



## THE PARLIAMENTARY NETWORK

On The World Bank & International Monetary Fund



### **World Bank/IMF Spring Meetings Parliamentary Network Delegation Report**

Washington D.C.

17-19 April 2012

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## **B. Summary**

The Parliamentary Network on the World Bank and International Monetary Fund (the Parliamentary Network) participated with a delegation comprised of five Board members, sixteen additional Parliamentary Network members and two Secretariat staff to the Spring Meetings of the World Bank and the International Monetary Fund in Washington D.C. from 17 to 19 April 2012. During this time, delegates took part in a parliamentary workshop and met with senior representatives from the World Bank and IMF in bilateral meetings.

This report covers all the sessions and the delegation's participation in meetings with World Bank and IMF representatives and partners.

In the final section, the report identifies key areas for follow up from the Spring Meetings. These areas include – among others – ensuring that the World Bank enables access to the proposed project information documents (PID); working with the World Bank Institute to inform Parliamentary Network members about recent capacity-building initiatives; organizing the upcoming dialogue between the World Bank and this year's delegation of Parliamentarians. Finally, the report's annex includes the delegation's program from 17 to 19 April 2012, a list of Parliamentary Network delegates and the proposed recommendations issued to Mr. Cyril Muller at the end of the Spring Meetings for civil society organizations.

## **C. Parliamentary Workshop**

Throughout the 2012 Spring Meetings and during a parliamentary workshop, The Parliamentary Network's delegation had the chance to discuss several topics related to its 2011 work program in special meetings with World Bank and IMF officials and partners.

### Opening of the workshop

*Meeting with Mr. Cyril Muller, World Bank Vice-President External Affairs*

*Meeting with Gerry Rice, IMF Director External Relations Department*

In 2010, Robert Zoellick announced: "It's important to make the data and knowledge of the World Bank available to everyone. Statistics tell the story of people in developing and emerging countries and can play an important part in helping to overcome poverty." By referring to the second birthday of the World Bank Open Data Initiative in 2012, Mr. Muller recognized that transparency and accountability were crucial to the development process and central to achieving the Bank's mission to alleviate poverty. These new copyright rules allow policymakers and advocacy groups to make better-informed decisions and measure improvements more accurately, because statistics and data are a key part of that knowledge and became easily accessible on the web for all users. Furthermore, the brand-new GPSA-initiative (Global Partnership for Social Accountability: A New Mechanism to Support Civil Society Organizations) has been introduced as well. The aim is to promote social accountability and stakeholder participation. This year's Spring Meetings dictum "close the gap" hence emphasized social protection, gender and jobs.

Mr. Rice dealt with several aspects that are specific to the IMF. The current global financial crisis is very much different from previous crises (such as in the 1930s) due to the international response and collaboration. Whereas the IMF's role has not changed, its responses are conceived today to be more flexible. There is certainly more attention paid to the private and financial sector. The IMF looks back and soberly admits that "modest improvements" have been achieved and "high risks" still remain. The issue of governance of the World Bank and IMF is still open. For instance, the set of IMF reforms agreed in 2010 needed to be approved. These reforms would enable a significant shift in ownership and voice, whereas the current model is not producing growth and equitable jobs at the same time.

### The World Bank: Inclusive Green Growth and Rio+20

*Meeting with Ms. Rachel Kyte, World Bank Vice-President Sustainable Development Network*

Energy crises, water crises and food crises: it is undeniable that climate change is already affecting these different parameters. Then, Ms. Kyte also highlighted the impact of urbanization and the provision of these basic services (i.e. water and food). Taking into account climate change, what does all that mean for growth? Ms. Kyte emphasized that growth had to be more inclusive; it had to become "greener". The budget and finance committees in the respective parliaments cannot be trapped in lock-in decisions: sustainable growth needs to become the priority. But what is doable in Rio? First of all, there is a new and different evidence set: the World Bank is trying to convey the necessity of a GDP+, a so-called Green GDP which is the aim to develop and promote alongside the

GDP a green perspective. This new approach has already been successfully implemented in Colombia, Costa Rica and Botswana. These test nations dealt with a different form of accounting, because Green Growth is a pathway and not a single model. But to make the right choices, governments need the right evidence and right data sets. Only this will avoid irreversible decision-making. And in the end, savings could potentially outweigh the costs. Rio will bring like-minded governments and stakeholders together and it is a common belief that most heads of state want to participate. A report on Green Growth will be launched before Rio. GLOBE (the Global Legislators Organization for a Balanced Environment) is actively participating in the efforts related to Rio+20. Topics – among others – will include new thinking of the urban scope: how to manage forestry and agriculture? What impact does the blue economy – which is the sustainable management of ocean resources – have on food security and tourism? Last but not least, Rio+20 should help the UN to set practical and reachable objectives with regard to the Millennium Development Goals. Rio+20 is considered as looking back at 20 years of progress, while critically evaluating this progress in order to start with new vigor to the upcoming 20 years.



## Discussion

Q: Sergio Abreu critically asked about the sharing of responsibility of international organizations. Who is in charge of which domain and how to explain this in Parliament? He mentioned the multitude of different organizations or groups, such as the G5, G20, the UN, the WTO, the IMF and the World Bank.

A: The landscape and parameters are changing as there is a very complex structure for responsibility. It is true that more and more international actors cooperate with each other, but this necessarily creates confusion.

Q: Prakash S. Mahat wanted to know more about inclusive Green Growth and concrete ways to reach this goal.

A: Changes differ from country to country and it is the task of Rio+20 to open the dialogue on the country level and to offer different “menu choices” as there is no single model of Green Growth.

Q: Tiémoko Konate concretely asked what the World Bank’s and IMF’s vision is with regard to growth.

A: The mission of the Bank remains the same: Green Growth has to help people move out of poverty. An example can be seen in carbon prices: if energy policies move for short term gains, the poor will have to pay the prices and will find themselves in a lock-in situation. Investment choices (carbon, fossil, etc.) hence have to be balanced against the interests of the poor. Another striking example is that 30 % of women with negative health results do not do follow-up checking, even in highly developed countries: the policies’ task is to shape people’s behavior.

Q: Rosemary Seninde asked whether conditionality will be linked to sustainable Green Growth.

A: Ms. KYTE answered that Green GDP would not be used as conditionality or an auditing tool.

### World Development Report 2013: Jobs

#### *Meeting with Mr. Martin Rama, World Bank Director and Lead Author WDR 2013: Jobs*

Mr. Rama started his speech by making three assumptions: first, growth also happens through changing jobs and fluctuation. Second, job creation and restructuring underlies growth. Third, jobs are not just what we earn, but also who we “are”. The World Development Report 2013 on jobs is dealing with several different questions and topics: when is a job strategy important? Which skills are appreciated on the labor market and how is unemployment linked to training? How can entrepreneurship be managed? How does re-localization impact jobs? And how can social cohesion be achieved? Labor markets are heterogeneous, including blue-collar workers, self-employed, farmers and many more. Hence, the term “jobs” is also broader. Policymakers are coping with demographic growth, because a rise of the population necessarily forces them to create more jobs. One main part of the report deals with the fact that jobs are transformational. Most earnings are related to wage-related work, but not only. In general, there is a problem of “jobless growth”: for instance, the report analyzes that productivity increases in dense cities, where jobs are created due

to urbanization. Globalization enables local firms to learn from affiliates of multinational companies. It is therefore necessary to underline the importance of small and medium sized local enterprises. Finally, Mr. Rama underlined the importance of civic engagement: there is a correlation of not having a job and disengaging from life in society. As a matter of fact, jobs are reducing societal risks, such as criminal activities. In addition, the World Bank has an ongoing and very close collaboration with the International Labor Organization on core labor standards (i.e. forced labor, discrimination, etc.).

## **Discussion**

Q: Marie-Rose Nguini Effa remarked that foreigners are mostly taking over the markets in developing countries, leaving less space for local businesses. What is the strategy of the World Bank? Is there any brain-drain strategy of the World Bank?

A: In fact, the report does not say anything about what the World Bank should do or what the countries should do. It merely provides the tools, frameworks and tradeoffs, by giving some hints, help and insight.

Q: Yves Sahinguvu asked whether the report is based on a case-by-case or country-by-country basis.

A: It is not a country-by-country basis. Rather, different potential scenarios are examined and analyzed.

Q: Ndeye Fatou Touré observed that formalization of jobs is crucial for budgetary reasons.

A: A balance has to be struck between two different approaches: “the more flexibility the better” and “the more regulation the better”. Formalization has to contribute significantly to social cohesion, or else it cannot be considered to be a panacea. Nevertheless, it is true that fiscal policy has to go along with structural formalization.

## Interactive Lunch: The New Era of Governance

*Lunch speaker Marcelo Giugale, World Bank Sector Director, Africa Region*

Mr. Giugale made an interactive speech about the new era of governance, in which he talked about the structural changes the World Bank went through these last ten years. He then wanted the audience to take some bullet points back home, to think about them and to integrate them in future policy-making. First, the state and the citizen have a different relationship today and it is hence necessary to identify ways to transfer basic public services to the people. Second, accountability is essential for democracy, but the identified international standard of accountability has to take into account local decision-making as well. Third, with regards to so-called standards, Mr. Giugale gave an interesting and striking example of school children in Peru, who were not able to read correctly. These standards are not country-specific, but universal. Fourth, more money is available to the state today (i.e. income through oil in many poor countries). Fifth, there are more fiscal rules than ever before. Sixth, these fiscal rules need fiscal monitoring. The international society has seen the downturn of private credit rating agencies: they lost their reputation and independent fiscal agencies need to be created. Seventh, the gathering of data enables to assess impact and conduct



comprehensive studies. Eighth, wealth sharing in the past was attributed to the state which needed to strike a balance between redistribution of wealth and the protection of private property. But today, wealth is more and more distributed through large multinational companies to the ordinary citizen. An example is the exploitation of national resources. Ninth, there is cultural change and it is fundamental to identify whether governance is a universal cultural value.

As a comment, Najeeb S. Ghanem asked for performance indicators, stating that standards must be easy to transmit and communicate to both policy-makers and the civil society.



### International Monetary Fund: World Economic Outlook

#### *Meeting with Mr. Jorg Decressin, IMF Deputy Director, Research Department*

Mr. Decressin particularly focused on different European countries in his presentation on the World Economic Outlook: Spain, Italy and Greece. There is certainly a need for fiscal adjustment in Spain. But, the deficit is very large, and reducing it might take a long time. In that regard, Mr. Decressin feels that the Spanish government has struck the right balance between supporting growth and moving forward with fiscal consolidation. At the same time, it will be very important to do something about reforming the labour markets. Mr. Decressin added that there is also the financial sector which needs to increase its capital and liquidity buffers. According to Mr. Decressin most of the policies are indeed working: first, the current account deficit in Spain has narrowed quite considerably. Second, prices have slowed down. This all is considered to be part of rebuilding competitiveness. And third, the fiscal deficit is going to be much lower, according to IMF estimates, this year than it was only a couple of years back. Now, before growth will return it will take some time, but these are all prerequisites in order to get it going again. The IMF expects that by 2013 growth will be positive again. With regard to Italy, the IMF has moderately revised up the outlook for Italy relative to January and that is mainly because tensions in financial markets have eased. In addition, the global outlook is slightly better than what it was in January. Now, it still remains one of the lowest growth

rates in Europe. 2012 will hence be a very difficult year for Italy because the Italian government is implementing, rightly, a lot of fiscal adjustment, and this is what is weighing on growth. But ultimately it will put the economy on a trajectory for stronger growth in the future. This will, however, also require advancing the structural reform agenda. And there again, like in Spain, there are very positive steps being taken with respect to reforming the labor market, and these reforms need to be pushed through. Again it will be necessary to increase the capital and liquidity buffers of the Italian banking system. The IMF believes that the policies have taken a decided turn for the better in Italy and that the right policies are being pursued, and now it is a matter of being steadfast, and then the IMF also expects growth to return in 2013. Concerning the outlook for Greece, after contracting by about 7 percent in 2011, the IMF expects the Greek economy to contract by another 4.7 percent in 2012. There are really two key factors here at play. The first is very large fiscal adjustment that is taking place, and the second is a significant reduction in minimum wages, which is one considerable ingredient in rebalancing and rebuilding competitiveness of the Greek economy. In the short run, this will be weighing on demand and therefore subtracting from growth, but in the long run it should help bring growth back up again and improve the competitiveness of the Greek economy.

Parliamentary Monitoring Organizations and use of parliamentary benchmarks  
*Panel discussion co-organized by the World Bank Institute and chaired by Mitchell O'Brien (Governance Specialist, WB). Panelists: Guillermo Avila (Transparency and Accountability Researcher, FUNDAR Mexico), Jeffrey Thindwa (World Bank Lead Social Development Specialist), Geoffrey Ekanya (Member of the Parliamentary Network, Parliament of Uganda)*

The World Bank Group's Governance and Anti-Corruption policy (GAC) highlights the importance of multi-stakeholder approaches in order to tackle the challenges of poor governance and improve development outcomes. Civil society organizations are considered as a key stakeholder. Particular emphasis was hence put on parliamentary monitoring organizations (PMOs) during this panel discussion. PMOs' work, which includes assessing the functioning of parliaments, informing citizens, and promoting public participation in parliamentary processes, can be a key factor in strengthening parliamentary capacity. Geoffrey Ekanya stressed that parliamentary oversight strengthens the citizen, because Members of Parliament (MPs) become more responsible to their actions. Accountability is directly linked to transparency. It is hence crucial for civil society to understand how an individual becomes a MP. Then, Mr. Ekanya turned to financing and the dependence on donor support. Sometimes donors are imposing values, sometimes their help is welcome. By giving the example of a World Bank project protest by individual MPs with the consequence that it has been cancelled by the World Bank after receipt of parliamentary participation, Mr. Ekanya gave a convincing example of successful individual participation of MPs. Jeffrey Thindwa works a lot with civil society organizations, the World Bank Institute social accountability program and access to information and civil society engagement. Individual multi-stakeholder engagement caused the World Bank to conceive governance differently. It was a long process to recognize that beneficiaries in health and education have something to give as well: they are not just subjects waiting to receive. The World Bank does not only want to improve the quality of governance: its objective is less political, but is related to improving the quality of development outcomes. Mr. Thindwa emphasized



the role of state-sponsored accountability institutions, such as ombudsman offices and human rights commissions. But also media helps to probe what the government is doing and hence gives citizens a voice. Last but not least, he considers the institution of Parliament to be of such an importance, that he wants to support Parliaments directly, by building capacity for oversight. Nevertheless, he admits that the Parliament itself has to be functional and reliable. A paper named "Strengthening Parliamentary Accountability" will be launched by the World Bank Institute at the end of April 2012.

Yves Sahinguvu underlined the important role of the Parliament in the fight against corruption. The fact that Parliament has the capacity to intervene before the government and start effective procedures is essential, but the problem is related to budget, because development budget is discussed between multilateral agencies and the government only. As a consequence, some ministries receive money and Parliamentarians have to verify the processes related to this budget. Another problem arises when the Parliament has a specific majority, which can block the control process.

### Impact of the Global Economic Crisis on the Developing World

*Meeting with Mr. Bert van Selm, IMF Deputy Division Chief, SPR Low-Income Countries Division  
Participation of German Members of Parliament*

Mr. van Selm started his presentation by pointing out that Europe was no longer in a critical economic situation and that, overall, a liquidity crisis has been avoided. This would indicate that the Euro Area Policy Responses (including the ECB's longer-term refinancing operation (LTRO), fiscal adjustments, structural reforms, and the Greek reconstruction) have been effective. The IMF also responded to the Euro Zone debt crisis by sharply scaling-up financial support and by making debt policies more flexible. As a consequence, the IMF support for low-income countries became "more, cheaper and better": more, because the access to financing doubled; cheaper, because there is a zero interest rate until the end of 2012; finally better, because conditionality became streamlined. At the same time, Mr. van Selm explained how low-income countries can address remaining risks while pursuing their development objectives. It is true that low-income countries are now faced with more limited buffers and constrained aid envelopes: they are now less prepared to deal with shocks than before the crisis. In the event of a shock, low-income countries should try to preserve spending to soften the economic and social impact. In order to build resilience against shocks, low-income countries should rebuild external and fiscal buffers. However, it will be necessary to ease the trade-off between spending needs and rebuilding buffers. Hence, the short-term focus should lie on strengthening domestic revenues, public spending efficiency and liability management. Long-term priorities should be new efforts to deepen the financial sector, to strengthen social safety nets and diversify the economy.

### **Discussion**

Q: Lykke Friis wondered how Spain can maintain growth in view of the ambitious fiscal tightening.

A: Spain will have to recapitalize its banking system. Preferably, this would happen with European funds from an equity fund.

Q: Ndeye Fatou Touré inquired about the lack of direct impact of the European crisis on Sub-Saharan Africa.

A: There are fewer financial linkages between Europe and Sub-Saharan Africa and in general, African banks use European banks more than vice versa. The IMF lends little to African countries as there are not many capital and liquidity crises.

Q: Arben Malaj asked what would be the three lessons from the crisis that should be applied to developing economies.

A: Ideally, developing countries should apply inter-temporal shifting, meaning invest in social domains now in order to decrease future spending (ex. Increase the retirement ages and health spending). As governments are forced to cut short-term spending, developing countries should:

1. Beware of large financial sectors.
2. Leave room to conduct counter-cyclical policies.
3. Apply rules-based fiscal policies.

Q: Sergio Abreu brought up the question of trade restrictions, wondering how long and until when countries could trade freely. In addition, using the example of China, he asked how we can prevent currency use to influence trade.

A: While the ongoing Doha round of trade negotiations is not in excellent state, major set-backs have been avoided. In fact, advanced economies have been pushing to liberalise trade, however, many developing economies do not see the advantage. Capital can be an opportunity to liberalise trade but financial sector regulation is necessary so that it can lead to growth.

Q: Carlos Braga (World Bank) asked about long-term fiscal adjustment and what role the ECB should have in debt proportions and restructuring.

A: Fiscal adjustments over the long term can happen through interest rates. The ECB should have a supervisory role in overseeing debt and restructuring.

Q: Prakash S. Mahat was concerned about the constant increase in oil prices.

A: Whereas developed countries do not spend a lot of money on food, this is quite the contrary in developing countries. If you track global oil prices, it is possible to identify much more volatility than can be found in the general economy. Regulators could and should do something about volatility.

Q: A German Member of Parliament asked how the Euro crisis is affecting aid budgets.

A: The cutting of aid budgets is usually considered to be contrary to international norms for development aid. But the economic reality indicates that self-reliance is becoming more and more essential. There are certainly two new issues: the IMF facilitated higher deficit during the crisis and more focus and emphasis was put on social spending than it has been 10 years ago. The IMF remains a counter-cyclical organization.

### The IMF's work on inclusive growth

*Meeting with Mr. Andrew Berg, IMF Assistant Director, Research Department*

Mr. Berg explained that issues of jobs and inclusive growth have come to the forefront. Even in many advanced economies there are uncertain prospects for labor markets and many protests over inequality. Then, the Arab Spring also revealed new concerns over lack of inclusion, such as the problem of youth unemployment. The problems thus seem to be multiple and complex. For Mr. Berg, it is always good to do more than necessary, but there are several constraints imposed on the IMF: first of all, the IMF cannot go beyond its core missions. Second, the IMF also only benefits from limited resources. Third, there is an agreed division of labor with other multilateral institutions and the IMF hence has to be in conformity to these agreements. Last but not least, there are several legal and institutional constraints. As a consequence, Mr. Berg tried to show what the IMF is actually doing on the issue of inclusive growth. First of all, it tries to protect the most vulnerable by putting in place mechanisms in place to protect vulnerable segments of the population. Then the IMF also gives broader policy advice, which correspond to macro and structural policies that improve growth and labor market outcomes. Mr. Berg specifically dealt with the question of growth, by explaining two facts to the audience: first, there is a slow average per capita growth in the developing world, except for Asia, since the 1960s. Second, the problem is not really that many countries in Africa and Latin America cannot get growth started. The problem is rather that growth episodes tend to end sooner. Hence, the main question is to find out what makes growth sustained. Mr. Berg then identified several answers: income distribution plays a major role, because unequal societies have shorter spells. An economy must benefit from democratic institutions and trade liberalization. Nevertheless, Mr. Berg is of the opinion that some inequality is necessary. But the IMF's results say that, on average, inequality has gone too far to be defensible as necessary to sustain growth. For the IMF it is hence essential to pay attention to distribution to understand risks. It cannot hide behind a view that growth and equality are separate issues. Last but not least, Mr. Berg remarked how this strategy is reflected in Fund-supported activities and programs: the upcoming review of conditionality will cover several macro-social issues, including: the degree of accommodation and flexibility to support jobs and inclusive growth, safeguarding social and poverty reducing spending (i.e. expenditure measures and tax policy reforms), the use of other structural macro-social conditionality and debt relief for low-income countries.

Ndeye Fatou Touré observed that, for instance, education and health expenditures are considered to be "social", but in reality they are "economic". She is favour of updating the term of "social expenditures".

## ***D. Bilateral Meetings***

### Bilateral Meeting on reconciling growth in the developed and the developing world *Meeting with Mr. Roger Nord, IMF Deputy Director, African Department*

After a short introduction of the IMF's general work and the more specific issues the African Department is working on, Mr. Nord made the Parliamentary Network's delegation think about questions of conditionality and the strings attached to IMF loans. The IMF should hence be seen as a credit union, which ensures that economic policies are improved. In fact, the IMF provides financing when the economy is in trouble. Important factors are – among others – political stability (i.e. inflation, civil wars, etc.) and the level of debt. The first bilateral meeting then turned into an animated Q&A in which Parliamentarians engaged in a vibrant discussion with Mr. Nord.

#### **Discussion**

Q: Najeeb S. Ghanem asked whether it would be suitable for the IMF to integrate more humanitarian values in African trade actions in order to restore existing imbalances.

A: There is certainly the desire to shield the poor from high food and energy prices, but subsidies are not free and money that is spent in one area, cannot be spent in another. As a consequence, it is crucial to know who is benefiting from subsidies: the target group or another group in society.

Q: Marie-Josée Kankera wanted to know what the IMF is doing in particular to help Parliamentarians to be more interactive.

A: There is a lot of ongoing cooperation with other institutions and training has already been organized for Parliamentarians, but Mr. Nord admitted that it has not been very efficient so far.

In addition, Kwabena Appiah-Pinkrah stated that there is absolutely no capacity for the Parliament to scrutinize the loan process between the country and the IMF. He is deeply concerned by this issue and hopes that IMF policies will be more influenced by civil society and Parliament one day.

### Bilateral Meeting on IDA and the importance of parliamentary involvement and ownership *Meeting with Mr. Axel van Trotsenburg, Vice President for Concessional Finance and Global Partnerships*

The International Development Association (IDA) is the part of the World Bank that is concerned with the world's poorest countries. Established in 1960, IDA aims to reduce poverty by providing interest-free credits and grants for programs that increase economic growth, reduce inequalities and improve people's living conditions. Every three years IDA has to go back to donors to request funding. It is hence a much scrutinized process. IDA is one of the largest sources of assistance for the world's 81 poorest countries, 39 of which are in Africa. It is the single largest source of donor funds for basic social services in the poorest countries. This bilateral meeting was of particular importance to the

Parliamentary Network's efforts in Africa's poorest countries. The discussion topics were centred on publications, transparency and general understanding of IDA assistance.

### **Discussion**

Q: According to Geoffrey Ekanya, an IDA credit in the past has not proved to be efficient, but still there was some kind of commitment fee to be paid. Is that fair?

A: First of all, IDA does not charge a commitment fee. And there is not an interest rate either. However, it is true that some projects perform well, some perform poorly. Mr. van Trotsenburg's concern is that most IDA projects are not executed fast enough today as compared to past projects.

Q: Ndeye Fatou Touré wants to be more informed about IDA programs. How to access information?

A: For existing projects, the information is available online. There are two general approaches: either a case-by-case basis or general global funding, known as "external funding projects", in which the repartition is done by the respective country's Ministry of Finance.

Q: Geri Muller underlined that cooperation has to be done on a completely different level. IDA is supposed to be working for and with the poorest.

A: IDA is indeed trying to promote a more balanced approach. Until now, donor countries are mixed together and it is not a question of getting bilateral recognition for successful projects. The donor countries are presumed to get recognition as an entire team.

In the end, Kwabena Appiah-Pinkrah accentuated that relationships with the local offices are more than critical. It is often a personal public relation that enables Parliamentarians to access additional information. He underlined that there must be some opportunity to work on the project from day one. In short, he wants Parliamentarians to be truly and justly responsible for their actions. He wants Parliamentarians to become able to say in front of their respective constituencies: "we did it, it's our fault. We are sorry."

### Bilateral Meeting on the state of World Bank relations in delegates' countries *Meeting with Mr. Cyril Muller, World Bank Vice President External Affairs*

The very last bilateral meeting was a genuine climax for the Parliamentary Network's delegation. After having worked on a concrete recommendation paper, the entire delegation presented its proposal to Cyril Muller, World Bank Vice President for External Affairs, who then took time to read and comment on the specific proposals. The delegation's recommendation can be found in the annexes. Once again, this last bilateral meeting made clear that Parliamentarians do have a valid voice for the World Bank: they are considered to be decisive stakeholders. In particular, Mr. Muller made the following proposals:

- A "project information document" (PID) has to be posted before specific arrangements can be made. This PID corresponds to a broad information basis and definition of the activities that are foreseen in a World Bank project. Parliamentarians should have access to a local

contact and a World Bank contact (which is anyway most commonly local). The PID should give insight to determine whether a project is consistent with the country strategy. Yet, another issue concerns current projects: with regard to “aid memoires” publication is not systemically done and so-called “deliberative information” cannot be published. Nevertheless, Mr. Muller believes the PID to become a reliable tool to connect to Parliamentarians on the country level.

- Mr. Muller made understandable that the possibility to give Parliamentarians a voice during the project negotiation stage is too inefficient, because this stage is already very late. The stage of “project appraisal” is more crucial for Parliamentarians and civil society in general.
- Within a six months time, Mr. Muller wants to initiate a new dialogue between the World Bank and the participating Parliamentarians. This could amount to formalized briefings which will take place four times a year. Nevertheless, he urged Parliamentarians to engage into a two-way discussion: MPs have to bring colleagues (i.e. government and opposition) to the discussion table. Last but not least, Parliamentarians have to share best practices among each other.
- Mr. Muller encouraged Parliamentarians to consult the local World Bank offices to be better informed about “country assistance strategies” (CAS).
- The World Bank Institute is the World Bank’s provider for capacity-building and exchange of information: Parliamentarians should consult the existing offers and Mr. Muller will see what kind of supplemental and tailored activities can be provided for Parliamentarians in particular.
- The World Bank will share more information that is available on education and health. “Grow faster in a short term” is very often a condition imposed by governments and unfortunately is often contrary to health and education in the long-term.
- The HLF-4 report of the World Bank is already available and show how the World Bank is integrated with other multilateral organizations. The “Global Monitoring Report” is also published and assesses every Millennium Development Goal (MDG) against common World Bank and IMF efforts. Mr. Muller again encouraged Parliamentarians to think more about every single MDG in order to determine whether they are sufficient. Do Parliamentarians wish other goals to be identified?



## ***E. Follow-up***

During the Spring Meetings the Parliamentarians adopted a joint recommendation which they were able to present for consideration to Mr. Cyril Muller, World Bank Vice President for External Affairs. As a matter of fact, the 2012 Spring Meetings were a significant opportunity for the Parliamentary Network to exchange with World Bank and IMF representatives and further define its work program for 2012. The Parliamentary Network will also investigate the possibility of including Parliamentary Network members and some of its partners on the panels during the upcoming CSO Forum and Program of Seminars of the 2012 Annual Meetings in Tokyo.

Concerning the project information documents (PIDs), the Parliamentary Network will closely cooperate with the World Bank to make the documents and information easily accessible for Parliamentarians. In addition, the Parliamentary Network will cooperate with the World Bank Institute to inform Parliamentary Network members about upcoming capacity-building initiatives.

The Spring Meetings were also an opportunity to evaluate the work of the Network. The recent closer cooperation with the IMF has proven to be of high quality as the Fund has already taken on the same importance for the Network and its members as the World Bank. The Network hopes to continue building on this relationship in the coming months through capacity building activities and concrete policy initiatives.

The Parliamentary Network advocates for more precise content information about upcoming Spring Meetings and Annual Meetings in order to enable its members to be up-to-date on the most recent policy developments. This can only be beneficial for a fruitful deliberation and discussion between the Parliamentary Network's members and the World Bank and IMF.



## F. Annexes

### 1. Program and participants

<b>Wednesday, 18 April 2012</b>	
7.00 am – 7.45 am	Breakfast at Hotel
7.45 am	<b>Transfer from Hotel Hamilton Crowne Plaza to WB/IMF Headquarters</b>
8.15 am	<b>Late Registration and badge pick-up for Participants</b>
9.00 am – 9.30 am	<p><b>Opening of the workshop</b></p> <p><b>Speakers:</b></p> <ul style="list-style-type: none"> <li>• Cyril Muller, Vice-President, External Affairs, World Bank</li> <li>• Gerry Rice, Director, External Relations Department, IMF</li> </ul>
9.30 am – 10.30 am	<p><b>The World Bank: Inclusive Green Growth and Rio+20</b></p> <p><b>Speaker:</b></p> <ul style="list-style-type: none"> <li>• Rachel Kyte, Sustainable Development Network Vice Presidency, World Bank</li> </ul>
10.30 am – 10.45 am	<b>Coffee Break</b>
10.45 am	<p><b>World Development Report 2013: Jobs</b></p> <p><b>Speakers:</b></p> <ul style="list-style-type: none"> <li>• Martin Rama, Director and Lead Author, WDR 2013: Jobs, World Bank</li> </ul>
12.00 pm – 2.00 pm	<p><b>Lunch</b></p> <p><b>Welcome:</b></p> <ul style="list-style-type: none"> <li>• Carlos Braga, Director, World Bank Special Representative to Europe</li> </ul> <p><b>Lunch Speaker:</b></p> <ul style="list-style-type: none"> <li>• Marcelo Giugale, Sector Director, Africa Region: “The New Era of Governance”, World Bank</li> </ul>
2.00 pm – 3.30 pm	<p><b>Two parallel sessions:</b></p> <p><b>Session A:</b> <b>International Monetary Fund: World Economic Outlook</b></p> <p><b>Speaker:</b></p> <ul style="list-style-type: none"> <li>• Jörg Decressin, Deputy Director, Research Department, IMF</li> </ul>

	<p><b>OR</b></p> <p><b>Session B :</b>  <b>Parliamentary Monitoring Organizations and use of parliamentary benchmarks</b> (co-organized by the World Bank Institute)</p> <p><b>Speaker:</b></p> <ul style="list-style-type: none"> <li>• Guillermo Avila, Transparency and Accountability Researcher, FUNDAR Mexico</li> <li>• Jeffrey Thindwa, Lead Social Development Specialist, WB</li> <li>• Geoffrey Ekanya, Parliamentarian, Parliament of Uganda</li> </ul> <p>Chair: Mitchell O'Brien, Governance Specialist, WB</p>
3.30 pm – 4.30 pm	<p><b>IMF: Impact of the Global Economic Crisis on the Developing World</b></p> <p><b>Speaker:</b></p> <ul style="list-style-type: none"> <li>• Bert van Selm, Deputy Division Chief, SPR Low-Income Countries Division, IMF</li> </ul> <p>(German Bundestag Delegation joins the programme)</p>
4.30 pm – 5.30 pm	<p><b>IMF: The IMF's Work on Inclusive Growth</b></p> <p><b>Speaker:</b>  Andrew Berg, Assistant Director, Research Department, IMF</p>
5.30 pm – 6.30 pm	<p><b>Reception</b></p> <p><b>Host:</b></p> <ul style="list-style-type: none"> <li>• Tim Callen, Assistant Director, IMF</li> </ul>

<b>Thursday, 19 April 2012</b>	
9.00 am - 10.00 am	Breakfast at Hotel Hamilton Crowne Plaza
10.15 am – 10.45 am	<b>Transfer from Hotel Hamilton Crowne Plaza to WB/IMF Headquarters</b>
11.00 am - 12.30 pm	<p><b>Bilateral Meeting on reconciling growth in the developed and the developing world</b></p> <p><b>Interlocutor:</b>  Roger Nord, Deputy Director, African Department, IMF</p>
1.15 pm - 2.30 pm	Lunch

3.00 pm – 3.45 pm	<p><b>Bilateral Meeting on IDA and the importance of parliamentary involvement and ownership</b></p> <p><b>Interlocutor:</b></p> <ul style="list-style-type: none"> <li>• Axel van Trotsenburg, Vice President for Concessional Finance and Global Partnerships</li> </ul>
4.00 pm – 5.00 pm	<p><b>Bilateral Meeting on the state of World Bank relations in delegates' countries</b></p> <p><b>Interlocutor:</b></p> <ul style="list-style-type: none"> <li>• Cyril Muller, Vice-President, External Affairs, World Bank</li> </ul>
6.30 pm	<p><b>Meeting for transfer to restaurant</b></p>
7.00 pm – 9.00 pm	<p><b>Dinner</b></p>

## **List of Parliamentary Network Board delegates**

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Yves Sahinguvu, Burundi  
Marie-Rose Nguini Effa, Cameroon, Vice-Chair  
Ndeye Fatou Toure, Senegal  
Geri Muller, Switzerland  
Najeeb S. Ghanem, Yemen

## **List of additional parliamentary delegates**

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Arben Malaj, Albania  
Tiémoko Konate, Burkina Faso  
Mauricio Ospina, Colombia  
Lykke Friis, Denmark  
Gershon K.B. Gbediame, Ghana  
Kwabena Appiah-Pinkrah, Ghana  
Marat Sultanov, Kyrgyzstan  
Kestutis Glaveckas, Lithuania  
Prakash S. Mahat, Nepal  
Marie Josée Kankera, Rwanda  
Ravi Karunanayake, Sri Lanka  
Anna Kinberg Bantra, Sweden  
Maria Nordén, Sweden  
Nansubuga Rosemary Seninde, Uganda  
Geoffrey Ekanya, Uganda  
Sergio Abreu, Uruguay

## **List of Parliamentary Network Secretariat delegates**

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Gergana Ivanova, Program Officer  
Vedran Aladrovic, Junior Program Officer

## **2. Joint recommendation**

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### **1. Parliamentary Network relations with the World Bank and IMF**

- I. Thank you for the workshop and the meetings with us.
- II. We hope that concerns and recommendations voiced in the meetings will be taken into account and implemented by the World Bank and IMF.
- III. Upon our return, we hope to involve other Parliamentarians on World Bank and IMF issues, such as recent reforms of the two respective organizations. However, for this we need facilitated access to the information.
- IV. The World Bank and IMF can resort to the Parliamentary Network to inform the Parliamentarians (also those who are part of the opposition) about intended loans to their countries before they are approved. This decision has to be taken by the World Bank and IMF boards in order to institute parliamentary involvement in the loan negotiation stages.
- V. The PN hopes to continue its Field Visit programme and would like to request the World Bank's support and collaboration in organizing them.
- VI. We would like to see more and more regular parliamentary outreach of the World Bank local offices.
- VII. The World Bank and IMF could potentially organize a seminar for parliamentary capacity-building in areas such as finance and good governance. In that seminar the World Bank could also update Parliamentarians on how previous recommendations have been implemented.

### **2. Common parliamentary issues**

- I. We are interested in knowing how the World Bank lending conditions differ for developed and for developing countries.
- II. To what extent the Paris Declaration has been adhered to?
- III. The World Bank and IMF have to focus on structural reforms in education, health and change of bureaucracy (i.e. anti-corruption initiatives potentially enhance competition). Particular issues related to transparency and anti-corruption should be conditions for World Bank and IMF loan agreements.
- IV. As MPs, we will make an effort to play a stronger role in approving our country's development framework. In this, the World Bank and IMF can play assistance by creating parliamentary capacity-building and knowledge-sharing activities.
- V. The World Bank and IMF staff should ensure a coherent loan follow-up process, allowing for efficient and agreed use of loans.
- VI. Agreements between the World Bank, IMF and the respective countries should be able to outlast government changes. Regular consultations of Parliament can ensure the continuity of those agreements.
- VII. Youth employment and education are an issue which concerns all of us. We want to see more World Bank commitment towards this goal.
- VIII. What is the World Bank strategy to achieve the Millennium Development Goals in time?