Statement by

H.E. Lilianne Ploumen
Minister of Foreign Trade and Development Cooperation
Kingdom of the Netherlands

Representing the Constituency of Armenia, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Georgia, Israel, Macedonia, Moldova, Montenegro, The Netherlands, Romania and Ukraine
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Introduction

1. In many ways, 2015 is an important year for international development. This September, we adopted the Sustainable Development Goals (SDGs) – ambitious objectives the international community will strive to achieve by 2030. This December, we expect to come to an agreement in Paris in order to combat climate change. The Development Committee (DC) is thus meeting at a pivotal moment. Our constituency underscores the importance of the 2030 Agenda and emphasises the crucial role international financial institutions (IFIs) will have in helping countries achieve the Goals.

2. At the same time, it is important that we do not lose sight of short-term challenges in the pursuit of our long-term objectives. Firstly, within the ranks of our constituency, members have been affected by fragility. Several are confronted with poor growth prospects and structural challenges. We especially welcome the continued engagement of both the World Bank Group (WBG) and the IMF in addressing economic challenges in Ukraine and Moldova. In line with actual demand we call upon the One World Bank Group to boost its efforts, both in the form of lending and advisory services, in all countries in our constituency.

3. Secondly, the continuing unrest in the Middle East and North Africa demands the urgent attention of the WBG. Conflict, social turmoil and uncertain economic prospects have led to a deterioration of an already fragile situation. While this should not cause the WBG to lose sight of often equally fragile and poorer countries in Sub-Saharan Africa, it is imperative that the WBG direct substantial and urgent efforts towards the MENA region, in particular those countries most in need. Measures should focus on building the resilience of countries affected by fragility and conflict, resulting in large numbers of refugees and internally displaced persons. We call upon the WBG to direct its attention to creating economic opportunities in this region, supporting the creation of an enabling environment for the private sector and focusing on youth employment. We encourage the WBG to collaborate as closely as possible with the IMF, other MDBs and UN agencies to promote synergies and avoid duplication.

The World Bank Group Support for the 2030 Agenda for Sustainable Development

4. Our constituency welcomes the discussion of the WBG’s role in the 2030 Agenda. We welcome the 2030 Agenda for its improved universality, its focus on inclusion and sustainability and its multidimensional approach. The SDGs provide an unprecedented opportunity to align the
development strategies of the WBG, the IMF, the UN, other international financial institutions, as well as other relevant actors such as national bodies, the private sector and civil society.

5. With its capacity to catalyse funds, build bridges between the public and private sector and function as a ‘solutions bank’, the WBG remains a vital actor on the stage of global development. We are pleased the WBG is focusing on enabling the transition from fragility to stability. We acknowledge that building climate resilience and economic development are interlinked, as the effects of climate change could threaten to nullify previous development gains.

6. In light of the 2030 Agenda, the WBG should clearly position itself in the changing international development field. The appearance of new international public actors has offered opportunities for new collaboration, synergy and divisions of labour. Changing private capital flows have changed the landscape of international development finance, offering new opportunities for attracting finance. This changing environment calls for a strategic analysis and long-term vision of the WBG’s role.

7. Our constituency reaffirms the importance of the broad and ambitious Financing for Development (FfD) agenda in general and the Addis Tax Initiative in particular. ODA alone will not be enough to deliver with regards to the SDGs. We stress the importance of supporting developing countries in building capacity, especially relating to domestic resource mobilisation (DRM), public financial management and curbing illicit financial flows. We encourage efforts by both the WBG and the IMF in these three specific areas, through strengthening national policies and ensuring international policy reforms are supportive of sustainable development.

8. Private sector involvement in the 2030 Agenda is crucial to its success. Opportunities generated by dynamic private sectors help create resilient communities in developing countries, particularly by providing employment for young people and women. We encourage the WBG, and especially the IFC and MIGA, to consider innovative ways of generating external funds and encourage private investment in developing countries. On the one hand, this entails robust support to creating an enabling environment and reducing perceived risk. On the other hand, private finance should be mobilized through innovative financing instruments such as the Global Infrastructure Facility (GIF).

Investing in evidence

9. Our constituency welcomes the WBG’s discussion of the importance of data. In the last decade, the spread of digital technology has spurred the production, availability and quality of data. However, the lack of basic statistics from developing countries threatens to distort our perception of their social and economic realities. At the same time, statistics are important for determining and assessing development policies and programmes. We consider data to be at the core of decision-making processes. More specifically, our constituency affirms the importance of measurable progress towards the WBG’s twin goals and towards the SDGs. Progress needs to be monitored in order to assess whether strategies and programmes are having an impact.

10. In order to properly monitor progress and attain ownership over their development trajectory, countries need to augment their statistical capacity and remove unnecessary policy constraints. We call upon the WBG and the IMF to work in close collaboration with other actors, such as the UN and national statistical agencies, not only towards data availability, but also data consistency and data accuracy.

Global Monitoring Report 2015

11. Our constituency welcomes the discussion of the Global Monitoring Report, including its tracking of progress in achieving the Millennium Development Goals. We can be proud that the main goal of halving extreme poverty has been reached.
12. We share the WBG’s analysis of the importance of changes in global demography to social and economic development. Demographic developments offer both opportunities and challenges. We call upon the WBG to take into account demographic developments in its policy-making process. Furthermore, we encourage the WBG to come up with innovative policy reforms to mitigate the socio-economic impact of an aging population, including more active participation of women on the labour market.

**WBG reforms**

13. We commend the WBG for its new procurement policy and its inclusion of non-price-related criteria such as quality and sustainability. We expect the WBG’s new policies to raise the bar globally in terms of procurement accountability, transparency, integrity and sustainability.

14. Our constituency continues to actively engage with the WBG’s efforts to improve its safeguard policies. The safeguard policies constitute vital checks and balances ensuring projects harm neither communities nor the environment and contribute to the twin goals of ending extreme poverty and ensuring shared prosperity. We consider broad support and stakeholder consultations, including with civil society, to be a vital part of this process.

15. The latest draft shows progress, but needs some improvement and more ambitious language when it comes to human rights, especially regarding labour standards, gender equality and LGBTI rights. The WBG can play an important role in empowering countries to fulfill their international commitments in this regard. We encourage WBG to pay special attention to the implementation of the framework and to, as part of its core business and from its core budget, building countries’ implementation capacity. Compliance throughout the lifecycle of the project is key, including sufficient capacity at country level to monitor implementation.

16. Our constituency is committed to improving the voice of developing countries in the WBG, taking into account representation and responsiveness. We firmly believe any decision on a capital increase should be based on the consensual outcome of the upcoming discussions of a vision on the future position of the WBG in the international development landscape and a dynamic formula.

17. Our constituency reiterates its confidence that recent reforms have made the WBG fit for purpose. The Global Practices and Cross-Cutting Solutions Areas have helped recalibrate the WBG’s strategy towards those topics that need attention the most. We call upon management to ensure that the WBG actively continues to retain this focus, including by addressing staff concerns about some of the after-effects of the reorganization, and concentrates on delivering concrete results with regards to the twin goals of ending extreme poverty and boosting shared prosperity. The poorest countries, especially those affected by fragility and conflict, are of special concern.

18. Our Constituency continues to support the WBG’s modernization strategy, including its measures to decentralize and move Global Practices closer to its clients. Countries in our Constituency have expressed interest in hosting regional offices that will help ensure a better dissemination of the WBG’s knowledge and expertise.