework needs to inspire a generation and galvanise international action – from governments, the private sector and civil society - over the next 15 years.

Inclusive and sustainable growth must be a core element of the post-MDG framework. We will neither eliminate poverty nor achieve many of the other goals without a compelling goal that addresses the building blocks of inclusive and sustainable growth.

We welcome the fact that the Bank is stepping up its engagement on the debate. Our common efforts should now focus on securing a tighter framework, including strong, clear goals on inclusive and sustainable growth and on Financing for Development.

Resilience, fragile states, conflict and crises

The progress that the Bank has made in improving its engagement in fragile contexts is critical to meeting its new goals. As well as the persistent challenge from crises such as those in the Middle East, we also face the structural challenge that an increasing proportion of the world’s poor will be found in fragile contexts.

The Bank is rightly moving to an intelligent focus on taking and managing the right risks rather than a focus on risk aversion. The new Turn Around Regime under IDA 17 is also a welcome development. However, significant challenges remain, in particular at the point of implementation. We recognise the work which the Bank has initiated to deploy more staff to country offices, to increase flexibility in their operating procedures, and promote institutional learning on what works. We also welcome the creation of the new Group for Fragility, Conflict and Violence and the appointment of a new Senior Director to lead their work. We encourage the Bank to maintain and deepen this momentum. We stand ready to collaborate with them at all levels of our organisations to share resources and experience.

Gender and anti-discrimination

The World Bank has continued to demonstrate energy and commitment to achieve gender equality and shared prosperity for all. The creation of the Gender Cross-Cutting Solutions Area is an important symbolic and practical step to embed gender across the Bank. It has a critical role to play in setting the agenda for transformative work in areas such as violence against women, women’s economic empowerment and voice and agency. The UK and UNICEF’s
recent Girl Summit on ending child, early and forced marriage and Female Genital Mutilation saw international interest in tackling such difficult issues.

We welcome the Bank’s greater attention to gender issues in its projects and its commitment to ensuring that it has the right indicators, data and skills to measure progress in so doing. The new World Bank Group Gender Strategy scheduled for next year will need to set out an ambitious road map to translate this commitment into transformative change in key areas.