Statement by

Mr. Daniel Kablan Duncan
Prime Minister and Minister of Economy and Finance

Republic of Côte d’Ivoire

On behalf of the Group II African Countries
My statement focuses primarily on the topics appearing on the agenda of our April 12, 2014 meeting, namely (i) Growth in the Post-Crisis Global Economy: Policy Challenges for Developing Countries; and (ii) the Progress Report on Mainstreaming Disaster Risk Management in World Bank Group Operations.

**Growth in the Post-Crisis Global Economy: Policy Challenges for Developing Countries**

We welcome this discussion on growth in the post-crisis global economy. We agree with the general observation that the recovery underway in high-income countries (HICs) is critical to the health of the global economy and of the developing countries (DCs) in particular. This improved performance in the HICs undoubtedly presents an opportunity to regain the pre-crisis growth momentum and rebuild budget margins, particularly for Sub-Saharan Africa. It bears noting that in this region, several measures relating to macroeconomic management, solid investments in the extractive industries sectors, and, where appropriate, private consumption growth, have all contributed to efforts to effectively counter the impact of the global financial crisis.

Our countries must take action on both national and international fronts in order to increase growth rates to levels that would stimulate job creation and reduce poverty. At the country level, these actions include (i) maintaining short-term macroeconomic stability; (ii) addressing the factors hindering private sector development, such as the business climate, inadequate infrastructure, or fragility; (iii) improving productivity in agriculture, which remains the biggest employer of labor; and (iv) investing in human capital and productivity. At the same time, achievement of the development goals requires not only country-level efforts, but also a favorable international environment. The international community should therefore (i) make a firm commitment to international coordination of macroeconomic policies for crisis prevention and mitigation; (ii) place particular emphasis on the promotion of growth and shared prosperity; and (iii) strengthen engagement of development institutions with client countries.

With respect to the role of the World Bank Group (WBG), reforms underway in the institution provide an opportunity for more effective engagement with African countries, in light of the positive trends in these countries and increased client demand. We also view the change process as an opportunity for the WBG to focus efforts on areas where the impact on poverty and income equality will be greater. We call on the WBG to promote regional development projects, primarily in the energy, agriculture, and infrastructure sectors, including transport.
We are cognizant of the fact that the development challenges in Sub-Saharan Africa require more resources than received with the IDA 17 replenishment exercise, and that private sector participation can make a significant contribution in this regard. To that end, robust WBG support to the region will require the participation of, and active collaboration with, the IBRD, IFC, and MIGA, as well as other financial institutions, including the African Development Bank (AfDB), with a view to attracting private sector actors for infrastructure development and strengthening, and enterprise development in the non-extractive sectors. Furthermore, ongoing IFC support to help improve the regional business climate will be a decisive factor in efforts to attract private sector actors.

We would like to make two main comments on this document.

The first comment pertains to the WBG policy proposals for the developing countries. While we fully appreciate the importance of the proposed measures, we would like these proposals to be strengthened further to facilitate achievement of the goals of reducing extreme poverty and promoting shared prosperity. We are of the view that to achieve its ambitious twin goals by the deadline it has set, the WBG must strive for more specific and innovative solutions, in order to expedite development progress in the developing countries.

The second comment relates to two issues of importance to our Group. The first pertains to access to IBRD resources by IDA recipients that can also receive financing on the international bond market, while the second concerns the WBG’s non-concessional loan policy and the need to allow IDA countries to seek private non-concessional loans for infrastructure development projects. It is our hope that the findings of the joint IMF-World Bank review underway will help address the financing issue and the challenges associated with infrastructure development projects, which are the main obstacle to competitiveness and growth in the developing countries.

Progress Report on Mainstreaming Disaster Risk Management in World Bank Group Operations

With respect to the progress report on mainstreaming disaster risk management in World Bank operations, we appreciate the work done by WBG staff to mainstream the management of this type of risk in operations, and request that a results framework for future reports be put in place. We also request that the next report include more of the relevant recommendations set forth in the 2013 World Development Report (WDR 2013).

We call on WBG senior management to step up the pace of capacity building in our countries, regions, and communities, in light of the fact that it is at these levels that disaster risk management programs and projects are designed, implemented, and monitored. We urge the WBG to adopt a regional disaster risk management approach, particularly in Africa, where climate phenomena often transcend national borders.

We ask that the WBG replicate its successful regional risk management program currently being implemented in the Middle East and North Africa and in Sub-Saharan Africa. With this in mind, we call for specific support for the African facility to manage drought and flood risk, which was established under the African Union and is intended to cover the entire African continent.

We note with regret that no country has accessed the resources earmarked under the IDA Immediate Response Mechanism, and recommend that the WBG conduct a review of this mechanism with a view to ensuring that it adequately meets the needs, conditions, and capacity of our countries.