



Africa Group I Constituency Newsletter

A newsletter from the office of the Executive Director



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Message from the Executive Director



Hassan Taha
Executive Director

The imperative for increasing agriculture productivity and competitiveness in Africa and other low income countries has been repeatedly made for a protracted period. While some progress has been made in general, it has been, in most cases, rather very unsatisfactory and less robust to significantly reduce poverty and progressively accelerate the development process. The general decline in interest in the sector over the past two decades made the situation worse.

Now that interest in the sector is increasingly evolving, albeit amidst new challenges such as the recent food crisis, the impact of climate change and globalization, we must reassign agriculture to its prioritized status with the required support and commitment. It cannot be overemphasized that even with the new challenges, the sector still remains most critical to quality economic growth and

poverty reduction. Given the peculiarities of the African economy, concerted efforts should be made to face these challenges and address the lingering constraints. In our view, exploring the potential of other sectors at the expense of agriculture at this time would be ill-advised. In the face of the new challenges, the agriculture and non-agriculture sectors should be developed together with the right synergies.

With respect to the agriculture sector, which is the subject of our feature article in this edition of the Newsletter, achieving robust agriculture development requires increased emphasis on productivity and growth. Through substantial support, especially to smallholder farmers and for the strengthening and expansion of the entire value chain, including appropriate concerns for the environment, this goal is achievable. The process would require strengthening the inter-linkages among agriculture and other sectors as well as the

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Feature Story—Re-prioritizing Agriculture on the International Development Agenda

Introduction

It is generally agreed among development practitioners that the agriculture sector is essential to economic growth, poverty reduction and development. Several decades ago, the sector was a main focus of many policy makers, researchers and development practitioners. This pronounced interest in the agriculture sector led to the development of an agriculture-led growth model that served as a major factor for the phenomenal development of many Western industrial countries in

the mid-18th century. Later, in the late 19th and 20th centuries, with support from the international development community, this model also contributed significantly to the transformation of several agrarian Asian countries into industrial ones.

Later, as more African countries became independent, many adopted a similar growth model with the advice and support of the international community. While some progress has generally been made in terms

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rural, urban and regional dimensions along with the application of relevant scientific and technological innovations.

With the appropriate broad-based policies, long-term commitment, and a strategic investment program, the agriculture sector should be a vital force for generating progressively more robust economic growth trends. The magnitude and quality of this growth should be one that ensures food security, provides employment opportunities, increases income and promotes other aspects of well-being and wealth creation that contribute to poverty reduction and sustainable development.

The World Bank Group is among the international development organizations that has revived its interest in the agriculture sector. The publication of its World Development Report, 2008 following broad external consultation was based on the theme "Agriculture for Development". Thereafter, the World Bank formulated its Agriculture Action Plan: FY2010-2012, which took into consideration the consensus from the consultations during the production of the WDR 2008.

Following the feature article entitled, "Re-Prioritizing Agriculture on the International Development Agenda", this edition of the Newsletter includes highlights on the World Bank Group and IMF Spring Meetings and outreach activities of the Executive Director, specifically activities held during the African Development Bank Annual General Meetings 2012, in Arusha, Tanzania. This edition also provides a brief on Dr. Jim Yong Kim assuming office as the new World Bank President and the visits of the Malawi President and Kenya's Vice President to the Bank. Other topical issues covered are meetings by the three Sub-Saharan African Executive Directors with the new Vice President for Africa and amendments to the IBRD and IFC Articles of Agreement regarding Basic Votes. Finally, the newsletter provides, as usual, a snapshot of projects that the Executive Board approved during the second quarter of this year. ■

Development Committee Member Statement by Mr. Tendai Biti, Minister of Finance, Zimbabwe During the World Bank/IMF 2012 Spring Meetings, Washington, DC

Introduction

Despite the recent improvement in global economic prospects, global economic growth remains subdued and is characterized by significant uncertainty. Rising international oil prices, lingering sovereign debt problems in Europe, social inequality, food insecurity, and climate change are all exerting pressures on the global economy. Developing countries, whose economic performance continues to shore up the weak performance of the developed economies, are not insulated from these risks.

While Sub-Saharan Africa has shown commendable resilience, its economic prospects face downside risks arising from weak global demand; tight financial markets; and declining Official Development Assistance (ODA).

We also note that despite opportunities for phenomenal economic transformation, as shown in recent discoveries in the extractive sector in many countries and favorable commodity prices (for commodities producers and exporters), the challenges to meet the MDGs, high unemployment, especially among the youths, infrastructure deficiencies, that undermine market integration and private sector growth, incapacity to address vulnerabilities to climate shocks continue to be formidable.

In this context, while we remain committed to exerting our own efforts to meet the lingering challenges, we welcome the focus of these Spring Meetings discussions: on the need to support and strengthen the global economy, on consolidating progress towards meeting the MDGs, the concrete focus in the World Development Report on Jobs, the role safety nets can play in safeguarding social capital and cohesion, and how to leverage the private sector to spur our development efforts.

Food Prices, Malnutrition and the Millennium Development Goals (MDGs)

The 2012 Global Monitoring Report (GMR) emphasis on food prices and nutrition is appropriate and timely. It is clear that high food prices and malnutrition undermine the attainment of the MDGs, particularly those on poverty, health and education. High food prices have also serious implications for stability in many of our countries and can significantly set back development efforts.

While acknowledging the progress made in achieving the MDGs, including in Africa, there is a risk of this masking the grim reality that Africa is lagging behind, particularly with respect to infant mortality and maternal health. Therefore, attention of developing partners to scaling up their support is an urgent imperative to reinforce our own efforts towards meeting the goals.

Early findings of the GMR show that high food prices raise poverty in most developing countries where many net food buyers spend large portions of their income on food. The WBG should explore the flip side of the crisis, i.e. whether escalated food prices also generate new opportunities and provide lessons that could guide long-term interventions. We note that the long-standing data problem needs to be addressed diligently. More than fifty African countries lack the appropriate poverty and malnutrition data for effective monitoring of progress. Priority should therefore be accorded to assist our countries build the necessary data bases and statistical systems with a view to enabling policymakers take sound and timely decisions.

As we have repeatedly pointed out, developed countries' agricultural subsidies crowd-out trade and create disincentives for food production in our countries. The WBG leadership in addressing this matter is welcome and long overdue.

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of economic growth specifically, the overall developmental results have not been as impressively forthcoming relative to the industrial countries referred to above. In essence, the focus on agriculture has not significantly addressed the prevailing socio-economic constraints these African countries face. This situation, among other adverse factors, has culminated in unfulfilled expectations as there has been, in general, virtually no significant change in the level of poverty. Consequently, since about the 1980s, global interest in the agriculture sector has been declining with increasing skepticism about agriculture's fundamental role in economic growth, poverty reduction and development as earlier conceived.

This skepticism underlying the rationale for the declining interest seems not to have been subjected to thorough evidence-based analysis or appropriately scrutinized in the context of evolving global dynamics. This perception is based on the fact that with agriculture being the primary source of livelihood for the vast majority of the population and a major part of the economies in Africa, it seems inconceivable that its role can no longer be critical to economic growth, poverty reduction and development.

However, it is encouraging to note that in the last few years, interest in the sector has revived. The recent food crisis and price increases have added urgency to the new thinking that has contributed to the renewed interest in the agriculture sector. This time, and more appropriately, the focus is not on the conventional wisdom of agriculture's role in the development process, but rather on how it can become more strategically responsive and operationally effective in the face of current challenges being faced by African and other low income countries.

This article briefly discusses the renewed interest in the agriculture sector and ways and means of galvanizing it to stimulate growth, alleviate poverty and hence promote development. From this perspective, it provides an overview of the World Bank Group Agriculture Action Plan, 2010-2012 and concludes with brief comments on its prospects for achieving the desired development trajectory.

The Neglect of the Agriculture Sector and its' Resurgence

Early development theories gave rise to the conventional view that growth in the agriculture sector is the driving force for economic development. This view is buttressed by historical evidence of success stories in the case of many Western and Asian countries. The general basic argument is as follows. The agriculture sector provides surplus labor and increased savings that facilitate capital accumulation and investment for the development and application of new technologies with the view to increasing agricultural productivity. Increased productivity of food and nonfood commodities, with diversification and technological innovation, enhance industrialization. In some cases, especially in the countries that were popularly referred to as the Asian Tigers, the public sector's interventions such as the provision of price support, massive irrigation schemes and subsidized fertilizers, amongst other

New thinking on the way forward for development suggests that the agriculture sector remains critical to growth, poverty reduction and development in most African and other low income countries. Based on research findings, the view is that the agriculture sector, relative to other sectors, has the greatest strategic potential to accelerate growth and alleviate poverty effectively.

related inputs, served as major impetus to the process. These measures boosted production in both the agricultural and industrial sectors. With trade facilitation, exports increased yielding higher income and ultimately increased economic growth and development.

While this argument was valid under the situation during the early development process of many industrial countries, the situational context has changed overtime. An in-depth review of the changed historical context is beyond the scope of this article. However, suffice it to say that unlike many Western countries in their transformative

years, African and low income countries do not have the opportunities and advantages derived from cheap sources of supply from and secured markets in colonial territories.

In the case of the Asian Tigers, their development was triggered in part by self-centered policies such as domestic market development and protectionism. There was also unfettered direct public sector support to the agriculture sector and related agribusiness and agro-industries. Such public sector-driven strategy is now replaced by predominantly a market-oriented focus and private sector-led growth doctrine in an era of evolving globalization.

Other changing dynamics may be characterized by increasing economic transparency, heightened international competition, demand for biofuels, re-occurring food crisis, increased fuel prices, loss of biodiversity and climate change. These changes, in addition to constraints that limit access to appropriate modern inputs such as irrigation, storage, processing equipment and modern infrastructural facilities including electricity, transportation and communication, have engendered new challenges that make the development process dauntingly complex. While many African countries had their own shortcomings and impediments such as political governance challenges, inappropriate policies, inadequate management capacity and technological skills, amongst others, the complexity of the current development process should not necessarily be attributed to the conventionally perceived role of agriculture in the development process.

New thinking on the way forward for development suggests that the agriculture sector remains critical to growth, poverty reduction and development in most African and other low income countries. Based on research findings, the view is that the agriculture sector, relative to other sectors, has the greatest strategic potential to accelerate growth and alleviate poverty effectively. Essentially, this calls, first and foremost, for robust agricultural growth and increased productivity. Necessitating a combination of inputs including agriculture extension services, technological capacity, disease-resistant and high yield seeds, suitable fertilizers, relevant irrigation, quality infrastructure and education,

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With regard to aid effectiveness, we urge full commitment and observance of the principles espoused in the Monterrey Consensus, Paris Declaration, Accra and recently the Busan Accords. We ask the World Bank Group (WBG) to use its convening power to scale up aid to the Low Income Countries (LIC's), especially conflict-affected states, to enable them to achieve most, if not all, of the MDG's within the remaining timeframe.

Youth Unemployment and Jobs

As the recent spate of civil unrest has shown, the youth unemployment problem requires our urgent attention. At the Annual Meetings in September 2011, we highlighted the importance of WBG support to its members in promoting growth, reducing inequality and creating new opportunities for youth employment. The recent events in the Middle East and other countries have shown that the youths continue to be at the forefront in changing the economic and social landscape in many of our countries. A sustainable solution to their growing problem is urgently needed.

We therefore commend the Bank for focusing the 2013 World Development Report on Jobs. We welcome that the scope of the Report is comprehensive and addresses some of the deep rooted structural problems and policy issues. Our economies are not growing fast enough to generate enough jobs to absorb the large pool of highly educated youth. Jobs in the formal sector have not kept pace with demand, partly reflecting a substitution in the workplace of technology-driven operations at the expense of labor-intensive processes.

Productive employment for young people requires long-term policies and programs. We therefore urge the Bank to work with us and use its convening power to lead a joint initiative with other multilateral institutions and regional development partners to invest in education, improve business climate and reduce the barriers to youth entering the labor market. Of paramount importance is that country-ownership should remain at the heart of these initiatives. We believe such a strategy will not only help policy

coherence by the development partners, but also build synergies and boost youth employment. In this regard, we, once again, call on the Bank to take timely action and introduce new instruments that support country efforts to meet the youths' aspirations and expectations through both public and private sector interventions.

We cannot successfully deal with poverty unless we address the issue of income distribution. For many, paid employment is the only source of income, and decent wages would naturally come from higher productivity and more profitable business operations. The Bank strategy on jobs should therefore complement our efforts to address these issues, including regulatory frameworks for labor markets and cross-border trade, trade barriers, vocational training needs, and investment in labor-intensive operations, particularly in Africa where labor costs are still low and abundant.

Social Safety Net and Social Protection

We recognize the critical role of safety nets and social protection in not only building resilience of the poor and most vulnerable groups in times of shocks but in also responding to concerns associated with inequalities and chronic poverty. Experiences of the recent crises have provided strong impetus to such policies and our governments have keen interest in such initiatives. The increased focus of the World Bank on social protection and safety nets is thus welcome and drawing the international community's attention to this policy concern is appropriate and timely.

We note and support the principle underlying the World Bank Social Protection and Labor Strategy. Indeed, a comprehensive social protection package needs to include a good mix of short- and long-term measures for social protection. Providing relief to affected families and preventing them from falling into destitution, and the transformational functions of social protection programs in addressing the underlying causes of poverty are important for economic transformation. In this connection, we would like to emphasize that the choice and design of the programs should be dictated by country-specific conditions.

We call attention to the challenges facing our countries in the implementation of social protection programs, including lack of comprehensive plans, weak inter-sectoral coordination, and financial constraints. It should be noted, given the constrained fiscal space, most of our countries are unlikely to be able to afford and operate multiple programs, and so are obliged to select from their development priorities those most appropriate to their conditions. The support from international institutions and other development partners is therefore critical to these programs' viability in our countries. In this regard, we call upon the Bank, as a leading development institution to spearhead the efforts to mobilize additional resources needed for the implementation of potential safety net projects expected to be drawn from the strategy. Notwithstanding this, we also urge the Bank to strive for innovative instruments suitable to our countries' economic and social situations, by building on its rich experience in the area.

Finally, we believe that publicizing stories of successful cases in the implementation of safety net programs could go a long way in helping to maintain in the future the strong policy interest demonstrated by our countries. In this regard, we encourage the Bank to continue on its efforts to disseminate information, including through the means of south-south knowledge exchange platforms, on experiences or lessons learned from countries where such programs have been successfully implemented.

Leveraging the Private Sector for Development

We note the report on Leveraging the Private Sector for Development. Policy makers in many African countries have recognized that for growth to be sustainable over the longer term, it needs to be underpinned by a vibrant private sector. Private sector investment helps create jobs; and enhances the national tax base, which permit higher spending on essential public services, such as, in health, water and sanitation and education. Therefore, any serious effort to foster broad-based economic growth in Africa and in other developing countries

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it also calls for strengthening and promotion of producer and marketing organizations with linkages that connect small farmers with new markets and related value chains. Thus, support for agro-industries, agri-businesses and a fair international trade system cannot be overemphasized.

Obviously, such inputs and elements in the value chain cannot be the domain for the private sector alone. Even though the current overwhelming emphasis on private sector-led growth has its merits, increasing agriculture productivity with a view to prioritizing socio-economic growth and meeting the challenges for accelerated poverty reduction make it imperative for substantial public sector intervention. This of course should depend on the context of individual countries' circumstances. In any case, the need to strike an appropriate balance in determining the roles of the public and private is worth considering. This is especially true in the face of current realities in which countries' situations may differ.

In general, however, public sector interventions should include not only the traditional policies, strategies and regulations, but also direct investment especially in infrastructure and public-private partnerships (PPPs). That said, it should by no means exclude sole private sector initiatives. In fact, policies and strategies should promote and incentivize effective participation of the private sector. Overall, it is important that mechanisms be employed to allow small farmers to meaningfully participate in and benefit from the entire process. Without such opportunity, the smallholder farmers and small and medium-scale agribusinesses will face severe constraints to be effectively competitive.

In view of the new thinking on the primacy of the agriculture sector to growth, poverty reduction and development, several international organizations are re-prioritizing agriculture on their development partnership agenda. The partnership with the relevant client countries has a focus on helping these countries help themselves in meeting the lingering and new agricultural development complex challenges. The World Bank Group is one of such organizations. It may therefore be insightful to know how it is contributing to the process.

Overview of the World Bank Group Agriculture Action Plan

Following the publication of its World Development Report, 2008 on the theme, "Agriculture for Development", the World Bank Group prepared its Agriculture Action Plan for Fiscal Years 2010–2012. Consistent with the new thinking on the continued primacy of agriculture to the development process, the Plan focuses on supporting client countries improve agriculture's contribution to food security, raising incomes, facilitating economic transformation, and providing environmental services. The bulk of its support centers on the following main areas: (i) raising agricultural productivity (ii) linking farmers to markets and strengthening value chains; (iii) reducing risk and vulnerability; (iv) facilitating rural non-farm sources of income; and (v) enhancing environmental sustainability and services.

The World Bank Action Plan for the fiscal years 2010-2012 is promising as it helps to address many of the challenges. However, as is the case with most development plans, effective implementation is an area of concern. As the Plan comes to an end in 2012, a thorough evaluation would be critical to determine its impact and to provide lessons for the future at the national, regional and international levels.

The Bank realizes that the potential for achieving successful outcomes depends not merely on such support, but other factors including improvements in the composition of spending and the enabling environment in which the investments are made. From this perspective, the World Bank plans to increase its support to agriculture and related sectors from \$4.1 billion annually to an estimated \$6.2 - \$8.3 billion annually over the duration of the Plan.

On a regional basis, the Plan places the highest priority on South Asia and Africa, particularly Sub-Saharan Africa. In Sub-Saharan Africa, emphasis is on raising agriculture productivity growth mostly, but not exclusively, for

smallholders. The support is said to be aligned with the complimentary areas emphasized in the African Union's Comprehensive Africa Agriculture Development Program (CAADP), namely: (i) land and water management; (ii) markets and infrastructure; (iii) risk and vulnerability; and (iv) agriculture technology.

For implementation, the Bank is expected to strengthen its business lines, utilize the most appropriate instruments, maintain quality through monitoring and evaluation, and focus on the ultimate client, especially women. It is also expected to strengthen local processes including community-driven programs, decentralization, and collaboration with other organizations.

Conclusion

The agriculture sector is pivotal to the process of economic growth, poverty alleviation and development in Africa and other low income countries. The renewed interest in and commitment to agricultural growth and productivity is therefore a welcome sign for meeting these challenges.

Efforts to address these challenges can be most meaningful when considered within a comprehensive framework that incorporates not only farming activities, but the entire process through which the agriculture product ultimately reaches the intended consumers. Therefore in addition to farming, the development and strengthening of the agro-industries and agri-businesses with a focus on science, technology and trade facilitation, would go a long way towards reducing poverty through quality economic growth, sustainable food security, employment generation and wealth creation. In this process, considering current realities facing African countries, the role of the public sector should be articulated appropriately and building of substantive PPP should be part of the framework.

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must move beyond traditional government sources of foreign assistance to focus on leveraging private sector-led growth. However, in Africa the private sector remains underdeveloped due to several constraints including infrastructure bottlenecks, access to markets, access to finance, especially by Micro, Small and Medium Enterprises (MSMEs), and shortage of skills.

To prosper, the private sector needs an environment that facilitates growth, including access to business-related information, technical support services, capital and access to national and international markets. In this regard, we welcome the emerging WBG common approach to private sector support. We welcome support in strengthening the investment climate, design and financing of Public Private Partnerships (PPPs), climate change and renewable energy programs and MSMEs finance, which are critical for Africa to generate growth necessary to accelerate progress towards the Millennium Development Goals. The challenge is to ensure that the various instruments the WBG uses focus on bringing about sufficient and tangible changes in Africa's business environment.

While we appreciate the emphasis on innovative solutions through lending and knowledge services, we urge the WBG to pursue setting priorities and determining an appropriate sequence based on an analysis of the local context, as part of the policy dialogue with member states. Moreover, noting the high concentration of its financial services portfolio currently, we call upon the IFC to work on diversifying its services to help promote private sector development and reinforce the growth momentum in our countries.

Infrastructure Development

Although we have spoken about the general importance of infrastructure to African development in previous statements, we will not stop doing so until this problem is fully addressed through our own initiative and in partnership with the international development community.

As we are all aware, infrastructure and related services play a critical role in stimulating quality growth, minimizing the affliction

of poverty, and increasing more dignified and sustainable livelihood. Lack of basic infrastructure and inefficient and costly related services in most African countries constitute a major development constraint.

Now, more than ever before, as Africa is increasingly showing promising development prospects, it is imperative that more efforts are exerted towards transforming such prospects to tangible benefits for the people. To this end, increased support with flexible conditions to Africa from the Bank and other development partners is critically important to complement national and regional efforts.

We appreciate the current WBG involvement in the infrastructure sector. We are also encouraged by the operational thrusts of the new Infrastructure Strategy geared towards achieving transformational development. Likewise, we acknowledge the establishment of a staff technical team to work with the African Governors Energy Task Force on certain identified power projects, in response to the call made by the African Governors. This notwithstanding funding for infrastructural support remains a daunting challenge. We therefore urge the WBG to be unrelenting in the exploration of innovative ways and means to address this challenge. On our part we, without reservation, reaffirm our commitment to the adoption of appropriate strategies for domestic resource mobilization and effective management of activities related to the development and maintenance of infrastructure facilities.

Financing for Development

As we continue to witness multiple poles of growth, emerging new economic powers, increasing economic, trade and financial interdependences at unprecedented scales, the imperatives to foster broad-based growth to serve the mutual interest of both the developed and developing countries are heightening. These unfolding phenomenal realignments in the global economy strongly underpin our increasing call for innovations in financing for development.

While acknowledging the role development assistance continues to play as a valuable instrument in the fight against poverty, and noting that much remains to be done

to achieve the Millennium Development Goals, especially in Sub-Saharan Africa and in particular countries affected by fragility, conflict and violence; we urge that financial pledges and aid commitments be honored.

As we urge for commitments to be honored, we recognize that the climate for development assistance may deteriorate as donor countries struggle with their fiscal balance sheets. This growing dynamic bolsters the need to leverage aid more effectively through new instruments and expand the contributors by involving more stakeholders through innovative approaches. We see the need to achieve this call through country initiatives that mobilize domestic savings and enable private sector participation, but also through regional initiatives. The latter will help expand markets and enable economies of scale to be exploited as well as competitive and comparative advantages of our countries. For the World Bank, this requires the urgent exploration of synergy opportunities on a grand scale with other international financial institutions and the private sector that will address the demand for resources and partnership from our countries.

Conclusion

In the uncertain global economic environment in which we live, we must anticipate risks and develop appropriate shock absorbers. Fiscal adjustments, prudent economic policies and macroeconomic management as well as safety nets and social protection programs, for instance, will remain critical in preserving the gains we have made on the fight against poverty. Yet, we all acknowledge that much needs to be done on the MDGs and Africa continues to lag behind other regions in reaching the MDGs by 2015. As we call for ODA commitments to be honored, we acknowledge the changing global environment for development assistance. We underscore, in this regard, the opportunities and challenges presented by the multiple growth poles, the growing importance of sovereign wealth funds and private capital searching for safety. The World Bank is called on as a convener, to innovate with instruments that could pool these opportunities together to support

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Selected Highlights on the WBG and the IMF Spring Meetings

During the WBG/IMF Spring Meetings, a number of seminars were held. Two of them, hosted by the Africa Region Vice Presidency (AFRVP) dealt with the effects of the global crises on vulnerable populations and lingering challenges of high unemployment, especially amongst the youth, and the high levels of poverty and inequalities. This section provides a summary of the discussions.

Seminars

1. The Rise of Social Safety Nets in Africa

Social Safety Nets programs have been on the rise in Africa. The programs either transfer cash directly to the vulnerable population, or offer labor-intensive public jobs to adults who need employment during agriculture lean seasons. The panel on the discussion of Social Safety Nets in Africa, included the Hon. John Rwangombwa – Minister of Finance and Economic Planning for Rwanda, Mr. John Staley, the Director for Mobile Banking and Payment Innovations in Equity Bank, as well as World Bank staff. Besides the panel discussion, the AFRVP launched a film to showcase the success SSN stories in Niger, Ethiopia and Kenya.

Over the last 10 years, the World Bank initiated 120 cash transfer programs across Africa. New evidence on SSNs and poverty eradication in Africa indicated that in Kenya, Cash Transfer for Orphans and Vulnerable Children program had resulted in a 13 percentage points drop in the share of registered households living in extreme poverty. In Ethiopia, the households participating in the Productive Safety Net Public Work Program realized faster outputs of their livestock holding at 28 percent, compared to non-participating households.

Hon Rwangombwa informed participants that in the recent past, Rwanda witnessed steady economic growth and rapid poverty reduction. He attributed the latter partly to Rwanda's Vision 2020 Umurenge program, which was supported by development partners including the World Bank. The program identifies the poorest, and offers labor-intensive work, credit for small businesses, and cash transfers and assets including livestock for those who cannot work. Further, the Government pays health

insurance for the poorest people.

The Umurenge program contributed to poverty reduction from 57 percent to 45 percent, between 2006 and 2011. Over the same period, extreme poverty fell from 36 to 24 percent, and more than one million people are no longer poor.

In Northern Kenya, the Hunger Safety Net Program is a cash transfer program with a commitment to move millions of people from food aid to more forms of predictable social assistance. In its pilot phase, it focused on 60,000 poorest households. Besides the direct benefits to the population, the program has transformed the communities in other ways. It partnered with Equity Bank – one of the largest commercial banks in East Africa, to deliver funds to recipients, using a biometric smart card system through money agents (local shopkeepers). The arrangement enabled Government to deliver funds efficiently and safely in a region where there are limited banking facilities, and introduced advanced technology in the region. Other benefits include growth of private sector businesses – money agents and mobile phone chargers; while the Bank has grown its deposit base and contributed to financial inclusion. Given its remote location, the businesses depend on solar power; thus the program contributed to sustainable environment, and enabled the rural population to access power.

2. It's All About Jobs from Asia to Africa

The panelists included the Chief Economist and staff from the Development Economics Department and Africa Region Vice Presidency. They based their discussions on "Light Manufacturing" and "New Structural Economics: A framework for rethinking development and policy". In addition, Honorable Dede Ekoue, the Planning and Finance Minister of Togo, and Honorable Maria Kiwanuka, the Finance, Planning and Economic Development Minister of Uganda, presented their respective national plans for creating jobs. Ms Helen Hai – a Chinese entrepreneur with businesses in Africa presented a private sector perspective.

The World Bank Staff called on governments in Low Income Countries (LICs) to modify their growth models and focus on job creation while generating growth and reducing poverty. They suggested the adoption of the New Structural Economics framework in which governments would focus on a few industries with the greatest comparative advantage and potential for multiplier effects, and provide them with requisite resources and infrastructure such as industrial parks and other incentives. Careful planning was necessary to maximize benefits with meager resources, and to sequence the necessary reforms.

Hon. Ekoue informed participants that the Togolese government is focusing on inclusive growth, in partnership with stakeholders. The Government strategy has four pillars, namely, (i) the business environment including infrastructure, and trade logistics given its vicinity to the sea; (ii) the capacity of the private sector, especially the agriculture sector, which accounts for 40 percent of GDP and employs 60 percent of the population, and to ensure food security; (iii) develop a competent and skilled labor force; and (iv) sustainable environment for sustainable economic development.

Hon. Kiwanuka noted that the Government of Uganda is focusing on supporting export promotion, agro-processing, and tourism. Agro-processing would ensure value addition and increased productivity in the largest sector of the economy and therefore higher value exports. Government will continue to provide infrastructure such as feeder roads and irrigation, facilitate training of the labor force, and ensure income redistribution and efficient utilization of oil proceeds, thus enabling the private sector to be the engine of growth. The introduction of the East African Passport and one visa for entry into the region, and incentives for investing in the hospitality industry, would boost tourism. In recognition of the importance of Public Private Partnerships especially for development of infrastructure, Government adopted the Public Private Partnership Policy, to be the basis for a commensurate Bill in parliament. ■

Development Committee Communiqué Washington, DC April 21, 2012

1. The Development Committee met today, 21 April 2012, in Washington DC.
2. The global economic outlook remains challenging. Policy adjustments and improved economic activity have reduced the threat of a sharp global slowdown. Growth in emerging and developing economies continues to be relatively strong, but poor countries still need support. Implementing policies and structural reforms to promote poverty reduction and inclusive growth must continue.
3. The likely achievement of the Millennium Development Goal (MDG) to halve global poverty by 2015 is welcome news, but we remain vigilant and continue to work with all stakeholders to advance the other MDGs and to learn from experience. We call on the World Bank Group (WBG) and the International Monetary Fund (IMF) to support the implementation of the New Deal for Engagement in Fragile States. We call on the WBG to develop more innovative and stronger partnerships with middle income countries. Providing knowledge and financing for global public goods will also remain key. We welcome steps being taken by the IMF to implement the agreed funding package for the Poverty Reduction and Growth Trust, which should enable it to meet likely demand for the IMF's concessional support through 2014.
4. Higher, more volatile food prices threaten poverty reduction and other lagging MDGs, especially reducing hunger and child and maternal mortality. Food insecurity and malnutrition have devastating effects, especially on women and children. The Global Monitoring Report: Food Prices, Nutrition and the MDGs is timely and builds on our discussion last spring and the G20 conclusions at Cannes. We call on the WBG

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Sub-Saharan Africa's efforts in infrastructure development, stimulating private sector development and addressing unemployment, particularly among the youth.

Africa has the commitment to defeat poverty in order to improve the quality of lives of its citizens. For this, we remind and ask our development partners to come through on their commitments to promote the fair trade agenda. We need both investment in entrepreneurship and aid directed towards agriculture, education, health, and infrastructure, through innovative instruments and programs/initiatives tailored to

to continue to pursue multi-sectoral solutions to food insecurity and malnutrition through instruments such as the Global Agriculture and Food Security Program.

5. Social protection makes sound development sense. Social safety nets bolstered poor people's resilience to the last financial crisis and are also an important component of longer-term poverty reduction when they are well-targeted, affordable, gender sensitive and sustainable. The WBG has increased support for social safety nets, including conditional cash transfers, public works, and school feeding. We welcome the report *Safety Nets Work: During Crisis and Prosperity*, with its focus on improving the design and efficiency of existing social safety net programs and building new ones where needed, particularly in low income countries. We urge the WBG to promote south-south learning and to allocate sufficient resources to this work, continuing to collaborate with relevant institutions such as the IMF, the regional development banks and the International Labor Organization.
6. A vibrant private sector is crucial for growth, jobs and poverty reduction. We therefore welcome the report on the WBG's *Innovations in Leveraging the Private Sector for Development*. Building on its mandate of poverty reduction, the WBG is uniquely placed to innovate and advise clients about how to harness the

our specific situations. In this regard, we call upon our development partners to work with us to realize these objectives.

Similarly, our countries have put significant efforts to improve their capacities. We therefore call for continued support from development partners, including the Bank, to these efforts so as to promote Africa-wide networks that can contribute to local capacity building through research, experience-sharing, dissemination of successful experiences and training on various aspects of human resource development and management. ■

private sector for development and to promote an enabling environment. The IFC has effectively supported development through the private sector and grown its investment portfolio and advisory services, and innovative products such as local currency and short term finance, while maintaining its focus on IDA countries and frontier markets. MIGA has also expanded its guarantee portfolio. We ask management to prepare a group-wide approach that assesses the implications for priorities and use of resources, and optimizes synergies between IBRD, IDA, IFC and MIGA to enhance responsiveness to clients and provide integrated solutions.

7. We are encouraged by progress on the modernization agenda, designed to improve the Bank's effectiveness and efficiency to deliver more and better results. Cultural and organizational change will be needed and we fully support management in bringing this about. The Update on the Bank's Business Modernization: Results, Openness and Accountability indicates a clear way forward. Critical areas for reform include human resources and knowledge building and sharing. Promoting staff diversity is vital to enhance operational effectiveness and attract motivated talent. The Corporate Scorecard is beginning to drive a results culture through the organization. Building on recent World Development Reports, the incorporation of gender equality and greater focus on

Dr. Jim Yong Kim Assumes Office as World Bank New President



Dr. Jim Yong Kim who was selected as the twelfth President of the World Bank Group on April 16, 2012 for a five-year term officially assumed office July 1, 2012. He succeeds Mr. Robert B. Zoellick whose term ended June 30, 2012.

It is noteworthy that this was the first contested World Bank presidential selection process. While there is room

for improvement in the process, this historical milestone was in response to the Development Committee's call for "open, merit-based and transparent selection of the World Bank President." Dr. Kim was selected from a short list of candidates nominated by three different Executive Directors. The other two candidates were Dr. Ngozi Okonjo-Iweala, Nigerian Coordinating Minister for the Economy and Minister of Finance and former Managing Director of the WBG, and Dr. José Antonio Ocampo, Professor of Professional Practice

in International and Public Affairs and Director of the Economic and Political Development Concentration at the School of International and Public Affairs, Columbia University, who later withdrew before the final decision was made.

According to the World Bank Corporate Secretariat, Dr. Kim was born in 1959 in Seoul, South Korea. He migrated to the United States at the age of five with his family and subsequently became a United States citizen. He graduated magna cum laude from Brown University in 1982 and earned a medical doctorate from Harvard Medical School in 1991 and a Ph.D. in anthropology from Harvard University in 1993. He has several publications and has received many distinguished awards.

He was the President of Dartmouth College in the United States. Before assuming that position he was a professor at Harvard Medical School and the Harvard School of Public Health. He chaired the Department of Global Health and Social Medicine at Harvard Medical School and served as chief of the Division of Global Health Equity at Brigham and Women's Hospital. He was also Director of the François Xavier Bagnoud Center for Health and Human Rights at the Harvard School of Public Health. He is a co-founder of Partners in Health (PIH) and a former director of the Department of HIV/AIDS at the World Health Organization (WHO).

On his assumption of duty at the Bank he is expected, among other things, to indicate his commitment to engage closely with clients, partners and other colleagues in the Bank Group with the view to taking stock of the challenges ahead and ensuring that the Bank's strategy is appropriate to supporting member countries' needs. He is also expected to indicate his immediate priorities to intensify the World Bank's efforts to help developing countries maintain progress against poverty under the current volatile situation.

We welcome Dr. Kim and wish him a successful tenure as President. We look forward to working closely with him and expect that he would expeditiously support Africa's development agenda. ■

fragile and conflict affected situations (FCS) will incentivize improved WBG performance. The momentum behind modernization must be maintained, and we look forward to a progress report next spring and to an updated Corporate Scorecard this autumn. Modernization, innovation, and greater creativity in the use of capital will achieve a more efficient WBG and contribute to its long term financial sustainability.

8. The Ministerial Dialogue on Sustainable Development, with the participation of the United Nations Secretary General Ban Ki-moon, sent an important signal about the need for global partnership to advance this demanding agenda. We look forward to continued discussion about inclusive, green growth in the context of poverty reduction and sustainable development, natural capital accounting and oceans, feeding into the Rio + 20 and G20 processes.
9. We express our profound appreciation and gratitude to Robert B. Zoellick for his leadership of the WBG over the last five years. He has positioned the WBG at the forefront of effective and timely responses to food and financial crises and natural disasters, as well as reinvigorating delivery of longer-term poverty reduction and tangible results. He has championed gender equality, better performance in FCS, adaptation to climate change, and

renewed attention to agriculture and infrastructure. Under his leadership, the Bank secured the first capital increase in over twenty years and two unprecedented IDA replenishments, and launched a host of private sector initiatives, such as the IFC's Asset Management Company. He has helped transform the WBG, making it more open, transparent, accountable and ready for a new era of "modernized multilateralism". Reflecting this change, Mr. Zoellick has overseen the rise in the voting share of developing countries to 47%, to be followed by a further review of voice by 2015.

10. We congratulate Dr. Jim Yong Kim on his selection as President of the WBG and commit to working in close partnership with him. We thank Dr. Ngozi Okonjo-Iweala and Dr. José Antonio Ocampo for their candidacies and for sharing their valuable ideas for the WBG.
11. We welcome Mr. Marek Belka as the new Chair of the Development Committee and look forward to working with him. We also note with satisfaction the proposed revision of the Development Committee's membership to reflect the addition of a third chair for Sub-Saharan Africa in the WBG's Board.
12. The Development Committee's next meeting is scheduled for 13 October 2012, in Tokyo. ■

Kenya Vice President Visits the World Bank

The Vice President of the Republic of Kenya, His Excellency Stephen Kalonzo Musyoka paid a courtesy call on the Executive Director Mr. Hassan Ahmed Taha on May 22, 2012. The VP was on official visit to the United States and held meetings with officials of the United States government. He also travelled around the US, visiting with US-based Kenyans who are eligible to vote in the upcoming elections under the new Constitution.

Mr. Musyoka noted trends in Kenya's economic growth, which had reached around 7 percent per year prior to the elections; in the wake of post-election violence, economic growth stalled to barely 1 percent. For 2012, economic growth is projected at 5.3 percent, with hopes for double-digit growth rates in the years ahead. He added that Kenya is in an upward swing but expressed concern about the Bank's decision that all Kenya projects, including those that qualify for streamlined procedures, must be submitted for full Board discussion as a result of governance concerns. This results in delayed implementation, and he asked that infrastructure projects, in particular, be fast-tracked for Board approval. He noted that Kenyan authorities were transparent about the governance challenges; they took the allegations seriously, and refunded the ineligible charges.

The ED informed the VP that his office has already discussed the matter with his Board colleagues and there was a general consensus among Board members he spoke to that the Bank should treat all its member countries equally and should not apply different rules to different members in approving projects. The ED further informed VP Musyoka that he was going to discuss the matter with the new Vice President for the Africa Region. ■

Malawi President Visits the World Bank



On June 11, 2012 the President of the Republic of Malawi, Her Excellency, Mrs. Joyce Banda, accompanied by Malawi's Foreign Affairs Minister, Honorable Ephraim Chiume, paid a courtesy call on the World Bank Group at its Headquarters in Washington D.C. President Banda acceded to the presidency following the death of the former President H.E. Bingu Wa Mutharika on April 5, 2012.

At the Bank President Banda was received by the Managing Director, Sri Mulyan Indrawati, and the Vice President for the Africa Region, Mr. Mukhtar Diop. During the brief meeting with the Bank, she thanked the institution for supporting Malawi's development endeavors since independence. She pledged her government's commitment to political and economic governance. In this regard she informed the Bank of the progress her Government had made in restoring diplomatic ties with Malawi's traditional donor countries and also with multilateral development partner institutions. She outlined some of the major economic and political reforms instituted since she took over from the late President Bingu wa Mutharika. These included liberalizing the exchange rate regime and allowing the Malawi Kwacha to be devalued, initially by 50 percent. Commercial banks and foreign exchange bureaux were allowed to determine the market exchange rate at which all foreign exchange transactions, including those of government, would be conducted. Other major reforms were in fiscal operations where government was committed to deep expenditure cuts while protecting social expenditures for the poor and vulnerable. On the political front, government took measures to repeal all the laws which had soured its relations with donors and civil society. More importantly,

President Banda assured the Bank that progress had been made in restoring relations with the IMF and the Board of that institution would be meeting to discuss Malawi's (Enhanced Credit Facility) ECF in July, 2012. She then called on the World Bank to continue supporting Malawi's development plans. Specifically she asked management to facilitate the preparation and Board approval of the Rapid Response Program for Malawi.

she formed a government of national unity where all political parties were represented.

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On her part, the Managing Director assured the Malawian President that the Bank will continue supporting Malawi in her development efforts. The Vice-President will be travelling to Malawi to render support to this commitment. She confirmed that Malawi's Country Assistance Strategy will be reviewed to reflect development priorities of the new government, including its intention to access the power pool in Mozambique through a World Bank supported Inter Connector Project. She appealed to Malawi to support the Bank's initiatives on getting donor support for IDA 17. ■

Sub-Saharan African Executive Directors Meet with the President of the African Development Bank in Tanzania

Executive Director, Mr. Hassan Taha and the two other World Bank Sub-Saharan Africa Executive Directors, Mr. Agapito Mendes Dias and Ms Renosi Mokate met Mr. Donald Kaberuka, President of the African Development Bank (AfDB) on the margins of the forty-seventh Annual Meetings of the African Development Bank in Arusha, Tanzania.

They discussed strategic ways and means of accelerating the implementation of the priority energy projects including most particularly the following: (a) enhancing collaboration of the two Banks to mobilize the necessary project preparation funds for the identified projects; (b) the efficient use of the funds that have been made available to the AfDB (\$150 million); (c) encouragement of staff of the two Banks to work together and avoid unnecessary competition; and (d) how to take full advantage of the upcoming Annual Meetings in Tokyo. They also discussed the need to join forces to address the issue of unemployment and the effective use of the trust fund established with donation from Denmark to facilitate the employment African youths.

Mr. Kaberuka welcomed the proposed joint approach and concurred on the

importance of working together. However, in terms of launching a funding appeal to the international development community there was a concern that the immediate timing was probably not the most propitious in view of the current global financial context. It is worth mentioning that the meeting also came against the backdrop of a planned meeting in the offing of the Japanese Government with the African Governors on the sidelines of the forthcoming World Bank/IMF Annual Meetings in Tokyo through the instrumentalities of the African Ambassadors in Tokyo. In the meeting with Mr. Kaberuka, the Executive Directors also discussed how best to present the issues through the African Caucus especially since Japan would also be hosting the next Summit (TICAD V) in June 2013.

The meeting concluded with the agreement that both Banks would prepare for the meeting through the exchange of relevant information including that on the agenda and context for the TICAD meeting. It was also agreed that the involved parties (embassies/ ministries of foreign affairs) would help with the coordination and follow-up processes. ■

Pool projects already identified in SSA through pooling of IFC, MIGA, other BRICS private Sector resources.

3. Agriculture in Africa: Committed to ensure focus on Arid and semi-arid land development, through irrigation infrastructure, and approaches to promote agricultural productivity.

He noted that focal points would be selected to drive delivery in each of these area.

Executive Directors were supportive of Mr. Diop's focus areas noting that they are well aligned with the Africa Strategy and African Governors' conversations with the President and Senior Management. They appreciated the perspective on ensuring a transformative engagement of the WBG in Africa underscoring the importance of regional solutions. They noted the approach to appoint focal points for each of the areas and were looking forward to being kept abreast with developments as they evolved.

IDA 16 Mid-term Review

Mr. Diop highlighted the forthcoming IDA 16 Mid-term Review as an important milestone for delivering Bank support in SSA. He apprised the EDs of the plan to advocate for an IDA contribution to a Project Preparation Facility for transformative infrastructure projects in Africa. Welcoming this initiative, the EDs committed to brief the SSA Borrower Representatives on the IDA Deputies accordingly to support the request.

HR and Diversity Issues

Mr. Diop shared his perspectives on diversity issues in the Africa Region noting the challenges and efforts being made by management and encouraging the need for sustained advocacy, which were broadly supported by the EDs. He informed the EDs of the prospective appointments of sector managers which would include staff of SSA origin as a step in the right direction and committed to ensure that the region would be served by quality staff. ■

Sub-Saharan Africa Executive Directors Meet with the New Vice President for Africa Region

The three Executive Directors (EDs) representing Sub-Saharan Africa met with Mr. Maktar Diop, Vice President, Africa Region May 2012, as he commenced his new assignment. The meeting was to apprise the EDs of his vision and approach to program delivery for the region. Highlights of the following three key issues discussed are provided below:

Emerging Focus Areas of the RVP for FY2013

Underscoring commitment to the World Bank Africa Strategy, Mr Diop shared with

the EDs the following three (3) strategic areas of focus that he would advance during FY13, viz:

1. Health in Africa: noting an unfocused approach in the sector and a proliferation of funds, apprised the EDs of an ongoing plan for a global conference on Health in Africa to sharpen the World Bank engagement in the sector.
2. Energy in Africa: Emphasized the need to give boost to the Regional Power

World Bank Board of Governors Approve New Calculations of Basic Votes for Member Countries

As part of its Voice Reforms, the World Bank has revised the relevant sections of its Article of Agreement to reflect a new calculation for basic votes. The basic votes of each member country determine its voting power at the Bank. With the approval of the Boards of Governors of the Bank

and IFC an amendment to the Articles of Agreement stipulates that basic votes will be fixed as a percentage at 5.55 percent of total votes. While the new calculations of the basic votes do not increase the WBG's capitalization, it would help to increase the relative voting power of members with

smaller shareholdings and thereby strengthen the voices of these countries, many of which are in Africa.

As of June 27, 2012, based on the new calculations, the following table reflects the voting shares with a focus on Africa Group I (EDS14) constituencies.

Shares/Votes as of 6/30/2012

Member Country	IBRD		IFC		MIGA	
	Shares	Voting Power	Shares	Voting Power	Shares	Voting Power
Total Appointed Seats		37.81%		43.32%		31.65%
UNITED STATES	281,715	15.69%	570,136	22.76%	32,800	15.09%
JAPAN	165,976	9.24%	141,931	5.66%	9,215	4.24%
UNITED KINGDOM	74,227	4.13%	121,772	4.86%	8,801	4.05%
FRANCE	74,227	4.13%	121,772	4.86%	8,801	4.05%
GERMANY	82,982	4.62%	129,665	5.18%	9,172	4.22%
Total Elected Seats		62.19%		56.68%		68.35%
of Which:						
Africa 1—EDS 14 (20 voting countries)	32,583	1.80%	29,747	1.19%	7,548	3.47%
BOTSWANA	1,147	0.06%	870	0.03%	324	0.15%
BURUNDI	1,248	0.07%	857	0.03%	310	0.14%
ERITREA	1,125	0.06%	1,692	0.07%	286	0.13%
ETHIOPIA	1,510	0.08%	884	0.04%	359	0.17%
GAMBIA, THE	1,075	0.06%	851	0.03%	286	0.13%
KENYA	2,993	0.17%	4,798	0.19%	539	0.25%
LESOTHO	1,195	0.07%	828	0.03%	324	0.15%
LIBERIA	995	0.06%	840	0.03%	320	0.15%
MALAWI	1,626	0.09%	2,579	0.10%	313	0.14%
MOZAMBIQUE	1,462	0.08%	1,079	0.04%	407	0.19%
NAMIBIA	2,055	0.11%	1,161	0.05%	343	0.16%
RWANDA	1,578	0.09%	1,063	0.04%	368	0.17%
SEYCHELLES	795	0.04%	784	0.03%	286	0.13%
SIERRA LEONE	1,250	0.07%	980	0.04%	368	0.17%
SUDAN	1,382	0.08%	868	0.03%	442	0.20%
SWAZILAND	972	0.05%	1,441	0.06%	294	0.14%
TANZANIA	1,827	0.10%	1,760	0.07%	484	0.22%
UGANDA	1,149	0.06%	1,492	0.06%	469	0.22%
ZAMBIA	3,342	0.19%	2,043	0.08%	554	0.25%
ZIMBABWE	3,857	0.21%	2,877	0.11%	472	0.22%
Africa 2—EDS 13 (21 voting countries)	33,664	1.89%	32,456	1.30%	6,774	3.12%
Africa 3—EDS 25 (3 voting countries)	31,168	1.73%	41,343	1.65%	4,044	1.86%
Total Share/Voting Power	1,795,790	100.00%	2,505,422	100.00%	217,347	100.00%

Zimbabwe Increases its Subscription to the Capital Stock of the World Bank Group

In April 2010, the Development Committee endorsed the Bank's first General Capital Increase (GCI) in more than 20 years and its first Selective Capital Increase (SCI) in more than a decade. The objective was to enhance the voice and participation of developing and transition countries in the operations and decision making process of the Bank. The GCI allowed the Bank to increase its support for borrowing countries

in the face of continuing financial stress, while the SCI contributed to increasing the voting power of developing countries in the Bank by a total of 3.13 % to 47.19 %.

On July 21, 2010 the Resolution to authorize these capital increases were submitted to Governors of the World Bank which was adopted on March 16, 2011. Zimbabwe was one of the countries in our Constituency that was accorded the opportunity for an SCI.

Effective July 6, 2012, the subscription of Zimbabwe to the capital stock of the Bank was increased from 3,325 shares (\$401 million) to 3575 share (\$431.1 million) as authorized by the Board of Governors' Resolution No.612 entitled "2010 Selective Increase in Authorized Capital Stock to Enhance Voice and Participation of Developing and Transition Countries". ■

Voice Secondment Program 8th Cohort Ends

The three participants of the Voice Secondment Program, 8th Cohort, from our Constituency successfully completed their assignment with the World Bank in June 2012. They and the major areas of their participation are indicated below.

Mr. Patrick Wilbert Pima Senior Economist, Ministry of Finance, United Republic of Tanzania was assigned to the Global Facility for Disaster Reduction and Recovery Unit of the Bank – Sustainable Development Network (SDN). He undertook an official mission to the Republic of Dominica to assist with the preparation of a new Disaster Vulnerability Reduction Project. The specific objectives of this mission were to; (i) discuss general project scope, including specific project components, financial envelope etc; (ii) meet with various line ministries and agencies to identify possible project activities to be considered for financing; and (iii) agree on the project implementation arrangements.

Mr. Getachew Negara Sona, Director at the Ministry of Finance and Economic Development of the Federal Democratic Republic of Ethiopia was assigned to Financial Management Team, African Region of the Bank. He traveled to Botswana with Bank's staffs to conduct an in-depth review of financial management of the Botswana

National HIV/AIDS Prevention support project. After his mission in Botswana, he proceeded to Tanzania to undertake an assessment of the Country FM systems' usage. The objectives of the Botswana mission was to ensure that all FM arrangements are working adequately at the central level as well as at lower levels by reviewing the client control framework for budgeting, accounting, internal controls, funds flow, financial reporting and auditing systems of the project. The main objective of the mission in Tanzania was to undertake an assessment and review the Use of Country FM Systems.

Mr. Felix Manuel Arao Massangi, External/Public Debt Specialist from the Ministry of Finance, National Directorate of Treasury of the Republic of Mozambique completed his assigned with the Bank's Water Unit (TWIWA) – Sustainable Development Network. His task in the Africa Integrated Urban Water Management team in charge was to prepare, produce and deliver an Economic Sector Work Report on Integrated Urban Water Management. The work followed its Concept Note and its primary objectives diagnosing/identifying Africa's Emerging Urban challenges; discussing an Integrated Perspective to Urban Water Management;

Assessment of Water Management (IUWM) Challenges and Capacities in African Cities; proposing demonstration projects and drawing the role the World Bank can play in supporting this initiative in Africa. He also participated in an operational mission with the purpose of building consensus among stakeholders around pursuing IUWM options for specific cities of Nairobi, Mbale and Arua.

During the 6 months period, the three Secondees had the opportunity to attend a number of professional and social events which included intellectual debates, forums and the 2012 International Monetary Fund/World Bank Spring Meetings. They also had sessions with our Office (Office of the Executive Director, Africa Group I which provided in-depth information on the purpose and functions of the Office.

The main consensus that emerged from the Secondees following their exit interview was that the program was necessary, relevant and useful. They also recommended that the program continues and that more opportunities are given to other potential Secondees to attend this program for the benefits of our countries as they engage with the World Bank Group. ■

Snapshot of Approved Projects

Country	Approval Date	Project Title	Source of Funding	Amount (Equivalent in US\$ Million)	Project Development Objective
Burundi	May 8, 2012	Public Works and Urban Management Project (Additional Financing)	IDA Grant	15	To increase access to basic socioeconomic service and short-term employment opportunities in targeted areas.
Burundi	May 17, 2012	East Africa Public Health Laboratory Networking Project (Additional Financing)	IDA Grant	15	To establish a network of efficient, high quality accessible public health laboratories for the diagnosis and surveillance of TB and other communicable diseases.
Ethiopia	May 24, 2012	Women Entrepreneurship Development Project	IDA	50	To increase the earnings and employment of Micro and Small Enterprise, or MSEs owned or partly owned by the participating female entrepreneurs in the targeted cities.
Ethiopia	May 31, 2012	Urban Water Supply and Sanitation Project (Additional Financing)	IDA	150	To increase access to sustainable water supply and sanitation services in Addis Ababa and targeted secondary cities.
Kenya	May 3, 2012	Nairobi Metropolitan Services Improvement Project	IDA	300	To strengthen urban services and infrastructure in the Nairobi metropolitan region.
Kenya	May 3, 2012	Water and Sanitation Services Improvement Project (Additional Financing and Restructuring)	IDA	280	To increase access to water supply and sanitation services in the project implementing entities' service areas.
Malawi	June 14, 2012	Shire River Basin Management Program (Phase-I) Project	IDA	136.3	To develop Shire River Basin planning framework to improve land and water management for ecosystem and livelihood benefits in target areas.
Mozambique	April 3, 2012	Cities and Climate Change Project	IDA	120	To strengthen the municipal capacity for sustainable urban infrastructure provision and environmental management which enhance resiliency to climate related risks.
Mozambique	May 1, 2012	Education Sector Support Project (Additional Financing)	IDA	40	To improve access to and quality and equity of education.

Country	Approval Date	Project Title	Source of Funding	Amount (Equivalent in US\$ Million)	Project Development Objective
Sierra Leone	May 31, 2012	Pay and Performance Project	IDA	17	To improve competitiveness in pay, performance management and accountability, and increase middle and senior staff in the civil service.
Uganda	June 1, 2012	Investment in Eaton Towers Uganda Limited	IFC	30	To improve availability and access to reliable and affordable communications services for consumers and businesses especially in rural and disadvantaged areas; to reduce costs and lower barriers to entry for small telecommunication players; and to expand availability of ICT technologies beyond mobile telephone.
Uganda	June 26, 2012	Water management and development (WMDP)	IDA	135	To improve integrated water resources planning, management and development, and access to water and sanitation services in priority urban areas. The project will contribute to sustained natural resources and water related infrastructure and services.
Regional Project (Côte d'Ivoire, Sierra Leone, Liberia, and Guinea Power System Re-development) Phase I	May 31, 2012	Power System Development (WAPP)	IDA	31.5	to increase access to electricity supply to Liberia and Guinea through power provided in the medium to long term from the exploitation of viable indigenous generation resources in accordance with a least-cost plan, but obtained in the near-term from Cote d'Ivoire and commercial mining operations in the area.
Zambia	May 3, 2012	Third Poverty Reduction Support Credit Program (PRSC-3)	IDA	30	To provide support to a policy and institutional reform program emanating from government's development strategy articulated in the Fifth National Development Plan (FNDP) for the period 2006-2010 and other strategic documents and reform programs prepared by the government.
Zambia	May 15, 2012	Kafue Town – Muzuma Victoria Falls Regional Transmission Line Reinforcement Project	IDA	60	To improve the reliability of Zesco's regional power trade transmission network along the Kafue Town – Muzuma – Victoria Falls Corridor.
Zambia	May 16, 2012	Investment in Zambeef Products, PLC	IFC	30	To support the growth of a leading agricultural producer with substantial linkages extending to the farming community and rural areas, and to improve meat products availability.



THE WORLD BANK

Africa Group I Constituency Newsletter

A newsletter from the office of the Executive Director

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Upcoming Meeting

The IMF/World Bank Group Annual Meetings will be held in Tokyo, Japan in October 12-14, 2012

- AFG1 Constituency Meeting—
October 11, 2012
- Development Committee Members Meeting—October 11, 2012

For Electronic or hard copies:

Telephone: (202) 458-2105

Facsimile: (202) 522-1549

Email: Ckavuma@worldbank.org

Website: <http://www.worldbank.org/eds14>