Statement by

Mr. Mohamed Boussaid
Minister of Economy and Finance
of the Kingdom of Morocco

On behalf of the Constituency of Afghanistan, Algeria, Ghana, the Islamic Republic of Iran, the Kingdom of Morocco, Pakistan, and Tunisia
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On behalf of my constituency, I would like to thank the Development Committee for the important topic selected for this year, namely “promoting shared prosperity.” This choice is all the more important given that the target date for the Millennium Development Goals is one year away and we have reached the one-year mark since our approval of the new World Bank Group strategy.

We should bear in mind that this strategy focuses on two objectives—ending extreme poverty by reducing the number of people living on less than US$1.25 a day to under 3 percent of the world’s population by 2030, and promoting shared prosperity by fostering income growth of the bottom 40 percent of this population group.

In this context, we would like to thank the World Bank, IMF, and OECD for their contribution to the Global Monitoring Report 2014. This report is particularly important because it (i) underscores the progress made by developing countries toward achievement of the Millennium Development Goals and (ii) presents the institutional and operational framework needed to achieve the dual strategic objectives of the World Bank Group.

Public Policies Focused on Reducing Extreme Poverty and Boosting Shared Prosperity, Drawing on the Achievement of the Millennium Development Goals.

The report demonstrates that over the past two decades, robust growth in developing countries has been instrumental in halving extreme poverty.

In the early 1990s, most developing countries did indeed implement public policies that were aligned with achievement of the Millennium Development Goals. Implementation of these policies has been evident in the clear-cut progress made with poverty reduction and more equitable wealth distribution.

Even more recently, public policies in developing countries have increasingly sought to take into account inclusive pro-poor growth imperatives, in particular in their human capital and sustainable development components.

In this context, we think that important lessons must be drawn.

Indeed, we note the success achieved with the implementation of the different local and community development initiatives, particularly in rural areas, by expanding access to basic social services and promoting income-generating activities for the poor.
We also underscore the priority accorded in public policies to investing in intangible capital, in particular human capital. Significant productivity gains have been made in this regard as a result of the implementation of programs to strengthen competencies and align training with employment.

For some years now, the promotion of financial inclusion has also been one of the key public policy priorities of developing countries. These policies have facilitated access by low-income households, very small, small and medium-sized enterprises, young people, and women to financial products suited to their needs.

Similarly, we note that the initiatives that allow the vulnerable to break the intergenerational cycle of poverty have been successfully implemented. These initiatives have mainly targeted subsidy programs and the adoption of various types of conditional cash transfers.

The same positive results can be noted with public policies implemented with the aim of boosting agricultural productivity. The investment of many countries in the agricultural sector has in fact allowed the poorest residents of rural areas to gain access to markets and has enabled countries to increase the value-added of the sector.

From a sustainable development standpoint, we welcome public policy initiatives that include an environmental protection and green growth component, in order to ensure better management of natural resources and greater energy efficiency. The interest shown by several countries in programs to develop renewable energy must, in this regard, be commended.

In light of the results achieved, we are confident that these initiatives that target more robust growth and greater equity can prove to be very decisive. Deepening and replicating them, with World Bank assistance, could pave the way for achievement of the dual strategic objectives of the World Bank Group.

**Role of the World Bank Group**

With regard to the placement of the dual strategic objectives of the World Bank Group in an institutional and operational framework and now that one year has elapsed since their adoption, the question now arises as to how the World Bank Group plans to help member countries reduce poverty and promote shared prosperity.

We agree with the goal pursued by the World Bank Group of being more selective in its intervention areas by recentering its activities around programs that lay the groundwork for structural changes that are likely to help countries achieve the dual strategic objectives.

Against this backdrop, we are confident that the “country diagnostic framework,” which will serve as a basis for formulating the new “country partnership framework,” will allow the Bank to better assist developing countries with the selection of public policies based on each country’s specificities. We are eager to see the Bank undertake, as expeditiously as possible, the review of partnership frameworks based on sound diagnostic work.

Furthermore, with regard to the Bank’s quest to become “a solutions and knowledge Bank,” we are pleased with the speedy action taken to implement the new organizational structure and to fill all management positions for the 14 global practices and 5 cross-cutting solution areas.

These areas should facilitate the interregional transfer of knowledge and technical expertise to support the design and implementation of public policies aimed at promoting shared prosperity in member countries.
In this regard, we call on these areas of the new organizational structure to invest heavily in this decisive phase with the aim of operationalizing the World Bank Group’s strategy.

Lastly, as we approach the target date for the Millennium Development Goals and the rapid operationalization of the strategy, we would like the World Bank Group to make a decisive contribution to formulating new sustainable development goals that the international community will be called upon to adopt after 2015.