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# World Bank

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## LEWIS PRESTON ANNOUNCES ORGANIZATIONAL CHANGES IN WORLD BANK'S SENIOR MANAGEMENT

WASHINGTON, September 17, 1991 -- World Bank President Lewis Preston today announced a streamlining of the structure of the senior management of the institution. After consulting with the Executive Directors, representing the Bank's 155 member countries, Mr. Preston announced the establishment of an Office of the President with three Managing Directors. Attila Karaosmanoglu, currently Vice President, Asia Region; Sven Sandstrom, currently Director of Mr. Preston's office; and Ernest Stern, Senior Vice President, Finance, have been named Managing Directors in the new office, effective December 1, 1991. The existing three senior vice presidencies in the World Bank are being eliminated.

Mr. Preston also announced the creation of a new regional office of the World Bank for Europe and the Soviet Union to respond, as he put it, to "the historic changes and opportunities" in that part of the world. Effective December 1, Wilfried Thalwitz, who is currently Senior Vice President, Policy Research and External Affairs, will head this new region. From 1987 to 1989, Mr. Thalwitz had served as Vice President, Europe, Middle East and North Africa Region. "Mr. Thalwitz is ideally qualified to take on this critically important assignment. He brings a wealth of operational experience to the post and has also played a key role in the relations that have already been established between the World Bank and the Soviet Union," Mr. Preston said.

Mr. Preston earlier announced that Moeen Qureshi, Senior Vice President, Operations, plans to retire on November 30. In paying tribute to Mr. Qureshi who has served in the IMF, IFC, IBRD, and IDA, Mr. Preston said: "Throughout his illustrious career, he has displayed outstanding professional and personal qualities as well as a deep commitment to the mission of these institutions."

In announcing the management changes, Mr. Preston said, "The primary responsibility of the three Managing Directors will be to ensure that the Bank functions as a well integrated, efficient organization and that there is a clear institutional framework for decision making." Noting that they will advise the Bank's Vice Presidents on policy and strategic issues, the World Bank President added that "they will have authority individually to make decisions on any matter which does not require a decision by the President and will bring issues requiring broader consideration to my attention, or raise them with all members of the Office."

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Mr. Preston said that he believes the new structure will:

- "Provide more authority for line managers to operate within their areas of responsibility;
- "Give us a better articulated institutional framework for decision making;
- "Speed up communication and decision making by eliminating one management layer;
- "Improve communications by expanding the outreach of, and the contact points with, the President;
- "Increase efficiency by providing earlier, less formal opportunities for obtaining senior management guidance; and
- "Focus better our communications with other agencies on policy matters."

These changes will not affect the management structures of the International Finance Corporation (IFC) or the Multilateral Investment Guarantee Agency (MIGA).

NOTE: Mr. Preston will join the Press Conference already scheduled for the presentation of the World Bank's Annual Report on Thursday, September 19 at 3:00 p.m. to answer questions on today's announcements.

Biographical notes on the senior managers involved in the changes are attached.

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## Biographical notes

### Office of the President

Attila Karaosmanoglu, a Turkish national, joined the Bank in 1966 as an economist in the International Development Finance Division of the Economics Department. He transferred to the Europe, Middle East and North Africa Department in 1968 and was promoted to Senior Economist in that region in 1969. Mr. Karaosmanoglu resigned from the Bank in 1971 to serve as Deputy Prime Minister in Turkey for one year, returning a year later to the position he had left. He was promoted to Chief Economist of the EMENA Region in 1973, and then to Director of Development Policy Staff in 1975. He was appointed Director EMENA Country Programs I in 1979. In 1983 he was promoted to Vice President, East Asia and Pacific Region, which became the Asia Region in 1987, the position he currently holds. He will become Managing Director in the Office of the President on December 1, 1991.

Sven Sandstrom, a Swedish national, joined the World Bank Group in 1972. After assignments in the Transport and Urban Projects Department, he was promoted to Deputy Division Chief in the Urban Projects Department in 1977 and to Division Chief in 1979. He transferred as Chief of the Urban Division of South Asia Projects in 1981. Mr. Sandstrom was promoted to Assistant Director, Eastern and Southern Africa Projects Department in 1986, and to Director, Southern Africa Country Department in 1987. He was appointed to his current position of Director, Office of the President, in 1990. He will become Managing Director in the Office of the President on December 1, 1991.

Ernest Stern, an American national, joined the World Bank Group in January 1972 as Senior Adviser in the Office of the Economic Adviser to the President, and as Deputy Chairman of the Economics Committee. He was promoted to Director, Development Policy in 1974 and then to Vice President, South Asia Region in 1975. In 1978 Mr. Stern was promoted to Vice President, Operations and in 1980 to Senior Vice President, Operations. He was appointed to his current position of Senior Vice President, Finance in 1987. He will become Managing Director in the Office of the President on December 1, 1991.

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### Europe and the Soviet Union Regional Office

Wilfried Thalwitz, a German national, joined the World Bank Group as a Young Professional in 1963. Thereafter, Mr. Thalwitz held the position of Economist in the Transportation Division of the Projects Department until 1968 when he transferred to the Resident Staff in Indonesia as a Senior Transport Economist. He returned to Headquarters in 1970 to take up an assignment as Division Chief in the Western Africa Department. In 1971 he was promoted to Deputy Director, Transportation Projects Department, and in 1972 to Director, Western Africa Projects Department. Mr. Thalwitz took a one-year sabbatical in 1976 to teach and do research at the Institute of Development Policy in Berlin, returning in 1977 to resume his duties as Director of the Western Africa Projects Department. He was promoted in 1984 to Vice President, West Africa Region. Mr. Thalwitz was appointed Vice President, Europe, Middle East and North Africa Region in 1987. He was promoted to Senior Vice President, Policy, Planning and Research in 1989. He will become Vice President for Europe and the Soviet Union on December 1, 1991.

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### Retiring Senior Vice President, Operations

Moeen Qureshi began his career in the Government of Pakistan in 1953 and held a series of responsible positions in finance and planning. He served with the International Monetary Fund from 1958 until 1970 and served at both headquarters and in the field in a variety of senior economic and operational assignments. In 1970, Mr. Qureshi joined the International Finance Corporation. He was appointed Executive Vice President in 1977 and served as IFC's Chief Operating Officer until the end of 1980. From 1979 until 1980 he served as both Executive Vice President of the Corporation and World Bank Vice President, Finance. Mr. Qureshi was appointed Senior Vice President, Finance, in 1980 and served as the Bank's Chief Financial Officer until 1987. Since 1987 he has headed the Bank's operations, as Senior Vice President, Operations. His retirement is effective November 30, 1991.

During his tenure with the World Bank Group, Mr. Qureshi has made notable contributions to the work of the Bank and to the cause of development. During his stewardship of IFC, the corporation's investments increased nearly three-fold and he organized the first increase in IFC's capital. He made major contributions to the negotiations for IBRD's 1981 Capital Increase and to the strengthening of the Bank's borrowing operations and liquidity management. More recently, he has provided leadership in directing a significant reorientation and expansion of the World Bank's operations in support of poverty alleviation, the environment, and promotion of the private sector.