Statement by

Mr. Mohammed 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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95th Meeting of the Development Committee

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We wish to commend the World Bank staff for the quality of the report entitled Forward Look – A Vision for the World Bank Group in 2030 - Progress and Challenges and for the expeditious manner in which they made this initial progress report on the “Vision for the World Bank Group in 2030” available to our committee, only months after its adoption in October 2016.

We are pleased with the major progress made in rolling out this vision, particularly with the record US$75 billion replenishment for IDA18 to finance activities relating to climate change, jobs, governance, and institutions in poor countries.

We also support IFC’s Syndicated Loan Program, which mobilized US$50 billion from over 500 financial institutions. In this connection, we encourage IFC to continue its infrastructure program that seeks to raise US$5 billion over the next two years.

In the same vein, we welcome and wholeheartedly endorse the innovative Cascade approach adopted by the World Bank, as it enables the Bank to not only ensure strategy coordination, but, more importantly, to ensure better optimization of resources mobilized for development and poverty reduction.

We share the view of the WBG experts that this progress was achieved despite major barriers that affect the cost and effectiveness of WBG activities, including, in particular, the effects of the economic and financial crises on growth and jobs, spread of epidemics, the impact of climate change, and geopolitical tensions.

The progress report on the WBG’s Forward Look document should therefore serve as a tool to inform each Development Committee meeting of the progress made in rolling out Vision 2030, the obstacles to be confronted, and the proposals that can further enrich the WBG’s forward-looking vision.

In this regard, it is our hope that the experts will enhance the next report by including an in-depth assessment of the World Bank’s role as a benchmark development finance institution with recognized expertise and knowledge.

We are of the view that the WBG must leverage its special position as a leading development finance player, its presence on the five continents, and its active engagement in all key economic development sectors and in the most challenging countries, in order to provide more effective support to its members and
propose development solutions that are tailored to the needs, priorities, and challenges of each country category.

In the case of middle-income countries that need to strengthen their growth model, the WBG is being called on to promote financing mechanisms and instruments as well as provide knowledge services and share experiences in the area of development.

Special attention must be paid to countries affected by fragility, conflict, and violence, given that these situations undermine poverty reduction gains.

The WBG also has the capacity to coalesce the various development community players around a common vision and generate consensus on any new development initiative.

In this regard, we welcome the World Bank’s support, along with the other partner countries and international financial institutions, for “Compact with Africa.” This initiative was launched at the G20 meeting in March in Baden-Baden, Germany and seeks to promote private investment in Africa.

A coordinated and complementary approach among WBG institutions, namely IBRD, IFC, and MIGA would strengthen this catalytic role that we wish to see the WBG play in ensuring the success of development projects. We are confident that this synergy will enable us to better leverage the strengths of each institution and help optimize the cost of interventions by eliminating compartmentalization within the WBG.

To that end, we believe that WBG experts must initiate dialogue on the need for a new positioning of IFC and MIGA. This would entail an overhaul of their respective business models, focusing on improving existing instruments and designing innovative mechanisms that are better able to address the increasingly complex issues related to the new development challenges.

It is clear that much is expected of the WBG, and we fully endorse the conclusions outlined in the report entitled “A Stronger World Bank Group for All,” which underscore the fact that our Bank cannot play the role that we would like it to assume in the coming years unless the WBG’s financial soundness is strengthened.

We nevertheless reiterate our request for a comprehensive review of the factors that will boost the WBG’s financial capacity, including optimization of the Bank’s resources, streamlined spending, reduced bureaucracy, and increased flexibility, as well as the search for synergies among WBG institutions.

Lastly, we would like to thank the WBG experts for preparing the report entitled “World Bank Group Voice Reform,” and welcome the ongoing positive discussions on this critical issue.

We remain confident that these discussions can generate broad consensus leading to the implementation of a dynamic formula that will, over time, increase the voting power of underrepresented countries, thereby upholding the credibility of our institution.