



THE PARLIAMENTARY NETWORK

On The World Bank & International Monetary Fund

Staffers Meeting Report (March 7-8, 2019)

On March 7-8, 2019 the Parliamentary Network on the World Bank & IMF took part in an European Parliamentary Staffers meeting at Westminster, co-organized by the World Bank Group (WBG). The event is a part of a program that serves to involve Parliamentary staffers in Europe in the work of the World Bank and IMF.

March 7

The first day started with an update on the WBG, and its different agencies; International Development Association (IDA), International Finance Corporation (IFC), and Multilateral Investment Guarantee Agency (MIGA). The WBG is the largest contributor to development, after the European Union (EU). The Group's aim is to end extreme poverty and promote shared prosperity, in a sustainable manner. Infrastructure is still a focus, but projects today include climate mitigation and resilience measures. Jakob Kopperud, Special Representative at the World Bank in the United Kingdom and Iceland put forth that there has been difficult to ensure financial contribution from governments in education programs, which do not show immediate benefits. However, the launch of the World Bank's Human Capital Index, in October 2018, which quantifies the effect of education and health to the productivity of a country's next generation of workers, aims at showing the results of these programs and thereby increase government funding.

He also spoke about IDA, which aims to reduce poverty by providing loans (called "credits") and grants for programs that boost economic growth, reduce inequalities, and improve people's living conditions in the world's poorest counties. Every three years, donors meet to replenish IDA resources and review its policy framework, and the last meeting took place in November 2019 to discuss IDA19 Replenishment. Participants expressed their appreciation over IDA18's delivery and policy commitments, and support for retaining IDA18's special themes, such as mitigating climate change, increase gender equality and support fragile States. It was also proposed to integrate emerging challenges and opportunities, such as debt, disruptive technologies, human capital, and disability in IDA19. IDA19 Replenishment cycle allows for opportunity to deepen discussions on issues facing IDA countries and to seek partner' guidance on policy and financing approaches to address raised issues.

Sadia Sajjad presented how the International Finance Corporation (IFC) invests, advises, and helps manage assets for the private sector in developing countries. For IFC, a project shall have

economic impact, and be commercially viable. IFC has a blended finance strategy; after a one-time subsidy, the aim is to make the project sustainable. Regarding project evaluations, IFC scores them on a project-level and market-level impact over the life cycle of the project. Moreover, IFC does not crowd fund. IFC, IDA and MIGA created during IDA18 the ‘Private Sector’, Window to create an enabling environment, make complementary investment, provide guarantees and directly invest in the private sector. IFC contributes with its innovative work in mobilizing and managing third-party capital from investors with strong standards and corporate governance for investment in the world’s poorest countries.

MIGA insures cross-border investments made by investors of MIGA member countries into developing member to enable private investment to support economic growth, reduce poverty, and improve people’s lives. It has the largest development budget line for emerging markets. In order to allow investments, MIGA conducts assessments of a project in question’s impact on development, risk profile and compliance with the Agency’s legal and policy requirements. This is a procedure which give prompt feedback to investment guarantee applicants, as well as allows MIGA to seek host countries approval to issue the insurance.

A session on the IMF followed. The IMF is not a development institution, but rather an institution that promotes global economic and financial stability. The Fund has three main work areas; 1) surveillance, which works comprises of developing the ‘World Economic Outlook’ (twice a year), forecast the economy (four times a year), publish the ‘Global Financial Stability’ report (twice per year), and work with fiscal monitoring, regional analyses and recommendations; 2) Capacity building, which implies training for officials to improve good governance, and provide technical assistance on fiscal and monetary policies; and 3) Financial assistance, including, for instance, work on loan attribution to countries in difficult financial state.

Aron Cheung, from the Institute for Government presented Brexit’s impact on Civil Service’s, shared the impact on government, Parliament and civil service in four main trends; 1) Brexit has divided the cabinets, having triggered a huge spike in resignations of cabinet members and ministers due to policy reasons; 2) Brexit legislation has dominated the timetable in Parliament. Five Brexit bills have passed and nine are delayed; 3) UK civil service is growing again. By 2015, staff members in the civil service had fallen by 20 percent. Since the EU Referendum, it has gone up (e.g., in the Department for trade); and 4) Brexit is distracting from other priorities, such as handling policy questions related to austerity.

March 8

During the second day of the staffers meeting the Member of Parliament and Chair of Parliamentary Network Jeremy Lefroy presented the Parliamentary Network (PN). PN’s mission is to provide a platform for parliamentarians around the globe to advocate for increased accountability and transparency in International Financial Institutions and multilateral development financing. It sets its own agenda and has robust conversation about policies of both WBG and IMF. PN has had four focus areas; 1) Jobs, livelihoods and the future of work; 2) Climate change; 3) Gender equality and the role of women; and 4) Governance. Lefroy announced that the

PN will publish a booklet on governance April. To implement the priorities, the PN is conducting field visits and workshops, including the Global Parliamentary Conferences.

Furthermore, Tazeen Hasan presented the World Bank's project Women, Business and the Law (WBL). The WBL project, which has run since 2009, looks at (hidden) laws, including family and labor laws, covering 187 countries. The goal of the report is to empower women, close gender gaps, and increase economic growth. The research shows that in some countries women cannot legally perform in the same way as men. Applying for a passport, opening a bank account, serving as head of household is very different between countries. The report concludes that with more gender equality more women will be in the workforce and, thus, the pay gap will diminish.

In addition, the role of women in Parliament and law-making was discussed. Where laws limit women's decision-making abilities, there are less likely to be women leaders in public life. Jurisdictions where the parliamentary representation at the national level is of at least 25% women, are more likely to have a reform of discriminatory laws over the next 5 years than over the last 25 years.

Moreover, the third and next staffers events agenda was raised. Suggestions presented were; a presentation on 'Why the World Bank' – to provide a comprehensive description of what it does, learn about the evolution of development aid and development cycles; expand staffers meetings to developing countries; presentation on how parliaments are evolving and the trends across Europe.

Finally, a question on how to engage more with young people was raised. As for current activities, the World Bank is partnering with One Young World, and invests increasingly in education. The IMF engages in a youth dialogue during the Spring and Annual Meetings. In Bali, the Fund held a session on how youth employment is affected by the latest trends in labor markets, gender roles, informality, and economic and social implications.

Picture of the attendees of the staffers meeting March 7- 8, 2019

