Statement by

Mr. Paul Antoine Bohoun Bouabré
Minister of State for Planning and Development
Côte d’Ivoire

On behalf of Benin, Burkina Faso, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo, Côte d’Ivoire, Democratic Republic of Congo, Djibouti, Equatorial Guinea, Gabon, Guinea, Guinea-Bissau, Madagascar, Mali, Mauritania, Mauritius, Niger, Rwanda, São Tomé and Príncipe, Senegal, Somalia (unofficially), and Togo
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Development Committee

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On behalf of the 24 countries of our group, I would like to first extend my heartfelt congratulations to Mr. Robert Zoellick on his appointment as President of the World Bank Group.

My presentation, which is being made on behalf of the African countries in Group II, focuses primarily on the items on the agenda for our meeting today, October 21, 2007, namely, the Strategic Direction of the World Bank and Scaling Up Development Assistance particularly in Africa.

1. Strategic Direction of the World Bank Group

We are pleased to note that after but a hundred days at the helm of the Bank Group, President Zoellick has already imparted his initial impressions and ideas on the strategic directions of the Bank.

First of all, we are in agreement with the main observation that it is important for the Bank Group to adjust or tailor its strategy to the changing global economic environment. However, in the absence of additional resources, the Bank should continue to fulfill its mission of poverty reduction, despite the emergence of new challenges such as climate change. Although no country has been spared this phenomenon which threatens global public goods, the Bank must continue to carry out its main mission, that of poverty alleviation.

We further recognize that the Bank’s current strategy must integrate the development of aid architecture and the lessons learned from development experiences. We believe that the discussion on strategy should be oriented toward institutional effectiveness and domestic reforms in order to help countries improve their performance. This is why, in addition to meeting the needs of the middle-income countries, providing support to fragile States, and making a commitment to global public goods, the Bank should address other issues such as the internal governance and decentralization of the Bank.

Furthermore, we have taken note of the six priorities identified by the President, namely: (i) the focus on sub-Saharan Africa and other low-income countries; (ii) support to fragile States; (iii) poverty reduction in middle-income countries; (iv) the focus on global public goods; (v) the development and creation of opportunities in the Arab world; and (vi) lastly, knowledge and learning. To this end, we believe that the two pillars of the current strategy must be expanded to take into account these two perspectives that are linked to development policies: institutional strengthening and improved governance on the one hand, and the commitment to global public goods on the other. Although the Bank Group is already actively engaged in these sectors, it is
important that its role be clearly defined. It would also be desirable for the Bank Group to explore a number of other options aimed at increasing internal synergy.

2. The Role of IDA in the Global Aid Architecture: Supporting the Country-Based Development Model

We appreciate the documents prepared by the Bank on the role of IDA in the new aid architecture.

We are convinced that IDA’s integrating role can be played effectively only if funding for IDA reaches a large critical mass. Moreover, it must scale up efforts in the following areas: (i) strengthening complementarity with the vertical approaches to aid provision; (ii) ensuring appropriate sectoral funding; (iii) enhancing aid harmonization and alignment; and (iv) addressing global challenges, including climate change.

Our group fully endorses the views contained in the report, which address the comparative advantages of IDA. We are convinced of its relevance as a platform that is crucial to the success of the aid programs for low-income countries. We therefore welcome and encourage investments in human resources, environmental preservation, and infrastructure.

We would like to underscore the need to sustain the momentum witnessed at the beginning of the millennium with regard to Official Development Assistance, as evidenced by the commitments made by the developed countries at the Monterrey and G8 meetings. We are pleased to note that reform efforts in our countries have begun to produce tangible results. The time has now come to fulfill the promises made. In this regard, the first major test is the replenishment of IDA15 resources. We therefore call upon our partners to work toward a swift and positive conclusion to the ongoing discussions.

We would also like to emphasize the need to restructure the two main aid channels, namely, vertical and horizontal funds. However, it is imperative to stress the need for scaling up, instead of the mere reallocation of resources initially earmarked for programs that are still, after all, of the utmost importance to our countries.

3. Country-Based Scaling Up

Our group welcomes this document, which recommends a differentiated approach to country-based scaling up. This approach is based on the performance, needs, and level of preparation of the country to make effective use of increased resources.

Without a doubt, the MDGs can be achieved only through a strong partnership between developed and developing countries. We appeal for the scaling up, acceleration, and predictability of aid. To this end, the developed countries must honor their commitments by increasing aid levels and must allow developing countries to access their markets. We must, for our part, intensify our efforts to mobilize domestic resources and attract external resources.
We must note with regret that aid increases remain below the pledges made at Gleneagles. Indeed, progress – albeit modest – pertains to debt forgiveness only, while there has been a negligible increase in assistance for development programs and projects. Even more disconcerting to the countries of our group is the fact that the upward trend in ODA stalled in 2006 and the rate of increased aid to sub-Saharan Africa is lower than the pledges made at Gleneagles. In light of this discouraging reality, we call upon the Bank to strengthen its role at the country level in order to assist them in their efforts to mobilize more aid.


We laud the Clean Energy for Development Investment Framework (CEIF) prepared by the World Bank in response to the Development Committee’s request of April 2007. This Framework takes stock of the progress made on each of the three areas of the Action Plan, namely: (i) enhancing the World Bank Group’s (WBG) energy program, particularly improving access to clean energy in sub-Saharan Africa; (ii) transitioning toward a low-carbon economy; and (iii) adapting to the impacts of climate change, as well as possible options for an increase in financial products.

Achieving the abovementioned objectives will require the mobilization of appropriate financing. Given Africa’s significant hydroelectricity potential, we call on the Bank and the other partners to invest generously in this sector to secure an adequate supply of energy. There is a potential for developing new clean energy generation technologies in African countries, particularly solar energy. Lastly, we encourage the Bank to increase its financing of regional projects.

5. Global Public Goods

We welcome the Bank’s presentation of this document, which sets out the criteria to guide its actions in the global public goods sector.

Nevertheless, we must reiterate our concern that the consideration given to global public goods should not weaken current poverty reduction and economic growth promotion efforts at the country level, particularly in sub-Saharan Africa. How can we not place emphasis on the principle of additionality, given that the new financing instruments intended for global public goods should serve to supplement the traditional instruments used to finance national development programs?

Our group is convinced of the need for objective criteria for the selection of priorities. Similarly, there is a pressing need to consider the vulnerabilities and prospects of developing countries, in particular sub-Saharan Africa countries, when choosing these priorities. Our group would like to underscore that Africa has its geographic, political, economic, social, and ecological specificities. In this regard, while we agree that the approach must be coordinated, it must also adequately consider these specificities.
Global public goods must play an integral part in efforts to eradicate poverty and promote economic growth, and should be taken into account in articulating the World Bank’s long-term strategy. Dialogue with countries should guide the strategic choices and the means of intervention, calculation of risks, and the evaluation of opportunities, all within the context of national poverty reduction strategies, country assistance strategies (CASs), and sectoral strategies.

6. Strengthening the World Bank's Engagement with IBRD Partner Countries

The countries in our group welcome this document on the implementation of the strategy to strengthen relations between the World Bank and middle-income countries.

We are pleased by the progress made on this issue at a time when middle-income countries, which are home to more than 70 percent of persons living below the poverty line, are facing many problems. A number of middle-income countries in our group are implementing ambitious reform policies, as well as economic transformation and external trade liberalization programs. Despite these efforts, large segments of the populations in these countries remain disadvantaged and vulnerable.

We support the recommendations made by the Bank with regard to strengthening assistance to middle-income countries in order to support these actions and eradicate the pockets of poverty in these countries. It should be recalled that these actions seek to reduce the cost of transactions with the Bank, broaden the range of intervention mechanisms, and identify and eliminate obstacles to the Bank’s global provision of expertise and advice.

7. Point on the Implementation of the HIPC Initiative and the MDRI

We note that debt cancellations executed under the Heavily Indebted Poor Countries (HIPC) Initiative have, in the majority of cases, achieved the intended objective, namely, to reduce the external debt burden and to secure savings in order to allocate them to social objectives. The resulting savings have allowed for increased resource allocations to combat poverty.

However, debt sustainability indicators are still shaky in some of these countries, with the risk of debt distress deemed moderate. In this context, significant prudence is needed to manage their debt in order to avoid any accumulation that could snowball into a fresh debt crisis.

8. Aid for Trade – Harnessing Globalization for Economic Development

The World Bank’s report provides additional information on the efforts of the international community to support the integration of developing countries into the global economy.

We have observed that in spite of the importance of trade for the economic growth of our countries, Africa represents only 2 percent of global trade and is experiencing serious difficulties in increasing its global market share. Our countries’ submissions during the Doha Round failed
to produce tangible results in terms of the elimination of agricultural subsidies and the reduction of various barriers preventing African products from accessing markets in developed countries.

We encourage the Bank to strengthen the actions it has already taken, and to seek innovative solutions, particularly by helping to strengthen the trade infrastructure of our countries, subregional trade, South-South cooperation, and the production, processing, and marketing capacities of our products.

9. **Voice and Representation of Developing Countries and Countries with Economies in Transition within the Bretton Woods Institutions**

Since the Monterrey Summit, the international community has been urging the World Bank and International Monetary Fund (IMF) to find ways and means to strengthen the voice and representation of developing countries and countries with economies in transition in their decision-making process. Our countries are committed to this consensus for three key reasons. The consensus would effectively enhance (i) the obligation of mutual accountability; (ii) the legitimacy and credibility of the World Bank and International Monetary Fund; and (iii) their effectiveness.

To date, progress has fallen short of our expectations. At this stage, we believe that the proposal for a two-phase reform program contained in the document is a step in the right direction. We believe from our standpoint that a minimal reform package should include the tripling of basic votes and the provision of additional seats for countries representing sub-Saharan Africa.

10. **Enhancing Collaboration between the World Bank and the IMF: Joint Action Plan**

We welcome the action plan prepared by officials from the two institutions as a follow-up to the review conducted by the external committee on World Bank-IMF collaboration. This report proposes measures to enhance collaboration between the two institutions in order to enable them to effectively fulfill their respective missions. Indeed, a lack of coordination would result in a waste of resources, which would then incur significant costs for the recipient countries and all donors. This lack of collaboration would adversely affect our countries’ cooperation programs with the two Bretton Woods institutions.

The actions set forth in this action plan could help to improve coordination and communication between the two institutions. However, it is our view that in order to achieve substantial progress, the culture of collaboration between both institutions must change. Lastly, we endorse the actions pertaining to human resources, and in particular, the promotion of staff exchanges between the two institutions.