

Development Committee
Global Development Issues and the World Development Report 2012
on Gender

Date: **24.09.2011** Time: **3.00 P.M.** Venue: **WB Preston Auditorium**

Oral Intervention Points

Impact of Global Developments on Developing Countries

Mr. Chairman,

- We meet at a difficult time for the global economy. There are indications that the world could be engulfed in another economic crisis with serious repercussions for the poor and vulnerable.
- In such circumstances, we need to be prepared to think out of the box and reflect on what are the important issues the World Bank should be addressing today.
- The response of the World Bank Group to the last crisis was exemplary. The record lending by IBRD was what made the crucial difference. We firmly believe that the most effective crisis response is expanded lending to and investment in developing countries.

- However, as we stand at the brink of a recession and continue to hope that we will avert it, we are worried about the lack of adequate financial capacity in the Bank. Our concern is that when a new crisis unfolds, IBRD and the IFC will be mute spectators.
- A level of US \$ 15 billion of annual lending by the Bank will be inadequate to meet even the normal needs of development finance of developing countries

Priorities for the World Bank

- In the light of the above, I would like the World Bank to focus on a few priorities:
 - **The first and foremost is to address the lack of financial capacity of the Bank and the IFC**, by working towards a strong capital base through a capital increase, and finding other creative ways of to expand lending to and investment in developing countries.
 - **IDA needs to be put on a more sustainable footing** with donors giving priority to IDA over Trust Funds, and also without weakening the resources of the IBRD and IFC.

- **Give priority to the up-liftment of the poor, wherever the poor may be, without getting diverted by peripheral goals.**
In this context, I would like to reiterate the need to address the needs of Middle Income Countries, which are basically IBRD borrowers. They often feel disconnected from many Bank activities. Efforts should be made to regenerate interest in MICs towards the Bank, particularly through enhanced financing, more knowledge products and a focus on the poor in MICs.
- **Food price inflation needs to be tackled on a priority basis.**
This would require both short-term measures focusing on immediate food supply and safety nets and long-term measures to enhance agricultural productivity and output. The Bank will have to make substantial investment in this regard.
- **Generating additional and new finance for climate change**
along with measures to encourage transfer of technology to developing countries
- **Meeting the energy access needs of the poor** is going to be a severe test for the Bank. While climate concerns are legitimate, providing access to energy for the poor is a priority far more important than sustaining energy intensive lifestyles

2012 World Development Report on Gender

- ***Mr. Chairman now let me touch on the 2012 World Development Report.*** The principle of gender equality is enshrined in the Indian Constitution. Within the framework of a democratic polity, our laws, development policies, Plans and programs have aimed at women's advancement.
- We endorse the Bank's efforts to promote gender equality and women's development. The Bank needs to mainstream the gender aspect in all its work. We support the WDR's "Global Agenda for Greater Gender Equality". This requires financial support, innovation and learning and leveraging effective partnerships.
- The Bank itself would have to re-engineer itself to be a part of these new partnerships, if its recommendations are to be taken seriously. There is a need for new kinds of institutions, incorporating new norms and rules that support equal and just relations between women and men. And we need to collectively work towards this.
- Continuing from the 2012 WDR, the 2013 Jobs Report should also cover policies and institutional mechanisms that would encourage women's participation in "good jobs".