



THE PARLIAMENTARY NETWORK

On The World Bank & International Monetary Fund

World Bank/IMF Spring Meetings Parliamentary Network Delegation Report

Washington DC, USA

9 – 10 April 2014



TABLE OF CONTENTS

TABLE OF CONTENTS	1
SUMMARY	2
PARLIAMENTARY WORKSHOP	3
Opening of the Workshop	3
Shared Prosperity/Inequality	4
The Jobs and Growth Agenda: Getting Policy Advice into Specific Actions and Country Examples ...	5
Fiscal Policy and Inequality.....	7
IMFx: Expanding the Reach of IMF Capacity Building	9
Youth and Employment.....	9
The New Country Partnership Framework, Systematic Country Diagnostics and Citizen Engagement	11
PARLIAMENTARY NETWORK WORKING SESSION	12
#END POVERTY 2030: MILLENNIALS TAKE ON THE CHALLENGE	13
CSO FORUM: REDUCING CORRUPTION THROUGH INTERACTION WITH PARLIAMENTARIANS	14
SEMINAR: ENHANCING GLOBAL SAFETY NETS TO STRENGTHEN BUFFERS IN EMERGING MARKETS	16
ANNEX 1: PROGRAMME	18
ANNEX 2: PARLIAMENTARY NETWORK DELEGATES	22

SUMMARY

The Parliamentary Network on the World Bank & International Monetary Fund (the Parliamentary Network or PN) participated with a delegation comprised of seven Board members and twenty-one Parliamentary Network members in the Spring Meetings of the World Bank Group (WBG) and International Monetary Fund (IMF), held in Washington D.C. from 9 to 10 April 2014. During this time, delegates took part in a parliamentary workshop, met with senior representatives from the World Bank Group and IMF in bilateral meetings, as well as with representatives from non-governmental organizations.

This report covers all the sessions and the delegation's participation in meetings with WBG and IMF representatives and partners. Major topics of exchange for this year's Spring Meetings included inclusive growth and inequality, youth employment, jobs, the new WBG Country Partnership Framework, parliamentarians and corruption, and financial safety nets.

The following report details the points touched upon during the WBG and IMF Spring Meetings. Discussion questions and responses are included after a brief summary of each workshop and meeting. The annexes comprise the official programme and the final list of Parliamentary Network delegates.



PARLIAMENTARY WORKSHOP

This year's workshop gave once again the opportunity to parliamentarians to interact directly with World Bank Group and IMF officials and discuss some of their policies. The sessions were *Shared Prosperity/Inequality*, the *Jobs and Growth Agenda*, *Fiscal Policy and Inequality*, *IMF Capacity Building*, *Youth Unemployment*, and the *New Country Partnership Framework* of the World Bank.

Opening of the Workshop

Göran Pettersson, MP, Sweden; Board Member of the Parliamentary Network

Sabina Bhatia, Division Chief, Public Affairs and Communications Department, IMF

Jill Wilkins, Manager, Global Engagement, World Bank Group

Göran Pettersson opened the workshop and welcomed all participants. He thanked the IMF and the World Bank Group for receiving the delegation of parliamentarians one more year and went on to explain for the new members what the Parliamentary Network does. He also encouraged parliamentarians to open local chapters since this is one of the best ways to engage with World Bank Group and IMF country offices.

Jill Wilkins, Manager of Global Engagement at the World Bank Group, explained the two goals of the World Bank for 2030:

- Boosting prosperity and reducing the number of people living below the poverty line (less than \$1.25 a day); and
- Fostering shared prosperity by increasing the income of the poorest 40% in every country.

To do so the World Bank Group is committed to engaging with partners and civil society organizations. Parliamentarians, said Ms. Wilkins, play a key role as representatives of the people and the WBG is eager to join efforts with them through four different ways: a) Share data; b) Capacity building through the [World Bank Institute](#) with courses on corruption, development cooperation in conflict-affected countries, etc.; c) Meetings like the Spring and Annual Meetings; d) Visits to countries and projects that receive funding from the WBG (see the [Parliamentarians in the Field](#) programme of the Parliamentary Network).

Sabina Bhatia, Chief of Public Affairs at the IMF, began by explaining what the Spring Meetings offer to parliamentarians. First, the opportunity to participate in seminars and workshops, as well as discussions with IMF and WBG officials. Second, two important reports were published during the Spring Meetings: the *Fiscal Monitor* and the *Global Financial Stability Report*. She shared the IMF Managing Director's vision that the world economy is growing, but slowly. Furthermore, inequality remains a challenge that the IMF is committed to tackle. According to her, policymakers should focus on avoiding the low growth trap through structural reforms; they must also strengthen international cooperation to solve common problems.

Shared Prosperity/Inequality

Kaushik Basu, Chief Economist, World Bank Group

Kaushik Basu delivered a presentation on the world economic situation, including the main challenges lying ahead and some policy recommendations. According to him, the global economy is expected to remain stable during 2014 and the perspectives are moderately positive. Nevertheless, there are still some risks that need to be taken into account and addressed.

Last year the Eurozone experienced negative growth although this year the region is expected to grow by 1%. Basu mentioned Southern Europe, especially France and Italy, which still face large public debts. Moreover, the risk of a negative real interest rate and deflation is still very present. In conclusion, he said that the Eurozone will get back on the track of growth although it should not underestimate the risks.

Regarding China, Kaushik Basu pointed out two dangers: first, the shadow banking sector with a huge total debt due to excessive credit. Chinese authorities should be careful because financing is more prone to infections than other economic sectors. Second, China's exports, one of the key areas of its economy, dropped by 18% last February. Although the figures have remained stable during the rest of year, this should be seen as a warning that a slowdown of the economy is possible.

As for Africa, the continent as a whole is doing well, with poverty falling steadily, yet it is still fragile and small disturbances can create big problems. Furthermore, Africa has had a huge dependence on China which means that, if China experiences a deceleration, Africa will suffer from it.

On a global scale, Kaushik Basu emphasized that inequality must be considered as a serious concern. Even though some degree of it might be positive as this gives incentives, too much inequality hinders growth and leads to political and economic instabilities. Unfortunately, the world is increasingly unequal (except in Latin America, where inequality was already very high) and Mr. Basu put as an example that the 10 richest people in the world have the same income as Ethiopia. The main explanation is that in rich countries, the people at the bottom of the social scale lose their jobs due to the relocation of industries, and in poorer countries only high skilled people can access the global economy while the rest remain in poverty.

Kaushik Basu finished by giving some policy recommendations. First, prices need to rise along with wages. Otherwise inflation impoverishes workers and aggregate demand falls. Second, growth needs to be sustainable in order to be steady and third, we cannot rely on growth alone. The World Bank Group's Chief Economist finished by stressing the need to think of the economy as a whole and within its social and political context.

Discussion

Tarun Vijay, MP from India and Board Member of the Parliamentary Network, raised the issue of poverty measurement and the flaws it inevitably has. Kaushik Basu replied that, although there are different ways to measure it, there are not major disagreements and the results do not differ significantly from each other.

Yusuf Ziya Irbeç, MP from Turkey and also Board Member of the Parliamentary Network, asked about the importance of handicrafts for economic growth. Mr. Basu said that they are important but equally crucial is how you market them. Good and intelligent designs are the key to get a fair market share. Nevertheless, it is difficult to base the economy of a whole country on this sector and Mr. Basu recommends leaving the door open to industrialisation.

Joëlle Garriaud-Maylam, Senator from France, first asked whether protectionist legislation is a good solution to prevent labour income decrease. Mr. Basu replied that closing the economy is not the solution. Instead, workers should find new income sources besides their wages and also acquire skills more suited to the global economy. Senator Garriaud-Maylam also enquired about ways to fight drug trafficking (and other illegal products). Kaushik Basu answered that there are multiple ways, although legislators must be careful because solutions might affect legitimate activities too.

Ellen Trane Nørby posed two questions to the speaker. First, she asked about the role of social structures to explain economic outcomes. Second, she wondered whether shadow banking in China might help to get new income sources. To the first question Mr. Basu acknowledged that social structures help to explain how the economy works, even though these sorts of explanations have been rather marginalised in much contemporary economic thinking. In India for instance, the economy cannot be understood without taking into account the social structure. As for the second question, Mr. Basu was not convinced about the benefits of shadow banking in China, and instead argued that too much investment reduces return rates and leads some banks to bankrupt.

The Jobs and Growth Agenda: Getting Policy Advice into Specific Actions and Country Examples

Ranil Salgado, Advisor, Strategy, Policy and Review Department, IMF

Mr. Salgado presented the jobs and growth agenda and how the IMF works to meet its challenges. Both topics are a top priority for most countries, be they small, large, developing, resource rich, etc. In addition, many governments have realised that a reduction of inequalities helps to achieve a more sustained growth. Globally, the employment rate remains at 60%, one of the lowest in the last decades and inequality within countries has increased – although between countries it has slightly decreased. Ranil Salgado went on to explain the three megatrends that have shaped developments in jobs and growth: technological change, globalisation and the growth of global labour force. These sets of forces have had a varied impact on income distribution. For instance, in the aftermath of the Second World War increases in productivity and trade between countries reduced inequalities within countries. Similarly, the opening up of emerging markets to the global economy has lifted many people out of poverty. However, in recent years these trends have also decreased the demand of low-skilled workers in developed and emerging economies, mainly in manufacturing, but also in services. As a result, these people have been impoverished and inequalities have increased within countries. In addition, the great recession of 2008 has raised the unemployment rate and slowed down growth thus furthering inequalities.

The challenges these trends pose depend on the income level of the countries. In advanced economies, legislators should boost aggregate demand within the available fiscal space to reduce the high unemployment rates. This should be accompanied with reforms to foster productivity, improve income distribution and reduce labour market segregation along gender lines. In developing countries, inequalities often reflect political and economic exclusion that allow a small elite to capture large benefits. The removal of these privileges along with the improvement of productivity are two key challenges developing countries face today.

The IMF is undertaking several actions in regards to the jobs and growth agenda, mainly through policy surveillance and analytical work. The words “jobs”, “inclusive growth” and “inequality” for instance, are much more present in the IMF’s publications compared to previous years. The IMF also collaborates with other institutions such as the World Bank Group, the OECD and the ILO to avoid duplications and benefit from areas of expertise. As an example, Ranil Salgado mentioned that the WBG is a thought leader in the labour market reform in developing countries, while the IMF is comparatively in a better position when it comes to analyzing high unemployment in advanced economies.

Mr. Salgado gave two examples of the IMF’s work on jobs and growth. First, research on growth and inequality has tried to find what sustains growth, arising from the facts that there has been a slow per capita growth in developing countries (except Asia) from the 1960s and growth episodes have tended to end soon. Evidence shows that there is a strong correlation between sustained growth and income equality, whereas the association is less robust with other variables such as ethnic, linguistic or religious differences. In Brazil for instance, improvements in income distribution raised growth spell by 40%. Ranil Salgado mentioned three main explanations: first, inequality in the presence of credit market imperfections has a long lasting detrimental effect on human capital formation and economic development; second, inequality is harmful for economic development because inequality generates a pressure to adopt redistributive policies that have an adverse effect on investment and economic growth; third, more polarized societies may be less capable of adapting to shocks. As policy recommendations, he suggests better targeted subsidies, improved economic opportunities, and active labour market policies. In conclusion, we must pay attention to the risks of high levels of inequality and also we need to understand growth and equality as two interrelated issues.

The second example concerned the macroeconomic gains of gender equity. Even though women’s participation in the formal economy is very important for growth, in many parts of the world the gender gap in labour force is still large. Ranil Salgado gave several examples of what legislators can do to improve women’s participation in the labour market: better access to education and credit, legal and property rights, policies to facilitate balancing family and work responsibilities (parental leave, child care), replacing family income by individual income taxation, and tax credits or benefits for low-wage earners.

Discussion

David Smith, Senator from Canada, brought up the issue of how to balance these measures with public debt. Mr. Salgado replied that this is probably the main challenge that many governments face. He recommends to look at what is sustainable debt and, if a country doesn’t have fiscal space, it should try to raise revenues without hampering equality.

Yves Sahinguvu, MP from Burundi and Board Member of the Parliamentary Network, stated that foreign direct investment tends to benefit qualified workers rather than low-skilled ones. How can the latter benefit from that too? Ranil Salgado admitted that foreign direct investment in general is targeted to high-qualified workers. However, there can be investments for non-qualified or mid-qualified workers such as the textile industries in Sri Lanka.

Fiscal Policy and Inequality

Ben Clements, Division Chief, Fiscal Affairs Department, IMF

Ben Clements elaborated on the role of fiscal policy to reduce inequality. The key question was: how to redistribute income without hampering efficiency?

According to data from the Gini coefficient (main economic indicator to measure inequality), the gap between rich and poor has increased globally. More recently, the focus has been on the rising income share of the top income earners – it decreased after the Second World War but in the last two decades it has raised again. As for wealth, the figures show that it is even more unequally distributed than income. In addition, evidence also suggests that intergeneration income mobility is higher in countries with low income inequality.

In advanced countries fiscal policy has played a central role in redistributing income through social security transfers (unemployment subsidies, pensions, etc.) as well as access to public health and education. Fiscal policy has contributed to reducing inequalities by one third on average in most advanced economies. In developing countries however, its effects have been much smaller. The main reason is that governments need to collect money through taxes to redistribute income and some of these countries lack an effective tax system. Furthermore, much of the public spending goes to higher income people and access to education and health benefits urban populations, whereas the poorest sectors tend to live in rural areas.

Mr. Clements gave some key points that should be taken into account when designing an efficient redistributive fiscal policy. First, an effective redistributive policy should be consistent with macroeconomic objectives. Second, the impact of tax and spending policies should be evaluated jointly. Third, tax and expenditure policies need to be carefully designed to balance distributional and efficiency objectives. Fourth, design should take into account administrative capacity.

Discussion

Alejandro Cacace, MP from Argentina, asked whether it would be convenient to move from a VAT-based system to a Personal Income Tax-based system, and if so, how to do it. Ben Clements answered that governments should keep VAT and at the same time improve the PIT. Ellen Trane Nørby brought up the issue of inequality measurement and whether Gini is the best indicator since in industrialised countries it is not always very accurate. Mr. Clements stated that there are alternatives to Gini but in general you get similar results. Nevertheless, it is true, he said, that Gini does not reflect reductions of general income and its impact on poverty.

Mansour Sy, MP from Senegal, raised a very important issue for many developing countries, namely how to tax large foreign companies and what the IMF and the WBG do to improve governments' bargaining capacity. Mr. Clements stated that the IMF does help governments to negotiate with foreign companies and collect fair taxes. John Dyrby Paulsen, MP from Denmark, asked whether inequality could not be used to foster growth. Ben Clements stated that research shows that countries with high levels of inequality tend to have lower and less sustained growth. However, it also depends on how you design your policies: Nordic countries have high levels of taxation, income equality and growth, whereas the United States also has high growth rates with higher levels of inequality.

Finally, Nathan Nandala-Mafabi, MP from Uganda and Board Member of the Parliamentary Network, enquired about how to balance increase retirement age with youth unemployment. Mr. Clements' answer was that there is no empirical evidence showing that increasing the retirement age will lead to higher youth unemployment. He compared the situation with women's incorporation into the labour market and how it did not mean more unemployment for men. A larger labour force generally means an increase of the GDP and this creates more demand for jobs.



IMFx: Expanding the Reach of IMF Capacity Building

IMF Institute for Capacity Development

Irina Yakadina and her colleagues from the IMF Institute for Capacity Development presented the new [IMF partnership with edX](#), the online learning initiative founded by Harvard University and the Massachusetts Institute of Technology. The purpose is to help government officials to analyse economic development and implement effective macroeconomic policies. This online platform allows the IMF to reach more people and increase the effectiveness of face-to-face training since it can be more focused on peer-to-peer exchanges.

Currently, the IMF offers three courses. The first one is *Financial Programming and Policies – Part 1: Macroeconomic Accounts and Policies*. The central goal is to teach one of the most widely used analytical frameworks within the IMF in order to assess the state of the economy and design appropriate policies. It is based on three pillars: diagnostic of the economy (analysis of macroeconomic data and try to find out explanatory factors), forecast of these variables, and policy formulation. This first part focuses on the first step and is composed of 5 modules with an expected duration of 6 weeks (June 2 – July 14), and an average of 8-10 hours of work per week. There is no formal requirement to sign up for the course, although some knowledge of economics and use of spreadsheets will be useful.

The second course is *Energy Subsidy Reform*, which focuses on the adverse effects of energy subsidies in both advanced and developing countries, and how to reform the energy system. In the first part the definition, measurement and implications of energy subsidies will be introduced; the second part reviews what works best to reform energy subsidies and analyses some case studies. The course length is two weeks with an estimated effort of 8-10 hours/ week.

The third course is *Debt Sustainability Analysis (DSA)*, which aims to provide students with the tools to assess how sustainable debt is and how to manage sovereign debt. More specifically, the course will: a) introduce the main principles of debt sustainability; b) cover recently updated DSA frameworks-both for advanced and emerging markets and for low-income countries-with an emphasis on country data; c) present a medium-term debt management strategy (MTDS) framework; and d) illustrate debt sustainability analysis under uncertainty. The course length is five weeks with an estimated effort of 6-9 hours/week.

Irina Yakadina also mentioned that everybody is welcome to take the courses and certificates are provided if participants complete the assignments.

Youth and Employment

Arup Banerji, Sector Director, Social Protection, World Bank Group

After the introduction of Yves Sahinguvu, Mr. Banerji first of all warned participants that this is a complex issue and no one can come in with a magic solution (including the IMF and the WBG), although it is a huge challenge for all countries: in India and in Sub-Saharan Africa countries for

instance, every month one million people are incorporated into the labour market. Youth employment is very important today because it will create welfare tomorrow.

The challenges differ from region to region. In the MENA region and the south of Europe a lot of high-skilled and trained young people struggle to find jobs that match their education. Otherwise they are forced to migrate to other countries. As mentioned before, in India and Sub-Saharan Africa the issue is how to create new jobs as quick as the growth of the labour force.

In most parts of Europe and North America the context has changed significantly in the last 40 years. A big change today is technology. Labour intensive manufacturing no longer offers the opportunities it did a few decades ago due to the shift of the economical structure. Jobs are much more technology intensive and entire work areas are disappearing. Therefore, the required skills are different too. In particular, given the fast technological progress, the skills needed today might be already obsolete in 10 years. The jobs that will last are those that cannot be replaced by machines and the key skill is how to learn to learn.

The characteristics of most jobs are also changing; while in the past people used to have long term jobs with one person doing many different things, today there are more specialised people, hired temporarily. That means more people work but also more instability for employees. As a consequence, Mr. Banerji predicts that there will be more self-employment.

In conclusion, Arup Banerji regretted that there is a lot of spending on youth unemployment, yet much less on research to see which policies work and which do not.

Discussion

Pana Merchant, Senator from Canada and Board Member of the Parliamentary Network, pointed out that policies should be country-specific because in Canada, for instance, there is a shortage of skilled people, whereas in Greece the situation is much different. Isah Galaudu, Senator from Nigeria, stressed the importance of the private sector for youth employment. Mr. Banerji, without denying that, replied that the state needs to provide a basis to foster private investment. For instance, in countries with security concerns, governments need to guarantee some degree of stability for the private sector to flourish.

Joelle Garriaud-Maylam brought up the issue of migration and asked whether it is a good solution for youth unemployment, given that people who arrive to Western countries often find very harsh conditions. Mr. Banerji



answered that migration is generally positive, although the debate is not migration/no-migration, but how to best incorporate migrants into the economy.

Yusuf Ziya Irbeç asked about the figures in advanced and developed countries on life-learning process and the fact that people will be expected to change of job more often. Mr. Banerji replied that there are still differences but the figures are converging.

The New Country Partnership Framework, Systematic Country Diagnostics and Citizen Engagement

Edward Mountfield, Operations Policy and Country Services, World Bank Group

Astrid Manroth, Operations Policy and Country Services, World Bank Group

The joint presentation by Edward Mountfield and Astrid Manroth outlined the World Bank Group's commitment to become a better partner, improving country partnerships and collaborate with governments more effectively. For this purpose the WBG has developed a new approach which intends to be less technocratic and have more communication with countries. According to Mr. Mountfield, it will be client driven, more selective and focused, evidence based with an aim to be a single and more coordinated way to work with governments.

This new framework consists of four steps: A) Systematic country diagnostic: what are the biggest constraints to reducing poverty and building shared prosperity in a sustainable way? B) Country partnership framework: what are the most important contributions the WBG can make? C) Performance review: how is the WBG doing? D) Completion and learning review: what did we learn from the partnership?

Ms. Manroth went on to explain the systematic country diagnostics in more detail. The goal is to build on the current country-driven model but strengthen this with a more systematic, evidence-based and selective approach. The diagnostics will be conducted by WBG staff in close consultation with government officials and other stakeholders and it will identify the key challenges and opportunities, as well as the top priorities.

Discussion

Mansour Sy asked whether this new country partnership framework makes any link between democracy and economic development. Ms. Manroth answered that this is a challenging question for the WBG because its main purpose is to foster economic development regardless of the political regime. However, she also said that the country analysis and the partnerships with all stakeholders point towards the direction of linking both goals. Mr. Mountfield stated that the WBG is not supposed to take part in any form of political rule, although transparency and accountability are important to build good economic governance.

Yusuf Tajudeen Ayo, MP from Nigeria, suggested that the WBG partnership should be a tripartite agreement between the WBG, the government and parliamentarians, and not only the WBG with the executive. Edward Mountfield replied that parliamentarians are important and the WBG does take

them into account. However, it is true that the traditional counterpart of the WBG have been governments. Jakob Kopperud, Senior International Affairs Officer of the WBG, stressed that the Bank has done a lot in the last years to strengthen cooperation with parliamentarians and acknowledged the need to continue these meetings between WBG officials and legislators.

PARLIAMENTARY NETWORK WORKING SESSION

Chair: **Göran Pettersson**, MP, Sweden; Board Member of the Parliamentary Network

The session was opened by Göran Pettersson who first explained the agenda of the day. Following that he introduced some topics raised by participants on how the Parliamentary Network works and also on the programme of the Spring Meetings. Mr. Pettersson asked if they would like to have more free time during the Spring Meetings in order to attend other seminars and workshops. Pana Merchant said that it would be nicer to have more time, but also to have the programme of the meetings earlier. This led to a discussion on how the Parliamentary Network and parliamentarians communicate with the WBG and IMF. Tarun Vijay, MP from India, stated that the meetings should be more inclusive and topics should be discussed earlier. He also mentioned that the Parliamentary Network should have more communication with WBG and IMF country offices to share experiences. Nathan Nandala-Mafabi agreed with Mr. Vijay on that point. Bello Tukur, Senator from Nigeria, suggested that the WBG and IMF should communicate more with other state powers other than the executive, since each country has different power structures. Mr. Pettersson answered that the Parliamentary Network can be a useful tool to give more voice to parliamentarians. Yves Sahinguvu supported this idea and stressed the need to implement Parliamentary Network chapters in countries where they currently do not exist and also to strengthen communication between the Parliamentary Network and WBG and IMF country offices. Jocelerme Privert complained about the fact that he had not received any information about the Spring Meetings in the last two months, even though he was registered as a participant, and suggested that the communication between the Parliamentary Network and parliamentarians could be improved. He also agreed with Mr. Sahinguvu that interaction with country offices is very important.

Göran Pettersson asked participants whether the quality of the speakers had been good so far, and almost unanimously all parliamentarians seemed to be satisfied with them.

A second issue that led to a long discussion was the membership of the Parliamentary Network and with whom it should communicate: only parliamentarians or also institutions (namely parliaments). Ellen Trane Nørdby informed that she had never received any information about the Parliamentary Network and perhaps if there were more communication with parliaments and committees it would be easier for parliamentarians to learn about and join the Parliamentary Network. Nathan Nandala-Mafabi has been working on the by-laws of the Parliamentary Network and explained that the membership is currently limited to individual members of parliament. He also enumerated some issues that should be discussed and decided, such as the membership of former MPs, rules of procedure of the Parliamentary Network including decision-making processes and meetings, validation of budgets, and memorandum of understanding with the WBG and IMF.

Tarun Vijay said that parliaments would be reluctant to join the Parliamentary Network as institutions, although we should strive to include more individual members. Ms. Merchant also expressed doubts about parliaments' willingness to become members of the Parliamentary Network. Mr. Nandala-Mafabi acknowledged that perhaps there might be some difficulties, but the Parliamentary Network should try to include institutions as well since they would give more continuity to the network and they could commit themselves to nominate some MPs as members of the Parliamentary Network. Mr. Tukur and Mr. Hassan from Nigeria also shared this view. Yusuf Ziya Irbeç argued that membership should remain individual-based, although probably it should be formalised/institutionalised through a small fee.

#END POVERTY 2030: MILLENNIALS TAKE ON THE CHALLENGE

Anchor: **Isha Sesay**, Correspondent, CNN

Kim Yong Kim, President, World Bank Group

Ban Ki-Moon, Secretary General, United Nations

Hugh Evans, Co-founder and CEO, The Global Poverty Project

Ashish Thakkar, Founder, Mara Group and Mara Foundation

Chernor Bah, Chair, Youth Advocacy Group, Global Education First Initiative

Nargis Shirazi, Co-founder, WO-MAN Foundation



The World Bank Atrium was the venue for a short address by each speaker presented by Isha Sesay, CNN correspondent. Chernor Bah focused on the role of education to end poverty and that all poverty-reduction programmes should include education as a priority. Ashish Thakkar fled from Rwanda during the 1990s genocide and stressed the importance of empowering, enabling, and inspiring people. He also mentioned the importance of small and medium enterprises. Nargis Shirazi talked about the relation between sex, reproductive health and poverty. Many girls, she said, become prostitutes to bring some food to the table.

Hugh Evans talked about the successful campaign to put poverty in the agenda of the G-20 meeting in Australia, and the need of a sustained and lasting movement. After that he introduced Richard Curtis' film [Zero Poverty 2030](#). Dr. Jim Yong Kim put the example of South Korea as a country that got out of poverty and encouraged everybody to join the global social movement to end poverty. This challenge should not be exclusive to experts; all of us can come up with a plan and get involved. Ban Ki-Moon stressed the importance of young people and the need for inclusive development. According to him, we should focus on accelerating the achievement of the Millennium Development Goals, define the post-2015 development agenda, and fight climate change.

CSO FORUM: REDUCING CORRUPTION THROUGH INTERACTION WITH PARLIAMENTARIANS

Moderator: **Pana Merchant**, Senator, Canada; Board Member of the Parliamentary Network
Donya Aziz, Member of the Global Organisation of Parliamentarians Against Corruption (GOPA)
Nathan Nandala-Mafabi, MP, Uganda; Board Member of the Parliamentary Network
Scott Hubli, Director of Governance Programmes, National Democratic Institute (NDI)

Donya Aziz first explained the GOPAC guidelines which are intended to be a tool to strengthen oversight through parliamentarian-donor collaboration. Corruption explains partially the failure of some development aid with an estimated annual cost of 1 trillion USD. The guidelines encourage: regular WBG/IMF meetings with parliamentarians;

- the WBG/IMG country offices to contact different political parties to ensure that all political sensitivities are heard;
- parliamentarians to be consulted in the decision making processes of project and loan management;
- parliamentarians to put pressure on their governments to ensure involvement and advocate for legal or regulatory changes if required;
- parliamentarians to strive for transparency and openness as well as make full use of information already publicly available.

Nathan Nandala-Mafabi stressed the need to strengthen the role of parliaments in the governance structure to hold governments accountable. Moreover, donor countries should be more interested in

how the money is spent and examine government's responsibilities. He also emphasised the need of strong civil society organisations to reduce corruption.

Scott Hubli talked about the Open Parliament Partnership, a commitment to open government's information and engage civil society organisations. He presented the website www.openingparliament.org, a forum intended to connect different actors from all over the world engaged in opening and monitoring their countries' parliaments and legislative institutions. Mr. Hubli also talked about the *Declaration on Parliamentary Openness*, which are a set of principles on the openness, transparency and accessibility of parliaments supported by more than 140 organisations from over 75 countries.



Discussion

Jeremy Lefroy, MP from the United Kingdom and Chairman of the Parliamentary Network, explained that in the UK corruption was effectively fought by giving to citizens the right to recall their representatives (besides elections). Moreover, public opinion also plays a very important. Yusuf Ziya Irbeç warned that corruption can be easily hidden by creating external enemies and controlling the media. Therefore, he claimed, it is crucial to have alternative and plural channels of communication. Yves Sahinguvu explained that in Burundi there are two types of corruption: large corruption that affects mining, energy and telecommunications companies; and small corruption, such as bribing policemen/women. According to him, large corruption should be the priority and he stressed the need of publishing asset declarations before and after being in office.

A parliamentarian from Nigeria warned that quite often many corrupted people present themselves as crusaders against corruption. A member of the Global Youth Anti-Corruption Network stated that there are many small actions that can be done to fight corruption, such as making parliaments more open and transparent. Donya Aziz reminded that bureaucrats can be corrupt too, and she added that politicians are the ones who make and change laws, therefore we should refrain from disqualifying the entire political class and support those politicians engaged in the fight against corruption.

Finally, a member of Transparency International brought up the issue of parliamentary immunity and argued that in many cases this creates mistrust and prevents high-level politicians to be prosecuted. Mr. Hubli replied that there are several degrees of immunity and, from his point of view, speech immunity should be guaranteed whereas anything done outside the office should be prosecuted.

SEMINAR: ENHANCING GLOBAL SAFETY NETS TO STRENGTHEN BUFFERS IN EMERGING MARKETS

Moderator: **Yanqing Yang**, Deputy Editor in Chief, China Business News

Naoyuki Shinoara, Deputy Managing Director, IMF

Yi Gang, Deputy Governor, People's Bank of China

Mateusz Szczurek, Minister of Finance, Poland

Liaquat Ahamed, Pulitzer Prize-winning Author

Yanqing Yang introduced the speakers of this conversation on financial safety nets in emerging markets. One of the first issues that came up was whether there is a global safety net and, if so, whether it is effective. Mr. Shinoara argued that it is difficult to talk about a single global safety and he rather preferred to talk about different safety nets with different functions, each one with its advantages and disadvantages. The IMF would be at the bottom, complemented by other arrangements such as bilateral swaps. Yi Gang and Mateusz Szczurek agreed on this perspective. The Polish Minister of Finance, asked about the particular role of the Flexible Credit Line (FCL) in his country, added that it was indeed important, although it should not be exaggerated because Poland would not have received the FCL without sound economic policies. Therefore the conditions to access the FCL should not be mixed with its effects.

Mr. Gang argued that central banks are also a very important instrument to provide financial safety, a vision that Mr. Szczurek did not share since central banks, from his point of view, tend to be reluctant to bail out foreign economies.

On the role of the IMF, Liaquat Ahamed explained that today it is not a liquidity provider, as John Maynard Keynes had initially envisaged in the 1940s; the IMF rather supports countries that have more fundamental problems. It acts slower than central banks and therefore it cannot supply money as fast as some countries might need. Mr. Shinoara acknowledged that the role of the IMF and the central banks is different, with the IMF assisting economies with balance of payments problems, not supplying immediate liquidity. However, he also recognised that in occasions there might be a gap when central banks are reluctant to lend money without enough guarantees and the IMF is not able to fulfill this function. Liaquat Ahamed suggested that the IMF could act as a backstop for central

banks when the borrowing country cannot pay the money back and proves to be in a long term crisis. Mr. Gang stated that this would be a good idea, while Mr. Szczurek was less confident because in Europe, the European Central Bank would probably be reluctant because this could lead to less independence.

Ms. Yang brought up the issue of stigma when countries go to the IMF to borrow funds, and the speakers agreed that this might play role, but it should not be overemphasised. Mr. Shinohara added that stigma depends on the culture of each country; hence this feeling is more relevant in some countries than others.

ANNEX 1: PROGRAMME

Tuesday, 8 April 2014		
Upon arrival	<i>Check-in at Hotel</i>	Venue: The Fairfax at Embassy Row 2100 Massachusetts Ave. NW
8.30 am – 5.30 pm	WB/IMF Spring Meetings Registration and badge pick-up	Venue: World Bank I building, 1850 I Street NW
Free evening		

Wednesday, 9 April 2014		
7.15 am – 7.45 am	<i>Breakfast at Hotel</i>	Venue: The Fairfax at Embassy Row 2100 Massachusetts Ave. NW
7.45 am	Transfer from Hotel to WB/IMF Headquarters	Venue: The Fairfax at Embassy Row 2100 Massachusetts Ave. NW
8.15 am	Late Registration and badge pick-up for Participants	Venue: World Bank I building, 1850 I Street NW
8.45 am – 9.30 am	Opening of the workshop Speakers: <ul style="list-style-type: none"> • Göran Pettersson, The Parliamentary Network on the World Bank & IMF • Sabina Bhatia, Division Chief, Public Affairs, Communications Department, IMF • Jill Wilkins, Manager, Global Engagement, World Bank Group 	Venue: World Bank, 1818 H Street, NW; Room MC 4-800
9.30 am – 10.15 am	Shared prosperity/inequality Speaker: <ul style="list-style-type: none"> • Kaushik Basu, Chief Economist, World Bank Group 	Venue: Room MC 4-800
10.15 am – 10.25 am	<i>Coffee Break</i>	Venue: Room MC 4-800

10.30 am – 11.30 am	<p>The Jobs and Growth Agenda, getting policy advice into specific actions and country examples</p> <p>Speaker:</p> <ul style="list-style-type: none"> • Ranil Salgado, Advisor, Strategy, Policy and Review Department, IMF 	Venue: Room MC 4-800
11.30 am – 12.30 am	<p>Fiscal policy and Inequality,</p> <p>Speaker:</p> <ul style="list-style-type: none"> • Ben Clements, Division Chief, Fiscal Affairs Department, IMF 	Venue: Room MC 4-800
12.45 pm – 2.00 pm	<i>Lunch</i>	Venue: 1818 H Street, NW; East Dining Room
2.00 pm – 3.00 pm	<p>IMFx: Expanding the Reach of IMF Capacity Building: <i>The IMF has partnered with edX, the online learning initiative founded by Harvard University and the Massachusetts Institute of Technology, to expand the reach of its training program both to government officials and to the general public. Courses include Financial Programming and Policies, Debt Sustainability Analysis, and Energy Subsidy Reform.</i></p> <p>Speaker :</p> <ul style="list-style-type: none"> • IMF Institute for Capacity Development 	Venue: 1818 H Street, NW; Room MC 4-800
3.00 pm – 4.00 pm	<p>Youth and employment</p> <p>Speaker:</p> <ul style="list-style-type: none"> • Arup Banerji, Sector Director, Social Protection, World Bank Group 	Venue: Room MC 4-800
4.00 pm – 5.00 pm	<p>The new Country Partnership Framework, Systematic Country Diagnostics and Citizen Engagement</p> <p>Speakers:</p> <ul style="list-style-type: none"> • Edward Mountfield, Operations Policy and Quality, World Bank Group • Astrid Manroth, Operations Policy and Quality, World Bank Group 	Venue: Room MC 4-800
5.45 pm – 8.30 pm	CSO Reception	Venue: 1818 H Street, NW; East Dining Room

Thursday, 10 April 2014		
8.00 am – 8.30 am	<i>Breakfast at Hotel</i>	Venue: The Fairfax at Embassy Row 2100 Massachusetts Ave. NW
09.00 am	Transfer from Hotel to the World Bank	Venue: The Fairfax at Embassy Row 2100 Massachusetts Ave. NW
09.30 am – 11.30 am	Parliamentary Network Working Session	Venue: World Bank, 1818 H Street, NW; MC1-200
12:00 pm – 12:30 pm	#EndPoverty 2030: Millennials Take on the Challenge Speakers: <ul style="list-style-type: none"> • Dr. Jim Yong Kim, President, World Bank Group • Ban Ki-Moon, Secretary General, United Nations • Hugh Evans, Co-Founder and CEO, The Global Poverty Project • Ashish J. Thakkar, Founder, Mara Group and Mara Foundation • Chernor Bah, Chair, Youth Advocacy Group, Global Education First Initiative • Nargis Shirazi, Co-Founder, WO-MAN Foundation • Isha Sesay, Anchor and Correspondent, CNN 	Venue: World Bank Atrium 1818 H Street, NW
12.30 pm – 02.00 pm	<i>Lunch</i>	Venue: 1818 H Street, NW; East Dining Room
2.15 pm 3.45 pm	CSO Forum: Reducing Corruption through Interaction with Parliamentarians Moderator: <ul style="list-style-type: none"> • Pana Papas Merchant, Senator, Canada, Parliamentary Network Board Member Speakers: <ul style="list-style-type: none"> • Donya Aziz, Member of the Global Organization of Parliamentarians Against Corruption (GOPAC) • Nathan Nandala-Mafabi, MP, Uganda, Parliamentary Network Board Member • Scott Hubli, Director of Governance Programmes National Democratic Institute (NDI) 	Venue: 1818 H Street, NW; Room I2-210
4.30 pm – 6.00 pm	Seminar on Enhancing Global Safety Nets to Strengthen Buffers in Emerging Markets	Venue : George Washington University, Jack Morton Auditorium; 805 21st Street NW

	<p>Moderator:</p> <ul style="list-style-type: none"> • Yanqing Yang, Deputy Editor-in-Chief, China Business News <p>Speakers:</p> <ul style="list-style-type: none"> • Naoyuki Shinohara, Managing Director, IMF • Yi Gang, Deputy Governor, People’s Bank of China • Mateusz Szczurek, Minister of Finance, Poland • Liaquat Ahamed, Pulitzer Prize winning Author 	
7.30 pm – 9.00 pm	Dinner RIS Restaurant	Venue: 2275 L Street, NW

Friday, 11 April 2014

During the day	Departure of delegates	
----------------	------------------------	--

ANNEX 2: PARLIAMENTARY NETWORK DELEGATES

Country	Last Name	First Name
1. Parliament of Argentina	Cacace	Alejandro
2. Parliament of Burundi	Sahinguvu	Yves
3. Senate of Canada	Merchant	Pana
4. Senate of Canada	Smith	David
5. Parliament of Denmark	Trane Nørby	Ellen
6. Parliament of Denmark	Dyrby Paulsen	John
7. European Parliament	Zorn	Steffen (Women in Parliament Representative)
8. Senate of France	Garriaud-Maylam	Joelle
9. Parliament of France	Lefebvre	Frederic
10. Parliament of Gabon	Eyamba Tsima Maurice	Nestor
11. Parliament of Gabon	Bie Eyene	Paul
12. Senate of Haiti	Privert	Jocelerme
13. Parliament of India	Vijay	Tarun
14. Senate of Nigeria	Out	Basse
15. Senate of Nigeria	Galaudu	Isah
16. Senate of Nigeria	Tukur	Bello
17. Senate of Nigeria	Hassan	Abdulumumin
18. Parliament of Nigeria	Onyereri	Jones
19. Parliament of Nigeria	Manu	Haruna
20. Parliament of Nigeria	Lawan	Yahaya
21. Parliament of Nigeria	Tajudeen Ayo	Yusuf
22. Parliament of Senegal	Sy	Mansour
23. Parliament of Sweden	Pettersson	Göran Sven Erik
24. Parliament of Sweden	Ahlin	Urban
25. Parliament of Sweden	Ekengren	Andreas (Assistant of MP Ahlin)
26. Parliament of Sweden	Nordén	Marie
27. Parliament of Tanzania	Ndugai	Job
28. Parliament of Tanzania	Yakubu	Said (Assistant of MP Ndugai)

29. Parliament of Turkey	Ziya Irbec	Yusuf
30. Parliament of Uganda	Nandala-Mafabi	Nathan
31. Parliament of the United Kingdom	Lefroy	Jeremy
32. GOPAC	Aziz	Donya (GOPAC's Parliamentary Oversight Global Task Force and former Member of the National Assembly, Pakistan)
33. GOPAC	Paquet	Ann Marie (Communications Manager, GOPAC Global Secretariat)