



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-SEVENTH MEETING
WASHINGTON, D.C. – APRIL 21, 2018

DC/S/2018-0027
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Statement by
Rt. Hon. Penny Mordaunt
Secretary of State for International Development
and
Rt. Hon. Philip Hammond
Chancellor of the Exchequer
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97th Meeting of the Development Committee

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The international community has set itself ambitious Global Goals and has just 12 years left to deliver them.

At the same time, there are challenges to doing so. Rapid population growth and rising aspirations are outpacing job opportunities. Conflict and instability continues. Rising temperatures are increasing vulnerability. Rising debt vulnerabilities are emerging across developing countries. Corruption persists.

But the opportunities are pronounced, be they from sustainable growth, trade, technology, or innovation.

The UK is playing a full part in addressing these challenges and supporting these opportunities, including through our continued commitment to spending 0.7% of its Gross National Income (GNI) on development.

However, we are clear that the challenges and opportunities we are facing require even greater international co-operation and partnership. We need intelligent, collective action to make our resources go further than ever before, tackle challenges that cross boundaries and ensure everyone, including the marginalised, disadvantaged, and disregarded, has the opportunity to thrive in our global society.

The World Bank Group (WBG) must be a core part of this response, given its scale, reach, expertise and ability to leverage finance. The UK supports a bigger and better World Bank Group. One which has sufficient finance to make an impact where this is needed most. And, crucially, one which is undertaking robust reforms in particular in five areas:

- First, maximising the share of WBG support provided to its poorest clients, who are most in need of it, while tailoring its offer to its wealthier clients.
- Second, enhancing the WBG role in responding to global challenges, including reducing fragility and preventing conflict, preparing for and responding to crises (including protracted refugee crises, pandemics and natural disasters) and tackling climate change.
- Third, mobilising private finance for development and ensuring that its efforts are focused on where it can make the biggest difference and where there is the biggest development impact.

- Fourth, greater efficiency, effectiveness and agility, including through efficiency savings, pay restraint, balance sheet optimisation, making systems more agile, empowering staff and putting more of them on the ground so they can meet and adapt to changing needs.
- Finally, ensuring no one is left behind with the potential contribution, and the rights, of women, girls, and disabled people fulfilled.

The UK supports robust monitoring and evaluation of progress in these areas.

Alongside this, the UK supports steps to enhance the governance of the World Bank Group to further improve the inclusivity of its decision making, including through realigning shareholding in line with rights and responsibilities and continuing work to enhance and promote gender diversity at the Board.

Alongside this, at this Spring Meetings, the UK is supporting the WBG's focus on:

- Investments in human capital. The UK welcomes World Bank Group plans to develop a Human Capital Index to measure the effectiveness of investments in human capital and looks forward to working closely with them to finalise this.
- The WBG playing an important role on debt issues, working closely with the IMF, including through:
 - the roll-out this year of the improved Low-Income Country Debt Sustainability Framework to provide policymakers with a clearer picture of their debt position and when corrective action is needed;
 - Improving client capability, capacity and incentives to be transparent on their debt levels; and
 - Giving consideration to the development a comprehensive joint WBG and IMF action plan.

Alongside this, the UK Government will continue to focus on tackling corruption at home and internationally and looks forward to continuing to work closely with the WBG and IMF on this agenda, given the important role they can play.

Sexual Exploitation and Abuse in the development sector represents a risk to continued trust. The UK supports the WBG taking a leading role on tackling this issue. The WBG should take concrete action to improve standards across the WBG institutions and help find solutions across the multilateral system. We welcome the WBG Gender-Based Violence Action Plan and look forward to the findings of the reviews of WBG staff misconduct policies and procedures and the Code of Conduct. Tackling Sexual Exploitation and Abuse is a system-wide challenge that needs a collective response. The UK would encourage all shareholders to work together on this issue.