



DEVELOPMENT COMMITTEE

**JOINT MINISTERIAL COMMITTEE
OF THE
BOARDS OF GOVERNORS OF THE BANK AND THE FUND
ON THE
TRANSFER OF REAL RESOURCES TO DEVELOPING COUNTRIES**

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Washington, DC April 22, 2017

1. The Development Committee met today, April 22, in Washington, D.C.
2. The global economy is gaining momentum, but risks remain tilted to the downside. Further improvements in the global outlook will require policies that foster inclusive and sustainable growth, address financial vulnerabilities, and create jobs and economic opportunities for all. Actions to tackle the adverse impact of the decline in correspondent banking relations are an important priority for many countries. World Bank Group (WBG) and International Monetary Fund (IMF) advice and support are important to advance such policies, deliver the 2030 agenda, and protect the most vulnerable.
3. Reducing inequality is necessary to ensure long-term and sustainable growth. Technological change, trade, financial flows, and economic integration have helped boost incomes and have narrowed the economic gaps between countries. But these gains have not always been shared evenly within countries. We urge the WBG and IMF to redouble efforts to eradicate poverty and ensure that the benefits of international economic integration are shared widely.
4. We welcome the implementation update on the WBG Forward Look. In October, we endorsed a vision for a better, stronger, and more agile WBG and identified areas for improvement. We recognize the progress so far in becoming a better WBG. We encourage continuing efforts, in coordination with development partners, to implement and report on the Forward Look commitments and associated policies to (i) prioritize private sector solutions when deploying scarce public resources, including for infrastructure; (ii) strengthen domestic resource mobilization; (iii) support global public goods; (iv) assist all WBG client segments; (v) be more agile, responsive, and results-focused in working across the public and private sectors; and (vi) pay special attention to stabilizing the economy and supporting growth in situations of fragility, conflict, and violence, as well as to the development needs of small states.
5. We support the WBG's scaled-up activities in the area of crisis preparedness, prevention, and response, through investments to address the root causes and drivers of fragility by helping countries build institutional and social resilience. We encourage further efforts to mobilize and rapidly disburse support for countries, communities, and refugees that are affected by famine or forced displacement, in close coordination with the UN and other partners. We acknowledge the various initiatives by the WBG to strengthen the Humanitarian-Development-Peace nexus.
6. We are encouraged by the WBG's efforts to become more efficient through reforms of its operational and administrative policies and its People Strategy. We welcome the budget discipline introduced by

7. the Expenditure Review, acknowledge WBG efforts to ensure transparency and accountability in tracking and reporting how it uses its scarce resources, and urge continued commitment on these fronts.
8. We also welcome progress and discussions to strengthen the WBG's financial capacity. We are greatly encouraged by the successful IDA replenishment negotiations. IDA18 delivered a record \$75 billion thanks to the generosity of partners and the plans to leverage IDA's equity. Innovative measures introduced, such as the Private Sector Window, will help catalyze additional resources for IDA countries. We look forward to successful implementation that maximizes development impact.
9. We take note of the ongoing discussions to enhance the WBG's financial capacity and enable it to deliver on the ambition of the Forward Look. We ask the Board and Management to develop a set of options by the Annual Meetings in October 2017.
10. We welcome the progress made in the Shareholding Review and recall our commitment to the principles we endorsed in Lima toward a WBG that reflects the evolution of the global economy and contributions to the WBG's mission. We are encouraged by progress on diversity and inclusion in WBG staff and management, and we support similar progress on gender diversity in the Executive Board.
11. The next meeting of the Development Committee is scheduled for October 14, 2017.