



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-SECOND MEETING  
LIMA, PERU – OCTOBER 10, 2015**

DC/S/2015-0045(E)  
October 10, 2015

**Statement by**

**H.E. Daniel Kablan Duncan  
Prime Minister and Minister of Economy, Finance and Budget**

**Republic of Côte d'Ivoire**

**On behalf of the Group II African Countries**

**Statement by**

**H.E. Daniel Kablan Duncan  
Prime Minister and Minister of Economy, Finance and Budget**

**Republic of Côte d'Ivoire**

**On behalf of the Group II African Countries**

**92<sup>nd</sup> Meeting of the Development Committee**

**October 10, 2015**

**Lima, Peru**

This written statement on behalf of the Group II African countries focuses on the following topics: (i) World Bank Group support for the agenda for sustainable development recently adopted by the United Nations; (ii) the Global Monitoring Report 2015/2016 on the Millennium Development Goals; and (iii) the World Bank Group 2015 Shareholding Review.

**1. World Bank Group Support for the Agenda for Sustainable Development**

We would like to express our gratitude to the Bank's staff for the quality of this report on World Bank Group (WBG) support for the achievement of the sustainable development goals (SDGs).

The report notes that the WBG is well structured and well positioned to support the post-2015 development agenda. It points out, in particular, that the twin goal of eliminating extreme poverty and boosting shared prosperity adopted by the World Bank Group in 2013 is in line with the SDGs, and that the Bank's operating model is well adapted to the needs of its clients. Strengthened dialogue with countries and increased knowledge sharing to support more integrated and innovative development solutions and services across all WBG institutions should help enhance the Bank's operational effectiveness.

We are nevertheless of the view that the report could provide a more in-depth analysis of the Group's contribution to achievement of the SDGs. A genuine strategy along with actions needed to help countries implement this program is missing from this report. We believe that the report could have drawn on lessons learned from implementation of the Millennium Development Goals (MDGs) to develop a strategy for the SDGs.

On the development front, the report notes that the current global context differs from that which prevailed at the start of the new millennium. The geography of growth and poverty has changed; inequality and instability have increased in certain regions; the challenges with respect to public goods have revealed a greater interconnectedness and interdependence of countries and policies. The report underscores the importance of tackling humanitarian crises, particularly the current migrant crisis that worsens with each passing day.

However, the report is silent on economic growth, even though it is one of the foremost development challenges of our time. In the post-2008 financial crisis period, recovery has been weak and global economic growth disappointing. There is a real risk that recent social gains made in myriad regions across

the globe could be reversed, thus jeopardizing the valuable work done by the Bank and raising questions about the sustainability of interventions in these regions. The new reality, marked by low commodity prices and sluggish economic growth without the creation of a sufficient number of jobs, will undoubtedly have an impact on SDG implementation, especially in the initial years. If emphasis is not placed on growth and maintaining the social gains made, we believe that meeting the SDGs will prove extremely difficult for countries. The report should therefore be revised to include the growth challenge in discussions on SDG achievement.

The report proposes that the WBG focus on the following four key priorities: (i) crises and fragility, (ii) infrastructure needs, (iii) climate change, and (iv) statistics. There is no doubt that these areas are important to the development of our countries. However, in addition to these four sectors, the report should, in a bid to ensure a greater impact on our most vulnerable population groups, integrate such priorities as growth, employment, health, education, and social protection, which still pose challenges for our countries. The report should also advocate more strongly for a comprehensive and strategic approach to address climate change adaptation and resilience, and underscore the importance of the work done by the World Bank Group in the area of climate change mitigation, in the context of the United Nations agreement. More generally, we believe that the role of the World Bank Group should be one of supporting countries in their efforts to meet the SDGs, based on its comparative advantage and on client country priorities. We therefore encourage the Bank to revise this report in order to spell out how it intends to support all 17 SDGs, setting out the goals, actions, and expected outcomes. However, we acknowledge that the 2030 Agenda is a vast program with 17 goals and 169 indicators. Some selectivity will be necessary to ensure targeted action by the World Bank Group. This selectivity and the priorities must, however, be determined by the countries, based on their specific needs, as proposed in the Bank's new operating model.

We reiterate our support for the creation of a “development data revolution.” Investing in data for the design of effective policies is essential. To that end, the World Bank should allocate substantial resources to build capacity in this area in developing countries. Priority should be accorded to country ownership of the data production, analysis, and dissemination process, through local institutional, technical, and human capacity building. We therefore encourage the Bank to mobilize the additional resources required for this purpose and coordinate its activities with those of the other international institutions, such as the International Monetary Fund and the European Union.

## **2. Global Monitoring Report 2015/2016: Development Goals in an Era of Demographic Change**

We welcome the publication of the Global Monitoring Report 2015/2016 and commend the staffs of the World Bank and the International Monetary Fund on the quality of this report. We also welcome the useful bilateral discussions that they held with our Executive Directors. The report is, in our view, very comprehensive, with an analytical and innovative section, linking the most recent demographic data to development.

With respect to the Millennium Development Goals (MDGs), we are pleased to note that, for the first time, the extreme poverty rate could fall below 10 percent (9.6 percent of the global population, or 700 million persons). We note as well that for the first time, extreme poverty in Sub-Saharan Africa is declining in both relative and absolute terms. We nevertheless remain concerned by the fact that extreme poverty is increasingly concentrated in Sub-Saharan Africa, a region currently accounting for 43 percent of the global population living below the poverty line. To that end, we call on the World Bank to analyze the reasons why growth elasticity of poverty is lower in Sub-Saharan Africa than in the other regions of the world, and to propose to the countries policies that can be implemented to improve this situation.

We welcome the analysis of changing global demographic trends marked by aging populations in developed countries and higher birth rates and young populations in developing countries. We also recognize that the approach adopted by the Bank is innovative. Indeed, we note that the Global Monitoring Report is the first-ever WBG report to use the most recent population data to link demography to development in a practical manner.

We agree with the report's findings, which show that demographic change presents opportunities to be seized and challenges to be addressed, and are of the view that demographic patterns and trends can contribute to development, provided governments implement appropriate policies in this regard.

We note that our countries, where fertility rates have fallen sharply, have the potential to reap demographic dividends that could contribute to poverty reduction and shared prosperity. We endorse the report's conclusions that our countries must continue to invest in human capital and that free global trade, greater freedom of movement of all factors of production including labor, and access to financial markets are critical, not only to maintain global economic growth trends, but also to combat absolute poverty, while reducing income differences between advanced and developing countries. The World Bank should be able to assist countries to leverage the demographic factors that help improve development outcomes and address the potential challenges of demographic transitions.

We also welcome the demographic typology that classifies countries into the pre-early-, late-, and post-dividend categories. In this regard, the notion of "demographic tradeoffs" proposed in the report can promote increased labor force mobility across borders. Given that international cooperation is necessary to achieve this objective, the WBG must work with the other international organizations in this area.

### **3. World Bank Group 2015 Shareholding Review**

We would like to thank the Bank for this report on the World Bank Group shareholding review.

We take note of the discussions held during the course of the year on this issue and the consensus reached by the Executive Directors. We therefore endorse the proposed road map, which includes the following elements:

- The development of a medium- and long-term vision for the WBG and its role in the international financial architecture, with a view to presenting an interim report at the 2016 Spring Meetings and a final report at the 2016 Annual Meetings;
- The development of a dynamic formula to determine the shares of each member country in the Bank's capital, aiming to reach consensus by the 2016 Annual Meetings and submit an interim report at the 2016 Spring Meetings;
- Consideration in 2017 of a realignment of IBRD and IFC shareholding, in line with the principles proposed in this report, through a selective capital increase (SCI), aiming to reach a decision during the 2017 Annual Meetings; and
- Consideration in 2017 of the possibility of increasing the capital of IBRD and IFC, aiming to reach a decision during the 2017 Annual Meetings.