My tenure as Executive Director (ED) for our Constituency ends on 31st October this year. This message would therefore be my last in the Newsletter as ED. I would like to use this opportunity to thank all our Governors and Alternate Governors for their support. Their guidance and cooperation have been instrumental to the performance of my duties and the execution of my responsibilities. I also thank the entire team of professionals in our Office. I am pleased to acknowledge that I will be leaving with full confidence in my successor, Dr. Denny Kalyalya and the incoming Alternate Executive Director (AED), Dr. Louis Peter Larose. I believe, without any doubt, that together with the team and our Governors’ guidance, under the leadership of Dr. Kalyalya, the Office will continue to represent our Constituency well, pursue our interests, and diligently serve the Bank in its operations, management, and fiduciary functions.

Over the period of my tenure, I am pleased that many countries in our Constituency have been performing well, particularly with respect to economic growth. As indicated in the Annual Report presented during the most recent Annual Meetings of the World Bank /IMF in Tokyo, Japan, GDP growth increased in 2011, ranging from 0.3 percent to 14 percent with 14 countries achieving rates above 4.7 percent. Similarly, in 2012, GDP growth for most countries is estimated to range from 4.0 percent to 8.8 percent. This progress is largely attributed to the boom in mineral and other exports as well as sound macroeconomic policies and improved governance instituted by national authorities. The progress has also been facilitated by the restoration of peace and stability in the case of several of the countries that were embroiled in conflicts or facing post-conflict challenges. I am pleased that the Bank has contributed meaningfully to this development.

I am also encouraged that the Bank has initiated increased support for energy and infrastructure projects. Equally, I am pleased with its resurged interest in the agriculture sector. These developments are in response to our requests. However, considering the lingering and daunting challenges, much more needs to be done in general and in particular, to the regional dimensions of the challenges and to those countries which have not been accorded the necessary assistance for debt relief.

As I leave the Bank, I wish to sound a note of optimism, albeit cautious, regarding Dr. Kim’s vision of the transformation of the Bank from a ‘knowledge bank’ to a ‘solutions bank’ which is covered in this edition of the Newsletter’s feature story. The instrumental rationality of this vision and the pragmatism envisaged for its realization is encouraging even amidst the current economic crisis in the global economy.

I trust we will continue to strengthen our engagement with the Bank. We should also explore ways and means to contribute to the world of ideas and actions that encapsulate the ideals of a “solutions bank”. While this suggestion is important, I believe, it goes without saying, that Africa’s development problems are primarily African prerogatives. I therefore urge all our authorities to continue their resolve to increasingly initiate innovative as well as evidence-based measures to address these development challenges.
FEATURE STORY:
Toward a Solutions Bank: Perspectives on the Opportunities and Challenges

Introduction
Over the years the World Bank has been evolving in its strategic orientation toward meeting its primary objectives to end poverty and promote shared prosperity. During the Annual Meetings in Tokyo, Japan, the President of the Bank, Dr. Jim Yong Kim, in his inaugural address at the plenary session of the Meetings, shared his vision on what is envisaged as a new strategic orientation in this evolving process. This article briefly reviews his vision and offers perspectives on the opportunities and challenges inherent in the process of realizing this vision.

The Vision of a Solution Bank
Being cognizant of the multifaceted and extraordinary challenges that are involved in meeting the Bank’s primary objectives, Dr. Kim made a special call that the Bank “must grow from being a ‘knowledge bank’ to being a ‘solutions bank’”. He indicated that the intent is for the Bank “to support clients in applying evidence-based, non-ideological solutions to development challenges…with a focus on delivery [characterized by]…the design, execution and demonstration of results…more than ever before”. He averred that we should strive to “bend the ‘arc of history’ towards more opportunities for more people in more places”. He further said that the people’s aspirations are “not just to escape poverty…[but also] to build and achieve all dimensions of prosperity, including higher incomes, good health and quality education”. In addition, he noted that they also want justice “because wherever there is poverty and inequality there is too often injustice”.

In elaborating his vision, he sounded a note of pragmatism in its realization. He noted that, while so much more is possible to further address the poverty reduction and development challenges, the perceived ‘solutions bank’ should not suggest that the Bank would “have ready-made solutions for every development problem”. Rather he indicated how the ‘solutions bank’ would work and what it would require to be effective in his statement that:

… as a solution bank we will work with our partners, clients and local communities to learn and promote a process of discovery. Through decades of development work I’ve learned that the best solutions to economic and social problems often lie with the individuals and communities coping with these challenges in their daily life. They have been my greatest teachers. We must listen to and act on their insights.

To be an effective bank, we will need to seek answers beyond our walls…. Today knowledge is everywhere…. with our global reach the World Bank is ideally positioned to connect and convene multiple stakeholders from around the world, brokering knowledge exchange across institutional boundaries.

To do so we will strengthen and expand our partnerships. This means reinforcing collaboration with the IMF, the U.N., the regional development banks. And it means building new alliances with leading civil society organizations, foundations, academic institutions, and the private sector to advance shared goals.

This vision is noble and the President deserves commendation. The realization of the vision should now become an imperative for all concerned to capitalize upon the opportunities and address the challenges inherent in the process.

Challenges and Opportunities
The realization of a ‘solutions bank’ faces complex and multifaceted challenges, but also has significant opportunities to address the daunting poverty reduction and shared prosperity objectives of the Bank. A review of many of the challenges has been evolving over several years with the intent to achieve incremental changes. These challenges may be, ipso facto, explicitly linked to the rationale for the vision of a ‘solutions bank’ as articulated by President Kim. They are therefore important as background information to facilitate understanding of the progress that has been made and opportunities created that may serve as a foundation in the transformation of the vision to reality.

Several reports including those of the World Bank indicate that development in several low income countries was, in general, stagnant or declining during the 1980s and 1990s. Many countries were faced with the vicious circle of poverty, poor governance, socio-economic and political conflicts, high rates of unemployment and
underemployment. They were also experiencing low or negative growth, high debt burdens, constrained fiscal space, inadequate capacity and poor governance structures.

This appalling situation was due to both endogenous and exogenous socio-economic and political factors that were not conducive to development. A detailed discussion of these factors is beyond the scope of this article. Nevertheless, suffice to say, that in general, previous efforts by the authorities and the international development community to address these issues and other related factors may be attributed to the tendency to be exclusive rather than inclusive in the political economy of the development process. The practice of applying “one size fits all,” models and quick-fix approaches were non-transformative or unsustainable project-based solutions. Other factors that contributed to the stagnation or declining development situation in low income countries were characterized by unbalanced policy prescription and inefficient delivery mechanisms. There were also little or ineffective measures to address systemic bottlenecks coupled with the virtual lack of inter-sectoral linkages and effective coordination necessary for systems-wide change. Moreover, the regional dimensions were virtually neglected and the operations were in general overly centralized.

The recent progress in many of these countries particularly in Africa is encouraging. This progress is ascribed to the restoration of peace and improved security in countries that were previously embroiled in civil and other conflicts. More generally, in several countries, there has been increased economic growth and socio-economic progress. These developments have largely been underpinned by improved macroeconomic management and political governance and also by the increase in the price and demand for oil and other natural resources.

Despite this progress, there is considerable need for accelerated and more broad-based development results. This therefore calls for concerted and strategically enhanced efforts at the national and international levels.

At the national level, the situation calls for the authorities to continue to provide the necessary leadership that would enable all stakeholders to meaningfully participate in developing and applying innovative ways and means relevant to the burning issues. At the international level, a ‘solutions bank’ as conceived by Dr. Kim, could prove instrumental to assisting countries in meeting this need. The Bank’s on-going reforms and modernization efforts intended to increase emphasis on “results” present opportunities upon which the process of transitioning from a ‘knowledge bank’ to a “solutions bank” can be built.

Conclusion

Dr. Kim’s vision can be realized. However, concrete success would depend on the collective resolve of the international development agencies, national and regional authorities to provide the leadership, strategic framework and results-oriented actions. This collective resolve should translate into seizing the opportunities offered by the improved socio-economic performance of African and other low income countries and the current modernization reforms of the Bank. Concerted efforts to build upon these opportunities and enhance them progressively will be an urgent imperative.

All stakeholders should also be mindful that, in the context of the World Bank operations, constraints, such as the prevailing adverse economic climate in most developed countries, the inadequacy of the IDA resources and the Bank operating within a “flat budget” regime, constitute significant challenges for the institution.

However, as Dr. Kim suggests, “with global solidarity underpinned by a relentless drive for results”, there is great potential to minimize these challenges”. This potential must be unleashed to ensure that the envisioned ‘solutions bank’ does not become another faddish expression in the development arena.

Dr. Hassan Ahmed Taha Ends Tenure as Executive Director

Dr. Hassan A. Taha, a national of Sudan, ended his tenure as Executive Director of Africa Group I Constituency on October 31, 2012. Following the line of succession as stipulated in the Rules and Guidelines of the Constituency, he succeeded Dr. Toga McIntosh, a Liberian.

Coming from an illustrious and successful career in public service in his country, Dr. Taha’s mission during his term on the Board of the Bank focused firmly on poverty reduction, especially in Africa. He also appreciated the deep development challenges faced by conflict and post-conflict countries. In this regard, he became a strong advocate for low income countries, in particular countries from Africa Group I Constituency. Throughout his tenure he stressed the need for more investments in the infrastructure sector.

He will be remembered as a professional with a deep conviction that Africa cannot easily accelerate the economic gains of the last decade without making appropriate investments in transformative projects, such as infrastructure, energy, road networks, ICT, agriculture technology and small/medium scale manufacturing. He will also be remembered for the role he played in the re-configuration of the Constituency. His leadership in directing the engagement agenda of the Constituency with management of the WBG as well as his passionate support for the Voice and Representation Program of the Bank were exemplary.

The new Executive Director and Alternate Executive Director as well as the entire staff of Africa Group I Constituency Office wish Dr. Taha and family good luck and further success in his future endeavors.
Following the 2012 election of the Executive Board of the World Bank Group, Africa Group I Constituency elected Dr. Denny H. Kalyalya, from Zambia, as the new Executive Director, having served as the Alternate Executive Director. Dr. Louis Rene Peter Larose from Seychelles was appointed as the Alternate Executive Director.

Dr. Kalyalya holds a Bachelor’s Degree in Economic and Business Administration from the University of Zambia. He also holds two Masters degrees in Economics, one from the University of Zambia (Regional Economics) and another from the University of Massachusetts/Amherst, USA (Macroeconomics and Political Economy). He also holds a PhD degree in Economics from the same university (International and Development Economics). Dr. Kalyalya has a wealth of professional, national and international experience in academia, banking, finance and economics as well as macroeconomic management, among others. Prior to his appointment as Alternate Executive Director he was Deputy Governor for Operations and Registrar of Banks and Financial Institutions at the Bank of Zambia.

Dr. Louis Rene Peter Larose holds a PhD in Banking from the University of Birmingham in the United Kingdom and an MBA (International Banking & Finance) from the same University. He is an Associate Member of the Association of International Accountants (UK); Fellow of the Chartered Institute of Bankers (UK); Fellow of the Chartered Management Institute (UK); Member of the International Banking, Economics and Finance Association (USA); and Member of the American Economic Association (USA).

Dr. Larose has wide experience in finance and banking after working both in the private and public sectors including consulting in the areas of accounting, financial advisory services, and investment management and planning. Prior to joining the World Bank, Dr. Larose was the Managing Partner of Larose International Financial Services Consulting. He was also the General Manager of the Central Bank of Seychelles following a short stint as Advisor at the Ministry of Finance of Seychelles. He joined the World Bank in September 2008 as an Advisor and became a Senior Advisor in 2010 prior to his appointment as Alternate Executive Director.

Changes in the Leadership of the Constituency, Development Committee Members and IDA Borrowers Representative

According to the Africa Group I Constituency Rotation Schedules I and II, which were approved in 2010, the agreed principles regarding the D.C. Representatives and the IDA Borrowers Representative, the following countries are slated to serve in the respective positions for the period 2012-2014.

**Constituency**
- Chairperson: Burundi
- Vice Chairperson: Eritrea*
- Constituency Panel Members: Rwanda, Swaziland and Liberia

**Constituency D.C. Member**
- DC Member: Zambia
- Alternate: Uganda

**IDA Borrowers Representative (IDA17)**
- IDA Borrower Representative: Sierra Leone
- Alternate Borrower Representative: Kenya

We wish all authorities fulfilling and fruitful deliberations in the execution of their responsibilities.

*Subsequent to the Annual Meetings, authorities indicated that the country was not ready to assume the position at this time. They instead requested that their country’s turn be deferred to a later time to be determined. Meanwhile, efforts are underway for Ethiopia, the country next in line, to assume the position.
South Sudan Joins Africa Group I Constituency

At its fifth Statutory Meeting held on October 11, 2012 in Tokyo, Japan, AFGI accepted a new member, the Republic of South Sudan, thereby increasing the Constituency membership from 21 to 22. The Republic of South Sudan gained full membership of the World Bank Group on April 18, 2012. During the 2012 Spring Meetings, the authorities indicated their sovereign choice to join Africa Group I Constituency and subsequently submitted the required official application that was accordingly approved. Following the formal approval, they cast their vote for the new Executive Director, Dr. Denny Kalyalya.

In his remarks, the Chairman of the Constituency officially welcomed South Sudan to the Africa Group I Constituency, and expressed his confidence that the authorities would collaboratively strive to strengthen the Constituency engagement with the World Bank Group.

Disaster Risk Management: Lessons from Sendai

During the World Bank/IMF Annual Meetings in Tokyo, the Government of Japan and the World Bank co-hosted a dialogue on October 9–10 in Sendai, a major city in the Tohoku Region that was most badly affected by the 2011 Great East Japan Earthquake and Tsunami. The main purpose of the Dialogue was to engage the delegates and other participants and stakeholders on the critical necessity for developing a consensus on the need to mainstream disaster risk management in the global development agenda.

During the Dialogue the Japanese authorities shared the earthquake and tsunami experience of the Japanese people with a view to translating it into global lessons of relevance to both developed and developing countries, particularly in terms of disaster risk management. The actions they took in this regard included: (i) establishing a disaster management team; (ii) institutionalizing measures through the financial institutions to take “flexible and appropriate” actions “quickly and effectively” to address the immediate needs of the people who were affected; and (iii) providing support for rehabilitation and reconstruction.

Two panels also discussed the need to integrate disaster risk management into development planning and the need to better link humanitarian and development assistance to support the resilience of communities and nations. The Dialogue further provided the opportunity to get a first-hand account of the experiences of other countries on the impact and management of similar disasters. A joint statement by the Japanese Minister of Finance and the World Bank President was later issued affirming the commitment of Japan and the World Bank to provide support to countries in their efforts to mainstream disaster risk management into their development programs.

The major lessons from the Sendai Dialogue were that natural and man-made disasters are facts of life that result in varied degrees of widespread human, material and environmental destruction with adverse consequences to development. Disaster risk management is therefore critically important and requires national and worldwide cooperation to minimize the impact of the disasters.

The President of the World Bank, Dr. Jim Kim Yong, at the occasion appropriately summarized this lesson in his statement that: “no country can fully insulate itself from disaster risk, but every country can reduce its vulnerability. Better planning can help reduce damage—and loss of life—from disasters, and prevention can be far less costly than disaster relief and response.”

Highlights of the African Governors’ Meeting with World Bank Group President

“IDA is extremely relevant. I will go after an ambitious IDA 17 Replenishment, but we need to reduce project time. This is important for IDA17.” These were the words of the new President of the World Bank Group, Dr. Jim Kim. In addressing the African Governors, he recognized the formidable challenge that is particularly facing the African countries, including limited availability of financial resources vis-à-vis staggering demand. The President made this statement during his first meeting with the African Caucus, which took place in Tokyo, Japan during the 2012 WB/IMF Annual Meetings, after being in the office about hundred days following his appointment.

Consistent with the new “Solutions Bank” motto, he expressed his intention to
transform the World Bank from a culture of “process” to one of “results”. He also declared that he intended to make “the case” during the upcoming IDA16 Midterm Review for “an ambitious IDA 17” replenishment. He added that the Performance for Results (P4R) will be a strategic tool for achieving this objective.

It is worth noting that, the African Governors interventions were thorough and covered diverse issues such as energy, agriculture, and regional projects. The following summarizes the key issues raised by a selected group of the Constituency Governors in their interventions:

a. Uganda: urged for a reduced project preparation time;
b. Rwanda: asked for innovative ways to support agriculture;
c. Sudan: called for debt relief for the remaining HIPC Initiative eligible countries;
d. Ethiopia: highlighted the importance of supporting agriculture and agribusiness; and
e. Namibia: laid out the concern of the Middle Income Countries (MICs) on the knowledge agenda and asked for a more cautious approach on the fee-based approach.

Additionally, Governors from other constituencies called for jobs creation for the youth, use of national systems, addressing delays caused by the “no objection” process, more regional approaches, and direct budgetary support.

Responses by other members of the senior Management included:
a. The importance of delivery to fragile and conflict countries, and presentation of Regional updates to the Board;
b. Simplification of project preparation and Board approval process with a report back during the Spring Meetings,
c. Establishing a link between energy and achieving the MDGs as well as mobilization of the private sector to support regional projects;
d. Adding institutional investments by IFC to arid lands agenda.

Finally, Governors were encouraged to participate more in the consultations process that was already underway.

Development Committee Member Statement by Mr. Tendai Biti, Minister of Finance, Zimbabwe
During the World Bank/IMF 2012 Annual Meetings, Tokyo, Japan

1. Introduction
The global economy has continued its recovery since the financial crisis, although at slower pace compared to last year, largely due to the fiscal crisis in the Euro Zone and high food prices in some parts of the world. Nonetheless, growth in Sub-Saharan Africa (SSA) remained reasonable mainly on account of sustained public spending on basic infrastructure, higher commodity prices, resilient domestic demand, and rising private consumption. In addition, the improved macroeconomic environment and political stability in recent years have attracted increased foreign direct investment (FDI), especially in the telecommunications and financial services sectors as well as in the extractive industries.

Despite the moderate growth prospects in the medium-term, the African countries still face considerable downside risks and challenges, which include susceptibility to global economic developments and domestic policy challenges related to poverty reduction and underdevelopment in general. The challenges above underscore the importance of sound and counter-cyclical policies. In this regard, we consider the agenda and the main themes of the 2012 Development Committee (DC) Meeting, namely, (i) Jobs, (ii) Managing Disaster Risks for a Resilient Future, and (iii) Gender Equality, relevant and timely.

2. Creating Jobs Good for Development: Policy Directions from the 2013 WDR on Jobs
The reasonable growth rates posted by many African countries in recent years have not generated enough jobs to meet the growing demands of the labor market, especially among the youth. High youth unemployment remains a major risk to socio-economic and political stability in our countries. This calls for an urgent scaling up support to our countries to develop appropriate responses that include policies for job creation, access to finance and gender balance in every sector.

We therefore welcome the main messages of the World Development Report (WDR) 2013 on the need for a cross-sectoral approach to creating jobs; better diagnostics and evidence-based decision making; and capacity building. The problem, as highlighted in the Report, is a multifaceted one. Accordingly, we call on the WBG to operationalize the key recommendations of the Report. This should be done such that there are synergies with our own efforts.

The importance of a cross-sectoral approach towards job creation can hardly be overemphasized. In Africa, manufacturing and agriculture sectors have a huge potential to serve as major sources of job creation. The same is true of infrastructure, especially in the energy, transportation and water sectors. We therefore urge the World Bank Group (WBG) to buttress our efforts and accelerate development of these sectors. In
manufacturing and agriculture, enhancing the whole value chain and beneficiation and improving agricultural productivity are urgent imperatives. This also should include small-holder farmers and small-scale manufacturing industries, including agro-industries. In the area of infrastructure development, we call for an accelerated implementation of the new infrastructure strategy that expands the traditional infrastructure engagement in the core areas of water, transport, energy and ICT towards a transformational approach that addresses cross-sectoral issues and broader development challenges that include the creation of good jobs for sustainable development.

In this context, it should be noted that our countries are committed to taking the policy measures necessary to create conducive environment for the private sector to develop and promote public private partnerships (PPPs) wherever possible and appropriate. We also call on the IFC and MIGA to step up their operations in the region to complement our efforts.

3. Managing Disaster Risks for a Resilient Future—The Sendai Report

In the wake of increasing trends of natural disasters in recent years, the imperative for concerted and sustainable measures to enhance resilience is profoundly important. In the African context, drought and floods continue to haunt our continent and the recent crises in the Horn of Africa and the Sahel area present a stark reminder of the devastation natural disasters can cause.

As a continent, we remain most vulnerable and least able to cope. As these hazard-prone disasters are most likely to reoccur, some African governments are adopting national programs to minimize associated impacts through various safety nets programs and recovery mechanisms. Unfortunately, these measures alone are neither adequate nor universal. Therefore, an efficient overarching institutional framework and operational capacity are essential, including enhanced role and functioning of our regional institutions, not only to respond to the situations, but also to serve as an early warning and preventive instrument. The cardinal point being that it is less costly to employ adaptation than mitigation of impacts of a disaster, both in terms of human suffering and resources.

We therefore call for scaled up and continued support of the WBG in our efforts to develop the necessary capacity to better assess and effectively manage disaster risks without undermining development priorities. On our part, we commit to enhance our efforts to put in place firm institutional arrangements to better coordinate, establish early warning and preventive mechanisms.


We recognize that gender equality is a long-term objective, and our Governments remain committed to achieving these goals. In this regard, we note the continued challenges faced by our women, including access to education and finance. We, therefore, welcome the Bank’s efforts to mainstream gender in its operations, as evidenced by its inclusion in Country Assistance Strategies (CASs) and the increase in the share of lending that is gender-informed from 54 percent to 83 percent in FY10 and FY12, respectively. In this context, since many of our countries are predominantly agricultural, and women form the bulk of the work force in this sector, with limited access to credit, land and inputs, we urge the Bank to ensure that the forthcoming Agriculture Action Plan includes measures to address those aspects.

5. Mobilization of Resources for Financing Development

Addressing the structural and multifaceted development challenges facing our countries requires huge financial resources. As has been estimated, Africa currently faces a daunting annual financing gap of US $93 billion for financing infrastructure development alone. In the face of the rapidly changing landscape for development finance, spurred in part by lingering economic and financial difficulties in traditional donor countries, this gap could widen even further. There is, therefore, an urgent need for innovative financing models to leverage current funding approaches through new instruments and new sources. While some African countries are individually making significant progress in funding infrastructure investment through domestic revenues and local capital markets, official development assistance (ODA) remains the main source of financing development in many African countries.

We therefore call on the World Bank to continue to work with other development partners and our countries on innovative financing mechanisms. We encourage the Bank to look into modalities for attracting surpluses in emerging markets, including sovereign wealth funds, remittance, and Islamic finance.

Relatedly, a few of our member countries do not qualify for any form of ODA as a result of debt and arrears. It is therefore important that this issue be addressed as a matter of urgency. In this context, we urge both the Bank and the Fund expedite the ongoing arrears clearance program.

Further, it should be noted that even for countries described as Middle Income Countries (MICs), the challenges of development are similar to those of the Low Income Countries (LICs). However, the MICs are disadvantaged under the current arrangement. Therefore we call for a review of the funding structure and support to accommodate these countries’ needs.

6. Conclusion

In conclusion, we would like to reiterate our national Governments’ strong commitments to sustaining our development and reform programs and policies that are yielding visible results. We also remain committed to allocating prudently the necessary public funding for development programs.

However, lack of sufficient resources to finance our development initiatives is seriously undermining our resolve to promoting growth and hence poverty reduction. We need to once again underscore that the financing gap faced by our countries is huge and impossible to be met solely from domestic resources. Accordingly, as we express our appreciation to our development partners, including the WBG for their partnership, we would like to reiterate the need to further strengthen this partnership for enhanced mutual benefits that come from reduced poverty and sustainable development.
Development Committee Communiqué
Tokyo, Japan
October 13, 2012

1. The Development Committee met today, October 13, 2012, in Tokyo.

2. The global economy remains vulnerable. Challenges persist in many developed economies, while growth is slowing in major emerging economies that have been important sources of global economic dynamism in recent years. We recognize the measures taken by many member countries to support growth, while acknowledging the need for continued fiscal, financial and structural efforts. We reiterate our commitment to taking decisive actions to promote growth and development, to continued support for an open global economy and to meeting our pledges of development assistance. We reaffirm our commitment to achieving the Millennium Development Goals and encourage the World Bank Group (WBG) to contribute actively to the post-2015 development framework. We welcome the recent decision by the International Monetary Fund (IMF) to put its concessional lending facilities on a self-sustained footing, using the windfall profits from sales of gold.

3. Recent financial crises mean fewer jobs where millions are needed. Jobs are engines of poverty reduction and empower people, especially women and young adults. Jobs have the potential to drive the transformation that leads to sustainable development and social cohesion. The WBG 2013 World Development Report on Jobs highlights that there is no magic formula for creating jobs and the mix of job enabling policies will differ between countries. The private sector generates most jobs, but the public sector also has an important role to play. The WBG must continue to help countries strengthen the enabling environment for job creation given their specific challenges, and the role of the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency will be especially crucial in supporting the private sector, including through innovative initiatives. We encourage the WBG, in partnership with member countries and other stakeholders, to build on its cross-cutting analytical and policy work around jobs and to share this knowledge.

4. Gender equality is smart economics and a key factor in poverty reduction. We welcome progress made by the WBG in implementing its gender equality agenda, although much remains to be done. We are encouraged that all country strategies discussed in the past year are gender-informed. We urge the WBG to sustain the momentum to support client countries’ efforts, especially where gender inequality persists, and to report on further progress in one year.

5. We thank the Government of Japan for hosting these Annual Meetings as well as the Sendai Dialogue. Natural disasters can be a serious impediment to poverty reduction and affect poor and vulnerable people the most, and their impact is on the rise. We thank Japan for sharing lessons from its experience of disaster risk management, and welcome the Sendai Report: Managing Disaster Risks for a Resilient Future. Disaster risk management is often less costly, in financial and human terms, than disaster relief and response. Recognizing that disaster risk management and adaptation to climate change are collaborative efforts, we call on the WBG to integrate them into its work with client countries, while continuing to play a major role in supporting effective responses and reconstruction operations, when disasters do occur.

6. Food security and food price volatility remain persistent threats to development and merit continued attention. We are troubled by the acute humanitarian emergency in the Sahel region where hunger threatens the lives of 19 million people and the stability of the region. We call on the WBG to accelerate work with other multilateral agencies and donors on a comprehensive regional approach to develop and scale up solutions to enable the Sahel region to permanently escape the cycle of emergency aid, and reach a more resilient and sustainable future in the medium term. Over the longer term, mechanisms such as the Global Agriculture and Food Security Program, agricultural research, infrastructure investments and south-south learning will reduce vulnerabilities. The IMF should continue to provide prompt balance of payments financing where needed.

7. We also encourage the WBG to increase its effectiveness in fragile states and align the development objectives of its country programs to the specific challenges member countries face. We welcome the renewed focus on recruiting and supporting talented staff to serve in these difficult environments. We are pleased to see that the IFC has increased its activities in fragile states.

8. Following the discussions at Rio + 20, the Ministerial Dialogue on Sustainable Development sharpened our focus on sustainability and allowed us to exchange views about the effective use of policies to support inclusive green growth and how to pursue better measures of growth and welfare. We call on the WBG to provide support to countries that want to use natural capital accounting to help chart their next phase of growth. We are encouraged that the WBG-supported Global Partnership for Oceans has
attracted new members and created a sense of urgency about the need for action to restore oceans to productive health and for sustainable aquaculture.

9. We welcome Dr. Jim Yong Kim as the new President of the WBG and value his strong commitment to focus on how the Group can further accelerate progress towards our core mission of eradicating poverty and boosting shared prosperity. We support his vision of a WBG that focuses on impact, provides evidence-based assistance with integrated development solutions to its member countries, and promotes global public goods. We look forward to an update at the Spring Meetings on the implementation of the modernization agenda and the next steps toward a more results-oriented, knowledge-based, open, transparent, and accountable WBG which can help deliver transformative change for client countries. To help facilitate this, we support a cultural shift to focus further on results and implementation, backed by the necessary human resources reforms and stronger leverage of WBG synergies.

10. The next Development Committee meeting is scheduled for April 20, 2013, in Washington DC.
<table>
<thead>
<tr>
<th>Country</th>
<th>Approval Date</th>
<th>Project Title</th>
<th>Source of Funding</th>
<th>Amount (Equivalent in US$ Million)</th>
<th>Project Development Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethiopia</td>
<td>Oct.2, 2012</td>
<td>Health Sector Second Additional Financing and Restructuring Project</td>
<td>IDA</td>
<td>20</td>
<td>To increase the use of a defined package of health services by pregnant women and children under the age of 5 and couples of reproductive age.</td>
</tr>
<tr>
<td>Kenya</td>
<td>Sept 2, 2012</td>
<td>Transport Project Sector IDA</td>
<td>IDA</td>
<td>415</td>
<td>To improve the condition of priority regional trade corridors and link roads being upgraded under this project.</td>
</tr>
<tr>
<td>Lesotho</td>
<td>Sept 2, 2012</td>
<td>Promoting Basic Services Phase III (PBS 3) Project</td>
<td>IDA</td>
<td>600</td>
<td>To contribute to the higher-level objective of expanding access and improving the quality of basic services.</td>
</tr>
<tr>
<td>Liberia</td>
<td>Aug.2, 2012</td>
<td>National Urban Transport Improvement Project (NTIP)</td>
<td>IDA</td>
<td>300</td>
<td>To improve the efficiency of road transport along the Northern Corridor, to improve the institutional capacity and arrangements in the urban sub-sector, and promote private sector participation in the operation, financing and management of transport systems.</td>
</tr>
<tr>
<td>Malawi</td>
<td>Sept 11, 2012</td>
<td>Integrated Transport and Additional Financing and Restructuring Proposal</td>
<td>IDA</td>
<td>38.5</td>
<td>To enhance prospects for economic growth in Lesotho through the provision of an efficient and integrated transport system.</td>
</tr>
<tr>
<td>Liberia</td>
<td>Sept 20, 2012</td>
<td>Road Asset Management Project Additional Financing and Restructuring</td>
<td>IDA</td>
<td>50</td>
<td>To support Liberia’s efforts to reduce transport costs along the road corridor from Monrovia to the Guinea border and to maintain the road over a 10-year period.</td>
</tr>
<tr>
<td>Seychelles</td>
<td>Sept 20, 2012</td>
<td>First Sustainability Development Policy Loan</td>
<td>IBRD</td>
<td>150</td>
<td>To improve fiscal sustainability and enhance private sector competitiveness.</td>
</tr>
<tr>
<td>Country</td>
<td>Approval Date</td>
<td>Project Title</td>
<td>Source of Funding</td>
<td>Amount (Equivalent in US$ Million)</td>
<td>Project Development Objective</td>
</tr>
<tr>
<td>----------------------</td>
<td>---------------</td>
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<td>-----------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Tanzania</td>
<td>Oct 23, 2012</td>
<td>Urban Local Government Strengthening Program (ULGSP)</td>
<td>IDA</td>
<td>225</td>
<td>To improve institutional performance for urban service delivery in urban and local government authorities.</td>
</tr>
<tr>
<td></td>
<td>Oct 23, 2012</td>
<td>Accelerated Food Security Project Additional Financing Project</td>
<td>IDA</td>
<td>25</td>
<td>To contribute to higher food production and productivity in targeted areas by improving farmers’ access to critical agricultural inputs.</td>
</tr>
<tr>
<td></td>
<td>Oct 23, 2012</td>
<td>Agricultural Sector Development Project – Third Additional Financing Project</td>
<td>IDA</td>
<td>30</td>
<td>To enable farmers to have better access to and use of agricultural knowledge, technologies, marketing systems, and infrastructure and to promote agricultural private investment based on an improved regulatory and policy environment.</td>
</tr>
<tr>
<td>Regional (Burundi and Rwanda)</td>
<td>Jul 31, 2012</td>
<td>Lake Victoria Environmental Management Project Phase II</td>
<td>IDA</td>
<td>15</td>
<td>To improve the collaborative management of the trans-boundary natural resources of the LVB for the shared benefit of the Partner States.</td>
</tr>
</tbody>
</table>