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Folder Title: D.C. Rao, Acting Vice President - Internal Chronological Records - Correspondence - January 1993 - August 1993

Folder ID: 1459974

Series: Michael Bruno's Chronological Correspondence File (Internal and External Chronological Files)

Dates: 01/29/1993 - 08/24/1993

Subfonds: Records of the Office of the Vice President, Development Economics and Chief Economist and later Senior Vice President, Development Economics and Chief Economist (DECVP)

Fonds: Records of the Office of the Chief Economist

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THE WORLD BANK

Washington, D.C.

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D.C. Rao, Acting Vice President - Internal Chronological Records - Correspondence
- January 1993 - August 1993

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D.C. RAO

Acting VP

INTERNAL

CHRON

Jan. 1993

FORM NO. 75
(6-83)

THE WORLD BANK/IFC

ROUTING SLIP		DATE:
		August 12 1993
NAME		ROOM NO.
Mr. Lyn Squire		
Mr. John Page		
Mr. M. Walton		
cc. Mr. Bruno o/a		
APPROPRIATE DISPOSITION	NOTE AND RETURN	
APPROVAL	NOTE AND SEND ON	
CLEARANCE	PER OUR CONVERSATION	
COMMENT	PER YOUR REQUEST	
FOR ACTION	PREPARE REPLY	
INFORMATION	RECOMMENDATION	
INITIAL	SIGNATURE	
NOTE AND FILE	URGENT	
REMARKS:		
FROM:	ROOM NO.:	EXTENSION:
D C Rao	S9 035	33800

OFFICE MEMORANDUM

Ket:
Pl. action MB, MW, Page

DATE: August 10, 1993

TO: Mr. Ishrat Husain, AFRCE
Mr. Lynn Squire, MNAV

FROM: Constance Morris Hope, Secretary, Joint Audit Committee *CMH*

EXTENSION: 80224

SUBJECT: Joint Audit Committee - Meeting of September 7, 1993

The Joint Audit Committee will review a study prepared by the Operations Evaluation Department entitled "Adjustment in Africa: Selected Findings from OED Evaluations" (SecM93-824) on Tuesday, September 7, 1993 at 2:30 p.m. in Room A-1100. You will recall that in its 1993 report to the Board, the Committee endorsed the recommendations of its Subcommittee on OED Reports that in future unless otherwise decided by the JAC, Management should give a formal written response to every OED study either at the JAC meeting at which the report is discussed or in due course thereafter; in the latter case, Management is to give a preliminary oral response at the meeting. I have been informed by OED that Mr. Husain, in consultation with Mr. Squire, is responsible for this Management Response. Generally, all documents scheduled for consideration by the JAC should be circulated at least one week in advance of the meeting at which they are to be discussed. Therefore, if your response to the study on "Adjustment in Africa: Selected Findings from OED Evaluations" will be in written form, it should be in my office no later than Friday, August 27, so that it can be distributed to the Committee on Tuesday, August 31. If you plan to make an oral presentation, I should receive a written response soon after the meeting on the 7th.

Thank you.

CC: Mr. Jaycox
Mr. D. C. Rao
Mr. Guerrero
Mr. Adams
Mr. Varon

THE WORLD BANK/IFC/M.I.G.A.

Chen

ROUTING SLIP		DATE: Aug. 12, 1993	
NAME		ROOM NO.	
Mr. Greg Ingram		T-7-101	
Mr. Amnon Golan		M-7-021	
Mr. Shahid Yusuf		S-3-033	
Mr. Anandarup Ray		S-9-055	
Mr. John Page		N-11-053	
Mr. Ramesh Chander		S-9-037	
Mr. Michael Walton		S-9-027	
☐	URGENT	☐	PER YOUR REQUEST
☐	FOR COMMENT	☐	PER OUR CONVERSATION
☐	FOR ACTION	☐	SEE MY EMAIL
☐	FOR APPROVAL/CLEARANCE	☐	FOR INFORMATION
☐	FOR SIGNATURE	☐	LET'S DISCUSS
☐	NOTE AND CIRCULATE	☐	NOTE AND RETURN
☐		☐	
RE: attached			
REMARKS:			
For your information.			
D.C. Rao			
FROM: D.C. Rao, Acting VP, DEC		ROOM NO.: S-9-035	EXTENSION: 33774

The World Bank

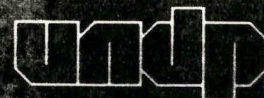
Washington, D.C. 20433
U.S.A.

ERNEST STERN
Managing Director

Kan
cc. Dec. S.M.S.

DATE: August 9, 1993
TO: Vice Presidents
FROM: Ernest Stern, EXC *ES*
SUBJECT: Gus Speth's Address to UNDP Staff

As you know, Gus Speth is the new Administrator of UNDP. He met with UNDP staff shortly after his appointment, and I thought you might be interested in the statement he made.



With a Soul and a Vision:
A New Approach to Development and a New UNDP

by
James Gustave Speth
Administrator, UNDP

Address to the UNDP Staff
United Nations Secretariat
27 July 1993

I must begin by expressing how deeply honoured I feel in taking this position - honoured by the opportunity to serve the United Nations, by the opportunity to work with you.

Expectations are high; I know that. I can promise you only one thing with absolute assurance: I will do my best.

My gratitude goes out to many. To the Secretary-General for appointing me and to the UN's member governments for confirming his appointment, to President Clinton for suggesting me to the Secretary-General, to my predecessors who have worked hard to build this outstanding institution - the United Nations Development Programme - that I'm now privileged to serve, and to you for making me feel welcome. I know I am not alone; you have seen to that.

It is certainly fitting for me to recognize at this point the 85% of the UNDP family who are with us in spirit - and via video. UNDP's great strength is in our country offices, our volunteers, our workers in the field, and there it shall remain, not because working in the field is more important than working in headquarters, but because the countries and their peoples are more important than headquarters. Those of you in UNDP's host countries, I salute you, and I know that some of you are serving in risky, even life-threatening, situations, and that you are the heart and soul of UNDP.

What we would do well, we must do together. The potential, the talent on this staff is enormous. And the potential of UNDP as a powerful force for change - in a world that badly needs change - is also enormous. We must move forward - rapidly - to realize our potential. The world's many crises - the acute ones in our daily newspapers, the chronic ones that form the underlying reality for most people - these crises demand nothing less. But to realize our potential we must be together - one team, one spirit - impelled by a common vision, a shared hope that one day all women, men, and children everywhere will live in peace, freedom, and dignity in a bountiful land.

There are many things I could talk about on this occasion, but what I most want to discuss with you is development. As I sat down to write these words on Saturday, I had just finished reading the Washington Post's account of the murder of homeless children in the streets of Rio on the night of July 22. They were not wanted, they were troublesome, so they were shot. The newspaper quoted experts as saying that the killings are a testament to a crumbling social fabric. Yet we know the sad truth that social disintegration - the very opposite of development - is occurring for many reasons in many places throughout the world. The events of

Rio are a microcosm, a metaphor. Armed conflicts - often spurred by ethnic, religious and other tensions, often fuelled by underlying social disparities and economic deprivations - seem to be spreading like a metastasized cancer. The numbers of humanitarian emergencies, displaced peoples, and refugees are also mounting, as are the budgets needed to cope with them.

These acute crises - the daily fare of our newspapers - are a double tragedy: not only do they devastate people and landscapes, but they also divert financial resources and human energies from the cause of human development.

I am proud to be part of a United Nations that is doing its best to respond to these crises, and proud of our Secretary-General for his leadership. I pledge to work diligently to strengthen UNDP's capacity to be of maximum service to him and to the UN system. The Secretary-General has the most difficult job in the world, and we must support him in every way.

The world's conflicts and emergencies are headlines for those of us in New York, but stark reality for those of us in the field. Yet, underlying these tragic events is the silent crisis - the crisis of underdevelopment, of chronic and growing poverty, of mounting population pressures and widespread environmental deterioration. The Human Development Report and the World Resources Report have bright covers but they carry sorrowful messages. I will not repeat the numbers to you. We have all written them many times. The world situation can fairly be described as desperate, but it is not hopeless. It is not the end of the world, but it is the end of the world as we know it. There is still time for nations to move forward together to build a future that is just and sustainable. And there is certainly still time to realize the bleakest visions of our science fiction writers.

As the UN's efforts in peacekeeping, in humanitarian relief, in refugees, in elections grow larger, so must its efforts to promote real development. It is far cheaper and more humane to act preventively, to address the root causes rather than the tragic symptoms. Moreover, whatever the causes of particular instances of violence or social disintegration, development is surely the major ingredient of the cure. Lasting peace and security depend on development that eliminates acute disparities and acute hardships. An agenda for peace requires an agenda for development.

In the equation of the future, time is the most important variable. And for our purposes, time is short; the time to address the world's challenges of poverty and environmental decay is running out. Everything that must be done should have been done yesterday; tomorrow it will be more costly.

So we must bring a sense of urgency to our own work and, even more, we must bring a new urgency to the international debate about development needs. With an estimated 13 - 18 million people dying every year from hunger and poverty-related causes - that's the equivalent of 100 fully-loaded 747s crashing daily - a sense of urgency is the only attitude we can have and still think of ourselves as civilized human beings. With the world's forests disappearing at a rate in excess of an acre a second, sense of urgency is merely common sense.

But urgency and commitment are not enough. They are not enough for the simple reason that more of the same - even a lot more - will not work. Something new is needed. We need to breathe life into a new type of development - to pursue a new development paradigm. And to do that we need a new approach to international cooperation for development.

What is this new paradigm? While recognizing the importance of the overall success of the national economy, it says that development that does not improve the lives of the great mass of the poor has no soul, that development that impoverishes the environment has no vision. It says that development does not occur in a political vacuum but depends both on effective governance and also on the empowerment of the many communities in civil society to participate in the decisions that affect their lives.

In one sense this new model of development is not new at all. It is rather a new synthesis of experience and learning as development thinking has progressed from a focus on per capita income in the 1960s to social indicators in the 1970s to political dimensions in the 1980s to environmental sustainability concerns in the 1990s. But it is certainly new when one moves from development thinking to development practice.

We can call this new development "people-centered sustainable development." Or we can call it "environmentally sound human development." They are one and the same. Probably we should just call it "sustainable human development", a phrase that I recall having heard somewhere!

Sustainable human development is, first of all, people-centered. It puts people first. It meets their basic needs, including the need to attain self-reliance and enlarges their opportunities, including the opportunities to live a long and healthy life, to be educated and to have the resources needed for a decent standard of living.

Sustainable human development is also environmentally sound. It stresses the need to regenerate the natural resource base, to increase the long-term productivity of the resource sectors, and to protect the environment both locally and globally.

And sustainable human development is participatory. It can only be achieved where people have an opportunity to participate in the events and processes that shape their lives; where entrepreneurs, women, non-governmental organizations, and others in civil society are empowered to take initiative and participate in both open markets and effective government; and where pluralism prevails and human rights and access to information of all types are guaranteed.

Sustainable human development is pro-poor and pro-nature. It gives highest priority to poverty alleviation and to environmental regeneration. And it recognizes that neither is possible unless the status of women is elevated. Sustainable human development is pro-women.

Sustainable human development is an essential precondition to bringing human numbers into balance with the carrying capacities of nature and the coping capacities of societies.

It is a development that continually deploys up-to-date technologies and management techniques, including those that are environmentally superior. It thus requires extensive international technology cooperation and the capacity to participate in an expanding, evolving international economy.

We can recognize sustainable human development in the famine that didn't happen, the legions that didn't march, the war that didn't occur, the human rights that weren't violated.

Sustainable human development is not a straitjacket; it does not mean conditionality. It stresses the self-reliance and self-determination of governments and people. It is quite simply the only type of development that is consistent with the United Nations Charter, the Universal Declaration of Human Rights, and the agreements signed at the Earth Summit by over 150 governments.

When we speak of a "new paradigm" or a "new model of development", it can sound top-down, imposed. This new paradigm is anything but top-down. Indeed, it is just the reverse. It is the world screaming back at us. It is screaming back in hunger, in pain, across the wastelands and dead waters. Only the purposefully deaf have not heard it.

To pursue this new understanding of development in today's world, development cooperation itself must change. We need a fundamentally new approach to international cooperation for development. It has many elements, but here are ten:

- first, reform development assistance so that the money goes to the real needs - to the poor, to human development and priority human concerns, to regenerating the resource base;
- second, build initiatives from the bottom up, ensure ownership, and work with new groups that have been neglected in the development process: NGOs, women, entrepreneurs, indigenous peoples, participants in the informal sector, local communities;
- third, go beyond "aid" to North-South partnership and reciprocal responsibilities, including partnerships in forging regional and global goals, and marshalling the resources to achieve them;
- fourth, address global concerns - in environment, population, disease control, and migration - by meeting local needs and by ensuring access to technology and financing;
- fifth, complement "development projects" with policy dialogue and reforms on the part of both industrial and developing countries;
- sixth, make external and macroeconomic forces - trade, debt management, foreign direct investment and capital flows, and access to technology - positive forces for sustainable human development; make them supportive of development objectives;
- seventh, encourage a strong private enterprise sector and the use of market forces and market-based mechanisms; get the prices right;
- eighth, recognize and promote progress in human rights, pluralism, democratization;
- ninth, encourage demilitarization and curb arms exports; and
- tenth, through it all, pay maximum attention to building national capacities, both in government and in civil society, for sustainable human development.

These words surely speak to the hearts and minds of the UNDP family, for the ideas I have spoken of today have been germinating within UNDP, in the field, in headquarters, in the Governing Council. It is now time to act on these ideas, and to act on them with urgency.

Let us therefore devote ourselves and the full resources of UNDP to promoting sustainable human development. Let us embrace the new paradigm and the new means of development cooperation it requires. Let us make poverty alleviation and environmental regeneration our core goals, and be a powerful force in helping developing countries build the capacity to attack these challenges, and attack not with short-term palliatives, but with long-term opportunities - opportunities that can be found only in sustained economic progress, in economies that work for people and the environment, that create needed jobs and sustainable livelihoods, and that deploy modern technologies and techniques that meet today's competition and exacting standards of eco-efficiency.

In all these areas, UNDP and the UN family have an absolutely critical role to play. And to all these challenges, UNDP itself brings an impressive array of assets: the neutrality and universality of the United Nations, our strong partner organizations in the UN who share this vision, UNDP's unequalled network of country offices, our ability to give grant assistance, our role in coordination and in integrating across sectors, our experience in both long-term technical cooperation and a host of emergency and transitional situations, our focus on the least developed countries, our use of national execution, and, most of all, you, our talented people. (You are all professionals in my book).

Yet, you know and I know that, as the expression goes, we are not there yet. So I also bring you a message of change. The world is changing, and UNDP must change with it. We can be a powerful force helping countries achieve positive transformations, but we must also transform ourselves. We can help countries build their capacities, but only if we build ours.

There are three broad areas where we must work together to become more focused, stronger, more effective, and more results-oriented.

First, we must strengthen our ability to be of service to the UN system. We must work to bring together the family of UN Programmes and Agencies; today we are like a family that was separated at birth and grew up apart from each other. UNDP can be a unifying force for this family through service and partnerships.

We must also achieve a dramatic strengthening and modernization of our field network of country offices, first by improving our ability to provide country-level coordination services. The UN system is fragmented; complaints are frequent. UNDP does not want to run other programmes; anything but. Yet someone has to play an integrating, synthesizing, unifying role that increases the efficiency and effectiveness for the system as a whole. UNDP can and should do that, and do it well, making good use of country strategy notes and the roundtable process.

Also, we need to be able to respond flexibly and ably to the wide variety of new responsibilities being thrust upon the UN - again, by strengthening our ability to be of service to those whose primary responsibilities are humanitarian emergencies, refugees, elections, and so on, and by developing in-depth expertise in promoting development in transitional situations such as post-conflict rehabilitation and the introduction of market economies.

These are all areas in which the UN must succeed because people and governments are counting on us. I want UNDP to be of maximum help in these areas, and I want us to be known for our collaborations and our support and for the cooperative spirit we bring to all our relationships. Ultimately, UNDP can be of real

service to the development assistance community and a strong complement to the development banks and the bilateral development strategies.

The second broad area for improvement is UNDP's own programme in the countries we serve. We need to become more focused, more thematic, and more substantive, with greater capacity to participate in the policy dialogue. We have too many downstream projects and we are spread too thin, still too much of a convenience store. Within the important framework established by our Governing Council, we need to focus on certain things and do them well. In this context, there is no doubt that capacity building must be first and foremost:

- building capacity for sustainable human development;
- capacity to guide the development process so that it reaches the poor, alleviates poverty, protects the environment, and regenerates the resource base for future production;
- capacity within both governments and civil society; capacity building by doing;
- capacity to develop strategies, action plans, and policy reforms;
- capacity building for mobilizing financial resources - both public and private - behind these strategies and action plans;
- capacity that helps governments manage the aid process, make the most of limited concessional resources, and actually benefit from multiple planning requirements;
- capacity for economic reforms; for the absorption of the latest technologies needed for sustainable development; and for successful participation in a rapidly evolving international economy.

In all our work, I hope UNDP will take as its special concern, helping countries develop economies that deliver job-led growth, economies that increase social equity and integration.

As we look for complementary missions within the UN family, we can say that UNDP helps countries build the economies that can provide attractive futures for the healthy children of UNICEF and UNFPA, and for the desperate families aided by WFP and UNHCR; that UNDP contributes to making peace possible by helping people attack, not each other, but the deprivations and disparities that are among the root causes of conflict.

There can be no serious doubt that we must put UNDP squarely behind operationalizing the human development concept and the goals of the Social Summit, and also squarely behind operationalizing the Earth Summit agreements. It is a complete misconception to associate Agenda 21 and other Earth Summit agreements only with environmental protection. They were agreements for

sustainable development, and we must work closely with the new Commission on Sustainable Development, UNEP, the International Negotiating Committee on Desertification, our GEF partners, FAO, and others to push the Earth Summit agenda forward.

To do these things with our limited resources, UNDP must move upstream, away from small, isolated projects, and work in our host countries and with the international community in high-leverage areas: on policy issues, on strategies and action plans and programmes, and on mobilizing financial and technological resources.

The third and final area is one to which I assure you I will pay special attention - the mobilization of resources for UNDP's programme. It is a sad irony that just as the needs of the developing world are mounting, the resources for development assistance are threatened, and just as the demands on UNDP are increasing, our resources are going down.

Progress in the areas I have just mentioned should contribute greatly to donor support. If we begin to do these things - moving to maximize the impact and leverage of our scarce resources, find the high pay-off opportunities, work to become more efficient, deliver a quality product, evaluate our progress and learn from it, and contribute to an overall UN development effort that is streamlined and coordinated - I do believe - I have to believe - the donor governments will support our programme fully. It is clearly in their interest to do so. An investment in UNDP is already a very good investment with a strong multiplier effect, and it will only get better. And it is certainly cheaper to invest in preventing crises than in coping with their consequences. Relatedly, we must work closely with the Nordic countries on their reform proposals. Those who want to strengthen the UN's social and economic programmes deserve our strong support, and our thanks.

We must all remember that fundraising in the UN system is not a zero-sum game. If the UN programmes and agencies work together to succeed, we will all be strengthened. If UNDP mobilizes increased resources, there will be more for all our executing bodies.

To do each of these three things, there is a UNDP culture we must continue to build. It is a culture of mutual support, of trust, of being on one team and working in harmony. A culture that stresses the development of our own human resources and the capacity of each UNDP manager. A culture that recognizes the importance of our general service and national staffs, and that works across and around bureaucratic lines to keep UNDP open to leadership contributions from all staff groups. A culture that recognizes talent, particularly among our younger staff members, and realizes that we must do more to recruit and advance women.

In conclusion, I can only say how much I am looking forward to working with you and with all our stakeholders. I am impressed by what I have seen of UNDP in headquarters and in the field, and I am also impressed by the magnitude of the challenges we face. As we begin our work together to meet these challenges, I hope my comments this afternoon will be a helpful point of departure for dialogue among ourselves and with our Governing Council and the countries which we serve. They are a beginning, not an ending.

So much depends on us - on you, really. The world - this conglomerate of compassion and violence, achievement and desperation, ugliness and beauty - it truly is counting on us. The world is not in our hands, but it is in the hands of those with whom we work daily. And they do depend on us. So rise to this occasion. You have the potential to be magnificent.

- - - - -

FORM NO. 75
(6-83)

THE WORLD BANK/IFC

ROUTING SLIP		DATE: 8/12/93	
NAME		ROOM NO.	
Mr. Boris Blazic-Metzner		S7 131	
Acting Director, IEC			
Mr. Shanta Devarajan, Acting			
Director, PRD		N10 049	
APPROPRIATE DISPOSITION	NOTE AND RETURN		
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FOR ACTION	PREPARE REPLY		
INFORMATION	RECOMMENDATION		
INITIAL	SIGNATURE		
NOTE AND FILE	URGENT		
REMARKS:			
FROM: D C Rao		ROOM NO.: S9035	EXTENSION: 33800

OFFICE MEMORANDUM

C.C. Mr. Ray

DATE: August 4, 1993

93 AUG -5 PM 1:18

TO: Mr. Sven Sandstrom, Managing Director, EXC

FROM: S. Shahid Husain, Vice President, LAC

RECEIVED
ECONOMICS
DEVELOPMENT
STRATEGIST

EXTENSION: 39001

SUBJECT: Argentina: Country Strategy Note

1. I attach a Country Strategy Note on Argentina. This updates the analysis in the C.S.P. reviewed a year ago. There is no change in the strategy and lending levels.
2. The note was reviewed in a meeting attended by Central Vice Presidencies and its recommendations were accepted.
3. The macroeconomic situation continues to be satisfactory. However, there are growing concerns about the appreciation of the Peso and the large current account deficit. This is supported by large capital inflows. A change in the exchange regime is not feasible -- new inflationary pressures may arise and a real devaluation may not be possible. The IMF and we agree on the continued emphasis on tight fiscal management. We will press for further fiscal measures if necessary.
4. As in last year's C.S.P. all Bank lending is conditional on continued satisfactory macroeconomic management. For the future, this will include continued satisfactory performance in the IMF Extended Fund Facility.

Distribution:

Messrs./Mmes.

Preston (o/r), Stern, Karaosmanoglu, Rajagopalan (EXC); Shihata (LEGVP); Eccles (CTRVP); Kashiwaya (CFSVP); Rao (DECVP); Choksi (HROVP); Rischard (FPDVP); Serageldin (ESDVP); Einhorn (TREVVP); Linn (FPRVP); Picciotto (DGOVP); Alisbah (PAAVP); Collell (LEGLA); Thahane (SECVP); Jaycox (AFRVP); Kaji (EAPVP); Koch-Weser (MNAVVP); Thalwitz (ECAVP); Wood (SASVP); Ryrie (CEXVP); Iida (MIGEX); Hardy (IMF)

KTC

Pl. cc. incoming

CSP/CSA to EC&PRD

for their info as well

as to DOG.

Dul

01/11

MB (0/2)

Michael

May be worth spending
a few minutes on this rather
tedious report - just to get an
idea of how the Bank is dealing
with environment issues - on a
topic that you will be called
upon to comment on from time
to time.

De
Al.

International Bank for Reconstruction and Development
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S-9-035

FOR
EXECUTIVE
DIRECTORS'
MEETING

DECLASSIFIED

APR 29 2025

For consideration on
Thursday, September 2, 1993

R93-149

WBG ARCHIVES

FROM: Vice President and Secretary

August 2, 1993

The World Bank and the Environment - Fiscal 1993

Attached is a report entitled "The World Bank and the Environment - Fiscal 1993", prepared by the Environment Department. It is proposed that this report be published following its review by the Board.

Questions on this paper should be referred to Mr. El-Ashry (X33202) or Mr. Steer (X33299).

Distribution:

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Directors and Department Heads, Bank, IFC and MIGA

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OFFICE MEMORANDUM

KO

DATE: July 26, 1993
TO: Distribution
FROM: D. C. Rao, Acting Vice President, DEC 
EXTENSION: 33800
SUBJECT: Delegation of Authority

During my absence from the office August 2 through 6, Mr. Amnon Golan will act on my behalf.

Pursuant to paragraph 4 of Annex D of the Administrative Manual Statement No. 1.30, he is hereby designated to sign in the name and on behalf of the Bank/Association during that time any written instruments which I have been designated to sign.

Distribution:

Mmes./Messrs.	L. Preston
	A. Karaosmanoglu
	S. Sandstrom
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	G. Ingram
	S. Yusuf
	A. Ray
	R. Chander
	L. Davis
	M. Walton
	R. Voight
	ISC Files

OFFICE MEMORANDUM

Date: July 16, 1993
To: Distribution
From: D. C. Rao, Acting Vice President, DEC *DL*
Ext: 33800
Sub: Delegation of authority

Effective July 26, John Page will be Acting Department Director, PRD until further notice.

Pursuant to paragraph 4 of Annex D of the Administrative Manual Statement No. 1.30, he is hereby designated to sign in the name and on behalf of the Bank/Association during that time any written instruments which are usually designated to be signed by the Director, PRD.

Distribution:

Mmes./Messrs. L. Preston
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M. Walton
R. Voight

OFFICE MEMORANDUM

Date: July 16, 1993
To: Distribution
From: D. C. Rao, Acting Vice President, DEC *DR*
Ext: 33800
Sub: Delegation of authority

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Pursuant to paragraph 4 of Annex D of the Administrative Manual Statement No. 1.30, he is hereby designated to sign in the name and on behalf of the Bank/Association during that time any written instruments which are usually designated to be signed by the Director, PRD.

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A. Ray
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L. Davis
M. Walton
R. Voight

OFFICE MEMORANDUM

File

DATE: July 12, 1993
TO: Distribution
FROM: D. C. Rao, Acting Vice President, DEC
EXTENSION: 33800
SUBJECT: Delegation of Authority

DEC

During my absence from the office July 19 through 23, Mr. Amnon Golan will act on my behalf.

Pursuant to paragraph 4 of Annex D of the Administrative Manual Statement No. 1.30, he is hereby designated to sign in the name and on behalf of the Bank/Association during that time any written instruments which I have been designated to sign.

Distribution:

Mmes./Messrs.

L. Preston
A. Karaosmanoglu
S. Sandstrom
E. Stern
I. Shihata
M. Ahmed
N. Birdsall
A. Golan
G. Ingram
S. Yusuf
A. Ray
R. Chander
L. Davis
M. Walton
R. Voight
ISC Files

OFFICE MEMORANDUM

K0

DATE: July 12, 1993
TO: Distribution
FROM: D. C. Rao, Acting Vice President, DEC *DR*
EXTENSION: 33800
SUBJECT: Delegation of Authority

During my absence from the office July 19 through 23,
Mr. Amnon Golan will act on my behalf.

Pursuant to paragraph 4 of Annex D of the Administrative Manual
Statement No. 1.30, he is hereby designated to sign in the name and on
behalf of the Bank/Association during that time any written instruments
which I have been designated to sign.

Distribution:

Mmes./Messrs.	L. Preston
	A. Karaosmanoglu
	S. Sandstrom
	E. Stern
	I. Shihata
	M. Ahmed
	N. Birdsall
	A. Golan
	G. Ingram
	D. Jamison
	A. Ray
	R. Chander
	L. Davis
	M. Walton
	R. Voight
	ISC Files
	S. Yusuf

Chry

See Personnel File

TO: M Ahmed
N Birdsall
A Golan
G Ingram
A Ray

July 13 1993

From: D C Rao DCR.

Ext. 33800

Subject: Attached memo from Bilsel Alisbah re FY94 Panel Reviews:FYI

cc. C Cardona: Cathy, let's talk re follow up. Thanks.

OFFICE MEMORANDUM

DATE: June 2, 1993
 TO: All Bank Vice Presidents
 FROM: Bilal Alisbah
 EXTENSION: 80161
 SUBJECT: FY94 Panel Reviews

*ce Dr. chp.
 for action as
 needed.
 + 7LC
 done
 6/8*

1. The current year's PPR process is now at an advanced stage. You will soon be finalizing the names of staff from your vice presidency who will be nominated to the five Bank panels--the Administrative Secretary/Office Manager (AS/OM) Panel; the Division Chief Panel (DCP); the Economist Review Panel (ERP); the Financial and Institutional Review Panel (FIRP); and the Technical Review Panel (TRP). The purpose of this memorandum is to indicate the schedule for the FY94 panel cycle and to highlight some important issues that have a bearing on panel nominations.

Schedule

2. Based on the experience of the previous years, the schedule for the upcoming (FY94) panel cycle will be as follows:

	By
a) Completion of VPU reviews and finalization of list of nominees for each panel	July 16
b) Candidate documentation to be sent to Panel Secretariat	July 30
c) Review of documentation received and preparation of black books (by the Panel Secretariat)	September 7
d) Meetings of the sub-panels	October 15
	November 19
	December 10

*Kate
 Pl. complete clean copy
 to Dec. 10/93. Directors.
 Ann. Cathy to speak to me
 re. follow up.*

t the first two
 ing the list of
 Secretariat would
 panel. However,
 s panel only after

Gen.

OFFICE MEMORANDUM

DATE: May 21, 1993

TO: Mr. R. Chander, DECVF

FROM: D. C. Rao, Acting Vice President, DEC *DCR*

EXTENSION: 33800

SUBJECT: Terms of Reference

On May 30 you will depart for Tashkent and participate in the meeting of the CIS Heads of Statistical Offices. You will make a presentation to the meeting on integrated household surveys and their use in monitoring poverty. You will also interact with the representatives of the CIS Republics on statistical issues. You will stress the need for early return of the CEM tables to the Bank. You will meet with the Bank's Resident Representative and discuss the hiring of a local statistician.

On June 7 you will proceed to Moscow and meet with officials of the CIS Committee on Statistics. You will discuss arrangements for the joint CIS - World Bank Training Workshop on Household Surveys, tentatively scheduled for the Fall. You will seek their cooperation in preparation and translation of documents, identify possible venues, develop estimates of local costs for the Workshop. In addition, you will take up other data issues.

You will then proceed to Geneva on June 13 to attend meetings of the Conference of European Statisticians, and the Ripert Committee. You will brief participants on the Bank's statistical activities in East and Central Europe. You will also meet with the participants and take up coordination of activities with their organizations. While in Geneva you will meet with other agency representatives to broadly discuss arrangements for the ACC Sub-Committee on Statistical Activities.

On your return to Washington on June 19th you will prepare a Back to Office report.

cc and cleared with Mr. C. Michalopoulos *6/1*

cc: Messrs. M. Belkindas, Y. Huang, K. Yurukoglu,
R. Liebenthal, E. Stoutjesdijk, Parvez Hasan, M. Ahmed,
B. Blazic-Metzner, S. Lateef.

OFFICE MEMORANDUM

DATE: May 24, 1993
TO: Distribution
FROM: D. C. Rao, Acting Vice President, DEC 
EXTENSION: 33800
SUBJECT: Delegation of Authority

During my absence from the office June 3 through July 9, Ms. Nancy Birdsall will act on my behalf.

Pursuant to paragraph 4 of Annex D of the Administrative Manual Statement No. 1.30, she is hereby designated to sign in the name and on behalf of the Bank/Association during that time any written instruments which I have been designated to sign.

Distribution:

Mmes./Messrs.

L. Preston
A. Karaosmanoglu
S. Sandstrom
E. Stern
I. Shihata
M. Ahmed
N. Birdsall
A. Golan
G. Ingram
D. Jamison
A. Ray
R. Chander
L. Davis
M. Walton
R. Voight
ISC Files

OFFICE MEMORANDUM

DATE: May 26, 1993

TO: Ms. Mavee Park, ORG

FROM: D.C. Rao, Acting Vice President, DEC 

EXTENSION: 33774

SUBJECT: 1993 Staff Attitude Survey

I understand there has been some confusion regarding the DEC Attitude Survey. This note confirms my concurrence with the following reporting changes on DEC Surveys:

DATA PROCESSING CODE: 1119999990

DEC Directors: Manager Changed from D.C. Rao to LAWRENCE SUMMERS. Manager's Manager L. Preston--Unchanged.

- N. Birdsall
- A. Golan
- D. Jamison
- G. Ingram

DECVP Front Office Staff: Manager Changed from D.C. Rao to LAWRENCE SUMMERS. Manager's Manager L. Preston--Unchanged.

- R. Chander
- L. Davis
- B. Dhomun
- M. C. Fernandez
- J. Lee
- B. Lundquist
- C. Oram
- L. Pritchett
- P. Sorsa (Geneva Office)
- M. Walton

DPG: DATA PROCESSING CODE: 1110499990

A. Ray: Manager Changed from D.C. Rao to ENZO GRILLI. Manager's Manager Changed to LAWRENCE SUMMERS.

IEC: DATA PROCESSING CODE: 1110699990

M. Ahmed: Manager will be D.C. Rao. Manager's Manager Changed to LAWRENCE SUMMERS.

PRD, IEC, RAD, EDI:

Managers correctly listed. Managers' Manager please change to LAWRENCE SUMMERS.

Directors - could you please advise your staff accordingly.

By copy of this memo all concerned staff have been advised of these changes.

Please note my Manager will continue to be Mr. Preston.

I hope this note clarifies the reporting status of the above staff. As our staff have little or no direct contact with Mr. Preston, we have instructed them to interpret "Mr. Preston" as "EXC." I'd appreciate it if you could change your records accordingly. Thanks.

Distribution: DEC Directors, DECVP Front Office, DPG, IEC

cc: Cathy Cardona

(We will be returning Enzo Grilli's Attitude Survey form to you under separate cover, as requested).

May 25 1993

Mr. D C Rao

DC,

Aid Effectiveness Memo

You asked me to find out what happened. Here's what I found.

No one in the Front Office, apart from Mike and Beth, knew anything about this memo until today. Apparently on Sunday evening Mike sent an em to Beth with instructions. He had obviously forgotten she would be absent on Monday.

When I knew Beth was not coming in on Monday I had asked Maria to fill in for her. Maria told me that Beth had briefed her on Friday afternoon on outstanding work. She had also given Maria Mike's password and asked Maria to monitor Mike's incoming em's. As Mike had gone on leave, I guess Beth assumed that if there were any important em's they would be addressed to Mike, not to her, and she did not give her password to Maria as she was only going to be away one day. Maria diligently took care of MW's incoming em's, mail, work etc., as well as Lant Pritchett's work--Beth's other supervisor.

The incident regarding the "Aid" memo was unfortunate but, in the circumstances, not easy to predict. I have asked my colleagues to ensure that their own em's, as well as their supervisor's, are checked in future.

Kate

Kate Oram

OFFICE MEMORANDUM



DATE: May 25, 1993

TO: Mr. T. T. Thahane

FROM: D.C. Rao, Acting Vice President, DEC 

EXTENSION: 33774

SUBJECT: 1993 Annual Meetings - Office Space at the Sheraton Washington Hotel

1. Thank you for your memorandum of May 11. Please find attached the completed form and a list of higher-level staff planning to attend the 1993 Meetings.

2. As in previous years Kate Oram will be the DEC designee on space for the Meetings.

Thanks.

Attach./2

cc: G. Kyritsopoulos

THE WORLD BANK GROUP
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL FINANCE CORPORATION INTERNATIONAL DEVELOPMENT ASSOCIATION
INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES
MULTILATERAL INVESTMENT GUARANTEE AGENCY

INTERNATIONAL MONETARY FUND

Boards of Governors • 1993 Annual Meetings • Washington, D.C.

Please return this form by May 25, 1993 to
Bank/Fund Conferences Office, Room M-8000

D. C. RAO, ACTING VICE PRESIDENT, DEC
Name of Vice President

I will require 1/ rooms for my Vice Presidency at the Sheraton Washington Hotel during the 1993 Annual Meetings.

The contact person for my Vice Presidency is: Kate Oram

(Telephone: 31107) Room S9 035

1/ Space Needed

- 1 VP Office
- 2 HL Offices
- 1 Secretarial Office (3 workstations)
- 1 Conference Room

Thanks.

May 25 1993

Date

PP D.C. Rao

Signature

Mail Address:
JOINT SECRETARIAT
IMF - WORLD BANK GROUP
WASHINGTON, D.C. 20431 U.S.A.

Cable Address:
INTERMEET
WASHINGTONDC (USA)

Courier Deliveries:
JOINT SECRETARIAT
IMF - WORLD BANK GROUP
IMF BUILDING
700 19TH STREET, NW
WASHINGTON, D.C. 20006

Telex:
64111 IMF UW
248331 IMF UR
197677 FUND UT

Facsimile:
(202) 623-4661

1993 Annual Meetings DEC:

List of higher-level staff requiring office space

Mmes./Messrs. D.C. Rao
 Masood Ahmed
 Nancy Birdsall
 Amnon Golan
 Greg Ingram
 Dean Jamison
 Anandarup Ray
 Michael Walton

D. C. Rao p.p.
D. C. Rao
Acting Vice President, DEC
May 25, 1993

8750

THE WORLD BANK/IFC/MIGA

OFFICE MEMORANDUM

DATE: May 11, 1993

TO: Vice Presidents

FROM: T. T. Thahane, Vice President and Secretary

EXTENSION: 80242

SUBJECT: 1993 Annual Meetings - Office Space at the Sheraton Washington Hotel

93 MAY 13 AM 10:57

RECEIVED
DEVELOPMENT ECONOMICS
AND FINANCE

1. Because of increased membership and the creation of new organisational units within the Bank, IFC, MIGA and the Fund in recent years, the demand for offices at the Sheraton Washington Hotel during the Annual Meetings has rapidly expanded. As a result we are facing constraints at the Sheraton and hotel management has also indicated reluctance to continue converting sleeping accommodations into office space.
2. I should, therefore, appreciate your co-operation in limiting your requests for office space during the 1993 Annual Meetings to the essential minimum. Kindly review your needs to see whether you can limit your office requirements at or below last year's level. Vice Presidents who deem it necessary to have offices at the Sheraton are urged to consider whether a conference room might substitute for a number of individual offices.
3. We would appreciate receiving the attached form by May 25, indicating the space requirements for your vice presidential unit during the 1993 Annual Meetings, together with a complete list of the higher-level officials who will occupy the offices.
4. I would also be grateful if you would designate someone from your Front Office who could meet with Mr. George Kyritsopoulos, Office Arrangements Officer of the Bank/Fund Conference Office, to determine office set-up, requirements for furniture and equipment, and other attendant details. Mr. Kyritsopoulos would like to be able to contact your designee shortly on your requirements.

George
80246

Attachment

OFFICE MEMORANDUM

8778

DATE: May 25, 1993
 TO: Distribution Below
 FROM: Mike Walton, DECVP
 EXTENSION: 38418
 SUBJECT: Aid Effectiveness

93 MAY 25 PM 1:46

RECEIVED
 DEVELOPMENT ECONOMICS
 THE WORLD BANK

See misc. File

In view of the extensive interest in whether aid is effective, the Bank is planning to undertake or commission a study of the area. It has been decided to start by undertaking a structured literature review. This stage will be led by DEC, and a small working group has been formed to oversee it. The attached note describes how we plan to proceed. We will keep you informed as the work gets going, and would welcome comments on the proposed approach (if possible by June 1st).

Distribution:

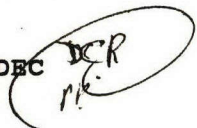
Messrs. I. Husain (AFRVP), V. Thomas (EAPVP), G. Nankani (SASVP), M. Selowsky (ECAVP), L. Squire (MNAV), S. Edwards (LACVP)

cc: Messrs. D. C. Rao (Acting DECVP), R. Ayres (OPRIE), M. Baird (OEDD2), R. Johannes (IECDI), L. Serven (PMDTM), M. Stevens (PPRPG), N. Birdsall, R. Cassen (PRDDR), P. Donovan (ECLIV), Lesley Davis (DECVP), Sylvia Alvero (FPRVP)

OFFICE MEMORANDUM

DATE: May 25, 1993

TO: Mr. T. T. Thahane

FROM: D.C. Rao, Acting Vice President, DEC 

EXTENSION: 33774

SUBJECT: 1993 Annual Meetings - Office Space at the Sheraton Washington Hotel

1. Thank you for your memorandum of May 11. Please find attached the completed form and a list of higher-level staff planning to attend the 1993 Meetings.

2. As in previous years Kate Oram will be the DEC designee on space for the Meetings.

Thanks.

Attach./2

cc: G. Kyritsopoulos

THE WORLD BANK GROUP
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL FINANCE CORPORATION INTERNATIONAL DEVELOPMENT ASSOCIATION
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MULTILATERAL INVESTMENT GUARANTEE AGENCY

INTERNATIONAL MONETARY FUND

Boards of Governors • 1993 Annual Meetings • Washington, D.C.

Please return this form by May 25, 1993 to
Bank/Fund Conferences Office, Room M-8000

D. C. RAO, ACTING VICE PRESIDENT, DEC

Name of Vice President

I will require 1/ rooms for my Vice Presidency at the Sheraton
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The contact person for my Vice Presidency is: Kate Oram

(Telephone: 31107) Room S9 035

1/ Space Needed

- 1 VP Office
- 2 HL Offices
- 1 Secretarial Office (3 workstations)
- 1 Conference Room

Thanks.

May 25 1993

Date

PP D. C. Rao

Signature

Mail Address:

JOINT SECRETARIAT
IMF - WORLD BANK GROUP
WASHINGTON, D.C. 20431 U.S.A.

Cable Address:

INTERMEET
WASHINGTONDC (USA)

Courier Deliveries:

JOINT SECRETARIAT
IMF - WORLD BANK GROUP
IMF BUILDING
700 19TH STREET, NW
WASHINGTON, D.C. 20006

Telex:

64111 IMF UW
248331 IMF UR
197677 FUND UT

Facsimile:

(202) 623-4661

1993 Annual Meetings DEC:

List of higher-level staff requiring office space

Mmes./Messrs.

D.C. Rao
Masood Ahmed
Nancy Birdsall
Amnon Golan
Greg Ingram
Dean Jamison
Anandarup Ray
Michael Walton

D. C. Rao p.p.
D. C. Rao
Acting Vice President, DEC
May 25, 1993

OFFICE MEMORANDUM

DATE: May 13, 1993
TO: Distribution
FROM: Greg Ingram, Acting VP, DEC
EXTENSION: 31052
SUBJECT: **Annual Meetings**

Re the attached memo from Tim Thahane, please let Kate Oram (x31107) know as soon as possible if you are planning to attend this year's Annual Meetings September 28-30, at the Washington Sheraton. Also please let me know the names of any other higher level staff in your departments who may need to use an office during the meetings. Thanks.

Distribution: Ms/Messrs. Birdsall, Ahmed, Golan, Jamison, Ray, Walton

cc: D.C. Rao (o/r)

8750

THE WORLD BANK/IFC/MIGA

OFFICE MEMORANDUM

DATE: May 11, 1993

TO: Vice Presidents

FROM: T. T. Thahane, Vice President and Secretary

EXTENSION: 80242

SUBJECT: 1993 Annual Meetings - Office Space at the Sheraton Washington Hotel

93 MAY 13 AM 10:57

RECEIVED
DEVELOPMENT & TECHNICS
UNIT

1. Because of increased membership and the creation of new organisational units within the Bank, IFC, MIGA and the Fund in recent years, the demand for offices at the Sheraton Washington Hotel during the Annual Meetings has rapidly expanded. As a result we are facing constraints at the Sheraton and hotel management has also indicated reluctance to continue converting sleeping accommodations into office space.

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4. I would also be grateful if you would designate someone from your Front Office who could meet with Mr. George Kyritsopoulos, Office Arrangements Officer of the Bank/Fund Conference Office, to determine office set-up, requirements for furniture and equipment, and other attendant details. Mr. Kyritsopoulos would like to be able to contact your designee shortly on your requirements.

George

80246

Attachment

Mr. Sarwar Lateef

5/10

Sarwar,

I just checked with Alex Shakow's office. Esla tells me they have already circulated the attached to all VPs, MDs & President. I leave it to you to copy to Mr. Adams or whoever else you feel should get a copy.

Thanks.

A handwritten signature in cursive script that reads "Kate".

Kate Oram

att.

3176052

Chen

THE WORLD BANK/IFC/M.I.G.A.

ROUTING SLIP		DATE: May 10, 1993	
NAME		ROOM NO.	
Mr. Masood Ahmed, Acting, IECDR		S8-047	
Ms. Nancy Birdsall		N11-051	
Mr. Amnon Golan		M7-021	
Mr. Greg Ingram		S3-033	
Mr. Dean Jamison		T7-101	
Mr. Anandarup Ray, Acting, DPGDR		S9-049	
Mr. Ramesh Chander		S9-037	
Mr. Michael Walton		S9-035	
☐	URGENT	☐	PER YOUR REQUEST
☐	FOR COMMENT	☐	PER OUR CONVERSATION
☐	FOR ACTION	☐	SEE MY EMAIL
☐	FOR APPROVAL/CLEARANCE	☐	FOR INFORMATION
☐	FOR SIGNATURE	☐	LET'S DISCUSS
☐	NOTE AND CIRCULATE	☐	NOTE AND RETURN
☐		☐	
RE: Attached			
REMARKS:			
For your information. D.C. Rao			
FROM: D.C. Rao, Acting VP, DEC		ROOM NO.: S8-055	EXTENSION: 33800

Also sent to MD/VPs by A. Shallow

EMBARGOED FOR RELEASE
UPON DELIVERY
(APPROXIMATELY 10:00 a.m.)
TEXT AS PREPARED
FOR DELIVERY

cc DEC L. Myers.

Just

17.

STATEMENT BY THE HONORABLE LAWRENCE SUMMERS
UNDER SECRETARY FOR INTERNATIONAL AFFAIRS
TREASURY DEPARTMENT
BEFORE THE
INTERNATIONAL DEVELOPMENT SUBCOMMITTEE
OF THE HOUSE COMMITTEE ON BANKING AND URBAN AFFAIRS

May 5, 1993

Introduction

Mr. Chairman. I am pleased to appear before this Committee to present the Clinton Administration's authorization request for funding of U.S. subscriptions to the multilateral development banks. The total we are seeking for requests to three funds is \$4,460 million, most of which will be made available over a period of several years. The requests are outlined in Annex 1.

We also are seeking authorization for a new initiative for non-concessional debt reduction in the poorest and most needy developing countries, primarily in Sub-Saharan Africa.

This Administration has carefully considered the costs and benefits of the multilateral development banks in light of our international priorities and our own budgetary priorities. We have included them in our legislative proposals for the year because they are cost-effective and because they serve a broad array of U.S. interests -- including the key interest of increasing U.S. exports and jobs.

But we have also recognized the validity of claims made by those who say it is time for the Banks to adapt and to change the way they do business in some areas. In our view, there is ample room for improvement. There must be changes if we are to justify our continued support for the Banks in the future.

This Administration has an agenda for change in the multilateral development banks. They must become more open and seek out more opportunities for public participation. They must emphasize sustainable development, investment in people, and economic opportunities for the poor. Environment and energy efficiency are urgent requirements. Projects must be better designed and implemented. The Banks must adapt more readily to global

THE WORLD BANK/IFC/M.I.G.A.

ROUTING SLIP		DATE: May 10, 1993	
NAME		ROOM NO.	
Mr. Inder Sud		Q-5-015	
	URGENT		PER YOUR REQUEST
	FOR COMMENT		PER OUR CONVERSATION
	FOR ACTION		SEE MY EMAIL
	FOR APPROVAL/CLEARANCE		FOR INFORMATION
	FOR SIGNATURE		LET'S DISCUSS
	NOTE AND CIRCULATE		NOTE AND RETURN
RE: Berne Union Relations			
REMARKS: Inder, I trust this problem can be avoided in future. DPG has an important stake in these consultations. D.C. Rao			
FROM: D.C. Rao, Acting VP, DEC		ROOM NO.: S8-055	EXTENSION: 33800

OFFICE MEMORANDUM

6933

I.SudIndex

I think this
problem can be
avoided in
future. DPG
has an important
role in these
consultations.

93 MAY -6 AM 10:30

RECEIVED
DEVELOPMENT ECONOMIC

DATE: May 5, 1993

TO: Mr. Anandarup Ray
mini for

FROM: Michael Lav, Economic Adviser, DPG

EXTENSION: 35092

SUBJECT: Berne Union Relations

1. This memorandum is to amplify one aspect of my back to office report, namely, the need for better coordination within the Bank on Berne Union matters. This issue arises in the context of the forthcoming meeting of the Berne Union/IBRD Standing Liaison Committee which was arranged for June 21. This date was selected after correspondence last January and March between CFS and the Berne Union Secretariat, about which I was not informed. The correspondence followed discussions during the December visit of the Berne Union President's Group to Washington, which I managed and to which I invited CFS for discussion of a range of issues with the Berne Union, including matters to be addressed by the Liaison Committee.

Did
577.

2. I first learned that a June date had been selected for the meeting in discussion with CFS on April 15, when I called to ask if there were issues which they wished me to pursue during the Berne Union Meeting in Brussels. When I checked on April 18 with the Berne Union, I found that the date of June 21 had been locked in and could not be changed.

3. This is unfortunate, since a Paris Club meeting is scheduled for that week, and, should a conflict arise, I would be obligated to attend the Paris Club meeting.

4. We will need to ensure that this kind of problem does not arise in the future. For the present, we will need to carefully coordinate in preparation for the June 21 meeting. One issue to be addressed is how best to handle discussion of the negative pledge issue.

cc: Messrs/Mmes: Karaosmanoglu; Kashiwaya; Rao, DECVP; Sud, Shapiro, Oimann, CFS.

Chim

THE WORLD BANK/IFC/M.I.G.A.

ROUTING SLIP		DATE: May 10, 1993	
NAME		ROOM NO.	
Mr. Masood Ahmed, Acting, IECDR		S8-047	
Ms. Nancy Birdsall		N11-051	
Mr. Amnon Golan		M7-021	
Mr. Greg Ingram		S3-033	
Mr. Dean Jamison		T7-101	
Mr. Anandarup Ray, Acting, DPGDR		S9-049	
Mr. Ramesh Chander		S9-037	
Mr. Michael Walton		S9-035	
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☐	NOTE AND CIRCULATE	☐	NOTE AND RETURN
☐		☐	
RE: Attached			
REMARKS: For your information. D.C. Rao			
FROM: D.C. Rao, Acting VP, DEC		ROOM NO.: S8-055	EXTENSION: 33800

OFFICE MEMORANDUM

cc. Dec Director, MW, LC

DATE: May 6, 1993

TO: Mr. James W. Adams, Director, OPR

FROM: Wadi D. Haddad, OPRNY *Wadi*

EXTENSION: 37187

SUBJECT: Administrative Committee on Coordination (ACC)
First Regular Session, 1993
Rome, Italy, 9-20 April, 1993

1. The ACC session was chaired by the Secretary-General (SG), of the UN and attended by the executive heads of the UN Programs and Funds and the Specialized Agencies, with the exception of the Bank and Fund. The Bank was represented by Armeane Choksi, accompanied by James W. Adams and myself. The Session focussed on three main items:

- (a) Functioning of ACC and its subsidiary machinery;
- (b) Follow-up to UNCED; and
- (c) Coordination of humanitarian assistance.

The official summary of conclusions of the Session is attached as an Annex.

Functioning of ACC

2. To assist ACC in its deliberations, Mr. Blanchard, a former Director-General of ILO had been asked by the SG to prepare a report on the subject. Blanchard's report followed the submission of a preliminary report to ACC in October, 1992. That report led ACC to reform its subsidiary machinery, in a manner that was very much in line with the Bank's recommendations. Blanchard's follow-up report, however, raised a number of controversial issues regarding the mandate and functioning of ACC. A preliminary discussion of the report at an earlier meeting of the ACC Organizational Committee revealed that ACC member institutions had serious reservations about Mr. Blanchard's basic concept of ACC as a Committee led by the SG and in which members commit to act as the SG's "personal advisers" and "aides." These reservations were dealt with in the private meeting of the SG with the heads of the Specialized Agencies. Consequently, the text that was adopted by the ACC reaffirmed the traditional mandate of ACC as "a committee of executive heads who have been entrusted by the Governing Bodies which elected them with implementing the policies determined by those bodies and carrying out the programs approved by them." ACC also adopted a set of principles and working methods that should improve its functioning.

3. The adopted text of the ACC mandate (Annex, para 6) gives a participant - rather than membership - status to the heads of the UN

- 2 -

Programs (e.g., UNDP, UNICEF, UNFPA, WFP, UNEP...). This led to a strong expression of discontent and a bitter discord. It was agreed that the SG will consult with the UN Legal Department to check whether the original mandate of the ACC as decreed by ECOSOC, allows for a membership status of the UN Program heads.

ACC Subsidiaries

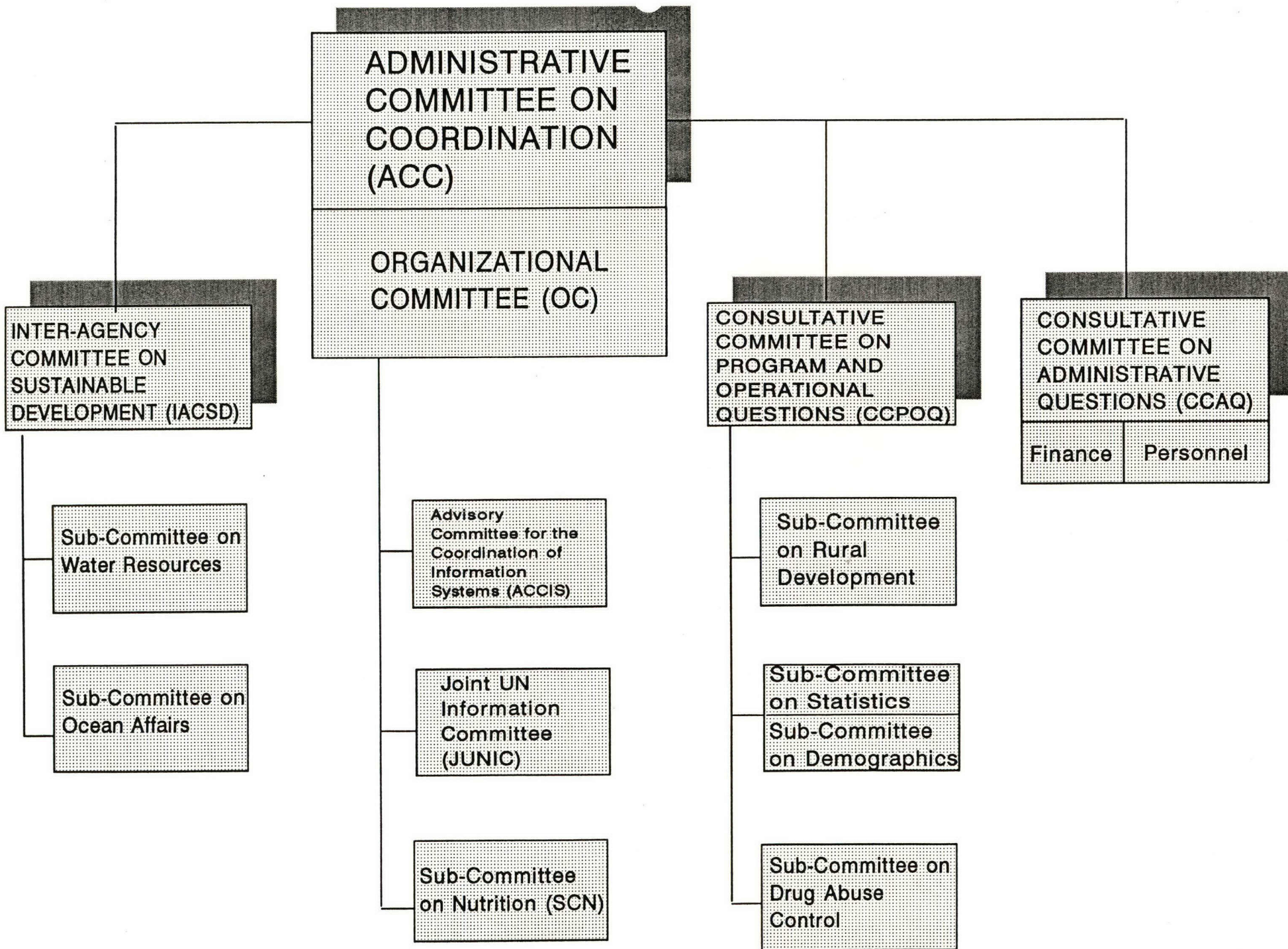
4. Following the first Blanchard Report, ACC in its October, 1992 Session authorized the SG to review and streamline the existing multitude of subsidiary bodies. In December, 1992, the SG recommended the following:

- (a) 9 subsidiaries to be absorbed by the new CCSQ or IACSD;
- (b) 4 subsidiaries discontinued as standing arrangements;
- (c) All inter-agency arrangement set-ups for the preparation of special events should discontinue when these events have taken place;
- (d) 64 inter-agency bodies or arrangements should be pronounced to be outside the ACC system;
- (e) 9 remaining bodies should be reviewed by the standing committee of ACC to determine their future.

ACC endorsed the outcome of the review process and further recommendations by Mr. Blanchard. The resulting structure of the ACC machinery is shown in the accompanying schematic diagram.

5. This structure has implications for the Bank:

- (a) The Bank should not feel institutionally obligated to participate in any inter-agency body outside the ACC structure;
- (b) The new ACC structure is layered, that is, the subcommittees work towards and report to the main committees which in turn prepare for and report to ACC. The Bank should therefore internally manage the Bank's involvement in these entities in the same fashion, to ensure continuity, consistency and cumulativeness of information. In other words, the Bank's representatives on the main committees should work closely together (coordinated by the representative on the OC), and the representatives on the subcommittees should work closely with the Bank's representative on the main committee to which the subcommittees report. It would also be important to keep a central record of all the proceedings and BTORs. At some point, a meeting of representatives and/or focal departments would be useful to work out the inhouse coordination arrangements.



Follow-up to UNCED

6. In view of the upcoming first substantive session of the newly formed Commission on Sustainable Development (CSD), the ACC adopted a statement on the subject to be transmitted to CSD. The statement enumerates how the UN system is reorienting its priorities and programs in light of the Rio Summit, and highlights three key issues germane to the implementation of Agenda 21: allocation and sharing of responsibilities amongst various UN agencies for implementation of Agenda 21, coordination of the UN structures and actions, and financing. As is to be expected, the statement puts forward a plea for additional resources to be made available to the UN system (including to IFAD and the Global Environment Facility) to meet the mandates stemming from Agenda 21. The statement also notes the slow progress in the implementation of Agenda 21 (especially at the country level), and states explicitly that the lack of adequate finance is among the principal constraints in all countries.

Coordination of Humanitarian Assistance

7. In introducing this topic, Mr. Eliasson, Under-Secretary-General for Humanitarian Affairs noted that the number and frequency of special appeals for humanitarian assistance were increasing, and could be diverting resources away from development assistance. He was appreciative of the cooperation he had received from other agencies, including the Bank and the Fund, in the preparation of such appeals. He assured the ACC that his department did not intend to assume operational responsibilities but rather to tap the distinctive capacities and expertise of individual organizations. The subsequent discussion emphasized that efforts should be made to bring about an appropriate balance between the humanitarian and peace-keeping dimensions of UN operations (e.g., with appropriate wording in the relevant Security Council resolution authorizing military operations such as in Somalia), and that rehabilitation and development efforts must be interlinked with, rather than follow upon, emergency relief measures. During discussions of the background document, the Bank and Fund emphasized the need to structure relief measures in such a way as to protect, as far as possible, the country's adjustment efforts. It is expected that these discussions will be reflected in the Secretary-General's report to ECOSOC this summer.

Next ACC Meeting

8. The second regular session of ACC will be held at UN headquarters, 19-20 October, 1993. The first Session of 1994 will be held at ITU (Geneva), 11-13 April.

9. Following the ACC meeting, OC had a preliminary exchange of views on possible substantive issues for inclusion in the agenda of the October ACC meeting. There was broad agreement that policy issues relating to resource flows and financing for development, the Social Summit and the Agenda for Development (to be discussed by the General Assembly) could be

among the appropriate topics for consideration. It was emphasized, however, that if these topics were to be selected, their interlinkages should be appropriately reflected.

Attachment

WDHaddad:jt

cc: Attila Karaosmanoglu, Sven Sandstrom, Ernest Stern (EXC); Armeane Choksi (HROVP); Bilsel Alisbah (PAAVP); D.C. Rao (VPDEC); Ismail Serageldin (ESDVP); Alexander Shakow (EXTDR); Mohamed El-Ashry (ENVDR); Andrew Steer (ENVDR); Sarwar Lateef (OPRIE); Timothy Cullen (EXTIP); Callie Boucher (OPRIE).

Chen

THE WORLD BANK/IFC/M.I.G.A.

ROUTING SLIP		DATE: May 10, 1993	
NAME		ROOM NO.	
Mr. Masood Ahmed, Acting, IECDR		S8-047	
Ms. Nancy Birdsall		N11-051	
Mr. Amnon Golan		M7-021	
Mr. Greg Ingram		S3-033	
Mr. Dean Jamison		T7-101	
Mr. Anandarup Ray, Acting, DPGDR		S9-049	
Mr. Ramesh Chander		S9-037	
Mr. Michael Walton		S9-035	
☐	URGENT	☐	PER YOUR REQUEST
☐	FOR COMMENT	☐	PER OUR CONVERSATION
☐	FOR ACTION	☐	SEE MY EMAIL
☐	FOR APPROVAL/CLEARANCE	☐	FOR INFORMATION
☐	FOR SIGNATURE	☐	LET'S DISCUSS
☐	NOTE AND CIRCULATE	☐	NOTE AND RETURN
☐		☐	
RE: Attached			
REMARKS:			
For your information. D.C. Rao			
FROM: D.C. Rao, Acting VP, DEC		ROOM NO.: S8-055	EXTENSION: 33800

OFFICE MEMORANDUM

cc. Dec SM
Del
Mr.

DATE: May 3, 1993

TO: Distribution List

FROM: Minh Chau Nguyen, Manager, WID, ESP

EXTENSION: 31822

SUBJECT: WID Monitoring of FY93 SARs: An Update

Attached for your information is the FY93 half-yearly report on attention to women in development in the Bank's lending operations, as judged from the SARs. The results are positive: 45 percent of project documents contain gender-specific action, compared to 38 percent in FY92. It must be noted that some of the regional and sectoral groupings contain few projects, so the results must be interpreted with caution.

Nevertheless, the trend is up in most sectors and almost all regions report higher proportions of operations with specific actions to address gender issues relative to previous years.

Commencing in FY94, the WID monitoring report will focus on implementation of Bank projects with gender-specific actions. The WID Initiative was launched about six years ago and by now the Bank has built up sufficient implementation experience to warrant stock-taking of project performance and assess how effective such measures have been "on the ground". The tracking of operations designed with gender-specific actions would respond to the off-expressed operational need for best practice and dissemination of lessons learned in the WID area. The operations selected will be from among those which are already beyond the first or second year of the project cycle. Broadly, the monitoring report will be based on information derived from supervision missions, 590 forms and supervision reports, from assessment of task manager and team members, and where possible, on-site evaluative information obtained from the participants and beneficiaries.

We invite your comments and suggestions. Based on the above, the next WID monitoring report will consist of three-page assessments of each operation being reviewed, including the implementation issues, progress achieved and lessons learned. About two to three operations will be covered in each quarterly report featuring a specific sector or sub-sector. If you have suggestions or questions, please direct them to Sayeeda Chaudhry (ext. 33491, Rm. S2-101).

Attachment

D. C. Rao
S 8055

Distribution:

Messrs/Msdmes:

Rao (DECVP), Lafourcade (AF1DR), Colaco (AF2DR), Aguirre-Sacasa (AF3DR), Lim (AF4DR), Marshall (AF5DR), Denning (AF6DR), Cleaver (AFTDR), Morris-Hughes (AFTHR), Blackden (AFTHR), Madavo (EA1DR), Burki (EA2DR), Haug (EA3DR), Hamilton (SA1DR), Vergin (SA2DR), Isenman (SA3DR), Ritchie (ASTDR), Wiehen (EC1DR), Dervis (EC2DR), Cheetham (EC3DR), Kavalsky (EC4DR), Kohli (MN1DR), Chopra (MN2DR), Sood (EMTDR), Steckhan (LA1DR), Segura (LA2DR), Abe (LA3DR), Loh (LA4DR), Sri-am Aiyer (LATDR), Adams (OPRDR), Derbez (AF1CO), Pannenburg (AF1PH), Carter (AF2CO), van Lutsenburg Maas (AF2PH), Gorjestani (AF3CO), (AF3PH), Salop (AF4CO), Porter (AF4PH), Sarbib (AF5CO), Fredriksen (AF5PH), Patel (AF6CO), Grawe (AF6PH), Husain (AFTHR), Ikram (EA1CO), Shivakumar (EA1PH), Pearce (EA2CO), Ecevit (EA2EH), Shilling (EA3CO), Martinez (EA3PH), Kilby (SA1CI), Karcher (SA1PH), Khalilzadeh-Shirazi (SA2CI), Skolnik (SA2PH), Penalver-Quesada (SA3CI), Herz (SA3PH), Socknat (ASTHR), Levy (EC1CO), Harbison (EC1/C2HR), Noel (EC2CO), Yurukoglu (EC3C1), Huang (EC3C2), Liebenthal (EC3/C2HR), Kanaan (EC4C1), Ayub (MN1CO), Hees (MN1PH), Voyadzis (MN2CO), Keare (MN2PH), Heyneman (EMTHR), Papageorgiou (LA1CO), Colliou (LA1HR), de Ferranti (LA2C1), Lacey (LA2C2), Woo Lee (LA2HR), de Tray (LA3C1), Delvoie (LA3C2), van der Gaag (LA3HR), Cowsett-Coirolo (LA4CO), Schweitzer (LA4HR), Jimenez (CECPH), Manley (LEGEA), de Merode, Bulatao, Cochrane, Tinker, Measham, Berg, Merrick (PHN), Hadler (EC1CO), King (PRDPH), Bennett (ASTHR), Dayal (ASTHR), Tillier (EXTIP), Johnston (EA1PH), Dell (EDICD), van Nimmen (EDIHR), Rosenhouse (LATHR), Velez-Bustillo (LA2HR)

ESP Staff
IISC
Div. Files

MCN:spd

OFFICE MEMORANDUM

DATE: May 3, 1993

TO: Minh Chau Nguyen, Manager, WID, ESP

FROM: Sayeeda A. Chaudhry, ESP *SAC*

EXTENSION: 33491

SUBJECT: WID Monitoring Update for FY93 SARs

1. The monitoring of FY93 Staff Appraisal Reports is at its half way stage. The trend is up following a year of no progress in the level of attention paid to gender in Bank operations. A total of 105 SARs were evaluated of which about 45 percent contained gender-specific actions and interventions. This compares to 38 percent for the full year FY92. All regions have improved over last year with the exception of East Asia; South Asia so far shows almost three out of four projects with gender-specific actions and Africa has two in three that do so.

2. Sectoral Performance. Many of the sectors have improved or have ratings similar to last year. A preliminary report is given for sectors where the numbers are large enough to warrant some assessment of trends. So far, Agriculture operations have achieved a rating higher than previous years: 63 percent. Education has 67 percent of its operations addressing gender, and appears to be holding on to the peak achieved last year (68 percent). Human Resource operations (excluding Education and PHN which are reviewed separately, but including employment, training, labor market & productivity operations) have an 83 percent rating, maintaining exactly the same level observed at the close of FY92. PHN with 92 percent, is also at the same level as last year. Similarly, the Social Sector (operations such as Social Investment Funds), albeit small in number, has 100 percent rating, sustained since FY90. Infrastructure has 16 percent, similar to 17 percent in FY92. The Environment sector has produced the first gender-responsive environmental resource management project (Ghana, SAR 10691). Urban, Energy and Finance sectors as yet have no operations with gender treatment. The totals and percentages for the sectors can be found in Table 2.

3. Regional Performance. So far, South Asia has the largest proportion -- about 73 percent -- of operations with gender-specific actions. Africa is second with 64 percent of its projects rated "2". LAC has 40 percent. MENA and ECA have about one in three projects rated "2" and East Asia has one in four (see Table 1).

4. Portfolio Composition. If all projects in sectors with capacity to address gender undertook to do so, it is estimated that between 60 and 70 percent of all Bank operations could contain gender-specific action. Of course the outcome in any one year is subject to sectoral distribution of projects. The portfolio distribution naturally has implications for the ultimate gender impact of Bank operations. The monitoring system has identified potential areas where gender-targeting opportunities have been missed. Infrastructure operations have the largest share of the portfolio, one-fourth, followed by Agriculture with almost a fifth (see Table 2). As an important sector in Bank lending, Infrastructure operations are in a position to develop opportunities for involving women in water supply and sanitation, in road and feeder road projects, in rural road rehabilitation and maintenance and hence to help shift the overall (all projects) rating up. To date, East Asia and LAC have the largest share of Infrastructure operations (15 out of 26). PHN and Education each represent about a tenth of the Bank's portfolio of operations so far this year (12 and 11 Percent respectively). When combined with PHN and Education, the "Human Resources

umbrella" covers about the same share of the portfolio as Infrastructure. When Agriculture operations are combined with the latter two major categories -- the Human Resource umbrella and Infrastructure -- the three together represent a formidable three-fourths of Bank's operations.

5. Improvement in Efforts To Ensure Implementation. Recommendations of the Wappenhans Portfolio Management Task Force Report on Effective Implementation already appear to be impacting a significant number of projects. Unprecedented, is the large proportion of projects rated "2" with respect to gender coverage that also incorporate performance management measures aimed at ensuring desired project outcome with regard to gender. Over half of FY93 SARs rated "2" contain performance and monitoring indicators specifically designed to measure the project's gender impact. To further ensure implementation of the gender aspects, some project documents also incorporate gender related "conditions of effectiveness". This is a marked improvement from the previous years when very few projects took such steps. The following examples are selected from SAR "monitoring and performance", and "impact indicator" schedules:

INFR 1. Water Supply and Sanitation Monitoring Guidelines. (a) number of women involved in the village water supply and sanitation committees and in the operation, supply & maintenance (OSM); and (b) measurement of time saved by women per village per year. (India: Karnataka Rural Water Supply & Env. Sanitation, SAR No. 11450).

2. Community WSS Project Monitoring Indicators:

Component: Project Development; Quantitative Coverage: No. of women participated; Indicator Input: No. of women leaders trained; Qualitative Indicator: percentage of leaders participated who are women.

Component: Training; Qualitative Indicators: Percentage Increase of female village health workers, health inspectors, volunteers, health evaluators, operators; percentage of women trained and promoted. (Sri Lanka: Community Water Supply & Sanitation Project, SAR no. 10571)

EDUC 3. Key Indicators:

Enrollment Rates: Baseline for Girls: 15%	Target 1999: 25%
Ave. Dropout Rates: Baseline for Girls: 22%	Target 1999: 10%
Enrollment Increase: Baseline Girls: 0	Target 1999: 93,100

(Pakistan: Balochistan Primary Education Program, SAR No. 11403)

AGR 4. Key Indicator for Impact Variables:

Contact by Field Extension Worker (FEW):

(a) Number of contact visits

(b) Attendance at FEW's visits to various groups: Males; Females.

Annual Target for Implementation and Impact

Impact: No. of Adopting Women & Young Farmers (000's). 1993:14; 1994:20; 1995:40; 1996: 60.

(Uganda: Agricultural Extension Project, SAR No. 10904)

The following are two examples of FY93 projects rated "2" for attention to WID. A more comprehensive list of project descriptions with actions to help women will be made available at the end of FY93 review period.

Uganda: Agricultural Extension Project (Report No. 10904; Sept. 1992)

Actions for Women and Young Farmers

(a) **Diagnostic Surveys.** Diagnostic surveys to be conducted in each new district and to include questions on the roles, decision making patterns and technical gaps pertaining to women and young farmers.

(b) **Formation of Special Women and Young Farmer Target Groups.** While women and young farmers would be included in general groups, special groups would also be formed to give attention to their specific needs.

(c) **Increasing the Number of Female Extension Workers.** Even in areas where there are no restrictions on male/female contact, communication with female farmers is generally enhanced when female extension agents are used. Therefore following actions are to be initiated:

- Increasing the enrollment of girls in agricultural colleges so that future extension requirements could be met through trained staff.
- Redeploying and training of female agents already working with rural women in subjects such as home economics.
- Appointing SMSs at District level, and if possible at Country level to specifically address the problems of women and youth.

(d) **Improving the Contact and Communication between Extension Agents and Female Farmers.** Male extension agents would be trained to work with mixed groups and special women target groups, orientation and in-service programs would be conducted for male extension agents on specific technologies and methodologies of working with women target groups.

(e) **Improving the Appropriateness of the Messages and Technology for Women and Young Farmers.** This initiative would be implemented by :

- Identifying the infrastructure and technology needed for women based on diagnostic surveys.
- Developing the suitable linkages with the research institutions to ensure that the research agenda covers farming activities of women and that technologies are developed to meet the needs of women farmers.
- Improving available tools and machines and designing tools and machines suitable to remove drudgery of rural women.

(f) **Organizing Special Training Programs for Rural Women and Young Farmers.** This initiative would be met by mobilizing and giving training to selected women and young farmers groups on:

- Identified skills relating to agricultural practices performed by women.
- Special economic activities such as bee-keeping, mushroom cultivation, fish farming, agro-forestry, vegetable gardening, and sericulture, which have high returns and are particularly amenable to women or group management.
- Post harvest technology, processing of foods, nutrition, environment protection, home management and health practices.

Women and young farmer groups would be given equal opportunities and encouraged to participate in field days, study tours and competitions to enhance their knowledge and skills as well as to motivate them to participate in the project. During this process, this project would coordinate with the other special donor and non government agency projects serving rural women and young farmers.

Turkey: Employment and Training Project (Report No. 10331; Nov. 1992)

Actions to promote women's employment

1) The first consists of actions to promote women's employment under most of the individual project components. These include the following:

a) More than half of the individuals trained and placed in jobs under the IIBK pilot program of job-insertion training have been women. It is expected that women would continue to benefit significantly in the extension of that program under the job-insertion component of the project. The component would also support the development of actions to promote women's employment in non-traditional occupations -- in which few women are currently employed, but which offer good potential for productive employment of women.

b) The employment and counseling services component would promote women's employment opportunities by halting the specification of gender preferences in job vacancy listings and by eliminating gender stereotyping from counseling materials and procedures.

c) The labor-market information component would provide for collection, documentation, and analysis of gender-specific employment data as a basis for identifying trends in female employment and developing appropriate policies to promote productive employment of women. It would also eliminate the gender stereotyping of job categories in those data series where it currently exists.

d) The occupational standards and certification component would ensure gender-neutrality of occupational standards and test items to be developed under the component.

2) The second element is a Policy and Action Research Fund which the project would support within the new Directorate on the Status and Problems of Women (DSPW).

The Policy and Action Research Fund Component is to support action-oriented research on female employment issues in Turkey. Research studies would be commissioned by the DSPW under the mandate of the DSPW and in consultation of the Research Advisory Committee convened by DPWD comprising representatives of other project agencies, NGOs, universities, research institutes, and other government agencies with a mandate and interest in women's employment. The studies would document the existing situation of women's employment and training, and would identify factors which impede and promote women's access to productive employment and to improve women's productivity and earnings.

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6. Regional Performance by Sectors. (See Tables 3.1 to 3.10. A note of caution is due here in that with such a fine breakdown for each region, the number of operations in a given sector may be very small).

Africa.Percent SARs with WID-specific Actions

AGR	75%	EDU	100%	HR	100%	INF	50%
PHN	100%	IND	50%	SAL	NA	SS	NA

Africa has achieved significant progress in gender coverage in SARs. The aggregate rating is 64 percent or two out of three compared to 48 percent --or about one in two operations-- last year. As shown here, all its Education, PHN, Human Resource, and three out of four Agriculture operations integrate gender-specific activities. Last year, Agriculture had 60 and Education 67 percent. About half of its FY93 Industry and Infrastructure operations do the same.

East Asia.Percent SARs with WID-Specific Actions

AGR	100%	EDU	40%	HR	NA	INF	0%
PHN	100%	IND	0%	SAL	NA	SS	NA

East Asia has an aggregate of 25 percent, a decline from 37 percent last year. Both its operations in PHN, and the one in Agriculture include gender-specific actions, giving these sectors a full score. Two out of five operations in Education were rated "2" for gender coverage. None of the seven Infrastructure projects contained any gender-specific actions. Some the the other sectors had no operations and are shown as "NA".

South Asia.Percent SARs with WID-Specific Actions

AGR	100%	EDU	100%	HR	100%	INF	100%
PHN	100%	IND	0%	SAL	NA	SS	NA

South Asia has the highest aggregate rating among the regions: 73 percent; this rank and rating is, however, preliminary particularly in view of the small number of project appraisal documents produced thus far and evaluated. Between one to two operations are the extent in each of the sectors listed above, and of these, all in Agriculture, Education, Human Resources, Infrastructure and PHN operations gave recognition to gender issues and included interventions designed to enhance opportunities for women. Some of the traditionally strong sectors such as Social Sectors and Rehabilitation have not yet come under review this year for E. Asia.

ECA.Percent SARs with WID-Specific Actions

AGR	100%	EDU	NA	HR	50%	INF	0%
PHN	100%	IND	0%	SAL	NA	SS	NA

ECA has aggregate rating of 33 percent. Similar to South Asia, ECA has very few SARs evaluated to date. Its only PHN and Agriculture operation address gender and one of its two Human Resource operations do so. Again, as is frequently the case, The ECA, like other some other regions, did not undertake operations in many of the sectors that traditionally address WID. Social Sectors, Education and Rehabilitation sector ratings are therefore "NA".

LAC.Percent SARs with WID-specific Actions

AGR	20%	EDU	100%	HR	100%	INF	13%
PHN	80%	IND	NA	SAL	NA	SS	100%

LAC has an aggregate rating of 40 percent to date. With high ratings in only some of the key sectors, its overall rating has improved markedly because of its PHN and Social Sectors (Social Investment Fund) projects,

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which make up two thirds of LAC projects "2". Most of its PHN, and all the Social Sector, Human Resource and Education projects contain gender-specific actions.

MENA.Percent SARs with WID-specific Actions

AGR	50%	EDU	0%	HR	NA	INF	0%
PHN	100%	IND	NA	SAL	NA	SS	NA

MENA has aggregate rating thus far of 30 percent, almost unchanged from last year's 29 percent. Like ECA, MENA has a small number of operations appraised and evaluated to date. Its only Education SAR was without gender coverage and one of its two Agriculture SARs have gender-specific actions. All its PHN projects contain actions designed to impact on women. The last is an improvement over FY92 when the only PHN project that did not mention women belonged to this Region. Like some others, MENA so far does not have operations in sectors with strong links to WID, such as Social Sectors, Human Resources or RHB.

7. The evaluation criteria and definition of "what counts" can be found in Page 7. The distribution of SARs according to WID rating for each of the six regions is shown for selected sectors in Table 3.1 to 3.7. Over the past six years the trend has been strongly upward, except for last year when the aggregate rating dipped to 38 percent. The improvement in quality and design of gender-focused activities has been just as significant as the number of operations that address gender. Shown below are the overall WID ratings of Bank operations over six years.

FIG 2

Progress In Treatment of WID Issues In Operations, '88,'89,'90,'91 & '92

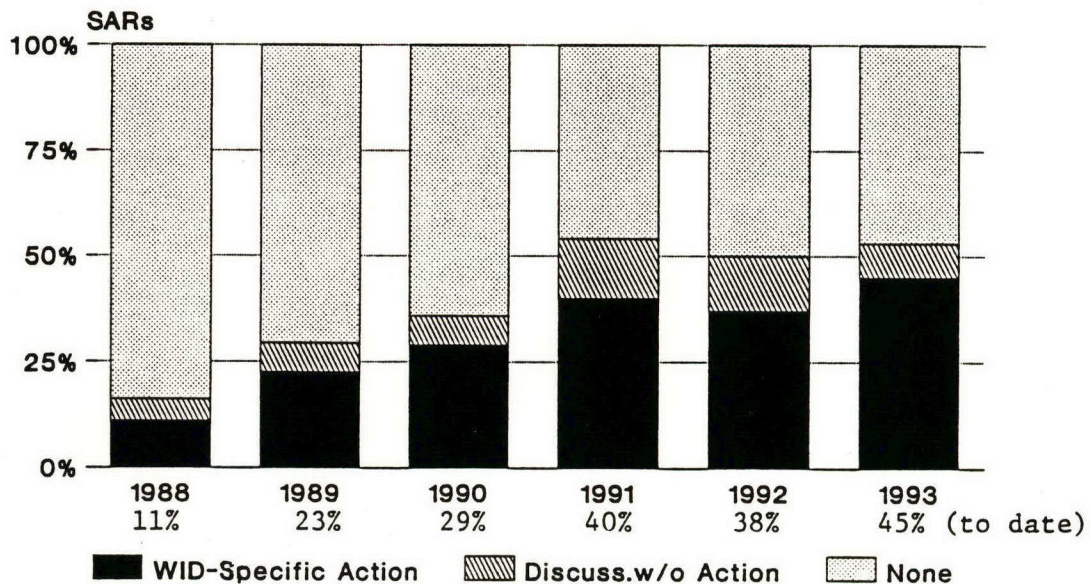
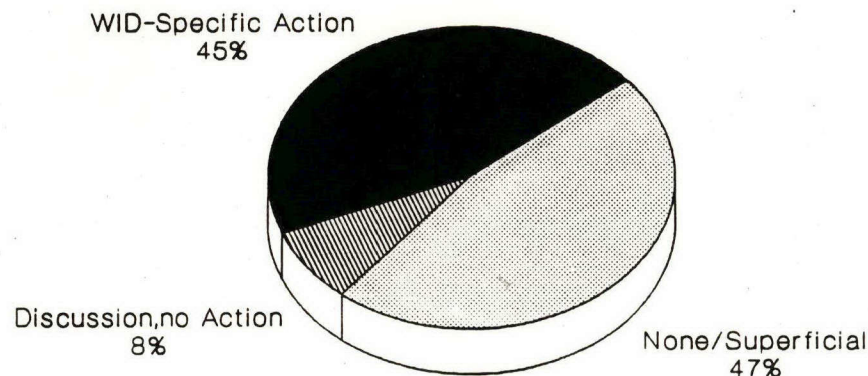


FIG 1

Level of Treatment of WID Issues in SARs FY93 Staff Appraisal Reports



WID Classification (0 - 2)

Key to WID Rating

- | | |
|--------------|--|
| Category "0" | Little or no mention of gender issues. |
| Category "1" | Discussion/ analysis of gender issues but no project-specific actions/conditions |
| Category "2" | Analysis and project-specific actions/ conditions to help women. This is the category used to determine the percentages defining sectoral or regional performance in the monitoring system. Category "2" projects are further subdivided into "limited actions" (classified as "E") and actions judged to have potential for substantial impact (classified as "F"). These are not reported here but data can be provided. |

Table 1

ALL FY93 SARs sorted by Region
 Tabulated by WID-Classification (0-2), numbers & percentages

Region-FY	0's	Percent	1's	Percent	2's	Percent	TOTALS	REGIONS
Africa93	9	36.00	0	0.00	16	64.00	25	
AsiaE 93	12	60.00	3	15.00	5	25.00	20	
AsiaS 93	3	27.27	0	0.00	8	72.73	11	
ECA 93	5	55.56	1	11.11	3	33.33	9	
Iac 93	15	50.00	3	10.00	12	40.00	30	
Mena 93	6	60.00	1	10.00	3	30.00	10	
TOTAL	50	47.62	8	7.62	47	44.76	105	

Table 2

ALL FY93 SARs sorted by Sector
 Tabulated by WID-Classification (0-2), numbers & percentages

Sector-FY	0's	Percent	1's	Percent	2's	Percent	TOTALS	SECTORS
AGR93	4	21.05	3	15.79	12	63.16	19	
DVA93	5	83.33	0	0.00	1	16.67	6	
KDU93	1	8.33	3	25.00	8	66.67	12	
RGY93	8	100.00	0	0.00	0	0.00	8	
RNV93	3	75.00	0	0.00	1	25.00	4	
FIN93	2	100.00	0	0.00	0	0.00	2	
HR 93	0	0.00	1	16.67	5	83.33	6	
IND93	4	80.00	0	0.00	1	20.00	5	
INF93	21	80.77	1	3.85	4	15.38	26	
PHW93	1	7.69	0	0.00	12	92.31	13	
SS 93	0	0.00	0	0.00	3	100.00	3	
VER93	1	100.00	0	0.00	0	0.00	1	
TOTAL	50	47.62	8	7.62	47	44.76	105	

Table 3.1

ALL FY93 AGRICULTURE SARs sorted by Region
 Tabulated by WID-Classification (0-2), numbers & percentages

Region-FY	0's	Percent	1's	Percent	2's	Percent	TOTALS
Africa93	2	25.00	0	0.00	6	75.00	8
AsiaE 93	0	0.00	0	0.00	1	100.00	1
AsiaS 93	0	0.00	0	0.00	2	100.00	2
ECA 93	0	0.00	0	0.00	1	100.00	1
Lac 93	1	20.00	3	60.00	1	20.00	5
Mena 93	1	50.00	0	0.00	1	50.00	2
TOTAL	4	21.05	3	15.79	12	63.16	19

AGRICULTURE

Table 3.2

ALL FY93 EDUCATION SARs sorted by Region
 Tabulated by WID-Classification (0-2), numbers & percentages

Region-FY	0's	Percent	1's	Percent	2's	Percent	TOTALS
Africa93	0	0.00	0	0.00	3	100.00	3
AsiaE 93	0	0.00	3	60.00	2	40.00	5
AsiaS 93	0	0.00	0	0.00	2	100.00	2
ECA 93	0	0	0	0	0	0	0
Lac 93	0	0.00	0	0.00	1	100.00	1
Mena 93	1	100.00	0	0.00	0	0.00	1
TOTAL	1	8.33	3	25.00	8	66.67	12

EDUCATION

Table 3.3

ALL FY93 HUMAN RESOURCE SARs sorted by Region
 Tabulated by WID-Classification (0-2), numbers & percentages

Region-FY	0's	Percent	1's	Percent	2's	Percent	TOTALS
Africa93	0	0.00	0	0.00	2	100.00	2
AsiaE 93	0	0	0	0	0	0	0
AsiaS 93	0	0.00	0	0.00	1	100.00	1
ECA 93	0	0.00	1	50.00	1	50.00	2
Lac 93	0	0.00	0	0.00	1	100.00	1
Mena 93	0	0	0	0	0	0	0
TOTAL	0	0.00	1	16.67	5	83.33	6

HUMAN RESOURCE

Table 3.4

ALL FY93 INDUSTRY SARs sorted by Region

Tabulated by WID-Classification (0-2), numbers & percentages

Region-FY	0's	Percent	1's	Percent	2's	Percent	TOTALS	INDUSTRY
Africa93	1	50.00	0	0.00	1	50.00	2	
AsiaE 93	1	100.00	0	0.00	0	0.00	1	
AsiaS 93	1	100.00	0	0.00	0	0.00	1	
ECA 93	1	100.00	0	0.00	0	0.00	1	
Lac 93	0	0	0	0	0	0	0	
Mena 93	0	0	0	0	0	0	0	
TOTAL	4	80.00	0	0.00	1	20.00	5	

Table 3.5

ALL FY93 INFRASTRUCTURE SARs sorted by Region

Tabulated by WID-Classification (0-2), numbers & percentages

Region-FY	0's	Percent	1's	Percent	2's	Percent	TOTALS	INFRASTRUCTURE
Africa93	1	50.00	0	0.00	1	50.00	2	
AsiaE 93	7	100.00	0	0.00	0	0.00	7	
AsiaS 93	0	0.00	0	0.00	2	100.00	2	
ECA 93	4	100.00	0	0.00	0	0.00	4	
Lac 93	7	87.50	0	0.00	1	12.50	8	
Mena 93	2	66.67	1	33.33	0	0.00	3	
TOTAL	21	80.77	1	3.85	4	15.38	26	

Table 3.6

ALL FY93 POPULATION, HEALTH & NUTRITION SARs sorted by Region

Tabulated by WID-Classification (0-2), numbers & percentages

Region-FY	0's	Percent	1's	Percent	2's	Percent	TOTALS	PHN
Africa93	0	0.00	0	0.00	2	100.00	2	
AsiaE 93	0	0.00	0	0.00	2	100.00	2	
AsiaS 93	0	0.00	0	0.00	1	100.00	1	
ECA 93	0	0.00	0	0.00	1	100.00	1	
Lac 93	1	20.00	0	0.00	4	80.00	5	
Mena 93	0	0.00	0	0.00	2	100.00	2	
TOTAL	1	7.69	0	0.00	12	92.31	13	

Table 3,7

ALL FY93 SOCIAL SECTOR SARs sorted by Region
 Tabulated by WID-Classifaction (0-2), numbers & percentages

Region-FY	0's	Percent	1's	Percent	2's	Percent	TOTALS
Africa93	0	0	0	0	0	0	0
AsiaE 93	0	0	0	0	0	0	0
AsiaS 93	0	0	0	0	0	0	0
ECA 93	0	0	0	0	0	0	0
Lac 93	0	0.00	0	0.00	3	100.00	3
Mena 93	0	0	0	0	0	0	0
TOTAL	0	0.00	0	0.00	3	100.00	3

SOCIAL SECTOR
PROJECTS

FORM NO. 75
(6-83)

THE WORLD BANK/IFC

ROUTING SLIP		DATE: May 5 1993	
NAME		ROOM NO.	
Mr. R Voight		S13 029	
APPROPRIATE DISPOSITION		NOTE AND RETURN	
APPROVAL		NOTE AND SEND ON	
CLEARANCE		PER OUR CONVERSATION	
COMMENT		PER YOUR REQUEST	
FOR ACTION		PREPARE REPLY	
INFORMATION		RECOMMENDATION	
INITIAL		SIGNATURE	
NOTE AND FILE		URGENT	
REMARKS:			
FROM: D C Rao		ROOM NO.: S9 035	EXTENSION: 33800

OFFICE MEMORANDUM

DATE: April 28, 1993

TO: Distribution

FROM: R. Chander

EXTENSION: 31314

SUBJECT: Executive Development Program: Module II

P. Vignar

h

I had an enormously useful and enriching week in Greensboro. A sizable part of the program dealt with providing participants with feedback and interpretations based on the survey instruments co-workers had provided. I am greatly indebted to you all for the time and effort you took to complete the forms. I am heartened by the close correspondence between your collective perceptions of me as a manager and my own perceptions. I thought you might be interested in taking a look at some of the summary material. Thanks again.

Distribution:

Mr. Michael Hee
Mr. Lant Pritchett
Ms. Debbie Fischer
Ms. Kate Oram
Ms. Joanne Lee
Ms. Bilkiss Dhomun
Mr. Michael Walton

cc: Mr. D. C. Rao

OFFICE MEMORANDUM

KO

DATE: May 5, 1993
TO: Distribution
FROM: D. C. Rao, Acting Vice President, DEC *Set.*
EXTENSION: 33800
SUBJECT: Delegation of Authority

During my absence from the office May 11 through 19, Mr. Greg Ingram will act on my behalf.

Pursuant to paragraph 4 of Annex D of the Administrative Manual Statement No. 1.30, he is hereby designated to sign in the name and on behalf of the Bank/Association during that time any written instruments which I have been designated to sign.

Distribution:

Mmes./Messrs.	L. Preston
	A. Karaosmanoglu
	S. Sandstrom
	E. Stern
	I. Shihata
	M. Ahmed
	N. Birdsall
	A. Golan
	G. Ingram
	D. Jamison
	A. Ray
	R. Chander
	L. Davis
	M. Walton
	R. Voight
	ISC Files

THE WORLD BANK/IFC/MIGA

OFFICE MEMORANDUM

DATE: April 16, 1993
TO: Distribution Below
FROM: D. C. Rao, Acting Vice President, DEC *DCR*
EXTENSION: 33800
SUBJECT: 1995 World Development Report

We are beginning to think about the topic of the 1995 WDR. I would appreciate receiving your suggestions, along with a couple of paragraphs giving the rationale and scope by mid-May. I will chair a meeting for anyone interested the second half of May to explore a short list.

For reference, attached is a list of past WDRs and suggestions from last year's round-up. The selection for 1994 is infrastructure. The other candidates are worth reviewing again.

Distribution:

RVPs, Chief Economists, Country Directors, Linn (FRPVP), Choksi (HROVP), Rischard (FPDVP), Serageldin (ESDVP), Birdsall (PRDDR), Golan (EDIDR), Ray (DPG), Ingram (RAD), Jamison (WDR), Nishimizu (FRSDR), Ahmed (IECDR), Petit (AGRDR), Pouliquen (TWUDR), Long (FSDDR), Stern (IENDR), Iskander (PSDDR), Adams (OPRDR), de Merode (PHNDR), Amoako (ESPDR), El-Ashry, Steer (ENVDR), Walton, Pritchett (DECVP)

cc: Mr. Karaosmanoglu

PAST WDR TOPICS

1994	Economic Infrastructure
1993	Health
1992	The Environment
1991	The Challenge of Development
1990	Poverty
1989	Financial Systems and Development
1988	Public Finance in Development
1987	Industrialization and Foreign Trade
1986	Trade and Pricing Policies in World Agriculture
1985	International Capital and Economic Development
1984	Population Change and Development
1983	Management in Development
1982	Agriculture and Economic Development
1981	National and International Adjustment
1980	Economic Policy Choices and Human Development
1979	Development Prospects and International Policy Issues
1978	Development & Poverty Alleviation

List of Proposed 1994 WDR Topics

(from which Economic Infrastructure was selected)

- The Transformation of Economic Regimes
- Technology: Marshalling Knowledge for Development
- Water: Sectors, Development Policies, Institutions
- Economic Infrastructure (this was proposed as the second part of a trilogy - with Health this year and Intellectual Resources for Development/Education in 1995)
- Private Sector Development
- Economic Reform
- Open Trade in the World/Developing Countries and the Global Economy
- Resource Mobilization for Economic Growth
- Aid

THE WORLD BANK/IFC/M.I.G.A.

ROUTING SLIP		DATE: April 13, 1993	
NAME		ROOM NO.	
Mr. Masood Ahmed, Acting, IECDR		S-8-047	
Ms. Nancy Birdsall		N-11-051	
Mr. Amnon Golan		M-7-021	
Mr. Greg Ingram		S-3-033	
Mr. Dean Jamison		T-7-101	
Mr. Anandarup Ray, Acting, DPGDR		S-9-049	
Mr. Ramesh Chander		S-9-037	
Mr. Michael Walton		S-9-035	
☐	URGENT	☐	PER YOUR REQUEST
☐	FOR COMMENT	☐	PER OUR CONVERSATION
☐	FOR ACTION	☐	SEE MY EMAIL
☐	FOR APPROVAL/CLEARANCE	☐	FOR INFORMATION
☐	FOR SIGNATURE	☐	LET'S DISCUSS
☐	NOTE AND CIRCULATE	☐	NOTE AND RETURN
☐		☐	
RE: attached			
REMARKS:			
For <u>confidential</u> information. D. C. Rao			
FROM: D.C. Rao, Acting, DECVP		ROOM NO.: S-8-055	EXTENSION: 33800

OFFICE MEMORANDUM

cc. Sec. L. Myers for
confidential info
Del.

1. April 7, 1993

TO: Mr. D. C. Rao, Acting DECVF

CONFIDENTIAL
DECLASSIFIED

APR 29 2025

WBG ARCHIVES

THROUGH: Mr. Anandarup Ray, Acting Director, DPG *an*

FROM: Fateh M. Chaudhri, DPG *dv*

EXTENSION: 32491

SUBJECT: IMF Board Discussion of "Operational Modalities and Funding Alternatives for an ESAF Successor"

1. On Friday, April 2, 1993, the IMF Board held preliminary discussions on the proposed ESAF successor. The document was prepared in response to "the views expressed by the G-7 Summit leaders in their communique of July 8, 1992, that the Fund should continue to provide concessional financing to support the reform programs of the poorest countries, and their call for a full examination of options for the period following the November, 1993 cut-off date of ESAF."

2. The staff report suggested that the current external environment for eligible countries is weaker than when the ESAF was established in the mid-1980s, the economic circumstances of many ESAF-eligible countries still remain difficult, their external position continues to be fragile, and their reform agendas are far from complete. The prospects for concessional financing are uncertain while the need for exceptional financing remains high in light of tight cash flow situations for many eligible countries. Directors agreed that "the rationale for the ESAF remains relevant today, namely, helping low-income countries with heavy debt burdens in a difficult external environment to implement comprehensive economic and structural reform programs that aim at promoting growth and external stability."

3. The report proposed the following: (a) the basic operational orientation of the ESAF should be maintained under any successor scheme; (b) the countries eligible for an ESAF successor could be those now eligible for the current ESAF, with a possible question relating to seven (small island) economies with relatively high per capita incomes; (c) the access limits under the current ESAF could be retained; (d) access in individual cases could be differentiated on the basis of balance of payments need and strength of policies; (e) the maturity could closely match the current ESAF, and the interest rate on loans could be subsidized down, as close as possible, to 0.5%. (A tiering of interest rates was mentioned as a way of further differentiating countries). The report estimated that the potential demand on an ESAF successor would be about SDR 6 billion, and subsidies of about SDR 3.3 billion would be required on an as-needed basis, or SDR 2 billion on a present value basis (assuming an interest rate of 7.6% per annum) over the life of an ESAF successor. The report recommended that the standard of conditionality in the programs supported by the current ESAF be maintained, as well as the annual phasing and monitoring procedures associated with it. Two funding alternatives suggested in the report were: (a) a continuation of the present ESAF Trust funding structure, and (b) the use of resources of the GRA with subsidies for an administered subsidy account.

4. All the Directors who spoke suggested that the IMF should stay involved, and accepted the rationale of the report for a successor to the current ESAF while emphasizing the temporary nature of the facility. A three-year commitment period (from late 1993 through 1996) was generally supported. There was also general agreement that the members

April 7, 1993

who have used ESAF would be eligible for the successor. Most of the Directors favored a uniform interest rate as close to 0.5% as possible (to make "high conditionality" acceptable) while a few felt that a differential rate would facilitate the phasing out process. It was stressed that eligibility would continue to be guided broadly by IDA eligibility, and most felt there were no compelling reasons to remove from the eligibility list the seven small island economies^{1/} with per capita incomes well above IDA operational cut-off. It was stressed by some that the level of subsidization could be based on the eventual amount of funding, but there was broad support for targeting an interest rate of 0.5%. Several Directors stressed the importance of "fair burden sharing," with one Director suggesting that the size of the contribution should be linked to the magnitude of the budget deficit/surplus of the contributing country.

5. The report's estimate of SDR 6 billion was generally accepted as an appropriate level to strive for, even though some Directors felt that it might be on the high side. Almost all the Directors who spoke discussed the relative merits of the two funding sources--an ESAF type Trust funding structure and the GRA alternative. Some Directors also mentioned the use of gold sales and the issuance of SDRs for the intended purposes. Overall the thrust of discussions supported the ESAF Trust alternative, in particular an expanded ESAF Trust (to be further simplified in light of the current ESAF experience). The GRA alternative was not supported by many of the Directors, mainly because it might signal a permanent nature for the concessional facility. Many Directors also cited the importance of technical assistance, close collaboration with the World Bank, the significance of appropriately designed "safety nets," the issue of public expenditures in general and the problem of military expenditures in particular.

6. The Managing Director indicated that the staff would hold further discussions with potential contributors, and that the management would return to the Board for further discussions after obtaining the contributing members' reactions.

cc: Regional Vice Presidents
Mr. Linn, FPRVP
Ms. Armitage, EXC

^{1/} The countries are: Dominica, Grenada, St. Kitts and Nevis, St. Lucia, St. Vincent, Tonga and Vanuatu.

Chon

AH. in ED's file

THE WORLD BANK
Washington, D.C. 20433
U.S.A.

Office of the President

April 15, 1993

To: All Bank Vice Presidents

Attached is the April 15 update of our inventory of all major papers, annual and semi-annual reports which require Office of the President review. Please provide copies to your managers, as you deem appropriate.



Jane Armitage
Assistant to the Managing Directors

Attachment

cc: Messrs. Iida and Ryrie

8912

cc. M. A.
N. B.
G. I.
93 APR 15 PM 1:51
D. S.
RECEIVED
OFFICE OF THE PRESIDENT
WORLD BANK

OFFICE MEMORANDUM

Chun

DATE: April 14, 1993

TO: Messrs. Russell Cheetham, Basil Kavalsky and Marcelo Selowsky (ECA)

FROM: D.C. Rao, Acting Vice President, DEC *DCR*

EXTENSION: 33800

SUBJECT: DEC Support for Strategy on FSU

1. As the dust settles after Vancouver and Tokyo, I thought it would be useful to return to the question of whether DEC could provide support to the Region on thinking through strategic responses to the unusual situation of Russia, Ukraine and the other countries in the FSU. Our primary activity directly supporting the Region will, of course, continue to be the direct support on debt, statistical services and operational support for economic work and lending (e.g. along the lines of our ongoing work on macroeconomic analysis in Latvia, in review of privatization and economic strategy in Uzbekistan and labor markets in Armenia).

2. The question is whether the extraordinary circumstances warrants different or new thinking--for their strategy and the Bank's response.

3. Continuing our past involvement, we are planning to have Anders Aslund work with the Policy and Research Department over the summer (with Alan Gelb) with the objectives of both reviewing reform scenarios in Russia and possibly some of the other FSU states, and the role that the international community could have in supporting reform in the various scenarios. We'd welcome any inputs on what Operations sees as most important for the detailed terms of reference for his work.

4. In the shorter term, we would also be available to help think through or undertake small pieces of analysis in areas that could help on strategy formulation. Here are some possible areas:

(a) **Preparing for the crunch.** From the experience of other reforming countries, sooner or later stabilization will require there to be a severe credit crunch in those countries still living off a lax credit policy. This will have wide-ranging implications: for enterprise performance, the fiscal position and the provision of transfers (especially those now provided by enterprises). When this occurs, it will probably happen quickly. There will also be another round of large relative prices changes, as the hyper-devalued exchange rate returns to something approaching normality and real interest rates rise sharply. It might be useful to undertake some preparatory analysis of the likely consequences of this change, for example drawing on the experience of the Baltics, that are further on in the process. And, what is the role of foreign aid flows in both supporting reform and cushioning shocks when the crunch occurs?

(b) **Lending options pre-, during, and post-stabilization.** Certain options are appropriate at different phases of the reform. Consider, for example, instruments to support trade. Whatever the pace of internal restructuring of production and intra-republic trade the promotion of exports within the FSU and to non-FSU countries is a clear priority to spur recovery. Would the use of Bank lending to provide credit to exporters (e.g. pre-shipment finance) be a valuable instrument? Could this play a useful role even given a situation of continued macro instability? Or would it only be justified if credit conditions tightened, to avoid supply side credit problems choking off an export expansion?

April 14, 1993

(c) **Strategy in the transition to stabilization.** If the costs of domestic stabilization are very high, countries may be faced with the question of whether there are rational alternatives to waiting for effective domestic stabilization. If there are large available foreign resources these can use to smooth stabilization, but otherwise there will be the tougher issue of whether some reform in faster-reforming sectors or regions can make sense before full stabilization. Are there coherent alternatives? Is it possible to sufficiently cocoon either sectors or regions from macroeconomic turmoil to allow effective reform and use of foreign resources?

(d) **Trading opportunities.** Trading deals that could be offered by US and EC are now under discussion. The trade-is-better-than-aid story may apply with particular force to the FSU's medium-term prospects. One disturbing development is that the EC is now considering preferential deals to Russia that could exclude other (generally poorer) republics of the FSU. Would it be useful to undertake a quick analysis of current barriers and potential gains from liberalization to inform the Bank's view on this? And would it be useful to revisit the issue of alternative payments and clearing arrangements to facilitate internal trade?

(e) **Training.** Training and technical assistance is not generally our comparative advantage, but we have two specific suggestions. First, it may be fruitful to review again the "Marshall Plan" proposal that was under discussion a few months ago (it had weaknesses, but also had useful new ideas). Second, a small example of this could be to have a few economists or others from the FSU pass through the Bank, both to help us and provide another form of on-the-job training. We have identified some promising Russians, and no doubt there are others elsewhere in the FSU who could contribute something in an internship. If some finance could be secured, PRD/DEC could be a useful place for some of these to be based, to work in collaboration with Operations.

5. We would be happy to get together with you to discuss these or other options for DEC involvement if you consider that would be useful.

cc: Messrs./Ms. Birdsall, Gelb, Golan, Ray, McCarthy, Ahmed, Duncan

OFFICE MEMORANDUM

Chrom

DATE: April 14, 1993

TO: Messrs. Russell Cheetham, Basil Kavalsky and Marcelo Selowsky (ECA)

FROM: D.C. Rao, Acting Vice President, DEC *DR*

EXTENSION: 33800

SUBJECT: DEC Support for Strategy on FSU

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April 14, 1993

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5. We would be happy to get together with you to discuss these or other options for DEC involvement if you consider that would be useful.

cc: Messrs./Ms. Birdsall, Gelb, Golan, Ray, McCarthy, Ahmed, Duncan

OFFICE MEMORANDUM

DATE: April 14, 1993

TO: Distribution

FROM: D. C. Rao, Acting Vice President, DEC *DCR*

EXTENSION: 33800

SUBJECT: Delegation of Authority

During my absence from the office April 19 - 23, Ms. Nancy Birdsall will act on my behalf:

Distribution:

Mmes./Messrs.

L. Preston
A. Karaosmanoglu
S. Sandstrom
E. Stern
I. Shihata
M. Ahmed
N. Birdsall
A. Golan
G. Ingram
D. Jamison
A. Ray
R. Chander
L. Davis
M. Walton
R. Voight
ISC Files

FORM NO. 75
(6-83)

THE WORLD BANK/IFC

ROUTING SLIP		DATE:
		4/13/93
NAME		ROOM NO.
Mr. Masood Ahmed		S8 047
Ms. Nancy Birdsall		S11 051
Mr. A. Golan		M7 021
Mr. M. Walton		
APPROPRIATE DISPOSITION	NOTE AND RETURN	
APPROVAL	NOTE AND SEND ON	
CLEARANCE	PER OUR CONVERSATION	
COMMENT	PER YOUR REQUEST	
FOR ACTION	PREPARE REPLY	
INFORMATION	RECOMMENDATION	
INITIAL	SIGNATURE	
NOTE AND FILE	URGENT	
REMARKS:		
FROM:	ROOM NO.:	EXTENSION:
D C Rao	S9 035	33800

Kate
H. request
copies for PRD, IFC,
ESI
4/12
Chunora will
send.

International Bank for Reconstruction and Development

FOR OFFICIAL USE ONLY

DECLASSIFIED

APR 29 2025

WBG ARCHIVES

SecM93-311

April 5, 1993

FROM: The Deputy Secretary

POVERTY AND INCOME DISTRIBUTION IN LATIN AMERICA

THE STORY OF THE 1980s

Attached for information is a report entitled "Poverty and Income Distribution in Latin America - The Story of the 1980s" prepared by the Latin America and the Caribbean Region.

Questions on this document should be referred to Mr. Psacharopoulos (ext. 39243).

Distribution:

Executive Directors and Alternates
Office of the President
Executive Vice Presidents, IFC and MIGA
Vice Presidents, Bank, IFC and MIGA

This document has a restricted distribution and may be used by recipients only in the performance of their official duties. Its contents may not otherwise be disclosed without World Bank authorization.

Latin America and the Caribbean Technical Department

Regional Studies Program

Report No. 27

Poverty and Income Distribution in Latin America:

The Story of the 1980s

by

George Psacharopoulos, Samuel Morley, Ariel Fiszbein,
Haeduck Lee and Bill Wood

Human Resources Division

December 1992

Papers in this series are not formal publications of the World Bank. They present preliminary and unpolished results of country analysis or research that is circulated to encourage discussion and comment; any citation and the use of this paper should take account of its provisional character. The findings, interpretations, and conclusions expressed in this paper are entirely those of the author(s) and should not be attributed in any manner to the World Bank, its affiliated organizations, members of its Board of Executive Directors or the countries they represent.

OFFICE MEMORANDUM

Chron

Date: April 2, 1993
To: Mr. Jack Boorman, IMF
From: D. C. Rao, Actg. VPDEC *DCR*
Sub: World Development Report 1993

A copy of the draft WDR for 1993 accompanies this memorandum. This version is now being revised for submission to the Bank's Executive Directors, and we would be grateful for your comments, if any, by Tuesday, April 6.

The message and earlier outlines of the WDR have been discussed with Messrs. Vito Tanzi and Peter Heller of the Fund, so I am also sending them copies of the draft Report with this memorandum.

c.c. (with attachment):
Mr. Vito Tanzi
Mr. Peter Heller

c.c. Ms. Nancy Birdsall
Messrs. Rao, Jamison, Ray

Att.

THE WORLD BANK/IFC/M.I.G.A.

ROUTING SLIP		DATE: April 2, 1993	
NAME		ROOM NO.	
Mr. D. C. Rao, Acting DECV		S 8055	
☐	URGENT	☐	PER YOUR REQUEST
☐	FOR COMMENT	☐	PER OUR CONVERSATION
☐	FOR ACTION	☐	SEE MY EMAIL
☐	FOR APPROVAL/CLEARANCE	☐	FOR INFORMATION
X	FOR SIGNATURE	☐	LET'S DISCUSS
☐	NOTE AND CIRCULATE	☐	NOTE AND RETURN
☐		☐	
RE: Internal Seminars for Senior Managers			
REMARKS: DC, Please see modified memo (with Gilpin memo as attachment). Mike			
FROM: Mike Walton		ROOM NO.: S 9029	EXTENSION: 38418

Kate/Maria

Chun

See Personnel

File

OFFICE MEMORANDUM

DATE: April 2, 1993

TO: Messrs. Armeane Choksi (HROVP), Jean-Francois Rischard (FPDVP) and
Ismail Serageldin (ESDVP)

FROM: D. C. Rao, Acting Vice President, DEC *JCL*

EXTENSION: 33800

SUBJECT: Internal Seminars for Senior Managers

Attached for your information is a report on the results of a DEC/PMD questionnaire administered to the Bank's senior managers on 8 proposed internal seminars for them. The questionnaire was prepared before the OSP/TD/DEC reorganization and consequently did not reflect some issues that PRD is now more concerned with -- such as poverty, human resources and environment. Indeed, these issues were flagged in the responses to the questionnaire as subjects senior managers might "like to see added as a seminar topic" (see third from last page).

We are recommending going ahead with a trial series on economic issues (see attached memo). Some of this will be collaborative. You may find these results useful in areas of your concern.

Attachment

cc (w/o attachment): Messrs./Mss. Nancy Birdsall, Clifford Gilpin,
Emmanuel Jimenez

OFFICE MEMORANDUM

DATE: March 29, 1993
TO: Mr. Clifford Gilpin, PMDTR
FROM: D. C. Rao, Acting Vice President, DEC *DCR*
EXTENSION: 33800
SUBJECT: Internal Seminars for Senior Managers

We have reviewed the report on Internal Seminars for Senior Managers and we endorse the overall approach proposed. We would recommend starting with a trial program of about three half to one day seminars, that would include Privatization, Briefing on the Global Economy and Financial Sector Reform. The third would combine the two financial sector topics proposed on the questionnaire, with a special focus on Financial Sector Restructuring. The seminar on the Global Economy would be developed by IEC. Those on Privatization and Financial Sector we would expect to be undertaken jointly between PRD and FPD. Every other month sounds about right. These should be followed by a swift appraisal to provide the basis for any further seminars in the following six months, whether on economic issues or sectoral and cross-cutting topics.

cc: Messrs./Mss. M. Ahmed, N. Birdsall, G. Caprio, M. de Melo, M. Long,
J. Rischard, M. Shirley

OFFICE MEMORANDUM

DATE: February 23, 1993

TO: Distribution

FROM: Clifford Gilpin, Division Chief (PMDTR)

EXTENSION: 30941

SUBJECT: Subject: Internal Seminars For Senior Managers

1. Attached is a report analyzing the results of the DEC/PMDTR questionnaire soliciting the reactions of the Bank's Senior Managers to a list of eight proposed internal seminars dealing with Economics and Financial issues. This survey was suggested by the Economics Training Advisory Group.
2. Please note that I have included Larry Summer's original memo to the VP's and Directors, as well as the tabulations of the questionnaire results.
3. I am looking forward to your comments on this and suggestions for possible action for FY-94.

Distribution:

Mr. D.C. Rao (IECDR)
Ms. Nancy Birdsall (CECDR)
Mr. Shankar Acharya (PRDPE)

cc: Mr. Yahaya Doka (PMDTR)

OFFICE MEMORANDUM

Chom
See personnel file

DATE: April 2, 1993

TO: Mr. Clifford Gilpin, Chief, PMDTR

FROM: D. C. Rao, Acting VP, DEC *Sal*

EXTENSION: 33800

SUBJECT: Draft Training Policy

1. Your discussion draft of a new training policy has been reviewed within DEC. The overall approach is sensible, but we have the following comments. In addition, I am attaching some more detailed comments from John Oxenham, of EDI.

Background

2. One of the considerations when looking at a policy for training Bank staff is the need to be clear on what approach the Bank should be taking to address its skills mix problems. Standard training required to keep staff up to date in their technical specialties can readily be addressed through a well-articulated training policy. However, the second category of training, which is designed to address problems of skills mismatch or shortage, can either be addressed through training or through recruitment. This choice should be considered as background to the proposed training policy.

Incentives for Training

3. The policy does not appear to address one of the key problems with training for Bank staff, and that is the lack of incentives. With staff working longer hours, and budget constraints growing, training is not accorded the priority that the draft policy suggests is appropriate. There may indeed be a problem either with VPUs planning for insufficient training or under-implementing training plans. This problem has been repeatedly raised in the past, but appears to continue to be with us. Our view is that the policy needs to analyze explicitly the sources of the failure and propose structural changes in incentives to deal with them.

4. Our impression is that there are problems of myopia (both managers and staff have powerful incentives to get products out at the cost of upgrading skills) and of externalities (the benefits of training do not accrue fully to financing units). In principle these could be dealt with either by centralized financing or, for the decentralized component of training, by centrally mandated training levels (that may be agreed upon in the annual contract in the business planning exercise). The policy is insufficiently clear on how the level of training in the decentralized component is to be determined and what new initiatives will be introduced to change incentive problems at the level of the staff and line managers.

Economist and Technical Training

5. DEC's response to Mr. Alisbah's request for an assessment of economist skills in the Bank (Mr. Rao's memorandum of February 16) made the point that increased priority should be given to in-depth, longer university training to complement in-house training

provided through the Economists' Training Program. Also, given the high cost of academic training and the fact that benefits accrue to the institution at large rather than to the trainee's division, the funding and awareness of institutional programs for external training should be increased. It would be useful to clarify in the policy whether the institutionally mandated training would include this kind of external training. In particular, the Training Board's Terms of Reference include a reference to sabbaticals, but there is no mention of sabbaticals in the draft policy. This needs to be clarified.

6. Your covering note referred to the implementation of professional and technical training under the new organizational arrangements. As you know, the Economists' Training Program has been operating for several years now, and is managed jointly by DEC and the Training Division. DEC will continue to take the lead responsibility for economists' training following the reorganization. We recommend that the Training Division be responsible for managing technical training, but would expect DEC staff to be involved in the economic dimensions of such training offered by other CVPs. We would look to the Training Division to put in place the necessary processes to provide for such DEC participation. In addition, while the Economists' Training Program provides for in-house training, we would look to the new training policy to address the external training requirements for Bank economists.

Role of the Training Board

7. There is a lack of clarity on the relative roles of the Training Board and the Training Division (see Mr. Oxenham's comments, attached). We can see a case for the Training Board providing the strategic overview to guide the work of the Training Division, but as it is currently written there is some confusion as to where the leadership lies.

Other

8. The draft policy leaves open a number of questions that staff will inevitably have, such as what type of training is to be offered centrally, how much should an individual staff member expect to get, and what are the occupational staff groups. If this is intended - to express the policy in general procedural terms - it should point to some future information to be provided on the details.

cc: DEC Senior Managers

Messrs/ Mss. Choksi, Serageldin, Rischard, Voight, Cardona, Davis, de Melo, Oxenham,
McCarthy

Attachment

OFFICE MEMORANDUM

DATE: March 31, 1993

TO: Mr. Richard Lynn, PBDDR

FROM: D. C. Rao, Acting VP, DEC 

EXTENSION: 33800

SUBJECT: **FY94-96 Business Plan: Supplemental Request for Positions**

1. When we sent our Business Plan to you earlier this month, we were under the erroneous impression that our FY93 position complement was a ceiling for FY94. Following recent clarification of the position complement rules under dollar budgeting by Mr. Eccles at a meeting of CAOs and Program Coordinators, I now propose the addition of three higher-level positions to DEC's FY93 complement, to meet specific business needs for FY94 and beyond.

PRD: Writer/Editor/Dissemination Expert, Level 22/23.

This function was created in PRD in FY93 as part of DEC's efforts to introduce more professionalism and leadership in the dissemination of its work. Due to the lack of available positions - particularly with the recent down-sizing of PRD at the time of the reorganization - this work is currently being done by a long-term consultant.

The position is responsible for working with PRD's researchers to ensure that research findings are exploited and disseminated in a professional way to the development community and within the Bank. This involves writing, editing, and playing a leading role in the management of PRD's dissemination activities. The function is a permanent one, and is expected to become increasingly important as DEC's dissemination efforts become more sophisticated.

IEC: Dissemination Manager, Level 22/23. The enhanced dissemination program that IEC has embarked upon will require the full-time attention of a staff member. This new position will be used to coordinate IEC's activities in marketing the quarterlies, redesigning existing products, and testing new channels of electronic dissemination.

RAD: Assistant Editor, World Bank Economic Review, Level 21/22. This is a permanent function in RAD, currently being performed by a long-term consultant because of the lack of available positions either in RAD (a unit of only six positions) or from redeployment from other parts of DEC.

The position is responsible for editing, scheduling, and overseeing production of the World Bank Economic Review, which is published three times a year. This involves substantive editing and rewriting of articles; working with authors to check, correct, and clarify detailed technical points of substance; rewriting to explain sophisticated economic concepts; and supervising marketing efforts for the World Bank Economic Review.

2. With zero growth in FY94, DEC will expect to absorb the salary costs of these three positions through redeployment from consultant budgets. We will, however, require a base adjustment of \$140,000 to cover the benefit costs.

cc: Mss/Messrs. Birdsall, Ingram, Ahmed, Bhatia, Tandon, Rios

Chrom

ROUTING SLIP		DATE: March 30, 1993	
NAME		ROOM NO.	
Mr. Masood Ahmed, Acting, IECDR		S-8-047	
Ms. Nancy Birdsall		N11-051	
	URGENT		PER YOUR REQUEST
	FOR COMMENT		PER OUR CONVERSATION
	FOR ACTION		SEE MY EMAIL
	FOR APPROVAL/CLEARANCE		FOR INFORMATION
	FOR SIGNATURE		LET'S DISCUSS
	NOTE AND CIRCULATE		NOTE AND RETURN
RE: Attached			
REMARKS:			
For your information.			
D.C. Rao			
FROM: D. C. Rao, Acting, DECVF		ROOM NO.: S8-055	EXTENSION: 33800



Record Removal Notice

File Title D.C. Rao, Acting Vice President - Internal Chronological Records - Correspondence - January 1993 - August 1993		Barcode No. 1459974		
Document Date 03/29/1994	Document Type Board Record			
Correspondents / Participants From: The Deputy Secretary To: Executive Directors				
Subject / Title Executive Directors' Seminar [Cover page only]				
Exception(s)				
Additional Comments Declassification review of this record may be initiated upon request.		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group. <table border="1"><tr><td>Withdrawn by Salma Berrada</td><td>Date April 29, 2025</td></tr></table>	Withdrawn by Salma Berrada	Date April 29, 2025
Withdrawn by Salma Berrada	Date April 29, 2025			

OFFICE MEMORANDUM

Mr. Rao
(chron)

DATE: March 29, 1993

TO: Mr. Clifford Gilpin, PMDTR

FROM: D. C. Rao, Acting Vice President, DEC *DCR*

EXTENSION: 33800

SUBJECT: Internal Seminars for Senior Managers

We have reviewed the report on Internal Seminars for Senior Managers and we endorse the overall approach proposed. We would recommend starting with a trial program of about three half to one day seminars, that would include Privatization, Briefing on the Global Economy and Financial Sector Reform. The third would combine the two financial sector topics proposed on the questionnaire, with a special focus on Financial Sector Restructuring. The seminar on the Global Economy would be developed by IEC. Those on Privatization and Financial Sector we would expect to be undertaken jointly between PRD and FPD. Every other month sounds about right. These should be followed by a swift appraisal to provide the basis for any further seminars in the following six months, whether on economic issues or sectoral and cross-cutting topics.

cc: Messrs./Mss. M. Ahmed, N. Birdsall, G. Caprio, M. de Melo, M. Long, J. Rischard, M. Shirley

THE WORLD BANK/IFC/M.I.G.A.

Chen

ROUTING SLIP		DATE: March 29, 1993	
NAME		ROOM NO.	
Mr. Masood Ahmed, Acting, IECDR		S-8-047	
Ms. Nancy Birdsall		N-11-051	
Mr. Amnon Golan		M-7-021	
Mr. Greg Ingram		S-3-033	
Mr. Dean Jamison		T-7-101	
Mr. Anandarup Ray, Acting, DPGDR		S-9-049	
Mr. Ramesh Chander		S-9-037	
Mr. Michael Walton		S-9-035	
L.D. ✓			
☐	URGENT	☐	PER YOUR REQUEST
☐	FOR COMMENT	☐	PER OUR CONVERSATION
☐	FOR ACTION	☐	SEE MY EMAIL
☐	FOR APPROVAL/CLEARANCE	☐	FOR INFORMATION
☐	FOR SIGNATURE	☐	LET'S DISCUSS
☐	NOTE AND CIRCULATE	☐	NOTE AND RETURN
☐		☐	
RE: attached			
REMARKS:			
For your information. D. C. Rao			
FROM: D.C. Rao, Acting, DECVP		ROOM NO.: S-8-055	EXTENSION: 33800

OFFICE MEMORANDUM

Mr. Rao

(chron)

DATE: March 29, 1993
TO: Distribution
FROM: D. C. Rao, Acting DECVP *DCR*
EXTENSION: 33800
SUBJECT: Seminar on Development and Illicit Drug Cultivation

I attach an invitation to participate in a seminar on "Alternative Development as a Tool Against Illicit Drug Cultivation" that will take place in Berlin on 27-29 April 1993. I thought relevant work on this would be most likely to be undertaken in your departments on the countries facing this issue. Please contact Mr. Rehm directly on this.

Distribution:

Messrs. Abe, de Tray (LA3), Madavo, Ikram (EA1)

cc: Mr. Rehm



Record Removal Notice



File Title D.C. Rao, Acting Vice President - Internal Chronological Records Correspondence - January 1993 - August 1993		Barcode No. 1459974		
Document Date March 12, 1993	Document Type Memorandum			
Correspondents / Participants To: Mr. D.C. Rao, DECVP (acting) From: Harold Rehn, EDS05				
Subject / Title Seminar on Development as a Tool against illicit Drug-Cultivation				
Exception(s)				
Additional Comments Declassification review of this record may be initiated upon request.		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group. <table border="1"><tr><td>Withdrawn by K. Brenner-Delp</td><td>Date June 25, 2025</td></tr></table>	Withdrawn by K. Brenner-Delp	Date June 25, 2025
Withdrawn by K. Brenner-Delp	Date June 25, 2025			

German
Foundation
for
International
Development

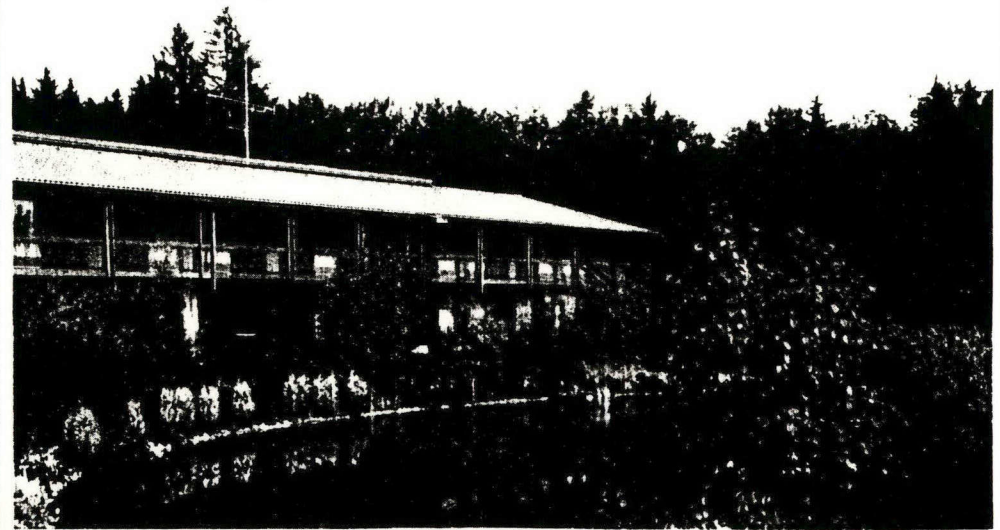
Fondation
Allemande
pour le
Développement
International

Fundación
Alemana
para el
Desarrollo
Internacional

Deutsche
Stiftung
für
internationale
Entwicklung

Invitation

**FOOD AND AGRICULTURE
DEVELOPMENT CENTRE**



Deutsche
Stiftung
für
internationale
Entwicklung

German
Foundation
for
International
Development

Fondation
Allemande
pour le
Développement
International

Fundación
Alemana
para el
Desarrollo
Internacional

International Expert Meeting

"Alternative Development as a Tool against illicit Drug-Cultivation"

27-29 April 1993 in Berlin / Federal Republic of Germany

INVITATION

EX 73-001-93



The Food and Agriculture Development Centre of the Deutsche Stiftung für internationale Entwicklung (DSE) will organize on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ) an international expert meeting on

Content

Invitation.....	2
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"Alternative Development as a Tool against illicit Drug-Cultivation"

to be held from 27 - 29 April 1993
in Berlin / Federal Republic of Germany.

The event is a part of the activities of the "Dublin Group".

The organizer would like to invite to participate in the meeting.

The following information is to provide details on the event as well as on technical and organizational aspects. Kindly address any enquiries directly to the address given below.

The organizer would be grateful if the enclosed registration form could be returned at early convenience, not later than 29th to 31st March 1993.

Responsible Programme Officer: Carl Kohlbach
Postal address: Food and Agriculture Development Centre
Wielinger Str. 52
8133 Feldafing / Federal Republic of Germany

Telex address: 2627-815784
Telephone: 08157/38-212
Telefax: 08157/38-227


Dr. Freiherr von Mylius
Deputy Director
Food and Agriculture Development Centre

Encl.:
Registration form

I. Background.

During the recent meetings of the Dublin-Group in Brussels the German delegation proposed an international exchange of ideas and experiences on the subject of Alternative Development and declared its willingness to organize a first meeting. The proposal was given broad assent by the members of the group. The event is to implement it.

II. Objective

The meeting is to start the exchange of experience on problems, successes and concepts which the various Dublin-Group countries and relevant institutions have made so far in the field of Alternative Development. It is aiming at identifying its basic hindering and fostering factors.

The long term perspective is to reach common concepts, although it is expected that this cannot be achieved during the first meeting. However, it is envisaged to find a common understanding of the basic aspects of planning and implementation as well as a common understanding in regard to realistic objectives for alternative development.

III. Dates of the event

The expert meeting on "Alternative Development as a Tool against illicit Drug-Cultivation" is organized by the Food and Agriculture Development Centre of the DSE on the initiative of the German Federal Ministry for Economic Cooperation and Development (BMZ).

The event is part of the activities of the Dublin-Group.

It is conducted under the responsibility of the Federal Ministry for Economic Cooperation with the support of the German Agency for Technical Cooperation (GTZ)

Working language is English.

It will take place from 27-29 April 1993 in Berlin / Federal Republic of Germany at the Conference Centre of the Deutsche Stiftung für Internationale Entwicklung (DSE), Berlin-Reiherwerder.

The following agenda is foreseen:

Tuesday, 27th April 1993

19.00 hrs	Reception given by DSE
-----------	------------------------

Wednesday, 28th April 1993

Morning	Opening Keynote-Addresses
---------	------------------------------

Afternoon	Exchange of experiences in 2 groups: - Asian experience - Latin-American experience
-----------	--

Thursday, 29th April 1993

Morning	Presentation of group work results Discussion and conclusions
---------	---

Afternoon	Departure
-----------	-----------

V. Group of participants

Invitations will be sent to the Dublin-Group countries, i.e. to the 12 member countries of the European Community, the EC-Commission, and to Australia, Canada, Japan, Norway, Sweden, United States of America as well as to the following international institutions: UNDCP, UNDP, World Bank, IFAD, FAO and DAC with the request to nominate 1-2 experts in the field of Alternative Development.

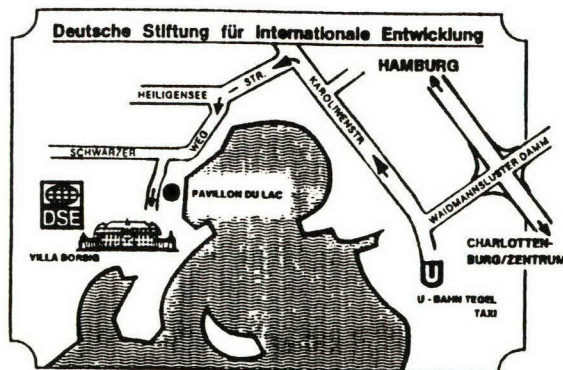
General Information

venue:

Conference Centre of the
Deutsche Stiftung für Internationale Entwicklung
Berlin-Reiherwerder

address:

D-1000 Berlin 27
Reiherwerder
Tel. (49-30) 4307-202
Fax: (49-30) 4307-250
Teletex 2607-308891=DSE RHW



Arrival and Transport

The delegates are kindly asked to arrive in the course of 27 April 1993, but not later than 6.00 p.m. Every participant will be met at the airport by DSE staff if they provide notification of their time of arrival and flight number on the registration form attached to the official invitation.

Delegates who choose to travel on their own or have changed their booking at short notice should proceed by public transport, and/or taxi to the Conference Centre Reiherwerder at Berlin-Tegel, called Villa Borsig.

Tegel can be reached by the underground transport system, the fare from the underground station is approximately DM 15, from Tegel airport DM 30, from Tempelhof airport DM 40, from Schönefeld airport DM 60.

Financial Arrangements.

Assumption is made that the home institution of the delegates will be responsible for covering the expenses for travelling, full board & lodging and that the delegates will settle their bills before departure.

The guests are asked to exchange foreign currency into DM preferably at the airport upon arrival. Credit cards, traveller-checks, nor foreign currency as means of payment cannot be accepted.

Cost for board and lodging per day will amount to DM 185,-- to 200,--.

Registration

The delegates are asked to register in time so that the meeting can be prepared and reservations of accommodation can be made in time.

The registration forms attached to the invitation should reach the organizer DSE latest during the 13th week of 1993 (29 March - 2 April 1993).

To the
German Foundation for International Development (DSE)
Food and Agriculture Development Centre (ZEL)
Wielingerstr. 52

D-8133 Feldafing
Federal Republic of Germany

Fax: (49-8157) 38 227

REGISTRATION FORM (Ex 73-001-93)

International Expert Meeting
"Alternative Development as a Tool against illicit Drug-Cultivation"
27-29 April 1993 in Berlin / Federal Republic of Germany

1.
(Family Name) (First Name) (Title/Position)

Institution & its address:

.....
.....
.....

Tel. No

Telex/Teletex No.....

Telefax No.

2. a) I am pleased to confirm my participation ()

b) I regret not to be able to attend ()

3. I kindly ask DSE to meet me at the airport ()

Please indicate which airport:

☐	Berlin Schönefeld	Date:	Time:	Flight No.
☐	Berlin Tegel	Date:	Time:	Flight No.
☐	Berlin Tempelhof	Date:	Time:	Flight No.

4. Remarks:

.....
(Date)

.....
(Signature)

OFFICE MEMORANDUM

DATE: March 26, 1993

TO: Mr. Dean T. Jamison, Staff Director, WDR

FROM: D.C. Rao, Acting Vice President, DEC *DCR*

EXTENSION: 33800

SUBJECT: Terms of Reference: Mission to Geneva, April 4-6

You will visit WHO during this period to plan press briefings and other publicity on WDR with appropriate WDR staff. You will also deal with any related outstanding issues with WHO concerning WDR.

cc and cleared in substance by: Ms. Nancy Birdsall
cc: Ms. Janet de Merode, Mr. Anthony Measham
Mr. Bill Brannigan, Mr. Wadi Haddad
WDR Team



Record Removal Notice

File Title D.C. Rao, Acting Vice President - Internal Chronological Records - Correspondence - January 1993 - August 1993		Barcode No. 1459974		
Document Date 03/24/1993	Document Type Memorandum			
Correspondents / Participants From: Bilsel Alisbah, PAAVP To: D.C. Rao				
Subject / Title Executive Directors' Seminar [Cover page only]				
Exception(s) Corporate Administrative Matters				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group. <table border="1"><tr><td>Withdrawn by Salma Berrada</td><td>Date April 29, 2025</td></tr></table>	Withdrawn by Salma Berrada	Date April 29, 2025
Withdrawn by Salma Berrada	Date April 29, 2025			

☒☒ **The World Bank**

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

1818 H Street, N.W.
Washington, D.C. 20433
U.S.A.

(202) 477-1234
Cable Address: INTBAFRAD
Cable Address: INDEVAS

March 23, 1993

TO WHOM IT MAY CONCERN

From time to time, staff members of the World Bank are offered faculty appointments with leading universities. In order to accept an appointment, the staff member may elect to resign, or may receive a leave of absence (without pay) for up to 4 years in duration.



D. C. Rao
Acting Vice President
Development Economics Department

c.c. Mr. Voight, Ms. Birdsall

*By pl. send c.c. of this memo
my letter to Keta to file
D.C.*

A L L - I N - 1 N O T E

DATE: 23-Mar-1993 02:12pm

TO: Jaime De Melo

(JAIME DE MELO)

FROM: Robert Voight, PMDCU

(ROBERT VOIGHT)

EXT.: 33424

SUBJECT: Re: Your Statement

As we discussed by phone earlier, I have advised D. C. of my reservations vis-a-vis your proposal of yesterday evening and what I thought might be acceptable as an alternative. I understand that D. C. has spoken with Nancy along similar lines.

A statement might read as follows: From time to time, staff members of the World Bank are offered faculty appointments with leading universities. In order to accept an appointment, the staff member may elect to resign, or may receive a leave of absence (without pay) for up to 4 years in duration.

D. C. - Could you prepare and sign with copies to Nancy and me, please? Let me know if you see any problems.

CC: D. C. Rao

(D. C. RAO)

CC: Nancy Birdsall

(NANCY BIRDSALL)

The World Bank
Development Economics Department

1818 H Street, N.W.
Washington, D.C. 20433, U.S.A.
Room S-9035

Facsimile Transmittal Form

FAX No.: 202 477-0549

NO. OF PAGES: 2

PHONE No.: 202 473-3774

(including this page)

DATE: March 22, 1993

TO: Brian Levy

FAX No.: 38885

FROM: D. C. Rao

SUBJECT: Regulatory Seminar - April 16, 1993

1. Who is this letter addressed to?
2. I need some briefing on the "exciting new results" before I sign the letter.
3. The content is rather abstract. I could not figure out what the messages were.

D.C. Rao

WORLD BANK/INTERNATIONAL FINANCE CORPORATION/MIGA

ROUTING SLIP		DATE: March 22, 1993	
Name		Room #	
Mr. D.C. Rao		S-8055	
	Disposition		Note and return
	Approval		Note and send on
	Clearance		Per conversation
	Comments		Per your request
	For action		Prepare reply
	Information		Recommendation
	Initial	X	Signature
	Note & file		URGENT
Remarks: Regulatory Seminar at the Watergate Hotel - Washington - Friday, April 16, 1993 Please find attached letter of invitation for your signature. This was cleared both by Mary Shirley and Nancy Birdsall. Thank you.			
From: Brian Levy		Room # N-9065	Extension 37488

- ① Who is this letter addressed to?
- ② I need some briefing on the "exciting new results" before I sign the letter.
- ③ The content is rather abstract. I could not figure out what the messages were.

Gal
3/22

WORLD BANK/INTERNATIONAL FINANCE CORPORATION/MIGA

ROUTING SLIP		DATE: March 22, 1993	
Name		Room #	
Mr. D.C. Rao's Office		S-8055	
	Disposition		Note and return
	Approval		Note and send on
	Clearance		Per conversation
	Comments		Per your request
	For action		Prepare reply
	Information		Recommendation
	Initial	X	Signature
	File		URGENT
Remarks: Regulatory Seminar at the Watergate Hotel - Washington - Friday, April 16, 1993 Please find attached letter of invitation for Mr. D.C. Rao's signature. This was cleared by Ms. Mary Shirley, Division Chief, PRDFP. Thank you for calling me when ready for pick-up. Thank you.			
From: Danièle L. Evans		Room # N-9057X	Extension 473-7496

PAX 38885

THE WORLD BANK/IFC/M.I.G.A.

Chun

ROUTING SLIP		DATE: March 19, 1993	
NAME		ROOM NO.	
Mr. Masood Ahmed, Acting, IECDR		S-8-047	
Ms. Nancy Birdsall		N-11-051	
Mr. Amnon Golan		M-7-021	
Mr. Greg Ingram		S-3-033	
Mr. Dean Jamison		T-7-101	
Mr. Anandarup Ray, Acting, DPGDR		S-9-049	
Mr. Ramesh Chander		S-9-037	
Mr. Michael Walton		S-9-035	
+ LD			
URGENT		PER YOUR REQUEST	
FOR COMMENT		PER OUR CONVERSATION	
FOR ACTION		SEE MY EMAIL	
FOR APPROVAL/CLEARANCE		FOR INFORMATION	
FOR SIGNATURE		LET'S DISCUSS	
NOTE AND CIRCULATE		NOTE AND RETURN	
RE: attached			
REMARKS:			
For your information.			
D. C. Rao			
FROM: D.C. Rao, Acting, DECVP		ROOM NO.: S-8-055	EXTENSION: 33800

~~D.C. Rao~~
cc De L. Myers

VICE PRESIDENTS RETREAT

Speech by Marit Wiig, Senior Adviser on Women's Issues
March 12, 1993

The World Bank has been made by men. The World Bank is run by men to serve a world with both men and women. But now there is a mandate for change given by the President and each of you is personally involved and responsible for seeing that this change takes place. I am not talking about a change in the organizational sense, where we start at one date and finish by a later date. I am talking about an evolution in our behavior to bring about change.

I have now met most of you and I am encouraged that you are serious about following through on your proposals. However, I feel compelled to emphasize an important reality:

To write and talk about change is easy. We have done the writing and talking very well. The Bank is very good at writing and talking. Your action plans have been prepared and discussed. Task forces have been established. However, the problem will not be solved by a powerful action plan and the appointment of a Senior Adviser on Women's Issues. It is up to you as managers to show that the Bank is willing to act as forcefully as you have committed yourselves on paper. You are all models and all your decisions in this challenge are looked upon and evaluated against the Bank's objectives on women's issues. Your role is to initiate and support positive proposals and activities in all parts of your Vice Presidential Units to bring about change. Your challenge is not only to persuade the managers and staff under you that change must occur, but to convince them, and get them to act. Without this, management's credibility is at risk.

My observation so far, is that you have good action plans and are committed to the challenge in general. When it comes to concrete decisions, it seems that a number of obstacles and problems arise. I would like to mention a recent experience in one Vice Presidency. This Vice Presidency has a wonderful Action Plan on Women's Issues. It is well thought through, with interesting initiatives and ambitious targets. When I asked what had been done since autumn when the plan was written, the answer was (with some hesitation): nothing. Although an advisory group had been established, no-one informed the chairman he had been selected until February. And what about the numbers? Oh, "we have appointed 11 men and lost 2 women". I am happy to say this Vice Presidency is not typical. In another Vice Presidency we have the reverse situation. This Vice Presidency presented an action plan with almost no actions. At the time it was disappointing. However, in discussion it is my sense that this Vice Presidency has a far deeper personal commitment than was on paper, as evidenced by their actions. They are working hard to create a positive work environment and are serious about exploring ways of attracting women staff to a part of the Bank which has traditionally experienced recruitment difficulties. This is just to illustrate that while action plans are important, action is essential.

So, the type of change I am talking about is different. It is not about changing the organizational structure and moving boxes around on a chart. The Bank is very good at this.

No, it is about changing our way of thinking, our way of behavior. It is about communication, openness, cooperation, teamwork and power sharing, and how management manages an institution in today's environment where gender issues can no longer be ignored. Organizational changes hurt, but changing the behavioral culture can hurt even more. It is not a question of imposing a new initiative upon the institution. As managers and staff members we must start to understand that the institution has something to gain by listening to and learning from people of different gender and nationality.

So, with behavioral change established as a requirement for success in achieving our goals, where do we stand today? It is almost a year since the Stern Report was published and I am in the process of assessing our results to date. At a preliminary glance, our numbers show that we are on track, both at levels 22-24 and at 25 and above:

Briefly, for levels 22 to 24, the Stern Report calls for 27% women at these levels by 1997. We are on target at about 1% increase per year, and women currently represent 24.7% at these levels. Recruitment statistics, therefore, are encouraging and are likely to continue to be so with further effort on all our parts.

At levels 25 and above, the Stern Report calls for 15% women at these levels by 1997. Recent increases, particularly a 1.5% increase during the first part of FY93 have brought this up to a current 10%. While this also appears encouraging, the increase in overall numbers at 25 and above is due not to recruitment, but to a significant increase in promotions into these levels. During the first half of FY93, six people were recruited at these levels, of whom five were men. One woman was recruited at level 26 and above, and can you guess who that was? The growth at these levels is unlikely to continue because there is simply not a large enough pool of female candidates ready for promotion to 25 to sustain this increase. It would also be unwise for the institution to accelerate promotions prematurely to increase overall numbers. In order to sustain this increase, therefore, we need to tackle this from two standpoints: first, we must increase the pipeline of women at mid-career so that we can create a strong pool of candidates for future promotion. This means a more aggressive recruitment effort as well as training programs for those on board. Second, we must overcome the institutional resistance to recruitment at the senior career levels. With the right environment the Bank could and should attract women at these levels and provide the necessary support systems for them, and for anyone entering at these levels, to succeed.

My own role, as you know, is advisory. My mandate is to see that the recommendations of the Stern Report are carried out. I have no power to recruit. I have no power to put women into positions. Through my own extensive experience on women's issues in Norway, I can advise you as individuals, and I can comment on or suggest changes in personnel policy which might help us to achieve our goals. Nevertheless, you should also be forthright in suggesting how the Bank should assist you and, wherever possible, we should work together towards institutional obstacles and strengthening institutional support.

There are three main themes that I will be paying attention to: Recruitment, Training, and Work Environment.

The first two, Recruitment and Training, are established functions which will require cooperation and sometimes pressure from me to ensure that high priority is given to women's issues. It will not always be easy, but the objectives are clear. The third theme, Work Environment, is something that each of us is responsible for and is less easy to define. Women in the Bank ask me: Is the Stern Report only for high level women, or does it have something for the average woman? Work environment affects everybody. The examples given in the chapter on Workplace Environment in the Stern Report are explicit. The harassment experienced is only symptomatic of far greater problems in the workplace. Discrimination can be obvious or can sometimes be more subtle and pass unnoticed. I am reminded of a recent occurrence in the Bank where a manager was considering staff for a resident assignment. One of his own division members, a woman and a high performer, expressed interest in being considered for the assignment. His response was a mixture of surprise and delight. He said:

"You know, it hadn't occurred to me. What would your husband do?"

There is nothing to add to this. It says everything. Work environment is how we relate to each other, understand each other. We must strive to create a workplace environment where men and women feel inspired, motivated and can contribute positively to the work of their unit. From my point of view we must look upon the workplace in a wider perspective: harassment is a serious problem, but in a positive environment this would not occur. There are behavioral issues to tackle, but there are many initiatives we could take which can improve the overall environment.

One of my own experiences involved chairing an advisory group whose goal, among other things, was to improve the workplace environment. The key to its success was that it received management commitment and attention. One of our initiatives included establishing a fund and inviting proposals from the staff on some practical ways of improving their work lives. A broad range of ideas and initiatives were put forward, actions taken, and the end result was not only a significantly improved workplace environment, but a 30% reduction in sick leave!

I am encouraged by the effort in some vice presidencies to seek advice and to start work on work environment issues, but much still needs to be done and I think you will agree that to create an environment where people are comfortable and therefore contribute better, will be a worthwhile investment. people are comfortable and therefore contribute better.

To conclude, women will play a more important role in the developing of the world - in all dimensions in the future. Of that, there is no doubt.

My question to the management of the World Bank is:

Do you have the right attitude? Are you ready to share the power and change your own behavior and way of thinking? Are you ready to induce change in the behavior of the managers in the departments under you? I hope the entire management in the Bank is ready.

THE WORLD BANK/IFC/M.I.G.A.

ROUTING SLIP		DATE: March 19, 1993	
NAME		ROOM NO.	
Catherine Cardona		S-13-025	
\	URGENT		PER YOUR REQUEST
	FOR COMMENT		PER OUR CONVERSATION
	FOR ACTION		SEE MY EMAIL
	FOR APPROVAL/CLEARANCE		FOR INFORMATION
	FOR SIGNATURE		LET'S DISCUSS
	NOTE AND CIRCULATE		NOTE AND RETURN
RE: Job Descriptions for Chief Economist and a Resident Scholar at the Asian Development Bank. Cathy, I suggest you take this up directly with the departments. D.C. Rao			
FROM: D.C. Rao, Acting, DECV		ROOM NO.: S8-055	EXTENSION: 33800

8836

FORM NO. 767
(9-91)

THE WORLD BANK/IFC

93 MAR 16 PM 3:18

PERSONNEL ACTION ROUTING SLIP		DATE 3/15/93
NAME		ROOM NO:
Mr. D.C. Rao, Acting Vice President		S-8055
Attached are copies of Job Descriptions for Chief Economist and a Resident Scholar at the Asian Development Bank. Please let me know if any DEC staff are interested. If so, please advise if you would like me to facilitate the process. <i>I suggest you take this up directly with the departments.</i> <i>Dec.</i> <i>3/18</i>		
FROM: M. Catherine Cardona	ROOM NO: S-13-025	EXTENTION: 37624

ASIAN DEVELOPMENT BANK
Manila, Philippines

CHIEF ECONOMIST
Economics and Development Resource Center

The Economics and Development Resource Center is responsible for coordinating, evaluating and reporting the Bank's development resource activities. It undertakes research on problems and policies of economic development within the region, especially those relating to macroeconomic issues, including development strategies and structural adjustment issues. It handles matters relating to methodology for the economic evaluation of projects and other sector-related research. It is responsible for the collection of socioeconomic data and the development and maintenance of a data bank relating to socioeconomic statistics relevant to the Bank's activities. It also provides editing services.

The Chief Economist, Economics and Development Resource Center, reports directly to the Vice President for Operations. He is responsible for the overall planning and direction of the programs and activities of the Center and for its overall administration and supervision.

Candidates should have a doctorate in Economics and have substantial senior level international experience particularly in the Asia-Pacific region. In addition, they must have strong interpersonal and communications skills and a proven ability to liaise effectively with other senior officials and organizations. Candidates should also be able to lead and manage a team of highly qualified professionals.

TERMS OF REFERENCE

RESIDENT SCHOLAR Economics and Development Resource Center (EDRC) ASIAN DEVELOPMENT BANK, MANILA

OBJECTIVES

The Resident Scholar will provide advice on the directions that Asian Development Bank should take in conducting research in areas of interest and relevance to the Bank's operations and will offer academic support and input to such research.

TERMS OF REFERENCE (TOR)

1. The Resident Scholar will undertake research on areas of operational interest to the Bank. These research topics will be agreed upon prior to confirmation of his/her appointment. The topic selected should fall within the Resident Scholar's area of competence and specialization, as well as being of use to the Bank, bearing in mind its operational priorities. The research work undertaken in the Bank by the Resident Scholar should serve some or all of the following purposes: i) to become the basis for a series of Internal Bank seminars with a view to introducing innovative approaches and fresh ideas in the Bank; ii) to be published as research papers, under the aegis of the Bank; and iii) to be used as presentational materials in selected regional/international academic conferences.
2. The Resident Scholar will undertake the following specific tasks:
 - (i) participate at the beginning of the appointment in one or two operational missions and become involved in one or two internal projects in order to get a clearer understanding of the nature of the Bank's operations;
 - (ii) provide expert advice and guidance to economists in the Economics and Development Resource Center, Programs Departments and other Departments/Offices, as may be needed, on the further development and application of economic analysis being undertaken in the Bank;
 - (iii) carry out research in a mutually agreed subject area; and recommend measures for the application of the findings to Bank operations;
 - (iv) under the aegis of the Bank, publish research papers on work undertaken in the Bank; and disseminate the findings of this research through presentations at selected regional and international conferences;
 - (v) provide a series of seminars for Bank staff on topical issues relating to his/her areas of competence and specialization (the total number of such seminars and the topics to be determined and agreed upon in consultation with the Chief Economist and Director BPMsD), and deliver at least two seminars – e.g., one as "work-in-progress" and the other towards the end of his/her appointment on the research work that he or she has undertaken in the Bank;
 - (vi) in consultation with the Chief Economist and the Manager, Strategic Planning Unit, develop and prioritize a list of subjects/topics for further research activity to be undertaken by the Bank and by future Resident Scholars; and
 - (vii) provide guidance to the Human Resources Division in facilitating the recruitment of staff in his field of specialization.

In order to allow the Resident Scholar adequate opportunity to be as productive and useful as possible in a relatively short period of time, the appointee will not be responsible for any administrative duties.

QUALIFICATIONS

The Resident Scholar will be expected to have established his/her reputation in international academic circles and should be able to project the role of the Bank as a regional leader in development. The selected candidate should be able to demonstrate internationally acknowledged expertise, both through lecturing in centers of excellence or contributions to well-known publications, in one or more areas of operational interest to the Bank, such as: the role of human resource development (HRD) in promoting efficient growth, poverty reduction and environmental protection in Asia; the appropriate mix of public/private sector in HRD in Asia; transformation of centrally planned to market-based economies in the Asian context; and development of small island economies.

In line with the Bank's Charter, the Resident Scholar, as a member of the Bank staff, must be a national of one of the Bank's 52 member countries.

Women are actively encouraged to apply for this position.

ASSIGNMENT PERIOD, POSITION IN THE BANK AND BENEFITS

This post is not expected to lead to a career in the Bank. The Bank expects that the Resident Scholar will draw on arrangements for sabbatical leave or leave of absence in order to make himself/herself available. The successful candidate will be offered (and will be expected to complete) a one-year fixed-term appointment. This appointment may be extended for up to one further year (i.e. a total of two years at maximum).

The Resident Scholar will be appointed at Level 9, the equivalent of a Deputy Director position. The basic salary will be about \$100,000 per annum, which, for most member country nationals, is free of income tax.

As a member of the Bank staff, the Resident Scholar will be covered by the Bank's privileges and immunities and must agree to be subject to the usual obligations regarding behavior, confidentiality and avoidance of conflict of interest that bind international civil servants.

Benefits will be substantially the same as for other professional staff members of the Bank, including spouse and children's allowances; appointment and resettlement travel for the Resident Scholar and his/her family (first class); settling-in and installation grants; education allowance and travel for dependent children; housing subsidy and advance; access to the Bank's Medical and Insurance Plans; and home leave (depending on the length of his/her service in the Bank.)

ADMINISTRATIVE ARRANGEMENTS

For administrative purposes, the Resident Scholar will be attached to the Economics and Development Resource Center (EDRC) and will work under the guidance of the Chief Economist. After consultation with the Chief Economist, he/she will have access, in an advisory capacity, to the three Vice-Presidents and the Directors of other departments.

Adequate budgetary provision will be made for a full time Research Assistant to be assigned to the Resident Scholar.

If, as expected, the Resident Scholar produces publishable work on Bank-related issues prepared with Bank resources on Bank time, this material will remain the property of the Bank. As is the case with other Bank staff, materials for publication will have to be cleared by a panel chaired by the Information Office. The Resident Scholar may have articles published under his or her own name. However, all publications based on materials obtained in the Bank will have to make reference to its source.

EXPRESSIONS OF INTEREST

Those who are interested in being considered for the Resident Scholar position should submit a detailed resumé to the Manager, Human Resources Division, Asian Development Bank, P.O.Box 789, 1099 Manila, Philippines (Fax numbers (63-2) 741-7961; (63-2) 632-6816; (63-2) 631-7961; and (63-2) 631-6816. Those attending the ASSA Meetings in Anaheim, California, from 4-7 January 1993 may also contact Mr. Tony Wan at the Anaheim Marriott Hotel. The Resident Scholar will be selected after consideration by Management.

It is hoped that the Resident Scholar will begin his or her appointment as early as possible in 1993.

THE WORLD BANK/IFC/M.I.G.A.

ROUTING SLIP		DATE: March 19, 1993	
NAME		ROOM NO.	
John O'Connor		S-7-131	
cc: M. Jimenez (letter only)		S13-055	
☐	URGENT	☐	PER YOUR REQUEST
☐	FOR COMMENT	☐	PER OUR CONVERSATION
☐	FOR ACTION	☐	SEE MY EMAIL
☐	FOR APPROVAL/CLEARANCE	☒	FOR INFORMATION
☐	FOR SIGNATURE	☐	LET'S DISCUSS
☐	NOTE AND CIRCULATE	☐	NOTE AND RETURN
☐		☐	
RE: Attached			
REMARKS:			
FROM: D.C. Rao, Acting, DECV		ROOM NO.: S8-055	EXTENSION: 33800



INTERNATIONAL LABOUR OFFICE
BUREAU INTERNATIONAL DU TRAVAIL
OFICINA INTERNACIONAL DEL TRABAJO

4, route des Morillons
CH-1211 GENÈVE 22

Télégrammes INTERLAB GENEVE
Télex 415647 ilo ch
Fac-similé (22) 798 86 85

Téléphone direct (22) 799
central (22) 799 6111

Dr. Lawrence Summers
The World Bank
1818 H Street, N.W.
Washington, D.C. 20433
USA

Réf. BIT/ILO

WEP 10-4-0

Votre réf.

Dear Dr. Summers,

I am pleased to forward to you a copy of a monograph entitled *The incidence of poverty in developing countries: An ILO Compendium of data* which has just been published by the ILO. I hope you will find it useful.

The data in this publication will now be used in a number of studies which we have embarked on as part of our research programme at the ILO.

We shall be happy to receive any views on this publication that you might care to share with us. Any suggestions for improvement of a later edition and references to additional sources with poverty data would be especially welcome.

With best regards,

Sincerely yours,

Samir Radwan

Chief

Policies and Programmes for Development Branch
Employment and Development Department

Send to

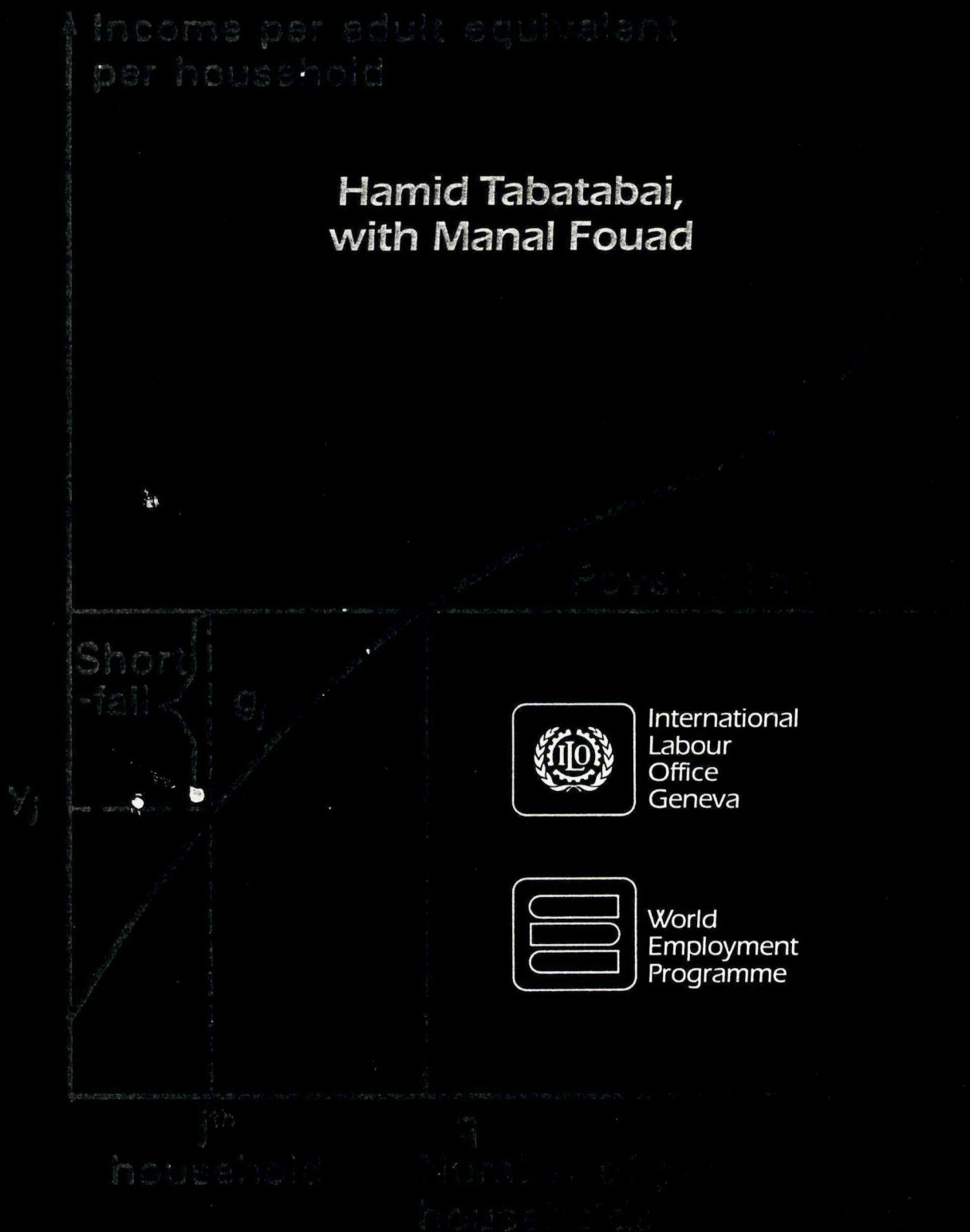
IEC SE

E. Adnan Tuncer

The incidence of poverty in developing countries

An ILO compendium of data

Hamid Tabatabai,
with Manal Fouad



International
Labour
Office
Geneva



World
Employment
Programme

Technology and Development

No. 6

January 1993

Article

- Technological Capability Building in Developing Countries and
 Japan's Technological Cooperation Tetsuro NAKAOKA
 Economic Development and Small-Scale Industries Atsushi MURAKAMI
 A Study in Rural Development Yoshihiro KAIDA
 Aid Towards Basic Education with Particular Reference
 to Educational Development in Africa Toshio TOYODA

Case Study

- Problems Encountered in the Process of Establishing CISMID
 and During Its Initial Period Ichiro TANAHASHI
 Visualizing the Effectiveness of Technology Transfer Susumu IWASAKI

Information

- Japan Overseas Cooperation Volunteers (JOCV) and Environmental Cooperation
 Report on Participation in the First General Meeting of the Informal Study Group
 on the Exchange of Development Information
 Internationalization of Municipal Governments
 The Current Status of Activities of Country and Regional Aid Study Groups



Institute for International Cooperation
 Japan International Cooperation Agency

Nancy Borden

PRD

cc m.w. 8830
THE WORLD BANK
Washington, D.C. 20433
U.S.A.

Office of the President

March 11, 1993

93 MAR 15 AM 11:12
RECEIVED
DEVELOPMENT ECONOMICS
ECONOMIST

1. ~~J.C.R.~~
2. VP File.

To: All Bank Vice Presidents

Attached is the March 11 update of our inventory of all major papers, annual and semi-annual reports which require Office of the President review. Please provide copies to your managers, as you deem appropriate.



Jane Armitage
Assistant to the Managing Directors

Attachment

cc: Messrs. Iida and Ryrie

MAJOR PAPERS REQUIRING EXC REVIEW

Title	Task Manager	IB/ Outline	VPU Review	EXC Review	Board Date	Comments
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HUMAN RESOURCES DEVELOPMENT & OPERATIONS POLICY						
Higher Education Reform (Best Practice Paper)	Verspoor	30Jun92	20Apr93	20May93	01Jul93	Board seminar
Governance Progress Report	Stevens	May93	Oct93	Nov93	Dec93	Board meeting
Population Sector Overview	Merrick	Jun93	Jan94	Feb94	Apr94	Board meeting
Education Sector Overview	Verspoor	15Jul93	15Feb94	15Mar94	May94	Board meeting
WID Policy Paper	Slade	31May93	Jan94	Feb94	Mar94	Board meeting
WID Progress Rpt. (Fall93 DevCmte)	TBD	TBD	TBD	July93	Aug93	CoW
Review of Procurement Guidelines	Srinivasan	Sept93	Mar94	Apr94	May94	Board seminar
Overall Strategy for Human Resource Development	TBD	01Feb94	01Aug94	01Sept94	Nov94	Board meeting
FINANCE AND PRIVATE SECTOR DEVELOPMENT						
Industrial Restructuring Best Practices Paper	Frischtak	10Feb92 (revised)	TBD	TBD	NA	
Telecom Sector Review		TBD	TBD	TBD	Nov/Dec93	Board meeting
PSD & FIL Policy Paper		TBD	TBD	TBD	FY94	To be prepared following Board semnr
Financial Sector Review		TBD	TBD	TBD	FY95	To be prepared following Board semnr
ENVIRONMENTALLY SUSTAINABLE DEVELOPMENT						
Water Resources Management Policy Paper	Feder	10Feb92	28Aug92 *StrgCte	22Jan93	16Mar93	CoW

MAJOR PAPERS REQUIRING EXC REVIEW

Title	Task Manager	IB/ Outline	VPU Review	EXC Review	Board Date	Comments
Resettlement Review	Cernea	TBD	Oct93	Oct/Nov93	Nov/Dec93	Board meeting
Forestry Sector Review	Wagner	12Dec93	04Mar94	18Mar94	19Apr94	Board meeting
Infrastructure Sector Review	Kessides	Jun92	Apr93	May93	TBD	Board status TBD following VP/EXC review
Reducing Pollution in LDCs (Best Practice Paper)	TBD	Jun93	Apr94	May94	Jul94	Board seminar
Water and Sanitation (SR)		TBD	TBD	TBD	FY94	Board meeting
Handbook on Natural Resource Management (BP)	Steeds/ Rees	19Dec93	03Mar95	17Mar95	18Apr95	Board seminar
Transport Sector Review		TBD	TBD	TBD	FY95	Board meeting
Economywide Policies & the Env.	Muna-singhe	TBD	TBD	TBD	FY95	Board seminar
DEVELOPMENT ECONOMICS						
PSD Progress Report Spring93 DevCte	Shirley	15Dec92	01Mar93	05Mar93	01Apr93	CoW. Development Committee Review 01May93
LDC Access to Priv Capital Flows Spring93 DevCte	Johannes/ Jun	15Dec92	25Feb93	05Mar93	01Apr93	CoW. Development Committee Review 01May93
WDR 1993 (Health)	Jamison	NA	26Feb93	23Mar93	13May93	Board meeting
Study of East Asia Miracle	Page	15May92	01Apr93	17May93	July undated	Research Report. Publication Sept93. Board seminar
Old Age Security	James	22May92	23Jul93	27Aug93	Sept undated	Publication Nov93. Research report; Board seminar
Africa Adjustment Paper	Jones	NA	28May93	02Jul93	July undated	Research report; Board seminar
Initial Evaluation of Uruguay Round	IEC	TBD	TBD	TBD	TBD	Board seminar

MAJOR PAPERS REQUIRING EXC REVIEW

Title	Task Manager	IB/ Outline	VPU Review	EXC Review	Board Date	Comments
WDR 1994 Outline (Infrastructure)	Ingram	NA	NA	Sept93	Oct93	Board seminar
Enterprise Reform	Shirley	31Mar93	Mar94	Apr94	May94	Possible Board seminar
Management of External Debt	Brigish	Feb94	Aug94	Nov94	Dec94	Possible Board seminar
Environ. & Social Aspects of Adjust.	Jimenez	TBD	TBD	TBD	Mar95	Possible Board seminar
Transition Economies	Gelb	TBD	TBD	TBD	Jul95	Possible Board seminar
Fiscal Decentralization	TBD	Jul94	Nov94	Jan95	Mar95	Possible Board seminar
Consequences for Devlpng Countries of Trading Blocs	TBD	TBD	TBD	TBD	TBD	Possible Board seminar
Rel. Labor Market Policy, Growth & Poverty Reduc.	Sabot	TBD	TBD	TBD	TBD	Possible Board seminar
AFRICA						
Health Policy in Africa (BP)	Elmendorf		Sept93	Oct93	Nov93	Board seminar
COFINANCING						
IDA Debt Reduction Facility	Flannery			16Apr93	27May93	Board meeting
Debt & Debt Service Reduction					FY94	Board meeting
FINANCIAL POLICY & RISK MANAGEMENT						
JAC Revw of Uses of IBRD Surplus	Opper	30Nov92	21Dec92	26Feb93	NA	JAC review: 08Mar93. Discussion to continue 14Mar93.
Revw Approach to Workouts in Cntries in Arrears	Bhattacharya/ Oppenheim	25Feb93	20Apr93	16Apr93	NA	JAC Briefing May93
Revw of Exposure Guidelines	Bhattacharya/Dinh	08Mar93	08Apr93	22Apr93	NA	May93 JAC mtg

MAJOR PAPERS REQUIRING EXC REVIEW

Title	Task Manager	IB/ Outline	VPU Review	EXC Review	Board Date	Comments
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Resource Mobilization Strategy Update	Ohashi	Feb93	May93	Jul93	NA	To be completed following IDA-10 Agreement
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PERSONNEL & ADMINISTRATION

Field Off/Persnl Implications in cntext of Wap.Rept	Richardson	NA	Apr93	May93	TBD	PPIC: end May-early June
Eligibility for Expatriate Benefits	Wessels/ Bowyer	NA	23Feb93	02Mar93	30Mar93	Board meeting
Savings Plan Design Paper	Wessels/ Der	NA	26Mar93	07Apr93	NA	PPIC: 19Apr93
Differences Between IFC & IBRD/IDA Personnel Policies & Prac.	de Capitani/ Bam	NA	May93	May93	NA	PPIC: May/Jun93

ANNUAL AND SEMI-ANNUAL REPORTS REQUIRING EXC REVIEW

Title	Task Manager	VPU Review	EXC Review	Board Date	Comments
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HUMAN RESOURCES DEVELOPMENT & OPERATIONS POLICY					
Draft President's Report to Development Committee	Ayres	26Feb93	05Mar93	01Apr93	COW Meeting. For May 1993 Development Committee Meeting
Annual Report on Technical Assistance	Raphaeli	Oct93	Nov93	Dec93	To Board for information only
Annual Report on Poverty	Ribe	15Feb94	15Mar94	Apr94	Format and content to be decided
Annual Report on Portfolio Performance (ARPP)	Ruivivar	07Jan93	08Feb93	09Mar93	Board meeting
ENVIRONMENTALLY SUSTAINABLE DEVELOPMENT					
Annual Review of Environment Assessment	Steer	July	Aug	TBD	Major findings & conclusions will be reflected in Annual Reports on the Environment
Annual Report on Environment	Warford	Jul93	Aug93	Sep93	Board meeting. Includes reviews on EAs.
DEVELOPMENT ECONOMICS					
Global Economic Prospects & Developing Countries	Johannes	22Jan93	11Feb93	22Mar93	Board Seminar
Global Economic Prspcts Update	Riordan	Aug93	Aug93	Sep93	Board Seminar (oral briefing)
World Debt Tables	Ahmed	Oct93	Oct93	Nov93	Board Seminar
CONTROLLER'S					
Review WB Programs and FY94 Budgets	Lynn	26Apr93	04May93	22Jun93	Board meeting
FY93 Retrospective Review	Lynn	Sep93	Sep93	Oct93	CEBP
FY94 Governors Report	Lynn	Aug93	Aug93	NA	Distributed to Board of Governors during Annual Meetings
Reimbursable Program Management	Lau	Dec93	Jan94	NA	
FY94-96 Planning Directions Paper	Lynn	Dec93	Jan94	Feb94	COW

ANNUAL AND SEMI-ANNUAL REPORTS REQUIRING EXC REVIEW

Title	Task Manager	VPU Review	EXC Review	Board Date	Comments
FY94 Midyear Review	Lynn	Feb94	Feb94	Mar94	CEBP
TREASURER'S					
Financial Report on the Pension Fund	Santiago	NA	Apr93	Apr93	To Board for Information only
IBRD Borrowing Plan for FY94	Lay	NA	03Jun93	01Jul93	Board meeting
FINANCIAL POLICY & RISK MANAGEMENT					
Review of Adequacy of Provisioning & Reserves	Oppen/ Bhattacharya	11Mar93	31Mar93	Apr93	JAC: 14Apr93
Implementation of Provisioning Policy	Bhattacharya	May93	May93	Jun93	JAC Jun93 Board meeting
1993 Country Risk Management Portfolio Rvw	Bhattacharya/Dinh	Jun93	Jul93	NA	
IDA Commitment Fee	Ohashi/ Buntua	May93	Jun93	Jun93	Board status TBD
Allocation of FY93 Net Income	Oppen	17Jun93	01Jul93	05Aug93	JAC 28Jul93 Board meeting
Use of IDA Reflows	Ohashi/ DeSantis	Jun93	Jul93	Aug93	Board meeting Will cover IDA-10 period
IDA9 Implementation Review	Katz/Yap	July93	Aug93	Sep93	Will cover IDA-9 period
JAC Bfg on Status of Portfolio	Bhattacharya	Sep93	Sep93	NA	JAC briefing
Country Allocation of FY94 Fifth Dimension Funds	DeSantis	Nov93	Nov93	Dec93	No Objection Basis
Lending Allocation Review	Bhattacharya/Yap	Oct93	Nov93	NA	
Status of FY94 Portfolio	Bhattacharya	Feb94	Feb94	Feb94	Board briefing
PERSONNEL & ADMINISTRATION					
1993 Compensation Review	Wessels/ Marcou	11Mar93	18Mar93	15Apr93	PPIC: 5Apr93

ANNUAL AND SEMI-ANNUAL REPORTS REQUIRING EXC REVIEW

Title	Task Manager	VPU Review	EXC Review	Board Date	Comments
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EXTERNAL AFFAIRS					
1993 IBRD/IDA Annual Report	Muncie	NA	May93	Jun93	Board seminar on report Jun93
SECRETARY'S					
EDs' Work Program	Thahane	NA	Jun93	Jul93	Board meeting
INTERNATIONAL FINANCE CORPORATION					
FIAS Business Plan & Administrative Budget FY94	Weigel/ IFC		May93	Jul93	Bank/IFC/MIGA Board meetings
OPERATIONS EVALUATION					
Work Program & Staff Budget FY94	Picciotto/ Kopp		Apr93	18May93	Board meeting (Prior review by JAC 28Apr93)
Annual Report on Operations Evaluation FY93	Picciotto			Oct93	Board meeting (Prior Review by JAC)
Annual Review of Project Performance 1992	Kopp/ Johnson			Oct93	Board meeting (Prior review by JAC)

OFFICE MEMORANDUM

DATE: March 18, 1993

TO: Mr. Hywel Davies, Director, ITF

FROM: D. C. Rao, Acting Vice President, DEC *dal*

EXTENSION: 33800

SUBJECT: Move of DEC to the N-Building

1. You will see from my memorandum to Ismail Serageldin today that I have agreed in principle to the move of DEC units to the N-Building, provided that ITF agrees to devote adequate resources to the construction of suitable accommodations for the DEC Vice President's Office. I would like your assurance on this and one other point before we go any further with the planning for this move.
2. As far as anyone in DEC can remember, the N-Building has never housed a vice president, and, frankly, it gives the appearance of a building to which little aesthetic attention has been paid. Our experience with two former DEC Vice Presidents/Chief Economists has confirmed that this is a high-profile position, involving a great deal of contact with high-level government officials and with U.S. and foreign media. We feel it will be important, therefore, that the proposed move not result in any reduction in the quality of the DEC Vice President's space from what exists now in the S-Building. The fact that there is currently no incumbent Vice President should not influence how ITF approaches the design and construction of that space.
3. I would therefore like your assurance that you are willing to devote adequate resources to the design, construction, and furnishing of the Vice President's suite to a standard equivalent to the current suite in the S-Building. I would also appreciate your advice as to what, if anything, can be done to upgrade the N-Building lobby to make it more suitable for the reception of high-level visitors. My understanding is that this revised move plan involves considerable savings over the earlier agreed plan, so I am assuming that the cost of such an upgrade should not be a constraint.
4. In addition to concerns about the Vice President's suite, I would appreciate your assurance that the N-Building is adequately configured to support DEC's use of the mainframe for access to data bases, All-in-1, MIS, etc.. I understand that network communications have in the past presented problems in the N-Building, and will want to be sure that these problems no longer exist.
5. Once I receive these assurances, I will be prepared to move ahead with the planning for the proposed move.

cc: Messrs. Alisbah, Serageldin, Mss. Stover, Cartwright,
DECVP Staff

OFFICE MEMORANDUM

DATE: March 17, 1993

TO: Mr. Ismail Serageldin, VP, ESD

FROM: D. C. Rao, Acting VP, DEC *DCR*

EXTENSION: 33800

SUBJECT: Space Proposal for DEC and ESD

1. We have no objection to the latest stacking plan proposed by ITF for the S and N Buildings, provided that ITF agrees to devote adequate resources to the construction of suitable accommodations in the N-Building for the DEC Vice President's office. Assuming that this can be agreed with ITF (a separate memorandum on this point will be sent to Mr. Davies today), the only outstanding point is the reserve space in the N-Building. I understand that Mss. Davis and Stover have agreed to review the disposition of N-5 and N-6 reserve space as soon as Ms. Stover has confirmed AGR's space needs on N-7 and N-8.
2. Once agreement has been reached on the Vice President's accommodations and the allocation of a reasonable number of reserve offices for DEC's use, we agree to move forward with the proposed plan.
3. The Vice President's staff will vacate S-9 as soon as suitable space becomes available on N-6, which I understand will be following the departure of PBD from the N-Building.. Ms. Davis will keep in close contact with Ms. Stover throughout this process.

cc: Mss. Stover, Davis, Cartwright, Mr. Davies

The World Bank
Development Economics Department
1818 H Street, N.W.
Washington, D.C. 20433, U.S.A.
Room S-9035

Facsimile Transmittal Form

FAX No.: 202-477-0549

No. of Pages: 2
(including this page)

PHONE No.: 202-473-3774

DATE: March 16, 1993

TO: Mr. Alexander ter Weele

FAX No.: 60858

FROM: D.C. Rao

SUBJECT: Electronic Mass Media Initiative

Alex,

Provided Alex Shakow is firmly behind this, there is no problem in going ahead as you propose.

D.C. Rao

Headquarters: Washington, D.C. 20433 U.S.A.

Tel. No. (202) 477-1234 // Fax Tel. No. (202) 477-6391 // Telex No. RCA 248423

FACSIMILE COVER SHEET AND MESSAGE

DATE: March 12, 1993

NO. OF PAGES: 3
(including this sheet)

MESSAGE NUMBER: 1

TO

Name: Mr. D. C. Rao
Organization: DECVPFax Tel. No. 70549
City: Washington
Country: USA

FROM

Name: Alexander H. ter Weele
Dept./Div. EDIDR
Room No. M7009Fax Tel. No. 676-0858
Dept/Div No. 62505
Tel. No. 4736330

SUBJECT: World Bank Electronic Mass Media Initiative

MESSAGE:

D.C.--After a Shakow/Knight meeting, Alex suggests that he and I issue a memo along the lines of the attached. I will work with Alex and Peter to "wordsmith" the memo. However, I would appreciate any views you might have on the basic issues, e.g., Do you have any reservations that Alex and I issue the memo? Is the assumption that we need not fly the memo past Attila reasonable?

Thank you.

Alex ter Weele

Alex
provided Alex Shakow
is firmly behind
this, now it is
problem is going
ahead as you
propose -

*Dcd**3/12*Transmission authorized by: Alexander H. ter Weele

If you experience any problem in receiving this transmission, inform the sender at the telephone or fax number listed above.

THE WORLD BANK/IFC/MIGA

OFFICE MEMORANDUM

DATE: March 12, 1993

TO: Distribution

FROM: Alexander Shakow, Director, EXT
Alexander H. ter Weele, Acting Director, EDI

EXTENSION: 36300

SUBJECT: World Bank Electronic Mass Media Initiative

1. The attached document proposes a six-month pilot effort to develop an electronic mass media facility for the Bank. The ultimate objectives of such a center could include the introduction of up-to-date techniques to disseminate Bank and other selected analyses of development issues, conduct operational support, strengthen training activities and promote external relations.
2. Only preliminary work is envisaged, with some support for pilot projects already being developed, during the six months ending October 31, 1993. A full-fledged business plan would be produced by then for Bank-wide review.
3. This project is intended to have Bank-wide benefits. Offers of ideas, staff time, equipment, and financial resources by Bank units in a position to contribute such resources are actively sought. The preliminary proposal will be revised based on comments received and as the effort proceeds. There would, of course, be significant changes introduced as the pilot develops.
4. We would encourage your participation in the development phase of this project. We would then proceed to form a small task force to provide advice as well as to help carry out the work. EDI will make Peter Knight available to lead this pilot effort for the six-month period. FPD, ITF, EDI and EXT have already indicated their interest, but the interest and support of others will be needed to go ahead. Those recipients copied on this memo for information are, of course, welcome to join us as well.
5. Since the projected start date for the development phase of the project is May 1, 1993, your comments, recommendations, and/or offers of assistance are requested by March 31. Please send any written comments to Peter Knight, Division Chief, EDIEM with a copy to each of us. Mr. Knight can be reached at ext. 36313 or by fax at 69879. (He will be on mission March 15-28).

- /...

MAR 12 00 11:00 AM WORKED BY: [REDACTED]

Distribution

- 2 -

March 12, 1993

Distribution:

To: Messrs. Choksi (HROVP), Koch-Weser (MNAVP), Rao (IECV),
Rischar (FPDVP), Serageldin (ESDVP), Thalwitz (ECAVP)

cc: Messrs. Alisbah (PAAVP), Einhorn (TREVP), Eccles (CTRV), Husain
(LACVP), Jaycox (AFRVP), Kaji (EAPVP), Kashiwaya (CFSVP), Linn
(FPRVP), Picciotto (DGO), Wood (SASVP)

THE WORLD BANK/IFC/M.I.G.A.

Chun

ROUTING SLIP		DATE: March 16, 1993	
NAME		ROOM NO.	
Mr. Masood Ahmed, Acting, IECDR		S-8-047	
Ms. Nancy Birdsall		N-11-051	
Mr. Amnon Golan		M-7-021	
Mr. Greg Ingram		S-3-033	
Mr. Dean Jamison		T-7-101	
Mr. Anandarup Ray, Acting, DPGDR		S-9-049	
Mr. Ramesh Chander		S-9-037	
Mr. Michael Walton		S-9-035	
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☐	FOR SIGNATURE	☐	LET'S DISCUSS
☐	NOTE AND CIRCULATE	☐	NOTE AND RETURN
☐		☐	
RE: attached			
REMARKS: For your information. D. C. Rao			
FROM: D.C. Rao, Acting, DECVF		ROOM NO.: S-8-055	EXTENSION: 33800



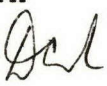
Record Removal Notice

File Title D.C. Rao, Acting Vice President - Internal Chronological Records - Correspondence - January 1993 - August 1993		Barcode No. 1459974		
Document Date 03/11/1993	Document Type Letter			
Correspondents / Participants From: Patrick Coady, U.S. Executive Director To: Executive Directors				
Subject / Title Comparison of Project Cycle between World Bank and Private Sector				
Exception(s) Communications of Executive Directors' Offices				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group. <table border="1"><tr><td>Withdrawn by Salma Berrada</td><td>Date April 29, 2025</td></tr></table>	Withdrawn by Salma Berrada	Date April 29, 2025
Withdrawn by Salma Berrada	Date April 29, 2025			

OFFICE MEMORANDUM

DATE: March 11, 1993

TO: Mr. V. Rajagopalan, EXCPM

FROM: D. C. Rao, Acting DECVP 

EXTENSION: 33800

SUBJECT: Portfolio Management - Next Steps

This is to respond to Mr. Stern's memorandum of March 8, requesting comments on the above paper.

The paper covers the subject quite comprehensively, but we do have a few suggestions and questions that you may wish to consider, as follows:

(a) Project Risk Analysis. Formal quantitative risk analysis of projects is complicated and has seldom been considered by Bank operational staff to be useful in practice. The paper might wish to clarify the several references to such analysis, e.g. "standard project risk analysis" in South Asia (para. 13);

(b) Appraisal Forecasts. It is in our view too simple a characterization to say that appraisal scenarios are the result of an (unwarranted) assumption that "everything goes according to plan" (para. 19). While forecasts for a project must necessarily assume a series of planned actions, this does not mean that appraisal missions exclude consideration of unexpected events or alternative scenarios. For example, of the say, ten values possible for yields per hectare, the appraisal mission may decide to choose the statistical best estimate and proceed accordingly. Thus, "everything goes according to plan" can in principle be consistent with forecasts based on statistically expected values. Is there really systemic overoptimism in the Bank as this para implies?

(c) Appraisal Methods. The paper does not say very much about the work that is going on at present (or perhaps should go on) in the area of project appraisal methodology. Our economic analysis tends to be crude and suffer from lack of data needed to reflect macroeconomic considerations in project design and selection (for example, "shadow" prices). What are we doing about this? The same question arises as well for the many projects (the majority at this time) for which quantitative economic analysis is not attempted. Is there scope for improved approaches? If so, should we not highlight this in the post-Wapenhans phase?

(d) Adjustment Lending. In several places the question arises as to whether the references to our lending include adjustment lending or not (for example, para. 15). It might be useful to be explicit about this.

cc: Mr. Stern

ROUTING SLIP		Date March 8 1993	
NAME		ROOM NO.	
Messrs. Golan/ter Weele		M7 009	
URGENT	For Action/Comment	Per Your Request	
Appropriate Disposition	Information/Discard	Returned	
Approval/Clearance	Note And Return	See My E-Mail	
File	Per Our Conversation	Signature/Initial	
RE: Attached			
REMARKS Please discuss. Thanks. D C Rao			
From		Room No. S9 035	Ext. 33800

P-1862

ERNEST STERN
Managing Director

93 MAR -8 AM 10:11

March 4, 1993

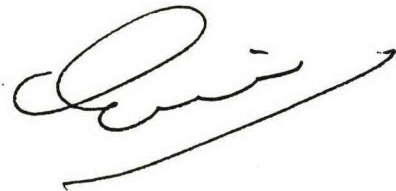
cc Golan/for H...
R. Discus
Sch
3/5.

~~Mr. Rao~~

~~D.C. -~~

McNamara Fellowship Program

1. I am not sure I fully understand how the Trust Fund capital has been eroded, though I recognize that current rates-of return on USD fixed income assets will provide a small return.
2. However, if the capital has been diminished, I agree that Option 1 is not viable. I do not believe it is appropriate to start a fund-raising effort nor is it likely to be fruitful. And I would not favor a further contribution by the Bank. I have, as you know, the highest admiration for Mr. McNamara, but he was only one of the Bank's presidents.
3. This leads me to Option 2, phasing out the program over time. I suggest you prepare a notice to the Board along these lines. Please check with Legal whether Board approval, or only information, is needed.
4. I know little about the program but assume the fellowships are not only to US universities. Costs elsewhere may be more moderate and assumed rates-of-return in non-USD currencies higher. Any such feasible redeployment could extend the life of the program somewhat -- though it does not change the fundamentals.



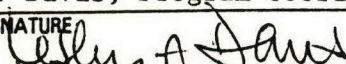
cc & cleared with: Mr. Karaosmanoglu

cc: Bate

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SIGNATURE 			SIGNATURE	DATE
			DATE 3/5/93	

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Mr. Dean Jamison		T-7-101	
Mr. Anandarup Ray, Acting, DPGDR		S-9-049	
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☐	NOTE AND CIRCULATE	☐	NOTE AND RETURN
☐		☐	
RE: Infrastructure Symposium 1993: Call for Papers			
REMARKS: For your information. D. C. Rao			
FROM: D.C. Rao, Acting, DECVP		ROOM NO.: S-8-055	EXTENSION: 33800

OFFICE MEMORANDUM

cc. Dec. Dr. Mgs
Dec

DATE: February 25, 1993

TO: Infrastructure Staff

FROM: Zia Kalim, TWUDR, Jenifer Wisheart, CINDR

EXTENSION: 31092, 38961

SUBJECT: Infrastructure Symposium 1993: Call for Papers

Enclosed is a *Call for Papers* for the 1993 Infrastructure Symposium being planned for the first week in September. The Symposium is planned to focus on four topics:

- o The Enabling Environment for Private Participation;
- o Infrastructure and Capital Markets;
- o Infrastructure and Poverty; and
- o Infrastructure and Trade.

Please bring the Call to the notice of staff working on infrastructure issues, and encourage them to submit abstracts that will enrich the Symposium.

Also enclosed is a faxable copy of the Call. We encourage you to invite consultants, researchers, officials and others outside the Bank and IFC to prepare papers for the Symposium.

cc: Executive Vice President
Vice Presidents, IFC
Vice President and Chief Economist, Development Economics, IBRD
Vice President, Finance & Private Sector Development, IBRD
Vice President, Environmentally Sustainable Development, IBRD
Vice President Human Resources Development & Operations Policy, IBRD
Chief Env. Adviser to the President & Director Environment, IBRD
Directors and Department Heads, IFC
Directors and Division Chiefs, Country Departments, Country Economics,
Development Policy, Economic Development Institute, International
Economics, Operations Policy, Financial Sector Development, Private
Sector Development, Industry & Energy, Transportation, Water &
Urban Development, IBRD
Managers, Regional Departments, IFC
Chief Economists, Lead Economists, Regional Economists, IBRD & IFC
Regional and Resident Representatives
MIGA and FIAS

Committee:

Messrs. Guislain, Israel, Pouliquen, Santos, Stern

INFRASTRUCTURE SYMPOSIUM

September 7-9, 1993

CALL FOR PAPERS

- o *The enabling environment for private participation*
- o *Infrastructure and capital markets*
- o *Infrastructure and poverty alleviation*
- o *Infrastructure and trade*



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INFRASTRUCTURE SYMPOSIUM

The 1993 Infrastructure Symposium seeks to examine topics that are especially relevant to reinforcing the growing role of the private sector. In every country in which the World Bank group is supporting infrastructure development, private participants are active in at least one of the sectors. The largest number of investment inquiries being received by IFC are for infrastructure projects. The four topics chosen for the 1993 symposium are thus especially timely for managing the transition to greater private participation in Infrastructure.

Please submit abstracts responding to this Call by March 30, 1993. Abstracts will be reviewed by a panel, and you will be notified if your offer of a paper has been accepted by April 30, 1993. A preliminary program for the Symposium will be published in early May.

Submit Abstracts to:

Zia Kalim	Jenifer Wishart
The World Bank	International Finance Corporation
Room S 10-051	Room I 10-005
1818 H Street N.W.	1850 I Street N.W.
Washington D.C. 20433	Washington D.C. 20433
tel (202) 473 1092	tel (202) 473 8961
fax (202) 477 1052	fax (202) 334 0223

MARCH 30 SUBMIT ABSTRACTS

APRIL 30 NOTIFICATION OF ACCEPTANCE

MAY PRELIMINARY PROGRAM

The Enabling Environment for Private Participation

The current interest in privatizing existing infrastructure systems and opening investment and operations in infrastructure sectors to entrepreneurs arises from a management crisis in the sector. Privatization, it is thought, will bring management efficiency benefits that will reduce the long term costs and expand the available supply of infrastructure services. To achieve and sustain these benefits, fundamental changes in the roles of government agencies and investors must be put in place.

Topics of interest therefore include:

- o Sustainable aims for privatization;
- o Allocating risks in infrastructure projects;
- o The scale and scope of remaining natural monopolies in infrastructure sectors;
- o Technological and institutional innovations affecting the economic structure of infrastructure sectors;
- o The role of competition in regulating economic behavior of infrastructure managers;
- o Transparency and competition in awarding projects, franchises and concessions;
- o A review of institutional capacity for infrastructure regulation;
- o The requirements for attracting foreign investors;
- o Regulation, ownership and control in infrastructure sectors;
- o Contracting for private participation;
- o Legal framework for private participation;
- o Elements of successful privatization programs--case studies, including inter-country comparisons.

Infrastructure and Capital Markets

Compared with other opportunities available to investors in developing countries, infrastructure investments may be relatively less risky because they provide services in wide demand across all sectors of the economy, they are often known to be in short supply, and they are often supplied under long term service contracts. Thus infrastructure sectors may be an important route for developing capital markets. On the other hand, local participation in infrastructure development may be difficult to stimulate because of general constraints on mobilizing savings even in rapidly privatizing economies where savings rates are quite high. Because of its traditional public sector roots, few lenders worldwide have much experience in infrastructure project financing. Moreover only about 30 of the 120 developing countries have any track record in private capital markets, so that mobilizing local capital may be difficult.

Topics of interest therefore include:

- o Sources of Infrastructure financing, worldwide and by regions;
- o The role of rating agencies and other information agents in developing project financing for infrastructure;
- o The performance of mixed public/ private ventures in infrastructure;
- o Privatization as a means of allocating risks and improving capital markets;
- o Economic performance of previously regulated utilities;
- o Savings and capital formation in privatizing economies;
- o Alternative ways for providing effective public sector support for private sector projects
- o Regional and country differences in capital market development;
- o Local capital markets as a source of infrastructure finance.

Infrastructure and Poverty

Infrastructure provides many of the basic services that help people lift themselves out of poverty. Power, clean water supply and sanitation provide increased resources for poor people by reducing the work required to meet basic needs and directly improve the quality of life through improved health and other benefits. Transport and telecom systems improve access to markets and to information through which productive and social activities may be improved. Yet access to such infrastructure systems is uneven, and the quality and cost of some services puts them beyond the reach of those who could benefit the most. Lastly there is evidence of neglect of infrastructure systems in many countries, that may have high long lasting cost because of the adjustments society has made in the interim.

Thus topics of interest include:

- o The consequences of gaps in accessibility;
- o The adequacy of infrastructure service indicators;
- o The effect of privatization on the cost and quality of infrastructure services;
- o Direct and indirect impacts of infrastructure investments--case studies or macro-level analyses;
- o Productivity measures for infrastructure;
- o Costs of infrastructure neglect;
- o The social costs of social objectives for power and water utilities;
- o Methods of providing services to the poor.

Infrastructure and Trade

The global economy has changed the way that infrastructure services fit with production activities. Improvements in industrial processes, transportation, and communication services have facilitated a widespread decentralization of manufacturing activity through sub-contracting and out-sourcing. This means that international trade is now no longer mostly bulk shipments of low-value raw materials, but includes higher value intermediate and finished goods, and many international shipments involve one or more changes in mode as a means of optimizing the trade-off between transportation and inventory costs. The quality and reliability of infrastructure services needed to support international trade is now much higher than in the past, and service requirements extend beyond vehicles and facilities to include communications systems, shipment tracking systems, transshipment services and efficient trade facilitation. The new patterns have led to new roles for infrastructure in determining international competitiveness, and to a growing international trade in infrastructure services themselves.

Topics of interest include:

- o Intermodal management systems for freight movement;
- o Complementarities among infrastructure systems;
- o Network vs modal approaches to infrastructure investment planning;
- o Effects of infrastructure improvements on competitiveness;
- o How to measure quality of service in infrastructure sectors;
- o International trade in infrastructure services;
- o Case studies on the effect of infrastructure improvements on trade.

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THE WORLD BANK/IFC

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The World Bank International Finance Corporation	
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Washington D.C. 20433	Washington D.C. 20433
tel (202) 473 1092	tel (202) 473 8961
fax (202) 477 1052	fax (202) 334 0223

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- o Savings and capital formation in privatizing economies;
- o Alternative ways for providing effective public sector support for private sector projects;
- o Regional and country differences in capital market development;
- o Local capital markets as a source of infrastructure finance.



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Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.
		<table border="1"><tr><td>Withdrawn by Salma Berrada</td><td>Date April 29, 2025</td></tr></table>
Withdrawn by Salma Berrada	Date April 29, 2025	

Chon

ROUTING SLIP		DATE: March 1, 1993	
NAME		ROOM NO.	
Mr. Masood Ahmed, Acting, IECDR		S-8-047	
Ms. Nancy Birdsall		N11-051	
Mr. Michael Walton		S-9-035	
	URGENT		PER YOUR REQUEST
	FOR COMMENT		PER OUR CONVERSATION
	FOR ACTION		SEE MY EMAIL
	FOR APPROVAL/CLEARANCE		FOR INFORMATION
	FOR SIGNATURE		LET'S DISCUSS
	NOTE AND CIRCULATE		NOTE AND RETURN
RE: Attached			
REMARKS:			
For your information.			
D.C. Rao			
FROM: D. C. Rao, Acting, DECVF		ROOM NO.: S8-055	EXTENSION: 33800

OFFICE MEMORANDUM

Mr. Rao

cc NB, AA, AW

Jal
176

98 FEB 25 PM 2:10

DATE: February 23, 1993

TO: Regional Vice Presidents

FROM: Johannes F. Linn, FPRVP

EXTENSION: 80602

SUBJECT: Single Currency Loans

1. As you know, the Board has approved on February 9 the pilot program to introduce single currency loans as an addition to the Bank's existing targeted currency pool loan product. I am pleased to be able to inform you that this program officially began on February 15, and that FRS is ready to assist your staff and our borrowers.

2. As we begin the implementation of the pilot program together, it is important that I share with you key themes of the Board discussion. The consensus of the Board was that, while the targeted currency pool loan product should continue to be the mainstay of Bank lending, this initiative is a welcome addition to help borrowers reduce risk. The Executive Directors, however, underscored the pilot nature of the program. Many of them emphasized that whether and in what form the Bank may continue to offer borrowers a choice of loan terms will depend on two factors: sound implementation and feedback during the pilot phase, and the effective management of the Bank's own risks associated with this new instrument. They also stressed the importance of borrowers -- not the Bank -- being the ones to make the choice of loan terms, and welcomed plans for the Bank to provide information and assistance so that they can make an appropriate choice. In particular, several Directors emphasized the need for borrowers to evaluate the suitability of the interest rate basis -- not only the currency basis -- of the Bank's loan alternatives, noting the LIBOR basis for the SCL interest rate is more volatile than the interest rate basis for our targeted currency pool loans. You should also know that several Directors voiced a concern which is relevant for loan appraisal and supervision work, i.e., the potential for abuse of single currency loans. They cautioned that borrowers not speculate on the future course of exchange rates or interest rates, but select loan terms on the basis of risk management considerations.

3. As you are already aware, the Bank's normal loan preparation, appraisal and supervision procedures will apply for prospective single currency loans. Offering borrowers a choice of loan terms for the first time, however, requires a modification of certain of these procedures. In close consultation with colleagues in all of the Regions, we have developed such operational guidelines. I attach the guidelines to this memo so that you can share them with your staff. The guidelines cover the eligibility criteria for single currency loans, the responsibilities of borrowers and Bank staff during the pilot phase, and terms of reference for Resource Team staff. These guidelines are intended to provide a general framework to facilitate processing of single currency loans during the pilot phase. Of course, specific actions would vary, depending of circumstances of each proposed loan. Instructions for filing these guidelines with Operational Directives will be forthcoming shortly from COD.

4. FRS has organized a Resource Team of Bank staff with experience in risk management. This Team is to provide operational support to Regional staff, and in that context

to assist eligible borrowers in making an informed choice. The Team has been working with the Senior Operations Advisors in each Region, and is now ready to assist your staff on request. The Resource Team coordinator is Jan Wright (x80744, Q4019), and in her absence Pierre Yourougou (x80010, Q4013). I hope that your staff would not hesitate to contact them.

5. In closing, I would like to thank you for the support and collaboration we received from many of your staff in designing the single currency loans. Their professional advice and operational perspective were invaluable in the development of this new product. We look forward to working closely with you to ensure a successful pilot program.

Attachment

cc: Sector Vice Presidents
Chief Economists
Senior Operations Advisors
SCL Resource Team Staff
Messrs./Mmes. Sandstrom, Nishimizu, Oppen, Bhattacharya.

THE WORLD BANK/IFC/M.I.G.A.

Chiron

ROUTING SLIP		DATE: Feb. 24, 1993	
NAME		ROOM NO.	
Mr. Masood Ahmed, Acting, IECDR		S-8-047	
Ms. Nancy Birdsall		N-11-051	
Mr. Amnon Golan		M-7-021	
Mr. Greg Ingram		S-3-033	
Mr. Dean Jamison		T-7-101	
Mr. Anandarup Ray, Acting, DPGDR		S-9-049	
Mr. Ramesh Chander		S-9-037	
Mr. Michael Walton		S-9-035	
☐	URGENT	☐	PER YOUR REQUEST
☐	FOR COMMENT	☐	PER OUR CONVERSATION
☐	FOR ACTION	☐	SEE MY EMAIL
☐	FOR APPROVAL/CLEARANCE	☐	FOR INFORMATION
☐	FOR SIGNATURE	☐	LET'S DISCUSS
☐	NOTE AND CIRCULATE	☐	NOTE AND RETURN
☐		☐	
RE: Attached			
REMARKS:			
For your information. D. C. Rao			
FROM: D.C. Rao, Acting, DECVP		ROOM NO.: S-8-055	EXTENSION: 33800

Kate ✓
 HCC to
 Dec Sr. Mgr.
 for info.
 Dec

EAST ASIA & PACIFIC TALKING POINTS

- ◆ A Region of tremendous diversity - containing the richest (Korea) and some of the poorest (Indochina) developing countries - largest (China) and some of the smallest (Marshall Islands?) - market and socialist economies - most dramatic progress and some very daunting challenges.
- ◆ Some significant facts about the Region:
 - With a population of 1.6 billion accounts for 40% of the population of developing countries
 - It is not a predominantly market oriented middle income region - 80% of the population live in socialist economies - three times FSU & Eastern Europe (excluding China & FSU - still 20% greater than Eastern Europe)
- ◆ Over the past quarter century region has performed remarkably well:
 - living standards have nearly quadrupled
 - only region to have succeeded in reducing both the proportion and absolute number of poor
 - population living in absolute poverty declined from a third to a tenth of total pop - absolute numbers were halved (implies 1% reduction & 2% pop growth absorption)

OFFICE MEMORANDUM

DATE: February 22, 1993

TO: Mr. Sven Sandstrom, EXC

FROM: D. C. Rao, Acting VP, DEC *gcr*

EXTENSION: 33800

SUBJECT: Implementation of Sector Policies - Supporting Papers

1. The list of papers attached to your memorandum of February 17 looks fine, with one addition and two suggested changes.
2. I would like to add one important DEC paper to the "Macro-Sector Links" section: a study on Enterprise Reform, scheduled for completion in May 1994. If you thought it more appropriate, this paper could be referenced in Footnote 5 to Attachment I, which would read "Supported by DEC research study on Enterprise Reform (May 1994), and will include an FPD review of experience with privatization."
3. I also suggest that DEC's paper on Old Age Security be listed under "Macro-Sector Links" instead of "Human Resources". This is one of our so-called "mini-WDRs", which focuses on the fiscal, capital markets, and labor market implications of old age security schemes, and thus has a much broader focus than is implied by the "Human Resources" heading.
4. The paper on Management of External Debt (Fall 1994) should be labelled "PR" rather than "RP".

cc: Ms/Messrs. Birdsall, Golan, Ingram, Ahmed, Ray, Walton

ROUTING SLIP		Date
		2/9/93
NAME		ROOM NO.
Mr. Bill Brannigan		78021
URGENT	For Action/Comment	Per Your Request
Appropriate Disposition	Information/Discard	Returned
Approval/Clearance	Note And Return	See My E-Mail
File	Per Our Conversation	Signature/Initial
RE:		
REMARKS		
Bill - I spoke to de Long. This is the paper. LS delivered it at Jackson Hole. See p.16 - apparently that's the chart the wpl used. Best, Kate		
From	Room No.	Ext.
K. Chan	59035	31107

P-1862



Macroeconomic Policy and Long-Run Growth

J. Bradford De Long

Harvard University and NBER

Lawrence H. Summers

World Bank and Harvard University

August 1992

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We would like to thank Marco Becht and Holger Wolf for able assistance and helpful discussions. We have also benefitted significantly from conversations with Zvi Griliches, Chad Jones, Lant Pritchett, Andrei Shleifer, and Robert Waldmann. This paper expresses our own views alone, not the views of the World Bank, the NBER, or any other organization.

OFFICE MEMORANDUM

DATE: February 18, 1993

TO: Mr. R. Chander, Statistical Advisor, DECVP

FROM: D. C. Rao, Acting Vice President, DECVP 

EXTENSION: 33800

SUBJECT: U. N. Statistical Commission, February 21 - March 3, New York: Terms of Reference

On February 21 you will proceed to New York to attend the Twenty-seventh Session of the U. N. Statistical Commission. You will be joined by Messrs. J. Borpujari (IECSE) and T. Marchant (AFTSP) for those parts of the session dealing with the ICP and Household Survey programs.

You should pay particular attention to four major topics on the agenda. These are: 1) the adoption of the draft of the SNA and proposals for implementation of the new system; 2) the Beeger Report containing proposals for strengthening the international statistical system; 3) implementation of the ICP program; 4) coordination of work on Trade Statistics; and 5) coordination of the U. N.'s National Household Survey Capability Program with the Bank's LSMS and SDA programs.

On the SNA, you will join the other member agencies of the Inter-Secretariat Group in supporting calls for its adoption. You will welcome in particular the proposals for satellite accounts on natural resource and environmentally adjusted G.D.P. You will emphasize the importance of this methodological change and link this to the Bank's general work on environmental issues. In addition you will refer to the incorporation of Social Accounting Matrices, pioneered by the Bank, and point to the recommendations being important for the analysis of poverty. In a broader context, you will indicate that the Bank will continue to work with the other agencies in ensuring that SNA implementation in LDCs and transition countries proceeds rapidly.

On the Beeger Report, you will endorse and welcome the general call for a strengthening of the global system and emphasize the importance of collaborative efforts in support of statistical capacity building in member countries. You will emphasize that global statistical programs should be policy relevant and supportive of national needs.

In the discussion of the ICP program, you will emphasize the consensus reached at the recent Philadelphia meeting and urge for a collaborative effort for rapid implementation. You will further emphasize the need for adequate resource availability and the role of UNSTAT and the Regional Commissions in implementing the program. You will also report to the Commission on current work on ICP that the Bank is engaged in. You will work closely with Mr. Borpujari in presentations to the Session.

Along with Mr. Marchant, you will report on the Bank's LSMS and SDA programs, emphasizing the importance of the programs in support of poverty analysis and the policy orientation of the data being gathered. You will also welcome the improved relationship with UNSTAT and enhanced coordination at the country level vis-à-vis NHSCP.

In the discussion of trade data, you will point to the strong and active support the Bank is providing to the joint work being done by the interagency group that includes UNSTAT, GATT, EUROSTAT, Fund and UNCTAD. You will point out that mechanisms now in place represent a major collaborative effort which will result in improved trade data.

February 18, 1993

While in New York you will hold bilateral discussions with both country and international agency representatives on statistical issues of mutual concern.

On your return you will prepare a back to office report.

cc: Messrs. M. Ahmed, J. O'Connor, R. Duncan, J. Borpujari, E. Jimenez,
T. Marchant, W. Haddad

OFFICE MEMORANDUM

DATE: February 18, 1993

TO: Mr. Lewis T. Preston

FROM: D.C. Rao *DCR*

EXTENSION: 33800

SUBJECT: Conference on Economic Growth

DEC held a conference on February 8 and 9 called "How Do National Policies Affect Long Run Growth?" The conference was very well attended by Bank and Fund staff, academics, journalists, and members of policy institutes.

Some points of interest:

- Growth is surprisingly unstable: countries are success stories one decade and disappointments the next. Policy reforms over 1970-90 were not dramatic enough to overwhelm the effect of random shocks like terms of trade movements.
- New data show that average years of education attained by women have been rapidly catching up to men's in Asia -- but not in Africa. An increase in female years of education lowers population growth and raises new educational enrollments by both girls and boys.
- Investment is critical -- but some investments are more critical than others. Policies that cripple equipment investment are first among policies that cripple growth in developing economies, according to a wide variety of statistical evidence. Another key is infrastructure: public investment in transport and communications yields social returns on the order of 60 percent.
- The depth of the financial sector is a good predictor of a country's growth rate over the next 30 years. Better developed financial intermediaries increase productivity growth by allocating credit to better firms.

The papers from the conference may be obtained by calling 31448.

cc: Managing Directors

OFFICE MEMORANDUM

DATE: February 18, 1993

TO: Regional Vice Presidents

FROM: D.C. Rao *DCR*

EXTENSION: 33800

SUBJECT: Conference on Economic Growth

DEC held a conference on February 8 and 9 called "How Do National Policies Affect Long Run Growth?" The conference was very well attended by Bank and Fund staff, academics, journalists, and members of policy institutes. I thought it would be useful to circulate in the Bank brief summaries of the findings presented at this conference. The summaries are attached.

Some points of interest:

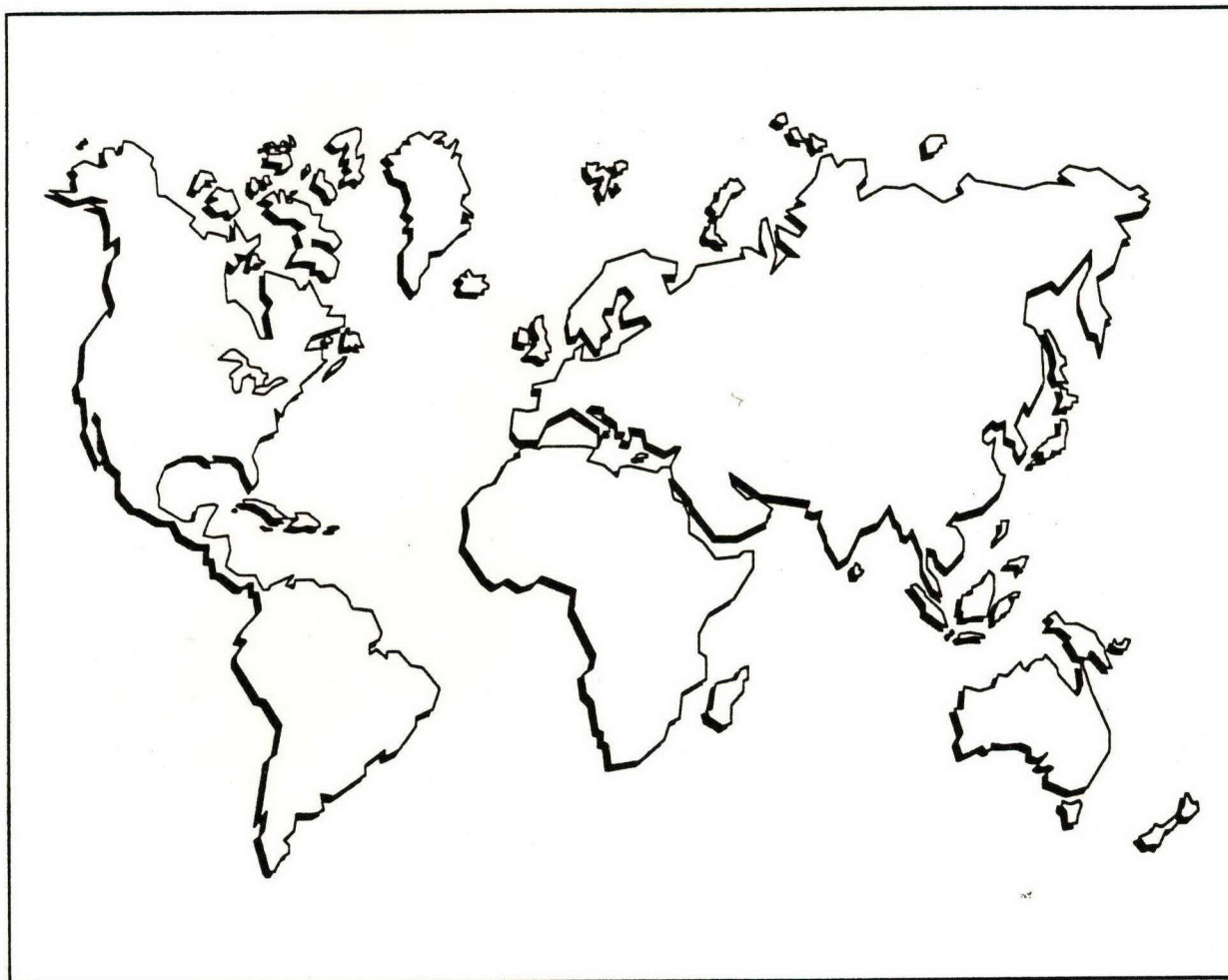
- Growth is surprisingly unstable: countries are success stories one decade and disappointments the next. Policy reforms over 1970-90 were not dramatic enough to overwhelm the effect of random shocks like terms of trade movements.
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- The depth of the financial sector is a good predictor of a country's growth rate over the next 30 years. Better developed financial intermediaries increase productivity growth by allocating credit to better firms.

The papers from the conference may be obtained by calling 31448.

cc: Shihata, Linn, Choksi, Rischard, Serageldin, Country Directors, Shakow, Köpp, Regional Chief Economists, Pfeiffermann, Lead Economists

How do National Policies Affect Long-run Growth?

conference at the World Bank, Monday and Tuesday, February 8 and 9, 1993

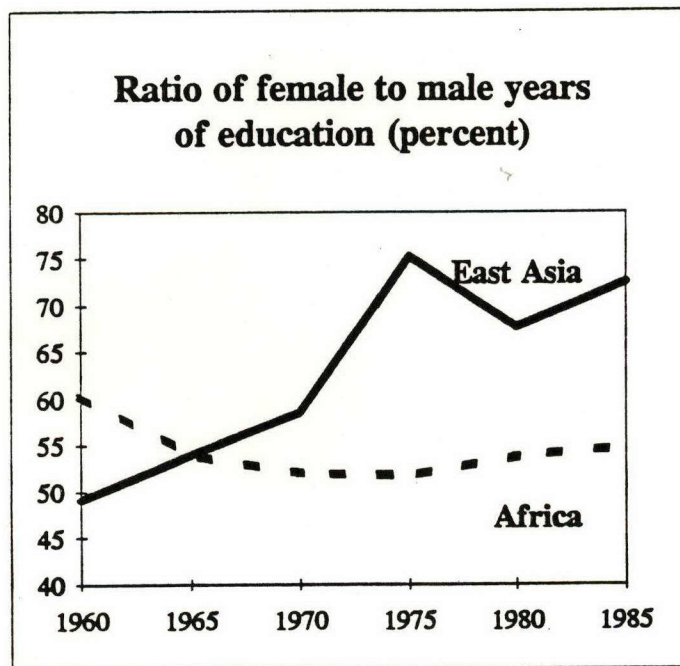


Summaries of Main Results

Economic growth and the education of women and men

International Comparisons of Educational Attainment, Robert J. Barro (Harvard University) and Jong-Wha Lee (International Monetary Fund). Paper to be delivered at 9:15 am Monday February 8 at World Bank conference "How do national policies affect long-run growth?"

The total years of education attained by women has been catching up to men's in Asia and Latin America, but not in Africa. High educational attainment by women is associated with low population growth and high educational enrollment by both males and females of the next generation.



Barro and Lee constructed a new data set on average years of education of adult men and women for 129 countries for five-year intervals from 1960 to 1985. The underlying information comes from census and survey estimates by UNESCO and others. The average school attainment doubled in developing countries from 1960 to 1985, but in 1985 half of the adult population still had no formal education. OECD countries' average years of education increased by only 30 percent from 1960 to 1985 (to 8.8 years), but was still twice that of developing countries.

Men's years of education had a stronger effect on economic growth and on investment rates than women's, perhaps reflecting men's greater participation in the labor force.

For further information, contact

Professor Robert Barro
Department of Economics
Harvard University
Cambridge MA 02138
phone 617-495-3203
fax 617-496-8629

Jong-Wha Lee
International Monetary Fund
700 19th Street
Washington DC 20431
phone (202) 623-6347

Idea Gaps and Object Gaps in Economic Development

"Idea Gaps and Object Gaps in Economic Development", Paul Romer (UC Berkeley), paper to be presented at 10:45 a.m. on Monday, February 8, at the World Bank conference: How Do National Policies Affect Long Run Growth?

To characterize the wide range of explanations for persistent poverty in developing nations, it helps to identify two extreme views. The first is based on an Object Gap: Nations are poor if they lack valuable objects like factories, roads, and raw materials. The second interpretation invokes an Idea Gap: Nations can also be poor because its citizens do not have access to the ideas that are used in industrial nations to generate economic value. Because their implications differ, economists must make an accurate assessment of the relative importance of idea gaps and object gaps before they can provide comprehensive guidance on development policy. The object gap directs attention to saving and accumulation. The idea gap makes us focus more intently on the patterns of interaction between a developing country and the rest of the world. In particular, it highlights the special role of multinational corporations as the conduits that let productive ideas flow between nations.

Without denying that objects are important, the paper marshals evidence suggesting that an important fraction of worldwide poverty is due to an idea gap that can, at least in principle, be reduced relatively quickly and at relatively low cost. The fundamental thesis is that industrialized nations already possess all of the knowledge needed to give a decent standard of living to every person on earth. Cross country regression evidence on the role of direct foreign investment, historical accounts of the transmission of technology, and case studies of individual country performance all point to the important role played by flows of ideas. The paper also considers the other evidence presented at this conference — for example the role of macroeconomic instability studied by Stanley Fischer, the high apparent returns to equipment investment identified by De Long and Summers, the variability of growth rates over time noted by Easterly et al — together with all of the previous evidence pointing to the importance of human capital in fostering growth and to the possibility that poor countries can sometimes catch up rapidly with developed countries. All this evidence is easier to understand in a world characterized by both object gaps and ideas gaps than in a world characterized by object gaps alone.

The idea gap interpretation offers an optimistic picture of the potential for rapid development through transmission of ideas, but it also has a darker side that has influenced the political economy of development. The large surplus created by international flows of ideas presents challenging questions about how these gains should be shared between industrial donors and developing recipients. In the past, poor countries often adopted policies directed at achieving self sufficiency, apparently out of fear that better informed outsiders will take advantage of their weakness. These policies have caused an enormous amount of avoidable human suffering. Recently, many countries have moved toward much more hospitable treatment of foreign corporations, in some cases with spectacular results. This is encouraging, but the problem of dividing up the surplus remains. There may still be an important role for the government of a poor country to take sensible policy steps — for example, to provide education and infrastructure and to encourage private entrepreneurship and effective domestic financial markets, as emphasized by Levine and King — so that its citizens can capture as large a fraction as possible of the very substantial gains associated with international flows of ideas.

For further information, contact Paul Romer, NBER West, 204 Junipero Serra Blvd., Stanford CA 94305, phone 415-854-4677, fax 415-328-7160

Some economic miracles are just luck

"Good Policy or Good Luck? Country Growth Performance and Temporary Shocks" by William Easterly, Michael Kremer, Lant Pritchett, and Lawrence H. Summers

Paper to be presented 2:30 pm February 8 at World Bank conference, "How do National Policies Affect Long-run Growth?"

Is luck as important as country policy in determining growth rates? Easterly, Kremer, Pritchett, and Summers present some surprising evidence that luck matters a lot. While country policies change slowly, relative growth performance changes drastically from one decade to the next. Countries are success stories in one decade and disappointments the next, and vice versa.

Failure to appreciate the ephemeral quality of success (and failure) leads to major errors when countries' prospects are extrapolated from past performance. At the beginning of the 60's, economists predicted rapid development in Africa and sluggish growth in Korea. They predicted that Burma would be the star performer of Southeast Asia. Today, similar errors are likely being made with excessive pessimism for Africa and for the former Soviet Union, and excessive optimism for East Asia.

Changes in international prices for countries' exports or imports are one form of luck with a big impact on growth. Easterly, Kremer, Pritchett, and Summers calculate that a deterioration in a country's export price amounting to 1 percent of its GDP each year in the 1980s lowered its growth rate each year by .85 percentage points. The figure shows the striking correlation between shocks and growth. Variations in the effects of international prices on countries explain as much of relative growth performance in the 1980's as country policies do.

Does this mean that good policy does not matter? No. The paper found strong effects on growth of policies such as promoting education and fostering a healthy financial system. It is just that the big policy reforms that generate such growth are rare. For countries that muddle along, luck is a dominant factor; for the few who dare to reform, policy overrides luck.

For further information:

Lawrence Summers (202-473-3774, fax 202-477-0549)

William Easterly (202-473-8965, fax 202-676-0083)

Lant Pritchett (202-473-3777, fax 202-477-0549)

World Bank

1818 H Street NW

Washington DC 20433

Michael Kremer (617 253 3504, fax 617 253 1330)

Department of Economics

MIT

Cambridge MA 02139

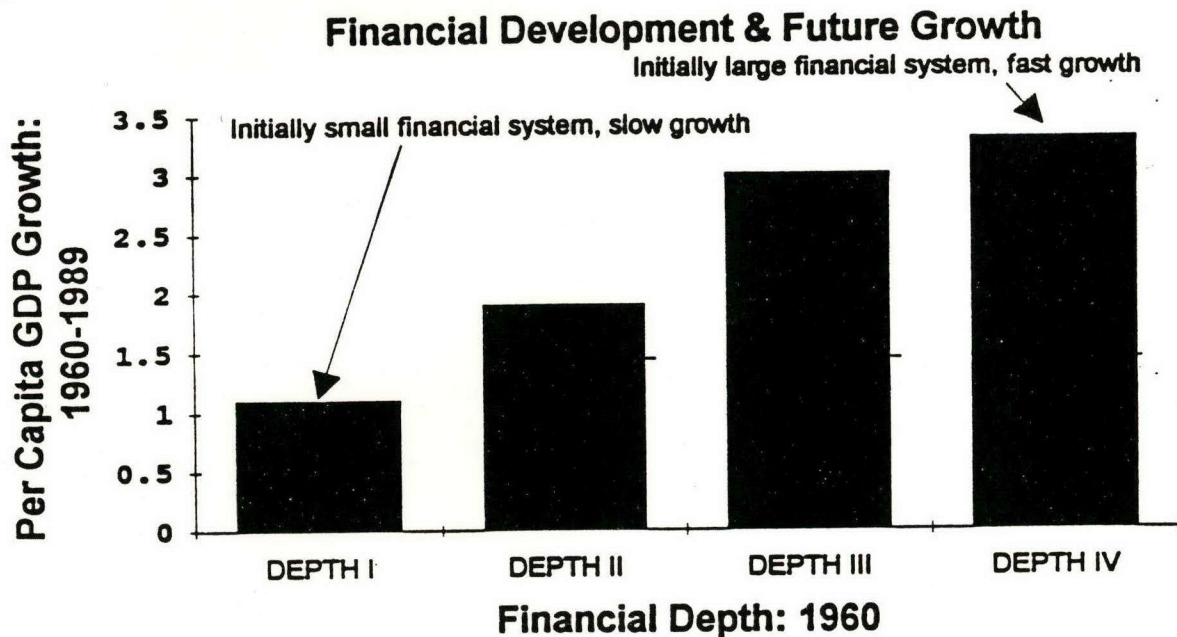
Finance, Entrepreneurship, and Growth

Robert G. King (University of Rochester) and Ross Levine (World Bank) will present this paper at 4:00 pm on February 8th at the conference "How Do National Policies Affect Long-Run Growth?" at the World Bank.

Countries with better financial systems grow faster and respond more quickly to other policy changes designed to foster growth. King and Levine study a large number of country experiences between 1960 and 1990. They show that a country's level of financial development is one of the best and most reliable predictors of the country's economic growth rate over the next 10 to 30 years. The measures of financial development that predict growth include (a) the size of the financial sector, (b) the percent of credit allocated by banks as opposed to the central bank, and (c) the percent of credit allocated to private firms as opposed to public enterprises and to the government.

How do financial intermediaries stimulate growth? King and Levine show that better developed financial intermediaries increase productivity growth by allocating credit to better firms. Financial intermediaries may improve resource allocation by researching firms, monitoring managers, and funding those with the best prospects. Better financial systems are better at choosing winners, which stimulates productivity advances and economic growth. National policies toward financial intermediaries can importantly affect productivity growth and economic development.

Other policy reforms - such as price de-controls and trade liberalization - have more beneficial effects on economic performance when countries start these reforms with better financial systems, which King and Levine document by studying countries that have undergone intensive World Bank adjustment lending. Resources respond to policy changes more quickly in the presence of good financial systems.



For further information contact

Robert G. King
Department of Economics
Harkness Hall
Rochester, NY 14627
716-275-3895
fax 716-256-2309

Ross Levine
World Bank
1818 H Street, NW
Washington DC 20433
202-473-8738
fax 202-334-8885

Engines of Growth

"How Robust is the Growth-Machinery Nexus?", by J. Bradford DeLong (Harvard University) and Lawrence H. Summers (World Bank and Harvard University). The paper will be presented at 9:00 am on February 9th at the conference "How Do National Policies Affect Long-run Growth?" at the World Bank.

There is a strong connection between investment in machinery and productivity growth.

Evidence on 61 developed and developing countries over the 1960-85 period and even data on a few countries reaching back to 1870 support this view. Moreover, the association between machinery investment and output growth is much stronger than predicted by standard economic models where the return to investors equals the value of the investment to society. There appear to be extra benefits to machinery investment not captured by the investors themselves.

De Long and Summers argue that most of the growth-machinery association is because machinery investment causes growth, rather than the other way around. Thus, policies that raise the incentives to invest in machinery will have large and positive effects on growth.

De Long and Summers conclude that even though machinery investment is a key to growth, market discipline in the selection of investment projects is essential to making machinery investment realize its productive promise. Policies that make machinery investment cheaper and easier are likely to yield enormous benefits. But, any government that uses the evidence in this paper to embark on large-scale programs to control and direct machinery investment through command mechanisms would, De Long and Summer believe, be making a very large mistake.

For additional information contact:

J. Bradford De Long
Department of Economics
Harvard University
Cambridge, MA 02138
617-495-8056

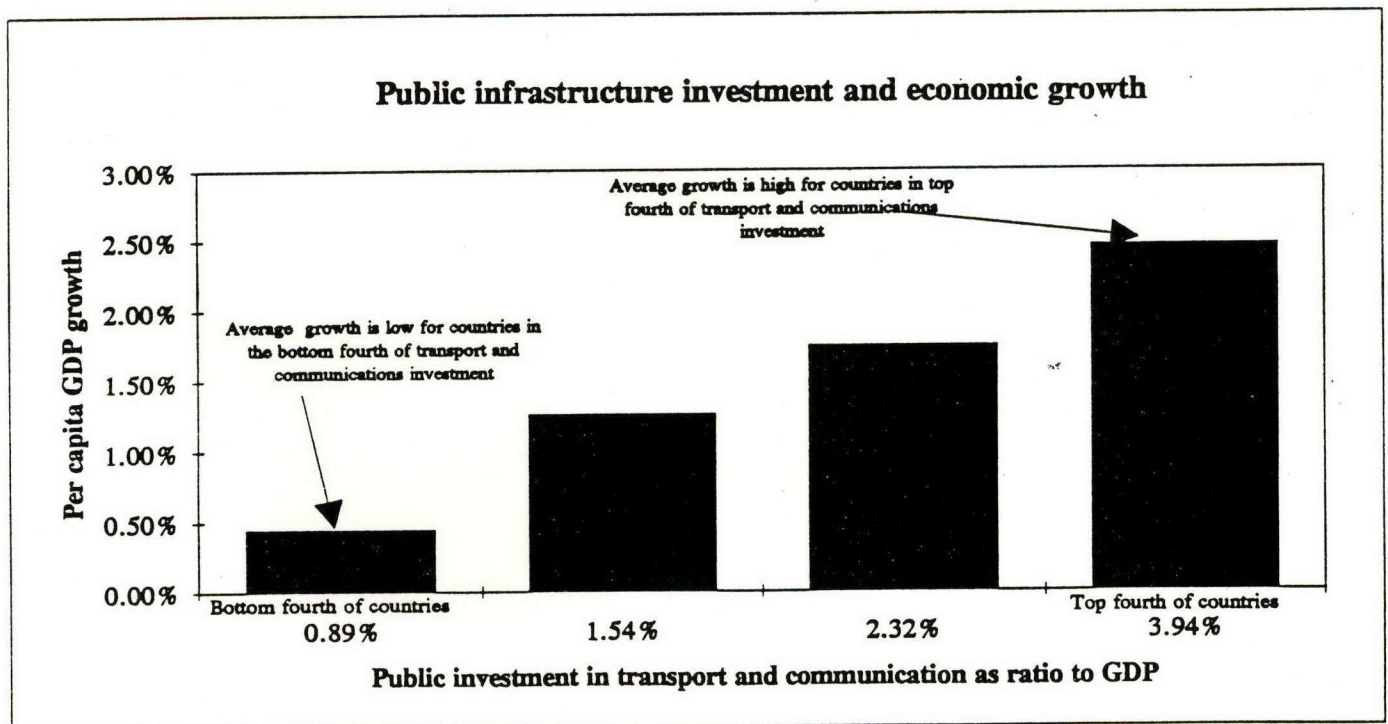
Lawrence Summers
World Bank
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202-473-3774
fax 202-477-0549

Public infrastructure investment and growth

William Easterly (World Bank) and Sergio Rebelo (NBER and University of Rochester), "Fiscal Policy and Economic Growth: An Empirical Investigation", paper to be presented at 10:30 am on February 9 at the conference, "How do National Policies Affect Long-run Growth?", at the World Bank.

Public investment in transport and communications is strongly and positively associated with per capita GDP growth.

Analysis of public investment has been hindered by lack of comprehensive data, especially in developing countries. Easterly and Rebelo collected data from World Bank reports to fill this gap, taking advantage of the long history of World Bank analysis of public investment programs in developing countries. They constructed decade-average public investment ratios by sector from the World Bank data and correlated them with decade averages for per capita growth in the 60s, 70s, and 80s, controlling for other plausible growth determinants. Easterly and Rebelo find a strikingly high coefficient for public investment in transport and communications: a one percentage point of GDP increase in public investment in transport and communications, if sustained over a decade, would be associated with higher growth of .6 percentage points per year in that decade.



For further information: contact

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fax (202) 676-0083

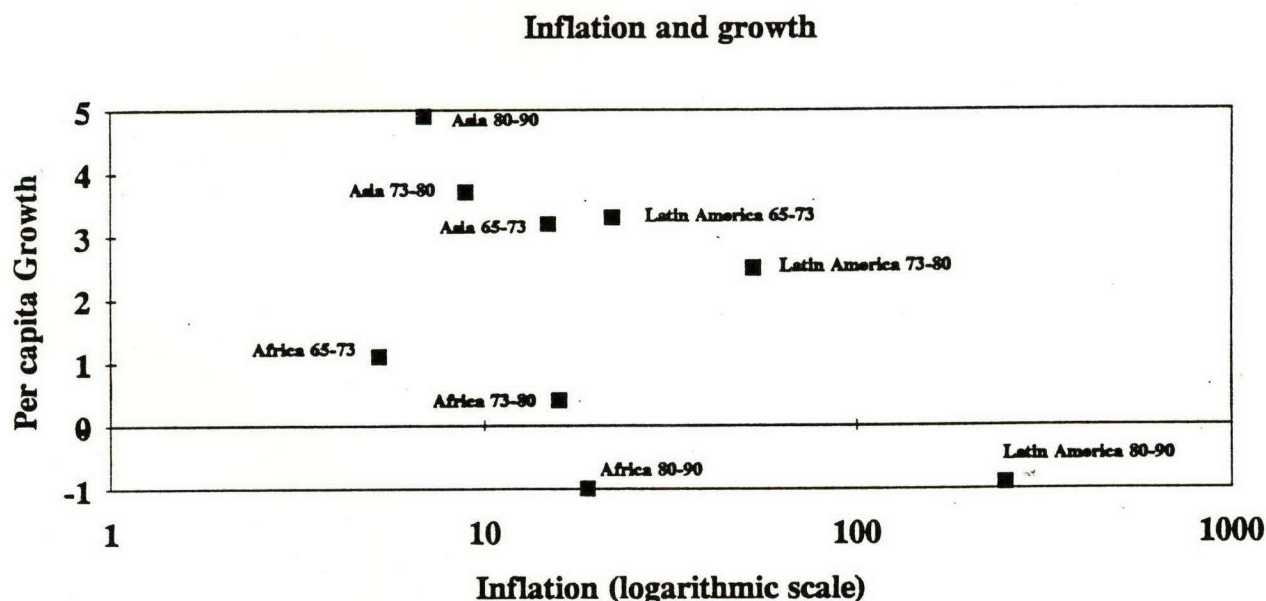
Sergio Rebelo
National Bureau of Economic Research
1050 Massachusetts Avenue
Cambridge MA 02138
(617) 868-3900
fax (617) 868-2742

Does bad macroeconomic policy always kill off growth?

The Role of Macroeconomic Factors in Growth, by Stanley Fischer (Massachusetts Institute of Technology). Paper to be delivered at 11:45 am on Tuesday, February 9 at the World Bank conference, "How do national policies affect long-run growth?"

Ten percentage points higher inflation lowers growth by 0.4 percentage points; one percentage point of GDP higher budget deficit lowers growth by 0.2 percentage points.

Fischer presents both time series and cross section evidence that macroeconomic mismanagement lowers growth. Growth is lower with higher inflation, higher budget deficits, higher black market premia on foreign exchange, and higher volatility of inflation.



Fischer also identifies cases that seem to be exceptions: they had growth over 5 percent while inflation exceeded 50 percent. However, all of these countries ran into severe trouble later. Country experience with budget deficits is more ambiguous: some countries are able to maintain high budget deficits while continuing to grow rapidly.

For more information, contact

Professor Stanley Fischer
Department of Economics
Massachusetts Institute of Technology
Cambridge MA 02139
Phone: 617 253 6666
Fax: 617 253 0376

OFFICE MEMORANDUM

DATE: February 16, 1993

TO: Mr. Bilsel Alisbah, VP, PAA

FROM: D. C. Rao, Acting VP, DEC 

EXTENSION: 33800

SUBJECT: Skill Mix Analysis - Economists

1. This note responds to your request for an assessment of economist skills in the Bank, following the meeting with Mr. Preston on January 8.
2. The report of the Economist Staffing Group (Jim Hanson's memorandum to you of January 15 - a copy is attached) has been reviewed within DEC and with the Regional Chief Economists. We think that it provides a very good picture of the status of economist staffing, and makes practical recommendations for recruitment and training. We would add just a few points.
3. *Are there too many economists in the Bank?* It is difficult to find evidence of a general oversupply. There could, however, be a couple of factors which might lead to this perception. First, the high profile of adjustment lending and the key role played by economists in these activities over the past several years may have contributed to this view. Second, there may well be an overall culture of economists in the Bank which has led to economists being promoted into managerial positions more frequently than technical specialists. This, combined with the use of "self-definition" on job titles would overstate the number of economists as a generic skill. The perception of the Regional Chief Economists is that this is especially true in the case of sector economists - you will note from the Staffing Group's report that sector economists account for over 60% of all economists in the Bank. HRS data indicate that only about 76% of those classified as economists have a masters degree or better in economics, and not all of those who hold a masters degree would meet Bank criteria for recruitment as an economist.
4. *Adapting to changing requirements.* We see the major issue regarding the "skills mix" as whether the Bank can adjust to changing requirements. The shift away from adjustment lending may well lead to a change in the kind of economists the Bank needs. There is a view that the sector economic work being done at present is insufficiently analytic, especially in the human resources sectors, and investment lending also demands high quality economic work. We should be careful not to try to enforce these shifts through a central edict, however, but rather through demand from country department managers. If, over time, we find a mismatch between supply and demand, then we would need to investigate the cause of market failures.

5. Complementarity between economists and technicians in investment lending is key to success, and the appropriate mix for a particular activity has to be determined by task and line managers. It would be a mistake to think that because a sector is "soft" (human resources, for example) there is less of a need for hard economic analysis. Sociological/anthropological analysis is a valuable complement, but not a substitute. Task managers should be in a position to determine the relevant mix.

6. In dealing with changes in the kinds of analytical skills required by the Bank, we strongly endorse the conclusion in the Staffing Group's report that while we will continue to need to recruit specialists for certain areas, we should be focusing more on hiring excellent economists who have a broad enough background that they can move across areas as requirements demand, bringing in consultants to provide specialist skills as needed. We also agree with their assessment of the fields of specialization needed to accommodate the Bank's changing priorities:

- macroeconomists with a tilt towards public finance or financial issues;
- microeconomists in education, health, environment, and public utility regulation; and
- micro-financial economists specialized in regulation and supervision, and commercial bank operations.

7. **Training.** We do agree that more priority should be given to in-depth, longer university training. Given the high cost of academic training and the fact that benefits accrue to the institution at large rather than to the specific division, the funding and awareness of institutional programs for external training should be increased.

8. The Staffing Group's negative comments on the quality of internal training are at variance with the results of the participants' evaluations. We have discussed with the Training Division ways in which the program can be improved further, but do not believe there is a big problem here.

Attachment

cc: DEC Senior Managers, Regional Chief Economists, Mr. Hanson

OFFICE MEMORANDUM

DATE: January 15, 1993

TO: Mr. Bilsel Alisbah, PAAVP

FROM: James Hanson, Lead Economist, LA4DR *J. Hanson*

EXTENSION: 35285

SUBJECT: Report of Economist Staffing Group

1. Attached please find the Report of the Economist Staffing Group, which Mr. Grilli requested I send you.
2. The report reflects inputs from the Chief Economists and numerous Lead Economists, and data from Mr. Silverman (PSCHS).

cc: Messrs./Mmes. Enzo Grilli, DPG; Ishrat Husain, AFRCE.

OFFICE MEMORANDUM

DATE: January 15, 1993

TO: Mr. Bilse Alisbah, Vice President, PAAVP.

FROM: James Hanson, Lead Economist, LA4DR 

EXTENSION: 35285

SUBJECT: Economist Staffing Issues

A. Background

3. Current Staffing The Bank has about 830 (self-defined) economists. Roughly 63% are in sector work, 12% in research, and 25% in country/macroeconomic work (an average of about two per borrower country). (See Annex Table 1.)

4. Turnover About 50 economists per year entered the Bank in 1991-92 (about 6% of the stock). New entrants were slightly more concentrated in sector and research work than the stock (about 67% in sector work, 18% in research, and 15% in country work). The inflow increased the stock of economists slightly. In 1993-94 less than 2% of the economists (14) are scheduled to retire; as in the past, some economists may leave voluntarily or switch to other jobs, while personnel in non-economists jobs may switch into economist positions. Maintaining the number of economists constant would imply hiring 35 economists annually (about 4% of the stock).

5. Expected Work Program Macroeconomics will continue to need substantial resources. Great demand exists for macro-economic information and evaluation within the Bank (Unified Survey, Risk Assessment, Briefs, Economic Trends, etc.), and by clients and the public. Moreover, the new and prospective borrowers do not have basic economic data. Thus, about the same number of macroeconomists will be needed, despite a decrease in adjustment lending in some regions. Much of the macroeconomic work will involve downsizing and improving the efficiency of the public sector.

6. In line with new priorities, sector economic and lending work on education and health will increase substantially. This will involve public sector pricing issues, and the evaluation and improvement of service delivery. Environment related work also will increase substantially. Regulatory economics, in the environmental and the industrial/mining areas, will be needed, particularly for the newly privatized natural monopolies.

7. Financial Sector work is another growing area. This includes both macroeconomic issues, such as interest rates, inflation, and public sector debt

issues, and microeconomic issues, such as regulation and supervision of financial systems and the efficiency of financial markets and institutions.

B. Economist Staffing Issues

8. Above all the new economists should be able to provide borrowers and management with professional economic analysis and advice that they cannot get elsewhere and which will benefit the borrowing country. The new economists should not be generalists who know some economics, nor should they be advocates of particular sectors or markets. Typically, the new economists should have a Ph.D and substantial experience or writings.

9. Degree of Specialization: As long as the typical Bank career continues to be 20-25 years (longer for new Ph.Ds), then most entrants should be good, flexible, professional economists who, with some training, and by managing consultants, can deal with whatever is the current "hot" issue. In any case, limits on salaries and the hiring of certain nationalities probably preclude the Bank's attracting a large highly specialized personnel on any "hot" issue, (Such problems already seem to exist in hiring financial sector economists and European and Japanese economists). Faster turnover or hiring older staff would permit hiring more specialists, but also would require higher salaries. Thus, the hiring of very specialized personnel should be limited, as in the past, to the few good specialists that come to the Bank because of particular circumstances. Most new economists should be selected on the basis of substantial analytical ability, as evidenced by quality of training, work experience and output, and by their potential usefulness outside the hiring division.

10. Fields of Specialization The current distribution of entrants: 15% country macroeconomic work, 65% sector work, 20% research is reasonable. Some of the new researchers' time should in operations. The fields of specialization for the new entrants should be broad enough and the analytical ability of the entrants high enough so that: i) flexibility can be obtained without any drop-off in professional quality and ii) the entrants can shift to other areas. In accord with these principles and the new directions of the work program, the new staff's fields of specialization should be:

macroeconomists with a tilt toward public finance (e.g. taxation, cost-benefit of expenditures, public sector reform), or financial issues (inflation, interest rates, public debt management)

microeconomists in education or health (including pricing, evaluation of service delivery, and organizational incentives),

microeconomists in specialized in environment (the evaluation of costs and benefits and the regulation of environmental issues)

microeconomists specialized in public utility regulation

micro-financial economists specialized in regulation and supervision and commercial bank operations. (These are likely to be the only group where fungibility might be a problem, and there is certainly enough work to keep a few more professionals busy for some time.)

11. Point of Entry In general, the more specialized staff should enter through the new Central Vice-presidencies, research or the technical departments. This will ensure quality and full use of their specialized knowledge. The research wing should be a point of entry for the younger economists, who later would switch to operations. Greater use should be made of the Young Economist Program, under which young economists are hired in the research wing for fixed 5 year terms and then regularized when they move to operations; some of the best young economists in the Bank have entered through this program recently.

12. Training should be increased to allow 3-5 more economists to spend a semester or a year at a university. This would allow the in-depth training and reflection necessary to work in the "hot" areas. It is probably much less expensive than trying to hire a large number of new, overly specialized staff in these areas. The training selection process should aim at attracting high quality staff, not retraining staff that have not done well. The costs and benefits of the in-house seminars should be examined (other than the tools seminars such as word processing, spreadsheets, and modelling which are of high value). The cost in term of lost work time by the attendees is not factored in (perhaps because it is assumed they can attend without decreasing output), and the benefit to the attendees of a hastily put-together lecture by other staff, except to give the attendees a brief exposure to new issues, may not be great.

13. Language There appears to be a lack of French-speaking and, to a much lesser extent, Spanish-speaking economists, to work in Africa and Latin America respectively. To some extent this lack reflects the lack of incentives (pay, and job quality) for such economists, relative to their alternatives. The Bank should avoid lowering standards in order to hire economists simply because they speak these languages. The Bank also needs to be careful about depleting the small stock of economists in French-speaking Africa by mounting a major hiring effort there. It is probably less expensive in the long run, and more beneficial for the borrowing countries, to hire good economists and give them intensive training in the necessary languages--up to six months immersion should be financed.

Annex Table 1 Distribution of Economists (self-defined).

Age	Country Economist	Sector Economist	Research Economist	Totals	Pct.
Under 45	142	260	67	479	58
45-55	61	210	30	301	36
55-62	9	34	20	53	6
Total	212	504	117	833	100

OFFICE MEMORANDUM

DATE: February 16, 1993

TO: Mr. Wilfried Thalwitz

THRU: Mr. D.C. Rao, Acting Vice President, DEC *DR*

FROM: Anandarup Ray, Acting Director, DPO *AR*

EXTENSION: 33800

SUBJECT: Delinking of Macro and Sectoral Reforms

Please find herewith some talking points on the above topic for tomorrow's Board meeting.

cc: Messrs. Karaosmanoglu; Selowsky, ECA.

DELINKING OF MACRO AND SECTORAL REFORMS

Background

1. It is standard Bank policy not to undertake adjustment lending unless an appropriate Fund arrangement is in place. This brief is intended to answer, with stylized examples, the following question: "why it is not desirable to go ahead with sectoral reforms in situations where the macro-framework is not satisfactory?" The brief deals with economic linkages only, not with bureaucratic issues, or with issues related to dialogue management and leverage.

Talking Points

2. The macro-economic framework may be unsatisfactory for a variety of reasons. In the typical case, the public sector budget deficit is too large, in the sense that it is not sustainable or not consistent with non-inflationary financing. Usually a related problem is that of overvaluation of the currency. The real exchange rate may have appreciated too much because of rigid nominal exchange rates and domestic inflation, rigid real wages in the formal sectors, and so on. Broadly speaking, the main macro-sector linkages are through (a) fiscal and monetary policy (the level and pattern of public expenditures, financing of deficits through taxes, borrowing etc.), and (b) relative prices in the economy, including the exchange rate.

3. Many examples can be provided to show why sectoral reforms are unlikely to be fully effective or sustainable in the absence of a satisfactory macro framework -

- consider an industrial or agricultural sector reform program designed to promote outward orientation. Such a program will typically try to remove or improve the regulatory apparatus and change many sector-specific taxes, prices, and institutions. But if the macro framework involves high deficits, inflation, and real exchange rate appreciation, the improvements in sectoral incentives may well be negated. That is, the overarching macro framework will work to make the sectoral reforms ineffective;
- consider a program to reform state-owned enterprises in order to increase their efficiency and introduce hard budget constraints. This is unlikely to succeed when the Government is unable to control the overall public sector deficit. If the overall budget constraint is soft, it is probable that SOEs will lose their incentives to obey hard budget constraints;
- programs and policies to increase employment and alleviate poverty may not make much of a difference if large macroeconomic distortions exist. For example, agricultural credit subsidies tend to worsen income distribution and reduce the labor-intensity of agricultural activities; social sector reforms are unlikely to have much effect when such general distortions work against social objectives;
- many governments find it difficult to adjust energy and public utility prices very frequently; reforms of these prices may therefore easily get eroded by inflation. Moreover, inappropriate macroeconomic policies would alter the pattern of demand for energy or utility products, thereby inducing a wrong mix of investments;

- finally, it is commonly thought that of all the sectors, those involved with "basic needs," such as health and primary education, are most immune to macroeconomic problems. This is not necessarily so because the ability to finance recurrent expenditures in these sectors depends on fiscal policy. Moreover, the spatial distribution of poverty and the need for basic social services may be sensitive to macropolicies, for example the internal terms of trade between industry and agriculture. Reforms of social policies may not therefore be sustainable or well-directed in the absence of a sound macroeconomic framework.

4. The problems illustrated above are common in practice, but their importance varies greatly from case to case, depending on how wrong the macropolicies are and how long they last. Minor aberrations of short duration are not likely to matter very much for those sectoral reforms which focus on the medium term.

Anandarup Ray
February 16, 1993

THE WORLD BANK/IFC/M.I.G.A.

ROUTING SLIP		DATE: February 12, 1993	
NAME		ROOM NO.	
Ms. Lesley Davis, DECVF		S-9-041	
Ms. Cathy Cardona, PMDCU		S13-025	
	URGENT		PER YOUR REQUEST
	FOR COMMENT		PER OUR CONVERSATION
	FOR ACTION		SEE MY EMAIL
	FOR APPROVAL/CLEARANCE		FOR INFORMATION
	FOR SIGNATURE		LET'S DISCUSS
	NOTE AND CIRCULATE		NOTE AND RETURN
RE: Shankar Acharya			
REMARKS: For your information. D.C. Rao			
FROM: D. C. Rao, Acting, DECVF		ROOM NO.: S-8-055	EXTENSION: 33800

Headquarters: Washington, D.C. 20433 U.S.A.

Tel. No. (202) 477-1234 // Fax Tel. No. (202) 477-6391 // Telex No. RCA 248423

FACSIMILE COVER SHEET AND MESSAGE

93 FEB 12 PM 4:08
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DEVELOPMENT ECONOMICS
FACSIMILE

DATE: February 12, 1993

NO. OF PAGES: 3
(including this sheet)

MESSAGE NUMBER:

TO
Name: Mr. D. C. Rao
Organization: Acting DECVP

Fax Tel. No. 70661
City: Washington, D.C.
Country: U.S.A.

FROM
Name: Shankar N. Acharya
Dept./Div. CEC/CECPE
Room No. N10-049

Fax Tel. No. (202) 676-0025
Dept/Div No. 643/30
Tel. No. (202) 473-7684

SUBJECT: Attached

MESSAGE:

Please see attached.

Kah
Pl. cc. Davis - Cardone.
Del
4/10

Transmission authorized by: Shankar N. Acharya, Chief, CECPE

If you experience any problem in receiving this transmission, inform the sender at the telephone or fax number listed above.

CONFIDENTIAL

February 12, 1993

Ms. Nancy Birdsall
Director
Policy Research Department

DECLASSIFIED

APR 29 2025

WBG ARCHIVES

Nancy,

1. Per our conversation.
2. The attached has come much quicker than I expected. A separate communication from Montek has asked me to take up my new responsibilities in Delhi on April 1. I may be able to negotiate a couple of weeks delay to mid April.
3. Perhaps we should meet to discuss some transitional arrangements.



Shankar Acharya
PRDPE

P.S. I shall communicate formal notice of resignation to the Bank when negotiations on dates have been completed with Government of India.

Attachment

cc (for information):

Messrs. Rao (Acting, DECVP); Wood (SASVP)

FEB 12 '93 17:32

431 PB1

676-0025

FAX MESSAGECONFIDENTIAL**DECLASSIFIED**

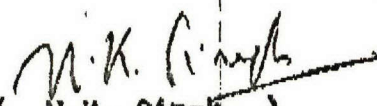
APR 29 2025

WBG ARCHIVES

FM: Shri N.K. Singh,
Joint Secretary (FB&A),
Ministry of Finance
Department of Economic Affairs,
New Delhi

TO: Dr. Shankar N. Acharya,
Chief,
Public Economics Division,
Country Economics Department,
World Bank, Washington D.C.

The Appointments Committee of the Cabinet has approved our proposal to promote you to the post of Chief Economic Adviser with effect from the date of assumption of charge of the post by you. You are requested to take up your new assignment here as early as possible and inform us accordingly.


(N.K. Singh)
Joint Secretary (FB&A)
Ministry of Finance
Deptt. of Economic Affairs

New Delhi

12.02.1993

OFFICE MEMORANDUM

DATE: February 11, 1993

TO: Mr. E. Stern, EXC

THROUGH: D. C. Rao, Acting Vice President, DEC *gcl*

FROM: Amnon Golan, Director, EDI *A.S.*

EXT.: 36454

SUBJECT: **McNamara Fellowships Program**

1. The purpose of this memo is to elicit your views on the future direction of the McNamara Fellowships Program and to seek your guidance, with the hope that a decision on what action to take can be made before the next meeting of the Selection Panel on April 15.

Background

2. In 1982 the McNamara Fellowships Program was established as a postgraduate research program "to promote imaginative and innovative research on issues related to economic development". To date, the Program has financed a total of 103 Fellows. The total number of applications received since the Program's inception is 7482. The Fellowships are for twelve months only. They target young academics, providing them with an opportunity to take a sabbatical and carry out a personal research project, as well as mid-career public officials, who can take a year off, deepen their knowledge and enhance their prospects in their field.

3. Financing for the McNamara Fellowships Program comes from the interest received from a Trust Fund comprising US\$ 1 million from the World Bank and contributions totalling US\$ 1.8 million from the Governments of Bangladesh, China, India, Kuwait, Nigeria, Pakistan, Peru and Yugoslavia. (See Attachment)

Options for the Future

4. The Program is now at a point in its development where a decision has to be made on its future. The annual disbursement of approximately \$300,000 allowed the Program to make about ten awards annually, a number considered appropriate for two reasons: 1) it is high enough to maintain visibility and to justify the prestige with which the Program is held worldwide; and 2) a smaller number of awards would not justify the associated annual administration expenses of \$126,000.

5. However, over the eleven years of its existence, steady disbursement at this rate has had serious consequences for the Program. Even as the cost of a Fellowship has increased, the value of the US\$2.8 million capital has been steadily eroding, with inflation and lower interest rates causing a steadily decreasing supply of funds to be available. It is only by retaining some of the investment income for reinvestment that the Program has been able to continue funding about

ten Fellows per year, despite the fact that the average cost of a Fellowship has gone up by 19% in the last three years alone. At this time, therefore, we should consider approaching the Board for a decision on how the Program is to be managed. There are three options:

a) Use around 3% (c. \$84,000) of the Trust Fund annually and reduce the number of awards. This would mean a maximum of three awards, since the average cost is currently \$30,000. With annual administrative expenses of \$126,000, the overheads would be too high to justify such a small number of awards; this would therefore not be a cost-effective solution.

b) Phase out the Program over a period to be defined. Assuming this period to be ten years, and assuming that the capital could earn an average interest rate of 5 per cent, the Program would be able to disburse about \$360,000 per year on average. Allowing for a continued rise in the cost of a Fellowship, this would enable us to maintain the present size of the Program, until its disappearance in 2003. A decision to phase out the Program in this manner would presumably need the approval of the Board .

c) Increase the capital by raising the Bank's contribution and/or by approaching member country governments and asking them for additional contributions. The Program Secretariat has calculated that an annual disbursement of about \$360,000 would require an increase of \$4.4 million. If the Bank were to increase its contribution by another \$1 million, the new target endowment of \$ 7.2 million could be reached if fourteen member countries were willing to contribute \$250,000 each.

6. This Program provides the Bank with a modest, but highly visible means to make a valuable contribution to economic development. Furthermore, in recent years, the Program has tried to establish closer links with the Bank's work, by encouraging research topics which are directly relevant , and by asking Bank staff to monitor Fellows' progress. With a ratio of applications to awards of around 50 to 1, it is clear that the McNamara Fellowships Program fulfils a need in the younger research community.

Attachment

cc. Messrs. A. Karaosmanoglu, EXC, S. Eccles, CTRVP, Mme. L. Davis, DECVP,
Messrs. B Chatterjee, PBDDR, A Van Nimmen, EDIHR, Mmes. N. Siveroni, EDIDR,
B. Juntunen, EDIHR

/bj

Robert S. McNamara Fellowships Program

List of Contributing Countries

1.	Bangladesh	\$50,000.00
2.	China	\$150,000.00
3.	India	\$500,000.00
4.	Kuwait	\$500,000.00
5.	Nigeria	\$100,000.00
6.	Pakistan	\$250,000.00
7.	Peru*	\$100,000.00
8.	Yugoslavia	<u>\$150,000.00</u>
	TOTAL	\$1,800,000.00

* An additional \$100,000.00 has been pledged by the Government of Peru.

Note: A further \$1,000,000.00 was contributed by the International Bank for Reconstruction and Development. Other contributions total \$1,000.00 from private sources.

OFFICE MEMORANDUM

Chron.

DATE: February 12, 1993
TO: Mr. Stephen Eccles, CTRVP
FROM: D. C. Rao, Acting DECVP *DCR*
EXTENSION: 33774
SUBJECT: Special Grants Program Oversight Committee

In response to your memo of January 29 on the Special Grants Oversight Committee, I nominate Mr. Amnon Golan to represent DEC on this committee. Mr. Alex ter Weele will serve as alternate.

cc: Messrs./Ms. B. Chatterjee (PBDDR), A. Golan, A. ter Weele (EDIDR),
M. Walton, L. Davis (DECVP)

OFFICE MEMORANDUM

cc: Kat

DATE: February 11, 1993

TO: M/s. Armeane Choksi, Vice President HRD; Jean-Francois Rischard, Vice President FPS;
Ismail Serageldin, Vice President ESD

FROM: D.C. Rao, Acting Vice President DEC *DCR*

EXTENSION: 33800

SUBJECT: Request for Nominations of Chairpersons and Discussants for the Fifth Annual Bank Conference on Development Economics, May 3-4, 1993

1. The Fifth Annual Bank Conference on Development Economics (ABCDE) will be held in Washington, D.C. on May 3 and 4, 1993. This conference series bring together international researchers, Bank-staff, policy-makers and development practitioners to focus on topical issues in development policy.

The topics and authors of this year's conference are:

- **Financial Policy Revisited**

Joseph Stiglitz: *rationale for a government role in financial markets*

Ronald McKinnon: *financial control of state enterprises in the Russian transition: lessons of the Chinese experience*

Charles Calomiris: *assessment of credit programs and government interventions in financial markets*

- **Regulation: Principles, Capacity and Constraints**

Robert Willig: *regulation of privatized firms versus maintenance of public enterprises*

Leroy Jones: *institutional constraints to regulation*

Pablo Spiller: *commitment mechanisms in government regulatory contracts*

- **The Energy Sector and the Environment**

William Nordhaus: *global warming and developing countries*

Leon Schipper: *indirect policy effects on energy use efficiency*

Anthony Churchill: *regional energy needs and costs*

- **The Economics of Regress**

Robert J. Barro: *human capital, market distortions and political stability in the poorest countries*

Amartya Sen: *the relationship between economic and social welfare indicators in the poorest countries*

I am writing to seek your assistance and that of your staff in identifying chairpersons and discussants for this year's conference. We are looking in particular to invite part 2 nationals, who are experts on these topics.

February 11, 1993

A nomination form is attached. Please provide as complete details as possible on the background and the means to allow us to contact your nominees. In order to invite chairpersons/discussants well in advance of the conference we would need to receive your nominations by February 26, 1993.

If you have any questions or comments, please call Gregory Ingram (31052) or Boris Pleskovic (31062).

Thank you for your assistance.

cc: Gregory Ingram, Boris Pleskovic, RAD

FIFTH ANNUAL BANK CONFERENCE ON DEVELOPMENT ECONOMICS

May 3 and 4, 1993

Washington, D.C.

Nomination Form

[Please select appropriate role for nominee:]

NOMINEE FOR SESSIONS ON:

DISCUSSANT

CHAIRPERSON

PARTICIPANT

Financial Policy Revisited

☐☐☐

Regulation: Principals, Capacity and Constraints

☐☐☐

The Energy Sector and Environmental Issues

☐☐☐

The Economics of Regress

☐☐☐

Name: _____
(please PRINT in full)

Specific Areas of Expertise: _____

Position/Occupation: _____

Organization: _____

Mailing Address: _____

Telex Number: _____

Facsimile Number: _____

Office Telephone: _____

Home Telephone: _____

Name of Nominator: _____

Division and Telephone Extension: _____

Please return by February 26, 1993, to RAD, Room S-3033

OFFICE MEMORANDUM

Kare

Date: February 11, 1993
To: Mr. Attila Karaosmanoglu, EXC
From: D. C. Rao, Acting DECVF *DR*
Sub: Global Economic Prospects, 1993

1. I am pleased to attach for your review and approval a copy of the above report. The special topic for this year's GEP is the changing nature of external finance for developing countries.

2. Earlier drafts of this report have been reviewed extensively within the Bank as well as by a panel of distinguished external reviewers. All major comments from regional and central vice presidencies have been incorporated in this version and there are no remaining substantive disagreements. A further final round of regional reviews for country specific references and economic growth projections will be made once the full set of Unified Survey results is finalized next week. The projections in the report may alter marginally as a result of this process -- as well as through the final updating of 1992-93 numbers for the G-7 economies -- but this is not likely to modify the main thrust of the report's analysis or conclusions.

3. A copy of the report is being sent in parallel to Fund staff for their comments, especially in regard to the analysis and outlook presented for industrialized countries.

4. Following your approval, and the incorporation of any final updating changes, the report will be circulated to the Board on February 22. A Board seminar to discuss the report is scheduled for March 22.

Att.

c.c. Messrs./Mmes. Stern, Sandstrom, Armitage, Shihata, Thahane, Ahmed (IEC)

MAhmed/kg

OFFICE MEMORANDUM

Kate

Date: February 11, 1993
To: Distribution
From: D. C. Rao, Acting DECVP *DCR*
Sub: Global Economic Prospects, 1993

1. Attached please find a copy of the EXC draft of the above report. I would like to take this opportunity to thank your staff for their comments and inputs on earlier versions of this report.
2. The next step in the process is distribution to the Board on February 22. Prior to that, we will be sending to your Chief Economists a marked up version highlighting all country/regional references for final review.
3. In the meantime, if you have any general comments on this draft, please send them to Ronald Johannes (Room S-8-045, Ext. 33802) or to myself.

Distribution:

Messrs. Jaycox, Kaji, Wood, Thalwitz, Koch-weser, Husain

c.c. Messrs./Mmes. Kashiwaya, Choksi, Rischard, Serageldin, Linn, El Rifai, Pfeiffermann, Birdsall, Ray, Walton, Ahmed, Dadush, Johannes

Att.

AHmed/kg

OFFICE MEMORANDUM

Kate

Date: February 11, 1993
To: Mr. John T. Boorman, IMF
From: D. C. Rao, Acting DECVP, IBRD *Del*
Sub: Global Economic Prospects, 1993

I am pleased to attach a draft of the above report which will be distributed to the World Bank's Executive Directors on February 22, 1993. We would welcome any comments on the report from you or your staff by c.o.b. February 17, if at all possible.

Att.

c.c. Messrs. Larsen and Coe, IMF

MAhmed/kg

OFFICE MEMORANDUM

DATE: February 10, 1993

TO: Mr. Richard Lynn, Director, PBD

FROM: D. C. Rao, Acting Vice President, DEC *DCR*

EXTENSION: 33800

SUBJECT: FY93 Reorganization - Budget Remapping

1. I refer to your February 8 memorandum to CAOs and Program Coordinators on the remapping of the budgets of units affected by the reorganization.

2. We agree with the methodology used for transferring funds into DEC for the 17 positions and the unfunded senior complements. We have a serious problem, however, with the methodology used to determine the travel budgets to be transferred from the Regions to DEC.

3. We are being provided with the same unit cost that was used in the distribution of FY93 Regional budgets, which amounts to an average of about \$28,000 per staffyear of cross support. This compares with an actual cost of cross support travel between July and December 1992 of about \$50,000 per staffyear. There is no reason to believe that this is an unusually high figure.

4. Ms. Davis raised this issue with Mr. Bhatia in an EM dated January 29. As she pointed out in that EM, experience shows that the original distribution of cross support travel funds to the Regions was too low. However, to the extent that the Regions have been funding the cross support travel expenses from a combination of the cross support allocation and their own budgets (and would have continued to do so through the end of the fiscal year) without projecting FY93 budget overruns, the full unit cost is by definition in their budgets. We would argue, therefore, that the unit cost allocated to the Regions for cross support travel at the start of FY93 is irrelevant. It is the actual unit cost that the Regions were expecting to pay in FY93 that should be transferred to DEC.

5. What the currently proposed allocation will mean for the balance of FY93 is a cross support travel deficit of about \$265,000. Since you are also proposing to use this figure for the FY94 base, it means that DEC's FY94 base will be short by as much as \$480,000.

6. I am concerned that this shortfall will put at risk DEC's ability to deliver its contracted cross support for the rest of FY93. For FY94, it will mean a reduction in our contracted level of cross support from an FY94 plan of 21.3 staffyears to 12.6 staffyears.

7. It will be important to resolve this question before FY94 work programs and contracts are finalized in March, since both DEC and the Regions will need to adjust their work programs to accommodate reduced cross support in the absence of additional travel funds. I hope, however, that this will not be necessary.

cc: Messrs. Mss. Birdsall, Golan, Walton, Bhatia, Tandon, Davis, Lawrence,
Stover, Gore

A L L - I N - 1 N O T E

DATE: 09-Feb-1993 07:05pm

TO: Hyung-Ki Kim

(HYUNG-KI KIM)

FROM: D. C. Rao, IECDR

(D. C. RAO)

EXT.: 33800

SUBJECT: Wapenhans followup

thanks for comleting the EDI input on schedule! I had asked Alex to contact Nancy and Anando Ray re any inputs they may have to add. Outcome?

CC: Alexander H. ter Weele

(ALEXANDER H. TER WEELE)

CC: Kate Oram

(KATE ORAM)

ROUTING SLIP		Date	
		2/10/93	
NAME		ROOM NO.	
Mr. M. Ahmed		S-8-047	
Ms. N. Birdsall		N-11-051	
Mr. A. Golan		M-7-021	
Mr. G. Ingram		S-3-033	
Ms. L. Davis		S-9-041	
Mr. M. Walton		S-9-029	
☐	URGENT	☐	For Action/Comment
☐	Appropriate Disposition ☒	☐	Information/Discard
☐	Approval/Clearance	☐	Note And Return
☐	File	☐	Per Our Conversation
		☐	Per Your Request
		☐	Returned
		☐	See My E-Mail
		☐	Signature/Initial
RE:			
REMARKS			
From Mr. D. C. Rao		Room No. S-9-035	Ext. 33800

8762

OFFICE MEMORANDUM

DATE: February 8, 1993

TO: Distribution

FROM: Johannes Linn, FPRVP

EXTENSION: 8-0602

SUBJECT: Annual Review of Management of Externally Funded Programs

98 FEB -9 AM 10:10

RECEIVED
ECONOMICS
AND
STATISTICS
DEPARTMENT

1. Attached is the first "Annual Review of the Bank's Externally Funded Programs" prepared by the Bank-wide Funding Coordination Committee established in accordance with Mr. Preston's memorandum on "Management of Externally Funded Programs" dated January 7, 1992 (copy attached). The Group, chaired by Mr. Kavalsky, was constituted in February, 1992 and has met regularly since that time to consider a number of key issues relating to the management of external funds (mainly through trust fund arrangements) within the Bank. This review paper also includes additional information on the use of external funds within the Bank to supplement the FY92 status report on trust funds issued in July 1992. Since FY93 mid-year statistics were not available at the time when this report was prepared, the FY92 statistics have been used.

2. The background to the Committee's deliberations was provided by the fact that, because of their special features, the Bank had managed trust funds as a discrete system and had organized special and internal processes to deal with their mobilization, accounting, and reporting. The Committee's discussions indicated a need to refocus trust fund management towards a system which managed all trust fund-financed activities in the same manner in which those activities were managed when they were funded from Bank sources. It was recognized that the proposed shift from managing such activities according to the way the money was used rather than the way the money was raised, would not be simple. It would require major changes in budget and planning processes and information systems (a number of projects to enhance the Bank's systems are currently under way) and the definition of new rules of the game.

3. In light of the above, the Organization Planning Staff (ORG) had been asked to review the optimum location of the Office of the Trust Funds Administrator (TFA). The preliminary findings of the ORG study confirmed that the highest priority should be given to enhancing the existing Bankwide management information systems to include external funds to support the work of Task Managers; and that external funds should be fully integrated into the Bank's

budget system. It also recommended that TFA should take on these new responsibilities. To enhance the integration of the TFA's work with that of PBD, IAD and ACT which will be critical to achieve the desired improvements in management of external funds, FPR, CTR and ORG have reached an agreement to relocate the TFA unit to the Office of the Vice President and Controller effective February 1, 1993.

Attachments

Distribution:

Messrs./Mmes. Jaycox, Kaji, Wood, Thalwitz, Koch-Weser, Husain,
Kashiwaya, ✓Summers, Choksi, Rischard, Sarageldin, Einhorn, Eccles,
Alisbah, Picciotto, Tahane, Shihata

cc: Messrs. Karaosmanoglu, Sandstrom, Stern, Kavalsky
Funding Coordinators

A L - I N - 1 N O T E

DATE: 10-Feb-1993 10:27am EST

TO: See Distribution Below

FROM: Kate Oram, DECVF (KATE ORAM)

EXT.: 31107

SUBJECT: A Gentle Reminder

Please see the attached em from Mr. Rao. Please try to ensure that everyone in your department/unit adheres to DCR's note.
Thanks. Kate

DISTRIBUTION:

TO: Yvonne Edwards	(YVONNE EDWARDS)
TO: Soledad Rothschild	(SOLEDAD ROTHSCHILD)
TO: Rhoda Blade Charest	(RHODA BLADE CHAREST)
TO: Eunice Gibson	(EUNICE GIBSON)
TO: Jean Gray Ponchamni	(JEAN GRAY PONCHAMNI)
TO: Bilkiss Dhmun	(BILKISS DHOMUN)
TO: Joanne Lee	(JOANNE LEE)
TO: Maria Chona Fernandez	(MARIA CHONA FERNANDEZ)
TO: Beth Lundquist	(BETH LUNDQUIST)
CC: D. C. Rao	(D. C. RAO)
CC: Masood Ahmed	(MASOOD AHMED)
CC: Komola Ghose	(KOMOLA GHOSE)
CC: Gwendoline Ritchie	(GWENDOLINE RITCHIE)
CC: Kate Oram	(KATE ORAM)

A L - I N - 1 N O T E

DATE: 09-Feb-1993 12:30pm EST

TO: Kate Oram (KATE ORAM)

FROM: D. C. Rao, IECDR (D. C. RAO)

EXT.: 33800

SUBJECT: IEC

Kate,

VPDEC is still failing to put Masood Ahmed on the distribution as acting director. Could you pl ensure that all staff are clearly informed (again!). This goes for EVERYTHING that is addressd to directors or senior managers. If anything has gone to me and not to Masood recently, the senders should followup and send the stuff to him if they want any resposne from IEC.

THE WORLD BANK/IFC/M.I.G.A.

ROUTING SLIP		DATE: 2/10/1993	
NAME		ROOM NO.	
Ms. Nancy Birdsall		N11-051	
Mr. Amnon Golan		M-7-021	
Mr. Greg Ingram		S-3-033	
Mr. Dean Jamison		T-7-101	
Mr. Masood Ahmed, Acting, IECDR		S-8-047	
Mr. Anandarup Ray, Acting, DPGDR		S-9-049	
Mr. Ramesh Chander		S-9-037	
Mr. Michael Walton		S-9-035	
	URGENT		PER YOUR REQUEST
	FOR COMMENT		PER OUR CONVERSATION
	FOR ACTION		SEE MY EMAIL
	FOR APPROVAL/CLEARANCE		FOR INFORMATION
	FOR SIGNATURE		LET'S DISCUSS
	NOTE AND CIRCULATE		NOTE AND RETURN
RE: Attached			
REMARKS: This is worth considering for staff who have to make media presentations. D.C. Rao			
FROM: D. C. Rao, Acting, DECV		ROOM NO.: S8-055	EXTENSION: 33800

OFFICE MEMORANDUM

DATE: February 5, 1993

TO: See Distribution Below

FROM: Alexander Shakow, Director, EXT

EXTENSION: 31828

SUBJECT: Media and Speech Presentation Training

Dec 12 Myr
This is worth considering for staff who have to make media presentations.
93 FEB -9 PM 4:15
RECEIVED
ECONOMICS
JANUARY
8765
Dec
210

1. In October 1991 External Affairs launched a Speakers/Media Training Program to help strengthen the public speaking and media-handling skills of Bank managers who frequently act as spokespersons. External Affairs has engaged the services of a Washington firm to provide training sessions on both an individual and group basis that, with EXT's help, have been tailored to the specific needs of the participants. (Costs of the training are borne by the individual participants.)
2. In the intervening period, both media and speech presentation training have been taken by over 50 Bank staff, including the WDR92 briefing team (see attached list for partial roster). The Africa region has made particularly wide use of this training, with three departments providing training for its management team and resident representatives.
3. Word-of-mouth feedback has played a significant role in the increased use of this training opportunity and has been confirmed in the attached EXT survey asking participants for their evaluations.
4. Although the training was initially intended for Bank managers, experience has confirmed that it has been useful for others as well. We would therefore like to expand the use of this program and encourage its wider use by Bank staff.
5. Costs of the training are borne by the participants. While training on an individual basis is available, group training sessions, when appropriate, are more cost effective. And, should the use of training services significantly expand, we expect additional savings to accrue for the Bank.

Distribution

- 2 -

February 5, 1993

6. Maggie Sheen in our Information and Public Affairs Division manages the training program and works with the consulting firm to design the training so that it addresses participants' specific needs. She has also written a follow-up review guide to dealing with electronic media. She would be happy to provide additional details as well as assistance in taking advantage of this program. She can be reached at 473-1789.

Attachment

Distribution:

Vice Presidents
Directors
Regional Division Chiefs

PARTICIPANTS IN EXT'S SPEAKERS MEDIA TRAINING PROGRAM

EDs/Vice Presidents/Directors

D.C. Rao	Director, International Economics Dept. (IECDR)
Rainer Steckhan	Director, Country Operations Dept. (LA2DR) Latin America & the Caribbean
Marianne Haug	Director, Country Operations Dept. (EA3DR) Indonesia & the Pacific
Katherine Marshall	Director, Sahelian Dept. (AF5DR)
Larry Summers	Vice President, Development Economics & Chief Economist, (DECVP)
Moises Naim	Executive Director, (EDS18)
Paul Isenman	Director, South Asia Dept. (SA3DR)
Stephen Denning	Director, Southern Africa Dept. (AF6DR)

Division Chiefs

Jean-Louis Sarbib	Division Chief, Country Operations Sahel Dept. (AF5CO)
Silvia Sagari	Division Chief, Industry & Energy Sahelian Dept. (AF5IE)
Peter Watson	Division Chief, Infrastructure Sahelian Dept. (AF5IN)
Birger Fredriksen	Division Chief, Population & Human Resources Operations Div. (AF5PH)
Praful Patel	Division Chief, Southern Africa Dept. (AF6CO)
Chaim Helman	Division Chief, Southern Africa Dept. (AF6AG)
Roger Grawe	Division Chief, Population & Human Resources Operations Div. (AF6PH)
Phyllis Pomerantz	Division Chief, Infrastructure Operations Southern Africa Dept. (AF6IN)
Iain Thornton Christie	Division Chief, Industry & Energy Operations Dept. (AF1IE)

Theodore Nkodo Division Chief, Agriculture Operations Div. (AF1AG)

Other Staff

Andrew Steer Deputy Director, Environment Dept. (ENVDR)

Monique Garrity Resident Representative Mali (AF5ML)

Emmerich Schebeck Operations Advisor to Katherine Marshall
(AF5DR)

Stephen Mink	WDR Team
Dennis Anderson	"
Maritta Koch-Weser	"
Nemat Shafik	"
John Dixon	"
Dennis Mahar	"
Sudhir Shetty	"

Linda McGinnis Resident Representative Mali (AF5ML)

Andrew Hamilton Consultant on Public Expenditures Review

Gene Tidrick Lead Economist, Southern Africa Dept. (AF5DR)

Judith Edstrom Operations Advisor, Southern Africa Dept. (AF6DR)

Olga Jonas Economist, Sahelian Dept. (AF5CO)

Emmanuel Mbi Principal Country Officer, Sahelian Dept. (AF5CO)

Roger Key Principal Economist, Sahelian Dept. (AF5CO)

Jann Masterson Operations Analyst, Agriculture Division
Sahelian Dept. (AF5AG)

Heidi Hennrich-Hanson Country Economist/Country Officer Mali, (AF5CO)

Leslie Pean Project Officer, Sahelian Dept. (AF5IN)

Danny Singh Project Officer, Sahelian Dept. (AF5IN)

Jacques Daniel Resident Rep. Togo, Central Africa Dept. (AF1TO)

Lucien Moreau Resident Rep. Central African Republic Dept. (AF1CA)

Eduardo Locatelli Resident Rep. Benin, Central Africa Dept. (AF1BE)

Robert Calderisi Chief, Regional Mission in Western Africa Dept. (AF1WA)

Michael Wilson	Resident Rep. Guinea, Central Africa Dept. (AF1CA)
Joseph Ingram	Resident Rep. Cameroon, Central Africa Dept. (AF1CM)
Robert Blake	Sr. Economist, Resident Mission Central Africa Dept. (AF1CA)
Manga Kuoh-Mokouri	Resident Rep. Congo, Central Africa Dept. (AF1CG)
Albert Osei	Resident Rep. Burkina Faso, (AF5BU)
Lawrence Hinkle	Lead Economist, Central Africa Dept. (AF1DR)

BANK STAFF EVALUATION OF SPEAKERS/MEDIA TRAINING

Bank staff evaluated its effectiveness in response to this EXTIP questionnaire.

*HOW EFFECTIVE, OVERALL, DO YOU THINK THE TRAINING WAS IN PREPARING YOU TO
DEAL WITH THE MEDIA?*

COMMENTS:

- ▶ Good
- ▶ Effective
- ▶ Very effective
- ▶ Very effective but too compressed.
- ▶ Very effective - it increased my understanding enormously.

*WHAT ASPECTS OF THE TRAINING WERE ESPECIALLY USEFUL TO YOUR PARTICULAR
NEEDS?*

COMMENTS:

- ▶ Videotaping of speeches and interviews on Bank-related issues
- ▶ Importance of developing messages; body language.
- ▶ How to watch out for buzzwords. How to grab the opportunity to give a positive message in different circumstances.
- ▶ Importance of style and approach; organization of material and responses to loaded questions.
- ▶ Importance and use of simple, non-technical language
- ▶ Posture, standing and sitting.
- ▶ Seeing the videotape, doing the team exercise.
- ▶ Exposure to all aspects/types of media situations.

WHAT ELEMENTS OF THE TRAINING WOULD YOU CHANGE--FOR EXAMPLE, BY MODIFYING OR SPENDING MORE OR LESS TIME ON THEM? (PLEASE EXPLAIN WHY YOU RECOMMEND CHANGES.)

COMMENTS:

- ▶ Same course should be offered in French, less general talk at the start.
- ▶ More of an explanation before the first presentation on team speaking.
- ▶ International issues should receive more attention.
- ▶ I would not change anything - the one-day training period was very effectively utilized.
- ▶ More time on answering negative questions.
- ▶ More time in going over trick/difficult questions (to know how to deal with them)
- ▶ Speeches by each participant and more time to discuss techniques and to criticize the presentations.

HOW USEFUL WERE THE PRACTICE INTERVIEWS? WOULD ANY CHANGES IMPROVE THEIR USEFULNESS?

COMMENTS:

- ▶ Very
- ▶ Very good
- ▶ Very important
- ▶ Very useful - they are essential to get a feel for what real ones are like
- ▶ Excellent

HOW WOULD YOU ASSESS THE EFFECTIVENESS OF THE TRAINERS OF YOUR PARTICULAR SESSION?

COMMENTS:

- ▶ Very good
- ▶ Very effective
- ▶ Super job
- ▶ Excellent

WOULD YOU RECOMMEND THIS MEDIA TRAINING TO YOUR COUNTERPARTS IN OTHER DEPARTMENTS?

COMMENTS:

- ▶ Yes
- ▶ Yes - to anyone who has contact with the media
- ▶ Yes - and I did!

ARE THERE ANY OTHER ISSUES NOT COVERED BY THE ABOVE QUESTIONS WHICH YOU THINK NEED TO BE RAISED IN ORDER TO IMPROVE THE EFFECTIVENESS AND RELEVANCE OF THIS TRAINING?

COMMENTS:

- ▶ How to deal with hecklers, physical abuse, being presented with damaging written statements and asked to respond.
- ▶ More emphasis on organization/to deal with content; questions on hostile environments would have been helpful.
- ▶ "Do's and don'ts" on handling the Bank's messages
- ▶ As an introduction for those with some contact, the course is excellent.
Staff with lots of contact with the media might want a longer course.
- ▶ The "messages" need to be thought through at the level of departments or higher.

A L L - I N - 1 N O T E

DATE: 10-Feb-1993 10:27am

TO: See Distribution Below

FROM: Kate Oram, DECVF (KATE ORAM)

EXT.: 31107

SUBJECT: A Gentle Reminder

Please see the attached em from Mr. Rao. Please try to ensure that everyone in your department/unit adheres to DCR's note.
Thanks. Kate

DISTRIBUTION:

TO: Yvonne Edwards	(YVONNE EDWARDS)
TO: Soledad Rothschild	(SOLEDAD ROTHSCCHILD)
TO: Rhoda Blade Charest	(RHODA BLADE CHAREST)
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TO: Joanne Lee	(JOANNE LEE)
TO: Maria Chona Fernandez	(MARIA CHONA FERNANDEZ)
TO: Beth Lundquist	(BETH LUNDQUIST)
CC: D. C. Rao	(D. C. RAO)
CC: Masood Ahmed	(MASOOD AHMED)
CC: Komola Ghose	(KOMOLA GHOSE)
CC: Gwendoline Ritchie	(GWENDOLINE RITCHIE)
CC: Kate Oram	(KATE ORAM)

A L L - I N - 1 N O T E

DATE: 09-Feb-1993 12:30pm EST

TO: Kate Oram (KATE ORAM)

FROM: D. C. Rao, IECDR (D. C. RAO)

EXT.: 33800

SUBJECT: IEC

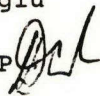
Kate,

VPDEC is still failing to put Masood Ahmed on the distribution as acting director. Could you pl ensure that all staff are clearly informed (again!). This goes for EVERYTHING that is addressd to directors or senior managers. If anything has gone to me and not to Masood recently, the senders should followup and send the stuff to him if they want any resposne from IEC.

OFFICE MEMORANDUM

DATE: February 9, 1993

TO: Mr. Attila Karaosmanoglu

FROM: D.C. Rao, Acting DECVP 

EXTENSION: 33800

SUBJECT: Sri Lanka ERC II - Loan Committee Meeting: Suggestions for the Agenda

1. Since the initiation of "market-friendly" policies in 1977, the Sri Lankan economy has done quite well; the growth rate of GDP has hovered around 4-5%, despite civil wars, droughts, the Gulf crisis etc. The PFP projections for the next three years, adopted by the Bank, are only moderately above the historical trend. Inflation also has been moderate, rising to some 20% in 1990 and then declining rapidly to 11% in 1991 and 1992. Even if the Fund's projections of further reduction to 8% in 1993, and 5.4% in 1995, are not fully realized, it is clear that we are not really dealing with any great instability here, assuming no major escalations of military expenditures.

2. However, we are quite concerned with the nature and speed of the adjustment process being envisaged. First, the fiscal performance of Sri Lanka has tended to be weak, and we need to be aware of the overall fiscal impact of the various proposed measures. Second, factor mobility continues to be hampered by widespread public interventions in wage-setting and by the ownership of some 80% of the land by the state. While the proposed operation is generally in line with the PFP and the Fund's ESAF program, we believe our country assistance strategy, as well as the design of this operation, should reflect these concerns.

3. We would like to propose the following issues for the agenda:

- Privatization. The privatization program to be supported in this operation is quite large, and definitely ambitious in the light of the very slow progress in the last decade or so. The process is complicated by the fact that the enterprises would be sold at a discount against a full employment guarantee (this method is unique to Sri Lanka, I believe). The issues are: (a) what methods are proposed for the sales of the enterprises? how competitively and transparently would the discounts be determined? How long would the full employment guarantee last? and; (b) what would be the general policy regarding labor compensation; how would the one-off and recurrent costs of labor displacement be financed?
- Labor and land markets. Structural adjustment in Sri Lanka requires shifts of resources to the traded goods sectors. Without market flexibility, the benefits of the

February 9, 1993

improved trade regime, privatization, and many other reforms to be implemented under the ERC II will be severely diminished. Yet market flexibility is reduced by labor market constraints (the government effectively sets private sector wages and can prevent shedding of labor by private enterprises), and possibly also by lack of access to land by the private sector (the State owns 80% of the land). Could the Region elaborate upon the extent of the distortions in these markets and on the measures that the Government might need to consider to speed up the adjustment process.

The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

1818 H Street, N.W.
Washington, D.C. 20433
U.S.A.

(202) 477-1234
Cable Address: INTBAFRAD
Cable Address: INDEVAS

February 8, 1993

Professor Lester Thurow
Massachusetts Institute of Technology (MIT)

Fax number: (617) 258-6617

Dear Professor Thurow:

We are writing to invite you to a Colloquium with the Board of Executive Directors of the World Bank to be held on March 25-26, 1993. The topic of the Colloquium is the "East Asian Miracle."

In early 1992, the World Bank began a study on the development experiences of high performing East Asian economies, focusing in particular on the role of the government. The objective of the study is to distill lessons from these countries' experiences that other developing countries may be able to apply to their own current efforts at "catching up." As an input to our study, the Colloquium seeks to elicit different viewpoints about the role of government (and markets) in East Asia's economic transformation. The Board of Directors of the World Bank has expressed interest in seeking these viewpoints from academics, journalists, and policy makers. Mr. Lawrence Summers, the Bank's former Chief Economist, suggested your participation in these informal discussions.

We would highly appreciate your participation as a speaker in the Colloquium on March 26. We suggest as a general topic the role of markets and government in fostering growth and how the East Asian experience may be relevant to other regions. We will provide travel expenses, accommodations and a small honorarium.

We will contact your office within a few days to learn whether you can participate.

Sincerely yours,



D.C. Rao
Acting, Vice President
Development Economics
and Chief Economist

The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

1818 H Street, N.W.
Washington, D.C. 20433
U.S.A.

(202) 477-1234
Cable Address: INTBAFRAD
Cable Address: INDEVAS

February 8, 1993

Professor Michael Porter
Harvard University, Cambridge, MA
(Harvard Business School)

Fax: (617) 547-8543

Dear Professor Porter:

We are writing to invite you to a Colloquium with the Board of Executive Directors of the World Bank to be held on March 25-26, 1993. The topic of the Colloquium is the "East Asian Miracle."

In early 1992, the World Bank began a study on the development experiences of high performing East Asian economies, focusing in particular on the role of the government. The objective of the study is to distill lessons from these countries' experiences that other developing countries may be able to apply to their own current efforts at "catching up." As an input to our study, the Colloquium seeks to elicit different viewpoints about the role of government (and markets) in East Asia's economic transformation. The Board of Directors of the World Bank has expressed interest in seeking these viewpoints from academics, journalists, and policy makers. Mr. Lawrence Summers, the Bank's former Chief Economist, and the Executive Directors have suggested your participation in these informal discussions.

We would highly appreciate your participation as a speaker in the Colloquium on March 25. We suggest as a topic the role of industrial policy in economic development with special emphasis on East Asia. We will provide travel expenses, accommodation and a small honorarium.

We will contact your office within a few days to learn whether you can participate.

Sincerely yours,



D.C. Rao
Acting, Vice President
Development Economics
and Chief Economist

February 8, 1993

The Honorable Paula Stern
President
The Stern Group
1133 Connecticut Ave., N.W.
Suite 1000
Washington D.C. 20036

Fax Number: (202) 775-9801

Dear Ms. Stern:

We would like to invite you to a Colloquium with the Board of Executive Directors of the World Bank to be held on March 25-26, 1993. The topic of the Colloquium is the "East Asian Miracle."

In early 1992, the World Bank began a study on the development experiences of high performing East Asian economies, focusing in particular on the role of the government. The objective of the study is to distill lessons from these countries' experiences that other developing countries may be able to apply to their own current efforts at "catching up." As an input to our study, the Colloquium seeks to elicit different viewpoints about the role of government (and markets) in East Asia's economic transformation. The Board of Directors of the World Bank has expressed interest in seeking these viewpoints from academics, journalists, and policy makers. Mr. Lawrence Summers, the Bank's former Chief Economist, has suggested your participation in these informal discussions.

We would highly appreciate your participation as a speaker in the Colloquium on March 26. We suggest as a topic, trade and financial relations between the Western Developed Economies and East Asian countries. The World Bank will provide travel expenses, accommodation and a small honorarium.

We hope to hear from you soon to learn whether you can participate.

Sincerely yours,



D.C. Rao
Acting, Vice President
Development Economics
and Chief Economist

The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

1818 H Street, N.W.
Washington, D.C. 20433
U.S.A.

(202) 477-1234
Cable Address: INTBAFRAD
Cable Address: INDEVAS

February 8, 1993

Dr. Nam Duck Woo
Executive Director
Foundation for the Cooperation of
Industry and Academia
Seoul, Korea

Fax Number: 82-2-563-3429

Dear Dr. Nam Duck Woo:

We are writing to invite you to a Colloquium with the Board of Executive Directors of the World Bank to be held on March 25-26, 1993. The topic of the Colloquium is the "East Asian Miracle."

In early 1992, the World Bank began a study on the development experiences of high performing East Asian economies, focusing in particular on the role of the government. The objective of the study is to distill lessons from these countries' experiences that other developing countries may be able to apply to their own current efforts at "catching up." As an input to our study, the Colloquium seeks to elicit different viewpoints about the role of government (and markets) in East Asia's economic transformation. The Board of Directors of the World Bank has expressed interest in seeking these viewpoints from academics, journalists, and policy makers. Mr. Lawrence Summers, the Bank's former Chief Economist, and the Executive Directors have suggested your participation in these informal discussions.

We would highly appreciate your participation as a speaker in the Colloquium on March 25. We suggest as a topic the role of government and markets in the "catching up" process, focusing on the experience of Korea in the past three decades. We will provide travel expenses, accommodation and a small honorarium.

We will contact your office within the next few days to learn whether you can participate.

Sincerely yours,



D.C. Rao
Acting, Vice President
Development Economics
and Chief Economist

THE WORLD BANK/IFC/M.I.G.A.

ROUTING SLIP		DATE: February 12, 1993	
NAME		ROOM NO.	
Ms. Nancy Birdsall		N-11-051	
Mr. Ron Duncan		S-7-053	
	URGENT		PER YOUR REQUEST
	FOR COMMENT		PER OUR CONVERSATION
	FOR ACTION		SEE MY EMAIL
	FOR APPROVAL/CLEARANCE		FOR INFORMATION
	FOR SIGNATURE		LET'S DISCUSS
	NOTE AND CIRCULATE		NOTE AND RETURN
RE: Attached			
REMARKS: Nancy/Ron: This is a pithy statement of the Saudi view point. Just in case I get caught up in the carbon tax debates could you please send me some brief, basic reading material on the subject. Thanks. D.C. Rao			
FROM: D.C. Rao, Acting, DECVP		ROOM NO.: S-8-055	EXTENSION: 33800



Record Removal Notice

File Title D.C. Rao, Acting Vice President - Internal Chronological Records - Correspondence - January 1993 - August 1993		Barcode No. 1459974		
Document Date 02/11/1993	Document Type Memorandum			
Correspondents / Participants From: Ibrahim Al-Assaf, Executive Director To: Executive Directors				
Subject / Title Address by the Minister of Petroleum and Mineral Resources of Saudi Arabia				
Exception(s) Communications of Executive Directors' Offices				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group. <table border="1"><tr><td>Withdrawn by Salma Berrada</td><td>Date April 29, 2025</td></tr></table>	Withdrawn by Salma Berrada	Date April 29, 2025
Withdrawn by Salma Berrada	Date April 29, 2025			

**THE DEVELOPMENT OF THE
ENVIRONMENT AND THE ENVIRONMENT
FOR DEVELOPMENT**

**Keynote Address
by
Hisham M. Nazer
Minister of Petroleum and Mineral Resources
Kingdom of Saudi Arabia**

**CAMBRIDGE ENERGY RESEARCH ASSOCIATES (CERA)
CONFERENCE
ON
ENERGY STRATEGIES FOR THE FUTURE
HOUSTON - TEXAS
FEBRUARY 10, 1993**

Ladies and Gentlemen,

I would like to thank Daniel Yergin and CERA for giving me the opportunity to share with you my thoughts on the intricate relationship between the Environment, Energy, and Development. There is an urgent need to appreciate and understand the differing views on this triangular relationship before costly policies are hastily implemented.

We are all tenants of planet Earth. And we must all strive to leave the earth safer and cleaner than we found it. I am not talking here about just the physical environment. The social and political environment is as important. Man's interaction with the environment is based on a sacred trust given to us by God to respect the delicate balance of Nature in the process of benefiting from it. Protecting and nourishing the environment has been and remains an integral part of our social and economic existence. (And when I talk about the environment it is not a fashionable tribute to a newly found icon the world seems to be searching for these days.) I fear that our position on the issue is not being understood by those who are in a terrible hurry to monopolize environmental concerns, as if the rest of humanity has no concern for our common home.

It would also be counterproductive if we try to pass the blame or lecture each other about who has damaged the environment most. Whether it is the rich who have abused nature by sweeping the environmental ravages of the industrial order under the carpet of growth, or the poor who have taken from nature to survive at the cost of the environment. We cannot hope for meaningful cooperation without an understanding of each others views and underlying concerns.

What is needed is a holistic approach to the whole issue of the environment. Selfish interests which protect one's own area or carry one's own agenda do not make sense anymore. For the Earth's environment knows no boundaries and the world is truly more interdependent than ever. It would thus be futile to single out just one particular aspect of environmental degradation and just one particular cause and attack it without any concern for its global implications.

I am saying this because I had occasion to observe closely how the problems of the environment were dealt with at the Rio Conference on Environment and Development last June. I witnessed first hand how fundamental viewpoints on the relevant issues of the Conference were brushed aside. I was sad to see how the views of many countries, including my own, were misunderstood, prejudged or just ignored. I noticed how political constituencies and vested economic interests undermined the cause of science, balanced economic growth and the alleviation of poverty. What was needed then, and is even more urgent now, is a clear appreciation of the inseparable objectives of preserving the environment and maintaining growth. This cannot be achieved without due regard for the problems and aspirations of three- quarters of the world's people living in the developing countries.

We went to Rio with an open heart and mind to find balanced solutions to the twin issues of environment and development. We participated effectively in all forums and international negotiations leading to the conference. But we were dismayed to see the issues being dealt with from the "higher ground" of affluence. We noticed how environmental issues left the realm of science for the domain of politics and this is continuing until this very day.

Take the way the issue of nuclear energy has been dealt with recently. The insertion of the word "safe" when speaking of the need to transfer "energy technologies" to the developing countries has been repeatedly rejected in order to preserve the nuclear option. This is despite the known hazards associated with nuclear energy and the worldwide recognition of its looming dangers and waste. Instead, all salvos have been directed against hydrocarbons and their exaggerated contribution to environmental degradation. Even within the question of climate change and carbon dioxide, the problem of deforestation is being compromised. Attention is being focused more on reducing fossil fuel consumption than on preserving carbon dioxide sinks.

The world is being rapidly ensnared in the maze of all sorts of bureaucracies, whether international, regional or institutional. Having spent the better part of three decades in public life, I know what bureaucracies can do to paralyze any program and redirect it to self perpetuation. All governments should be alert to this regressive development, otherwise we shall all be lost in the small print and red tape of environmental policies no one understands or even intends to implement in the first place.

This brings me to the heart of the debate, namely the question of Development. The World Bank estimates that more than a billion people still live in acute poverty and suffer grossly inadequate access to resources required to give them an opportunity for economic development. I would like to add my voice to the World Bank's observation that "attacking poverty is not only a moral imperative but it is also essential for environmental stewardship." The industrialized countries have direct responsibility in the process to help alleviate poverty and enhance world economic growth.

Abject poverty is indeed the worst environmental pollutant facing Mankind. It degrades a human being far more inescapably than carbon dioxide. The immediate struggle for basic survival by the poor of this world overwhelms the legitimate concerns of environmental protection. It is all very well to talk of future generations when the stomach is full. But an empty stomach cannot think beyond the next meal.

There is a growing concern that many environmental and energy policies promoted and implemented in some industrialized countries, or undue environmental constraints imposed on the developing countries through international agreements or aid organizations, could seriously impair the developing countries' ability to sustain economic growth. It is estimated, for instance, that the developing countries would need an additional 125 billion dollars annually in foreign assistance alone in order to improve their environment. The sad part is that the developing countries do not have enough resources and the rich countries are not willing to foot the bill.

The danger here is that the emerging ideology of "Environmentalism" could impose dead ends on the already difficult path of economic growth for the majority of the world's people. There can be no development of the environment without simultaneously creating the environment for development. And I cannot think of any means to bring about global economic development without the use of energy, especially oil.

Oil is the elixir of the industrial civilization or what Daniel Yergin calls the era of the hydrocarbon Man. The policies designed to curtail the use of energy, or affect the energy mix through command and control policies or fiscal measures in the industrialized countries, will affect growth and undermine development objectives. Our concern is that the anti-energy and anti-oil bias of policies promoted under catch words like "no-regrets" will end up weighing heavily on the developing countries and on the future generations, and will be finally regretted.

The idea of insuring against the risks of some phenomena of uncertain future consequences should be weighed against the risks of taking costly policies, including the promotion of nuclear energy, the dangers of which are known today. There is still scientific uncertainty with respect to the timing, magnitude and patterns of climate change. Such uncertainty is recognized in the scientific assessment of the United Nations Intergovernmental Panel on Climate Change (IPCC). And while there is an explosion of knowledge in that field, there is general agreement that continued research is needed to reach an objective assessment of the causes and effects of climate change.

And while the scientific jury is out, there is no need to rush into costly policies. We can argue for ever about greenhouse gases, fossil fuels, climate change and all that; but I would rather talk about the things we should all agree on. They are: creating a healthy environment for economic growth and development, and creating the atmosphere for stability and predictability in the oil market. Taxing energy or oil under different forms, be it carbon taxes or energy taxes or import fees or some combination of these, does not help achieve these goals. Such taxes whether for environmental motives or efficiency gains or protecting domestic production or merely budgetary reasons, often sacrifice the underlying objective of economic growth. They could even run afoul of their very objectives.

Many studies have questioned the effectiveness of carbon taxes in reducing carbon dioxide concentrations, or the effectiveness of import fees in stimulating domestic production, or the effectiveness of taxes in fostering efficiency. The rationale is that such taxes operate through the price mechanism and give appropriate market signals to cut consumption and clean the environment. But the fact of the matter is that energy markets in most of the industrialized countries, and especially in Europe, are far from perfect. Further taxes would aggravate such market imperfections.

The discrimination against oil in many of these countries has reached a point where taxes on the barrel of petroleum products is three to four times the price of a barrel of crude while coal, which emits more carbon dioxide than oil per unit of energy, receives generous subsidies reaching 105 dollars per ton in Germany and Japan. Had such petroleum taxes or coal subsidies been readjusted according to an environmental criteria and not merely a budgetary objective, the world environment would be cleaner without constraining growth and the final consumer would be paying less at the gasoline station.

Our calculations show that the implicit carbon tax on oil prevailing today in the U.S. is around 100 dollars per ton of carbon and in the European Community 450 dollars. If such implicit carbon taxes on petroleum products were restructured to account for the carbon content of each fossil fuel, then

without further taxation the CO2 emissions would be reduced in the OECD by 12 percent which is higher than the 3 percent reduction stipulated in the European Community's carbon tax proposal. If the subsidies on coal are to be phased out, emissions could be reduced even further. But unfortunately, immediate fiscal concerns and narrow political interests often outweigh the environmental objective which is increasingly being hijacked by the ideology of "environmentalism".

I do not want to take anything away from the ongoing scientific debate on the effect of fossil fuels on the environment. What I am certain of is that oil has been made the culprit. A celebrated recent study by an established environmentalist group argued in vain that the world can do without oil. The title of the study tells it all "Energy without Oil". I am also certain that oil has been taxed far in excess of any contribution it may have in environmental degradation. And I am also certain that the cost of different policies to forcefully reduce the consumption of oil on world economic growth is enormous and their ultimate effect on the world oil market is de-stabilizing. For the basic assumption is the normal growth in oil demand in line with economic growth. If demand is deliberately suppressed, then it would not be surprising if oil producers reassess the compatibility of their policies with the evolving policies and trends on the demand side.

This brings me to share with you the perspective of an oil producing developing country like Saudi Arabia. The negative policy trends on energy and environment I have outlined are indeed alarming. Saudi Arabia is a major stabilizing force in the oil market. We have endeavored over the years to assure the world of secure oil supplies and stable prices. We are investing billions of dollars to increase our production capacity to assure the world of adequate supplies in the years ahead. We are building a state of the art shipping fleet to guard against oil spills. We are upgrading our refineries to supply a cleaner barrel to the market. We are investing in downstream joint ventures all over the world to develop an integrative process which will add to both security and stability.

We used the revenues from oil to develop our economy and improve the standard of living of our people and to aid the developing countries. Saudi Arabia's official economic assistance is second to none. Our total aid flows to the developing countries over the last two decades amounted to 67 billion dollars constituting on average 5.5 percent of our GDP. Compare this to 0.7 percent of GDP recommended by the UN and seldom reached by the richer industrialized countries. And who is oil rich and oil poor? Listen to this: In 1991 the revenues of the developing-country oil exporters from the export of 11.6 million barrels per day amounted to 70 billion dollars, while the countries of the European Community collected in the same year 222 billion dollars in taxes on petroleum products from the consumption of the same 11.6 million barrels per day.

Given the role of Saudi Arabia in the world of oil, it is not very helpful to see the industrialized countries implementing one policy after another to undermine international oil trade and consequently market stability. We see constant discrimination against oil in many policy measures and initiatives under the pretext of security of supply or the guise of environmental protection or simply alleviating budget deficit. The final consumer in the industrialized countries is being made to suffer from the "petrophobia" of policy makers.

Another disturbing development in the long list of taxes on energy and oil is the proposed oil import fee under the pretext of protecting domestic production. I thought that the world had suffered

enough from the perils of protectionism and realized the merits and advantages of moving towards a more liberalized trade regime. Erecting more barriers to oil trade by way of import tariffs and the like run contrary to the principles of GATT and it defies the logic of geology and economics. Such tariffs would not significantly alter the prevailing supply pattern. It would further aggravate dislocations within the economy and foster inefficiencies. And I do not see why U.S. oil imports valued at 42 billion dollars should be of special concern and require undue protection any more than other imports like cars which are valued at 58 billion dollars. For us as a major oil exporter to the U.S. and a reliable supplier as well as a longtime friend, such an import fee would harm our exports and downstream investments in the U.S..

In closing let me assert a fact which often escapes many. Oil will be with us for a very longtime. It is what some described as the bridge fuel to the future. It is cheap, clean and safe. We have it, the world needs it. So why penalize this precious gift of God at the expense of the welfare of the people of the world.

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Acting Vice President
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MIDDLE EAST AND NORTH AFRICA REGIONAL OVERVIEW

PRESENTATION TO THE EXECUTIVE DIRECTORS

BY MR. KOCH-WESER, REGIONAL VICE PRESIDENT

JANUARY 11, 1993

1. This is my first opportunity to present to you an overview of the Middle East and North Africa (MENA) region since this vice presidency was established on December 1, 1991. As you know, the MENA region stretches from Morocco in the west to Iran in the east and in total comprises 18 countries. Of these, however, only seven have active lending programs with Lebanon about to join this group. Most of our activities are, therefore, focussed on this core group of eight countries, but we also provide technical assistance to many of the remaining 10 countries, the only current exceptions being Iraq, Libya and Syria. In addition, we have initiated several region-wide activities which, in principle, embrace all countries.

2. In my presentation I would first like to summarize the current economic and political situation in MENA and outline the key developmental issues confronting the region in general but especially the eight countries where we are most heavily involved. Against this background I will then outline the main features of our assistance strategy as it has developed over the course of the last year. And finally I would like to describe the disposition of our resources and point to some concrete actions drawn from both the record of the last year and our agenda for the future, which illustrate how we move from strategy to implementation.

DEVELOPMENTAL ISSUES

3. Let me begin with a quick assessment of the region's endowment of basic resources. Oil and gas of course usually receive most attention in this respect. And indeed the region holds almost two-thirds of the world's reserves. This concentration of wealth has enabled the region to become a major exporter of capital to the OECD countries, with the countries of the GCC holding hundreds of billions of dollars in overseas investments. But for the countries where the Bank is most active, oil is not a major resource; these countries are characterized by surpluses of labor rather than capital. For them it is labor that will be the key to development. Endowed with a large pool of skilled, relatively inexpensive manpower and a dynamic and entrepreneurial trading class, and located on the doorstep of the huge European market, these countries, given the right incentives and policies, have the potential for superior economic performance.

4. Recent events in the region are shaping the way in which this potential will be developed in the future. The end of the Gulf War and the opening of the Arab-Israeli peace talks are perhaps the most important events because they bring to some countries in the region the opportunity of a lasting peace, the chance to rehabilitate war-torn economies, and the occasion to embark on new and revitalized strategies of economic and social development. Of course, nothing is guaranteed. Every day our newspapers are filled with new twists and turns which put in doubt even the continuation of negotiations and which point clearly to signs of growing political instability in key countries. Domestic tension is increasing in several countries as religious fundamentalism and deteriorating or stagnant economic and social conditions combine to pose threats to the ruling governments.

5. These developments -- the improved prospects for peace and the growing internal unrest -- are providing many governments with both an opportunity and a need to reconsider their basic approaches to development. There is now an increasing awareness throughout the region that solving domestic economic and social issues is the key to stability, sustainable peace, and improved welfare. The prospect of peace has heightened this awareness and brought to the forefront of the domestic and international agenda the paramount need to address fundamental issues of development.

6. What are the key developmental issues confronting the region? It is of course always dangerous to pick on one or two issues and present them as being central to all countries of the region. Clearly, circumstances vary tremendously, especially in a region characterized by a high degree of volatility and which contains both capital-surplus and labor-surplus countries. Nevertheless, if I focus on the labor-surplus ones, especially those where we are most active, one statistic which is especially arresting and which provides a useful point of entry is the rate of unemployment. Rates of around 15 percent are found in Egypt, Iran, Morocco, and Tunisia; Jordan has an unemployment rate of around 20 percent, and rates rise to around 25 percent in Algeria, Lebanon, and Yemen. Such magnitudes are highly unusual and, while they have obvious economic implications in terms of lost output, they also imply a severe strain on the fabric of society -- increasing poverty and idle hands inevitably pose threats to national stability.

7. Our analysis of this phenomenon points to many factors of varying importance in different countries but the most fundamental cause is the imbalance between economic growth and population growth. As Table 1 shows, economic growth in the 1970s exceeded population growth by a comfortable margin. But in the 1980s the situation began to change, and by the second half of the decade population growth exceeded or equalled GDP growth in all countries, except Morocco and Tunisia where GDP per capita increased modestly. But even with modest increases in GDP per capita, these economies have not generated rates of economic growth capable of absorbing their rapidly growing labor force or dealing with returning migrants in the wake of the Gulf Crisis. As a result, unemployment has increased with much of it concentrated among recent graduates and the best available estimates suggest increasing numbers of poor.

8. What is the solution? Population growth rates are projected to decline but not rapidly enough to solve the unemployment problem in this decade. The new entrants to the labor market for the immediate future, have already been born. To illustrate the magnitude of the problem, Algeria's labor force will increase from less than 6 million to 20 million in the next 20 years. Nor can external migration be counted on to provide a solution. Even if regional labor flows return to the levels experienced before the Gulf Crisis, this would provide jobs for only 3 million, compared with current unemployment of about 10 million and an annual increment to the labor force of 4 million.

9. What about economic growth? We know from experience elsewhere that countries that have successfully raised the welfare of their people and avoided serious unemployment have done so by realizing output growth that exceeds population growth by at least 2 percentage points. With an anticipated population growth in MENA of about 2.5 percent, this implies that the countries of the region must grow at around 5 percent a year. Now this could be realized if rates of investment were around 25 percent of GDP and if the incremental capital-output ratio (ICOR), which is an aggregate measure of the efficiency of investment, were around five. In

fact, however, as you can see from Table 2, during the 1980s the eight countries were investing, on average, about 20 percent of GDP and had an ICOR of around 10. In other words, on average, investment must be increased by 5 percentage points of GDP and the efficiency of that investment must be doubled.

10. This is obviously a demanding challenge, but not an insurmountable one given the political will. Nor is it unrealistic given past performance in the region. Moreover, the severity of the task varies among countries. Egypt, Morocco and Tunisia for example are not far from the required magnitudes. Past and ongoing efforts to stabilize and restructure these economies are already paying dividends. But in Algeria, Jordan, and Yemen, the efficiency of investment is unusually low. And of course the higher the population growth rate, the higher GDP growth must be to generate sufficient and productive job opportunities. In this sense Iran, Jordan and Yemen face a more challenging task. I will not go into the details of all the necessary policy changes that will be required to move these countries closer to the desired growth path. These policies will anyway have to be country-specific, but let me sketch the general thrust of the required reforms under the four headings of: macroeconomic stabilization, private sector development, public sector management, and external debt.

11. First and foremost, countries must achieve **macroeconomic stabilization**. We now know from the worldwide experience of the last decade that macroeconomic stability is a necessary condition for development of a dynamic private sector and for achievement of the fundamental objectives of economic growth and poverty reduction. Macroeconomic imbalances have historically been quite significant, especially in the Mashreq. Some countries in the region, especially Morocco and Tunisia, have already made substantial progress on this front -- fiscal deficits have been brought down significantly and now amount to 3 percent of GDP or less, inflation is in single digits, and exchange rates are reasonably stable. Unfortunately, other countries still face severe macroeconomic problems -- restoring macroeconomic stability remains the priority task in Lebanon, where the budget deficit is still in double digits, and in Jordan despite progress this year.

12. Second, all countries have to provide additional **stimulus to the private sector**. Most countries in the region, especially Algeria and Egypt, have relied heavily on a public sector-dominated approach to development and will have to face the difficult road of privatization. And, although initial conditions vary, all countries will have to work to improve their structure of incentives and system of property rights to provide the private sector with the confidence and safeguards required for increased levels of job-creating investment. In some cases, a strong tradition of private entrepreneurial activity, as in Lebanon and to a lesser extent Jordan, Tunisia and Yemen, will make a private sector-led development strategy easier to implement. But in others the private sector remains relatively small and will take time to develop. Nevertheless, action must be taken now and in most countries is already under way. Iran, for example, is beginning on this path and is currently planning to unify its exchange rate system and further rationalize tariffs in what will amount to a major restructuring of incentives governing private sector activity. At the other end of the spectrum, Morocco and Tunisia have now completed many of the basic actions to provide a stable and conducive environment for the private sector, and, although much remains to be done, especially in the area of financial markets, these countries have already experienced better growth performance than others in the region.

13. The third area is **management of the public sector**. No matter what the final division of responsibility is between the private and public sectors, the latter's ability to function effectively and manage its own resources will be crucial to each country's economic performance. Some countries like Egypt will eventually have to confront the need for a basic reform of their civil service. Others, like Iran and Lebanon, will need considerable technical assistance as they try to rebuild their administrative cadres. And all countries will have to redirect and improve the quality of public investment. Especially important here of course is a shift away from military spending, which has accounted for more than 10 percent of GNP in some countries, towards the social sectors and basic infrastructure. Further progress towards democratic modes of government and greater decentralization of administrative functions will also pose difficult tests for many governments.

14. The fourth and last area is the **management of external debt**. The build-up of external debt shown in Table 3 is of course a direct reflection of the decision to postpone correction of the fundamental macroeconomic imbalances. As a result, the ratio of external debt to exports exceeded 300 percent by 1988 in Egypt, Jordan, Morocco, Syria, and Yemen. This ratio now stands at over 210 percent in the Maghreb and at about 290 percent in the Mashreq, and most of the countries of the region are now either cut off from voluntary lending or else retain only marginal access to the international capital market. Several countries had to reschedule their official or commercial debts, while others are running arrears on existing indebtedness. Egypt and Morocco were the only countries to benefit from a major reduction in indebtedness following the Gulf crisis. The domestic policies outlined above are of course essential to the ultimate restoration of creditworthiness, but several countries in the region such as Algeria and Jordan may need special forms of debt relief.

15. If actions along these lines are pursued vigorously, the eight active countries will be able to achieve a better balance between population growth and economic growth essentially by raising the latter. This still leaves them -- and in fact the other countries of the region as well -- with unusually high rates of population growth. Family planning programs will of course face cultural and religious hurdles, but such programs have already been started in Egypt, Iran, and Tunisia. In addition, the need for better maternal healthcare will have to be met both through more and better education for girls and through more accessible and better equipped health clinics.

16. The dynamics of population growth, however, are such that for the immediate future there will be increasing demands on basic social services and on scarce natural resources. Indeed the assets of the region -- its people and its environment -- have not received sufficient attention: human resources have not been adequately developed, while natural resources have been depleted at unsustainable rates.

17. As far as human assets are concerned, Tables 4 and 5 show that the region as a whole made good progress on most of the basic measures such as longevity, morbidity, and literacy, but from an unusually low base. As a result, the region still lags behind its various comparator countries and still has some of the highest population growth rates in the world. The evidence on these points is well established so I won't repeat it here other than to highlight a few particularly compelling statistics -- the rate of secondary school enrollment for girls in Morocco is 30 percent compared with 56 percent for all lower middle-income countries; 124 out of every

1,000 live births die within their first year in Yemen compared with a lower middle-income country average of 51; 52 percent of the adult population in Egypt is illiterate compared with only 25 percent in the lower middle-income comparator group; and population growth exceeds 3 percent a year in Iran, Iraq, Jordan, Oman, Saudi Arabia, Syria, and Yemen compared with less than 2 percent in middle-income countries.

18. These and similar statistics attest to a chronic underinvestment in human resources which will have to be reversed. The theme developed by Larry Summers in a recent speech to the effect that improving the education of girls may yield one of the highest returns from all available investment options may hold with unusual force in the MENA region, especially when it is recalled that female education is one of the key factors leading to declines in population growth. More spending on basic social services is almost certainly called for, but so is better spending. Part of the graduate unemployment problem reflects the inappropriateness of current curricula and teaching methods.

19. Turning to natural resources, the region is increasingly being confronted with the environmental failure of past strategies of industrialization and is being made acutely aware of the increasing scarcity of its most basic resource -- water. Pollution in both the Mediterranean and the Gulf of Aqaba is now reaching critical levels. Severe though these problems are, they are overshadowed by the threat of inadequate water (see Table 6). This is indeed a problem that affects the entire region -- today, Algeria, Jordan, Israel, Saudi Arabia, Syria, and Yemen suffer from water scarcity which means that the ratio of population to water exceeds minimum standards (defined as not less than 1,000 cubic meters of water per capita per year). And if recent trends persist Egypt, Lebanon, Morocco, and Tunisia will have joined the list by the year 2025.

ASSISTANCE STRATEGIES

20. This brief survey of development issues suggests that in addition to our traditional emphasis on agriculture, energy and infrastructure, and our continuing efforts to strengthen institutional capacity in almost all countries, three areas deserve special emphasis in the Bank's strategy in the region at this time.

- ◆ First is the urgent need to improve overall economic performance so that all members of society can have the opportunity to gain productive employment and escape the indignity of poverty. As I have explained, this will require action on several fronts -- macroeconomic stability, private sector development, public sector management, and external debt.
- ◆ Second is the importance of increasing and improving investment in human resources, both because it alleviates some of the symptoms of poverty and because it provides the necessary foundation on which the region will be able to base its future development strategy.
- ◆ And third is the critical problem of environmental degradation in general and the especially severe threat of water scarcity in particular, the solution to which will also require regional or sub-regional action.

In addition, this Vice Presidency also includes the oil-rich countries of the Gulf, which face some of the same development issues as the other countries but which also have their own unique set of problems arising from both the opportunity and the challenge provided by oil revenues. Our assistance to the region must therefore encompass a fourth area of special emphasis:

- ◆ That is, to continue providing technical assistance to countries which are resource-rich but otherwise in the early stages of development.

How are we responding to these challenges? We have explored alternative means of formulating assistance strategies depending on the nature of the problem. Much of our strategic thinking has of course been organized on a country-by-country basis. One of my first tasks as Vice President was to review our strategies for all active countries. As a result, during the course of the last year, updated and refocussed strategies were prepared for almost all countries and the outstanding ones will be completed within the next six months.

21. But our country focus has also been broadened and deepened by other forms of strategic thinking. One approach has been to take a sectoral slant and analyze specific sectoral issues which are common to most countries of the region. Work on human resources and the environment has been pursued in this fashion. Another approach arises in the case of issues that can only be treated at a regional level, through regional cooperation. The most compelling examples in this case are various aspects of the environment and water. Other examples of regional initiatives we have taken include efforts to stimulate informed debate, to encourage economic research, and to provide support to the Multilateral Working Groups that are part of the ongoing Arab-Israeli peace talks.

22. Obviously I cannot go into all elements of our sectoral, country, and regional assistance strategies, but I hope that a few examples will illustrate their diversity and how we are trying to match problems and solutions. Let me start with some illustrations of how we have formulated assistance strategies to meet the needs of different groups of countries.

COUNTRY STRATEGIES

23. The first group consists of countries that have achieved macroeconomic stability, and are advanced in structural reform. In Tunisia, the Bank's strategy has shifted from an emphasis on adjustment to an emphasis on long-run development. The adjustment process began in Tunisia in 1986 and since then has witnessed substantial progress in liberalization of domestic prices and international trade, reform of the tax system, development of the financial market, and, albeit to a lesser extent, privatization of public enterprises. In nearly all these reforms, the Bank's involvement has been crucial even when not backed by lending. The continuation of the reform process will be monitored under the remaining tranche releases of our adjustment operations but for the future, our economic work and lending program will focus on the more fundamental issues of long-run development -- the reduction of poverty (largely confined to specific regions), the social protection system, the management of water and other natural resources, basic infrastructure, support for the private sector, reform of public administration, and decentralization.

24. Morocco is well on its way to emulating Tunisia although its social indicators lag behind those of its neighbor. Here too we are witnessing a shift from the short-run concerns of adjustment to the long-run needs of development and, especially in this case, continuing attention to the development of human resources and the eradication of poverty.

25. Second is a group of countries that have started on the path of reform. In these countries our strategy calls for a mix of investment and adjustment lending. Egypt, for example, has made good progress on stabilization, but further action is required on restructuring the economy and creating a supporting environment for the private sector. Our strategy in Jordan also comprises a mix of adjustment and investment lending, but here the basic requirement of macroeconomic stability has yet to be achieved. Hampered by large external and internal imbalances and carrying a heavy debt burden, Jordan's immediate priorities are to stabilize its economy and bridge its short-run financing gap. With Bank support, an IMF program has been put in place, a Consultative Group Meeting is being scheduled, and Jordan is now making good progress in reducing its imbalances. Jordan also differs from Egypt with respect to the type of economic restructuring that is required. Jordan is not subject to the economy-wide distortions that characterize other countries. Accordingly, the Bank is planning to channel its financial support through sector adjustment operations for energy and agriculture, thereby focussing Bank resources on the most critical remaining distortions. Assuming satisfactory progress on these fronts, the Bank will also undertake investment lending and economic work in the social sectors, population and labor markets, environment, and water supply.

26. A different set of problems is encountered in a third group of countries, which are reconstructing and rehabilitating their economies, and where the Bank is re-commencing lending operations. In these cases -- Iran and Lebanon -- we are following a cautious and gradual approach, with initial emphasis on the urgent needs of rehabilitation following years of war in both countries. In Iran, our support has focussed on urban rehabilitation, basic education, and irrigation, supported by an intensive effort to provide economic advice and analysis to a Government embarking on far-reaching reforms. And in Lebanon the focus has been very much on the immediate needs of reconstruction in the areas of water and waste-water facilities, power, solid waste collection and disposal, training facilities, and housing, together with technical analysis in support of the urgent task of restoring macroeconomic stability.

27. Fourth is a group of countries with the need for fairly fundamental economic reform, but where difficult domestic situations make it unlikely that the necessary political commitment will be there in the short run for the successful implementation of adjustment programs. Algeria and Yemen belong to this group. For these countries, our strategy calls for limited new investment, principally in the areas of basic infrastructure and social services, and for a major review of existing portfolios. In both countries the performance of the large outstanding portfolio of World Bank projects has not been satisfactory and full-scale reviews will be conducted to reduce the backlog of disbursements, address systemic implementation problems, and where appropriate restructure or close projects.

28. Lastly let me refer briefly to our strategy towards the oil-rich countries of the Gulf. Shareholders such as Bahrain, Kuwait, Oman, and Saudi Arabia are important sources of funding for the Bank and are influential players in the regional economy. They also have legitimate development needs that could benefit from external technical assistance. To meet this need the

Reimbursable Technical Cooperation Program was established in 1975. Now accounting for about 20 staffyears of Bank activity, the program is designed to provide assistance in areas where the Bank has expertise which is not easily available elsewhere. In the past support has been provided in the critical areas of institutional development, water supply, and operations and maintenance policies. Recently, formal Technical Cooperation Agreements have been signed with Oman and Saudi Arabia to ensure that the limited resources available to this program are used as effectively as possible. Two regional institutions -- the Gulf Cooperation Council and the Arab Monetary Fund -- have also expressed interest in receiving technical assistance in the coming years.

SECTOR STRATEGIES

29. Let me now turn to situations where we have found it useful to develop sectoral strategies which can then be molded to the specific needs of individual countries. Human resources, and environment and water, are critical to future development but have not received adequate attention in the past. To focus our thoughts and dialogue with regional leaders, we have produced sectoral strategy notes which have been discussed Bankwide and will be pursued with the governments.

30. Human resource development is a particularly good example of this approach. Our work has resulted in a three-pronged strategy. The first component reflects the region's relatively weak performance in the past in achieving general coverage of basic services including primary health care, family planning, basic education, clean water, and proper sanitation. Expansion and improvement of these services will be critical to improvements in the well-being of the poor. The second component deals with the need to improve and rationalize an already extensive system of higher-level services. Universities must be restructured, hospitals have to provide more cost-effective treatment and care, and vocational training has to be more responsive to the needs of the market. And the third component focusses on critical problems in the labor market in the hope of reducing the tensions arising from youth unemployment. While economic growth remains the ultimate solution, elimination of wage regulations, improved information flows, job counselling, better social insurance, and lastly well-targeted relief programs can play an important complementary role.

31. These components are now being fitted into our assistance strategies in the form of more detailed country-specific economic analysis and investment operations. For example, basic services are being provided through Basic Education Projects in Algeria, Egypt, Iran, and Yemen, through Health and Family Planning Projects in Iran and Yemen, and through Water Supply and Sewerage Projects in Iran, Morocco, and Yemen. Attention to higher levels of service will be a larger part of our future program. In the meantime, post-basic education is the subject of sector work in Tunisia, as also social services and recurrent costs in Morocco.

32. The third area of concern -- labor markets and social safety nets -- has also been high on our agenda. An analysis of labor markets in four of the countries has been completed, and social security and safety nets are under analysis in Egypt, Iran, and Tunisia. Poverty assessments are also being undertaken throughout the region. Of special note here is the assessment for Morocco which is an input into the Government's own National Strategy and draws on data from a Living Standards Measurement Survey. This is taking place in a country

where until recently the Government was not willing to engage in a dialogue on this topic and where basic information on poverty was woefully inadequate.

33. Environment and water are other areas where we have taken a sectoral approach. The distribution of water and habitable land is such that the population of the region is concentrated in coastal areas and river valleys. This phenomenon, combined with rapid population growth, has created some unique environmental challenges. Four have been identified as critical: the scarcity and degradation of water resources, the worsening urban environment, the degradation of land and forest resources, and the neglect of regional commons.

34. These problems are being pursued at two levels. The first is at the country level through National Environmental Action Plans which have now been completed for all active countries except Jordan, through the incorporation of environmental components into sectoral projects, and through free-standing projects such as forestry projects (Tunisia), industrial pollution control projects (Algeria, Egypt) and water resource management projects (Tunisia). The second level is regional because many of the problems relating to the environment and water extend beyond the boundaries of a single country. I now turn therefore to regional issues and initiatives.

REGIONAL INITIATIVES

35. Regional cooperation contributes to economic prosperity, and can help to reduce political tension. Increased regional economic cooperation is thus a critical complement to domestic reforms. Let me illustrate with a few examples the initiative we have taken to enhance such cooperation.

36. One illustration of a multi-country approach to address an environmental problem is the way in which the region has developed a successful framework for coordinating action around the Mediterranean. The first phase of a multi-country and multi-donor program for the protection of the Mediterranean -- the Mediterranean Environmental Technical Assistance Program, undertaken in collaboration with the EC, EIB and UNDP -- is fully committed and on schedule and a second larger phase is now being launched.

37. Similarly, we have decided to organize one element of our approach to the development of human resources along regional lines. This is our effort to foster more and better applied- and policy-oriented economic research throughout the region. The next step in this endeavor is a major conference to be held in Cairo in June, which will be attended by about 80 economists drawn from all over the region. It is hoped that this conference will lay the foundation for a regionwide institution which will serve as a research network, set standards, and fund and publish high-quality, policy-oriented, economic research.

38. Our work for the Multilateral Working Groups associated with the Arab-Israeli peace talks has also been cast in a regional mold. Technical work on the environment, water, and regional economic cooperation has already been provided as background material for these talks. The work is now being extended to incorporate the Occupied Territories and to make an assessment of regionwide financing needs.

39. A final regional initiative that I would like to mention is the establishment of a Council of Advisors comprising prominent thinkers drawn from all over the region. If our strategies at the sector, country, or regional level are to be soundly based, it is important that we share our ideas with the intellectual leaders of the region and learn from them. We hope that the meetings of the Council, the first of which is to take place later this month, will provide a forum for discussion and exchange of views on key issues, not just between the Bank and the advisors but also among the advisors themselves, so that we contribute in a substantive way to interaction and interchange within the MENA region and to a sense of regional unity.

FROM STRATEGY TO IMPLEMENTATION

40. In describing how we have approached the implementation of the assistance strategies I have discussed earlier, I would like to highlight some major themes that have influenced the way we have structured our work programs and deployed our resources. Without going into a lot of detail, I will give some examples of how these themes have played out.

41. The first theme is the continuing **volatility and uncertainty** of country conditions in many parts of the Region. The Gulf War and its aftermath, the uncertainty resulting from the postponement of the elections in Yemen, and the political developments in Algeria are familiar to all of us, but there are other instances as well. A Regional capability to respond quickly to changes in the political and economic environment places a premium on flexibility in the use of resources. This is indeed how we have managed our budget. The total staff resources allocated to our country programs in the current year are approximately at the same level as in FY92, but within the total, we have made significant redeployments across service categories and countries in light of evolving conditions. To give some examples, resources for the Iran program were increased substantially in FY92 to support the renewal of Bank activities, and a further increase is planned in FY93, to update our knowledge, to provide the Government with policy advice in key areas, especially on trade and safety nets, and to lay the foundation for a gradually increasing lending program. Similarly, there has been an increase in our program of technical assistance to the Gulf Countries. Offsetting this has been a reduction in resources to Egypt from the high level reached in FY92 when substantial economic and sector work was completed. Our approach to the budget will continue to be conservative: we will seek additional resources for priority initiatives only after exhausting all possibilities for internal redeployment.

42. There is, however, one resource implication of the need to maintain adequate flexibility in the face of country volatility that must be recognized. Flexibility requires the maintenance of some reserve capacity, to enable us to respond to new opportunities without detriment to ongoing initiatives. It also requires that we be prepared to slow down or defer activities when conditions are unfavorable, and even on occasion to terminate them. Such unavoidable decisions do push up our aggregate costs beyond what they might be in a "steady state" situation, and tend to offset some of the gains from the major effort to increase efficiency that we have launched in parallel, through actions which include tighter review processes, clearer upstream understandings with countries, better use of resident mission staff, and reduced paper flow.

43. The second theme I wish to highlight is how our **shifts in strategy have translated to shifts in work programs**. One dramatic example is in the share of adjustment lending in our total lending. This share, which was as high as 40 percent in FY90-92 as adjustment operations

were put through in Morocco, Tunisia and Egypt, is expected to come down to under 10 percent in FY93-95 as the emphasis shifts to investment lending, but this could pick up if the pace of economic reform improves in Algeria and Yemen. Similarly, within investment lending, the shares of lending targeted at our priority objectives are expected to go up significantly (Table 7). For example, the share of lending for poverty reduction and human resource development is expected to increase from about 15 percent in FY90-92 to 25 percent in FY93-95, for environment and forestry from 5.5 percent to 11 percent, and for private sector development from 4.5 percent to 10 percent. Resource allocations for work in these areas will go up correspondingly.

44. I have already referred to the importance of **portfolio management**, the third of the themes I wish to highlight today. The less than satisfactory state of the Bank's current portfolio in the Region is linked to the deterioration in economic management in the countries in the 1980s as well as to the disruptions caused by the Gulf War. Increased attention to portfolio management requires actions that go beyond mere intensification of supervision of individual operations and closure of over-aged projects. Investment in portfolio management will begin with a comprehensive review of each country's portfolio, starting in FY93 with Egypt (just conducted in the field, with good results) and Morocco. One of the decisions taken is to assign greater responsibility for project supervision to the Egypt Resident Mission staff. Reviews of Algeria and Yemen are slated for completion in FY94, and by the end of the medium-term planning cycle, substantially all countries would have been reviewed. Among the products of these reviews will be a strengthening of the country dialogue, the establishment of firmer links to new lending, the addressing of systemic issues (e.g. procurement, resettlement) at the country level, and the identification of operations for restructuring. In the longer-term, we look to the opening of field offices to facilitate country dialogue and to improve project implementation. At present, the Region has only two field offices (in Egypt and Saudi Arabia). Although the time is not yet ripe to proceed with the opening of new field offices, we see potential for their establishment in Yemen, Algeria and Iran, and should be prepared to move quickly when conditions become favorable.

45. Within the Region, we have approved a series of actions to improve portfolio management, including the delegation of authority to project supervision and country implementation review (CIR) missions to take decisions in the field on the basis of Regionally-approved criteria, to focus on results and not reports, the introduction of systematic portfolio reviews by Regional management using a set of monitoring indicators, and the explicit inclusion in staff performance reviews of results achieved in portfolio improvement. In parallel, systematic actions will be needed Bank-wide to change institutional values, strengthen incentives, and upgrade staff skills.

46. The last theme I wish to touch upon is **aid coordination**. The international community's expectations are high for the Bank's role in coordinating technical and financial assistance, in particular in the Middle East countries. Prospects for foreign investment and non-concessional external financing must be improved if the potential economic gains are to be realized. But the Bank is not the only actor in this wide-ranging international effort to assist the countries of the Region. We have therefore been paying special attention to strengthening communication and cooperation between all the interested parties. These include the governments of the Region, bilateral and multilateral aid agencies (recognizing in particular our close cooperation with the

Arab Funds and the increasing EC aid volume being made available for the Region), and the donor community at large. In Egypt, the Resident Mission will play an important role in aid coordination at the local level. The Bank has also been working to broaden its dialogue with other opinion makers in the Region, for example through the setting up of the Council of Advisors to which I have referred earlier, and through policy speeches that I plan to deliver in the Region over the next 12 months.

47. Our current aid coordination efforts (including the chairing of Consultative Groups), which involve significant input from the Region's most senior staff, will continue to be required over the medium term. During the current year, CG meetings have been scheduled for Egypt and Jordan, and one is being planned for Lebanon. Resource allocations for aid coordination have increased significantly in FY93 as compared to the previous year, and requirements are expected to remain substantial in the coming years.

CONCLUSION

48. I hope that this overview has given you a good sense of the key issues confronting the region and of the way in which we are trying to respond. In reflecting on my remarks, please keep in mind the one constant with which we have to contend in the MENA region and that is its volatility. Our strategies are designed to take advantage of opportunities when we see them while at the same time recognizing that not all initiatives will be brought to a successful conclusion at the same pace.

Thank you.

Table 1: Growth: Output and Population (percent)

Country	Real GDP Growth Rate			Population Growth Rate		
	1970-80	1980-85	1985-90	1970-80	1980-85	1985-90
Mashreq	8.5	5.7	2.9	2.7	2.8	2.6
Egypt	8.0	7.0	2.5	2.1	2.6	2.3
Jordan	n.a.	n.a.	1.7	3.8	3.9	3.6
Lebanon	n.a.	n.a.	n.a.	0.8	0.0	0.1
Syria	9.8	3.0	3.4	3.4	3.5	3.6
Yemen	n.a.	n.a.	n.a.	2.8	3.1	3.1
Maghreb	5.8	4.7	1.1	2.7	2.9	2.6
Algeria	5.7	5.3	0.0	3.1	3.2	2.8
Morocco	5.6	3.3	3.9	2.4	2.6	2.6
Tunisia	7.5	4.2	3.2	2.2	2.6	2.1
Iran	0.7	8.6	-0.8	3.2	3.5	3.8
Lower Middle	4.1	3.2	2.0	2.3	2.3	2.2

Table 2: Efficiency of Resource Use

Country	ICOR		Investment Rates (%)	
	1980-85	1985-89	1980-85	1985-90
Mashreq	4.3	6.8	27.7	22.2
Egypt	3.3	5.8	28.2	23.2
Jordan	8.8	10.7	36.7	22.1
Lebanon	n.a.	n.a.	..	..
Syria	9.6	12.5	24.1	18.6
Yemen	n.a.	10.2	27.9	17.5
Maghreb	6.7	13.1	33.4	28.9
Algeria	6.0	22.3	36.3	31.9
Morocco	7.1	4.7	25.5	23.3
Tunisia	7.2	8.4	30.2	23.3
Iran	2.5	n.a.	22.6	21.6
Lower Middle-Income Countries	7.5	10.2	23.0	18.4

Table 3: External Debt Indicators

Country	US\$ Billions	As a Percentage of GDP			As a % of Exports Workers' Remittances		
	1990	1980	1985	1990	1980	1985	1990
Mashreq	72.2	69.0	100.0	115.0	182.0	365.0	290.0
Egypt	39.9*	91.5	120.6	113.1	227.7	382.8	300.8
Jordan	7.7	49.3	85.0	196.2	79.2	134.1	249.2
Lebanon	1.9	11.7	n.a.	75.5	n.a.	n.a.	n.a.
Syria	16.4	27.2	66.0	111.7	106.2	374.4	301.2
Yemen	6.2	n.a.	53.7	89.2	n.a.	n.a.	214.3
Maghreb	57.9	47.0	50.0	64.0	142.0	188.0	209.0
Algeria	26.8	45.8	31.7	51.0	130.0	130.6	193.0
Morocco	23.5	51.6	128.4	93.3	224.5	400.0	282.5
Tunisia	7.5	40.3	58.9	60.2	96.0	163.6	127.7
Iran	9.0	4.9	3.2	7.6	0	0	0

* Egypt's debt is net of 9.5 billion of debt relief received in 1990 from the Gulf States and the U.S.

Table 4: Education

Country	PRIMARY				SECONDARY				ADULT ILLITERACY	
	Total		Female		Total		Female		Total	Female
	1975	1989	1975	1989**	1975	1989*	1975	1989*	1990	1990
Maghreb	80	86	62	76	18	48	13	41	45	55
Algeria	93	95	75	88	20	61	14	53	43	55
Morocco	62	68	45	55	16	36	12	30	51	62
Tunisia	97	115	78	107	21	44	15	39	35	44
Oil Producing Countries	80	90	58	82	31	50	21	43	38	50
Bahrain	96	110	86	108	52	84	55	84	23	31
Oman	44	102	24	97	1	48	0	40	..	..
Saudi Arabia	58	76	43	70	22	46	15	39	38	52
Kuwait	92	100	85	91	66	90	61	87	27	33
Qatar	111	110	107	52	85	56	91	24	28	..
United Arab Emirates	101	111	97	110	33	64	29	69	..	..
Libya	..	..	..	..	..	..	..	..	36	50
Mashreq	71	99	55	91	38	76	26	66	48	61
Egypt	71	97	57	89	43	81	31	71	52	66
Jordan	..	..	..	..	..	..	..	..	20	30
Lebanon	..	..	..	..	..	..	..	..	20	30
Syria	96	108	78	102	43	54	28	45	36	49
Yemen	41	..	17	..	8	..	1	..	62	74
Iran	93	109	71	101	45	53	33	44	46	57
Israel	97	93	97	95	66	83	71	86	5	7
Region	80	96	61	88	34	59	25	50	55	57

* Bahrain, Saudi Arabia, Iraq and Kuwait: 1988

** Bahrain, Saudi Arabia and Iraq: 1988

Table 5: Health

Country	Life Expectancy at Birth		Infant Mortality Rate (per 1,000 live births)		
	1975	1990	0-1	0-5	1990
Maghreb	56	64	115	64	85
Algeria	56	65	120	67	87
Morocco	55	62	115	67	92
Tunisia	58	67	101	44	57
Oil producing countries	58	65	94	60	76
Bahrain	65	69	50	32	39
Oman	51	66	121	33	41
Saudi Arabia	56	64	108	65	80
Kuwait	69	74	38	14	17
Qatar	64	70	50	27	33
United Arab Emirates	65	72	46	23	27
Libya	55	62	111	74	92
Mashreq	54	60	123	69	104
Egypt	53	60	138	66	102
Jordan	59	67	..	51	65
Lebanon	65	65	48	46	59
Syria	59	66	75	43	61
Yemen	44	48	160	124	182
Iran	57	63	116	88	112
Israel	72	76	23	10	13
Region	56	63	113	70	95

Table 6: Estimates of Water Availability, Withdrawal and Usage (per capita & by sectors)

Country	Net Annual Renewable Water Resources BCM	Water Withdrawal		Water Use			Availability		
		Total BCM/Year	% of Available	Percentage Used For			Cubic Meters/capita/annum Based on Net Renewable Water Resources		
				Domestic	Industry	Irrigation	1960	1990	2025
Algeria	18.4	3.0	16	22	4	74	1,704	737	354
Morocco	29.7	11.0	37	6	3	91	2,560	1,185	651
Tunisia	9.8	2.3	53	13	7	80	2,321	1,192	715
Egypt	58.3	56.4	97	7	5	88	2,251	1,112	645
Iraq	67.0	42.8	64	3	5	92	14,706	5,285	2,000
Jordan	0.9	0.8	87	29	6	65	647	274	311
Lebanon	3.9	0.8	16	11	4	85	2,074	1,459	838
Saudi Arabia	2.2	2.3	106	45	51	4	537	156	49
Syria	5.5	3.3	61	7	10	83	1,196	439	161
Yemen	2.5	3.4	136	5	2	93	481	214	72
Iran	117.5	45.4	39	3	5	92	14,706	5,285	2,000
Israel	2.2	1.9	88	16	5	79	1,024	467	311

Measures of Water Scarcity

<1,000 cubic meters/capita = water scarcity: significant adjustment required.
1,000 - 2,000 cubic meters/capita = water stress: large investment required.
2,000 - 10,000 cubic meters/capita = water management problems.

Net Total Renewable Resources

Internal renewable resources, plus inflows from, less outflows to, other countries.

Table 7: Changes in Lending Distribution by Program Objective Category

Program Category	ACTUAL FY90-92				PLANS FY93-95			
	No. of Projects	%	Amount in \$m	%	No. of Projects	%	Amount in \$m	%
Adjustment & Debt	9	15.8	1,614.5	33.0	4	5.9	488.9	7.0
Poverty Reduction ^a	3	5.3	169.4	3.5	7	10.3	596.1	9.3
Human Resource Development	11	19.3	549.7	11.2	15	22.1	985.8	15.3
Private Sector Development	3	5.3	212.0	4.3	7	10.3	657.7	10.2
Public Sector Management	3	5.3	486.0	9.9	8	11.8	1,005.0	15.6
Financial Intermediation	2	3.5	315.5	6.4	3	4.4	300.0	4.7
Environment/Forestry	4	7.0	265.0	5.4	6	8.8	688.8	10.7
Natural Resources	12	21.1	553.0	11.3	4	5.9	426.7	6.6
Basic Infrastructure/ Urban Development	8	14.0	497.5	10.2	13	19.1	1,132.5	17.6
Economic Management	2	3.5	230.0	4.7	1	1.5	200.0	3.1
TOTAL	57	100.0	4,892.6	100.0	68	100.0	6,441.5	100.0

a. Operations whose primary purpose is poverty reduction.

A L L - I N - 1 N O T E

DATE: 05-Feb-1993 11:10pm

TO: See Distribution Below

FROM: Michael Walton, DECVP (MICHAEL WALTON)

EXT.: 38418

SUBJECT: DEC Senior Managers' Meeting, Tuesday, Feb. 9, 3:00 pm

We plan to have a DEC Senior Managers' meeting on Tuesday, Feb. 9 at 3:00 pm in S 9021. D.C. has asked me to distribute Armeane Choksi's "Simplification of Business Practices" memo of February 3 for discussion. (You should receive this in Monday morning's mail.)

Other items to discuss?

Have a good weekend!

Mike

DISTRIBUTION:

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OFFICE MEMORANDUM

DATE: February 3, 1993

TO: Regional Vice Presidents

FROM: Armeane M. Choksi, HROVP *Arme*

EXTENSION: 31811

SUBJECT: Simplification of Business Practices

MW
PH. discussion for discussion or
near Dec 2000 mtg. Should
DEC be represented on this
committee?

Bel

2/15

Background

1. A range of concerns have emerged over the recent years with respect to how Bank products and procedures adapt to changing circumstances. With the rapid and dramatic changes in the operational environment that have marked the last twenty years, there is broad recognition that the Bank has often adapted well: [making poverty the central focus of Bank interventions] the wider range of instruments available to the operational complex, the increased focus on country strategy, the increased focus on private sector concerns, etc., all reflect responsiveness and an ability to adjust. These changes have ensured that the Bank has retained its leadership position in the development community as well as improved the quality of our interactions with our clients. However, there also remains a broadly based concern that the Bank procedures and business practices have not evolved sufficiently and inhibit the responsiveness of the Bank. Given the dramatic changes that mark the present environment, increased flexibility and responsiveness will have greater priority in the future. There is now a widely held view that we need to look at the present range of documents and procedures in a more systematic way to ensure that they are fully responsive to the needs and priorities of the Bank.

2. Reflecting these concerns, there have been a wide variety of responses to this situation at the regional level over the past few years. While the labels have been a bit different across the regions, virtually every part of operations has initiated work across a wide number of areas involving business practices. LAC had done considerable work on analyzing the cost and benefits of different practices, Africa has devoted considerable resources to a variety of quality initiatives, and Asia, ECA and MENA have been active on what they have called a "retooling exercise." The common themes emerging from these efforts are the views that there exists considerable potential to simplify existing documentation and processes and that there is substantial scope for further experimentation and innovation in the way the Bank conducts its business.

The Committee

3. With this background, one of the central objectives I have emphasized for the reorganized OPR is to establish a central role for that department in providing leadership and in playing a coordination/dissemination role in the areas of business practice innovation and simplification. Reflecting this priority, OPR has just completed a significant reform of the OD system. I sent a note to each of you on this on February 1.

4. In order to continue with this reform process, I believe it is also important to establish a more systematic process of reviewing existing operational business practices and providing a framework within which innovations can be facilitated and properly assessed for broader application. With this in mind I am establishing a Committee on Business Innovation and Simplification (BIAS). This Committee, drawing extensively from across the operational complex and the Bank, would have two major objectives. First, it would provide guidance to OPR in identifying and analyzing those areas of present practices where reform/simplification appears timely. As one reviews ongoing regional efforts it is clear that there are many examples of improved practices which could have significant benefits if the results are disseminated and made sustainable. Under the direction of the Committee, OPR would take the lead role in assessing specific initiatives and recommending where these various efforts can and should be integrated into Bank practice. ||

5. Second, the Committee would play an institutional role in vetting and, when appropriate, cofinancing specific regional proposals for business practice simplification and innovation. The objective of this effort would be to provide a framework within which regions/departments and/or divisions could test specific ideas in these key areas. The intention is that by providing a coordination mechanism, institutional support and some funding to supplement regional efforts in these areas, we would facilitate the process of identifying ideas with potential for Bank wide application. Moreover, when changes in business practices require endorsement of units outside those directly involved, the committee will be able to provide institutional support, facilitating more broadly based experimentation. The funding mechanism, the Innovation Fund (IF) has already received institutional support from PBD with an allocation of \$100,000 at midyear.

6. It is my intention that BIAS will also provide a window to work on innovation in business practices being conducted outside the Bank. Our discussion with other agencies in the development area underlines that similar concerns are high in the agendas of the other MDBs as well as in many bilateral agencies. Moreover, work in this area is rapidly expanding in a wide range of business entities as they strive to retain their competitive positions in a rapidly changing environment. While the Bank remains unique in many ways, the growing importance of flexibility and responsiveness is a central theme of today's business environment.

7. BIAS will draw expertise and experience from across the Regions and the key supporting units. OPR has contacted a number of the individuals who have been working on regional efforts on simplification and innovation and I would propose the involvement of the following managers as BIAS participants:

AFR: Ms. K. Marshall
SAS: Mr. R. Drysdale
EAP: Ms. C. Jones-Carroll
SAS: Mr. D. Ritchie
LAC: Mr. Sri-Ram Aiyer
ECA: Mr. C. Blanchi
MNA: Mr. T. Husain
FPD: Mr. R. Stern
ESD: Mr. M. Cohen
CFS: Mr. I. Sud

LOA: Mr. V. S. Raghavan
HRO: Mr. J. Wijnand

We will also be requesting the participation of PBD and the Legal Department.

8. I have asked Jim Adams to chair this Committee and OPR will provide secretariat support to the group.

9. It is my hope that this group can play an important institutional roll in facilitating reform and innovation. While there are inevitable tensions between providing central guidance to ensure and appropriate level of consistency and discipline in Bank practices, it is our intention that this committee can reinforce the importance of keeping practices under review and facilitating change. While I fully appreciate that there has been considerable work on these issues at the regional level I am convinced that broader institutional support in these areas is timely and will stimulate experimentation and reform. It will also ensure that useful initiatives are properly vetted and spread throughout the institution. I trust the Committee can rely on the full support of the Regions. I intend to review its performance and share it with you after one year.

cc: Messrs./Ms. Karaosmanoglu (EXC); Eccles (CTRVP); Einhorn (TREVVP); Kashiwaya (CFSVP); Linn (FPRVP); Picciotto (DGO); Rischard (FPDVP); Serageldin (ESDVP); Shihata (LEGVP); Rao (Acting DECVP); Thahane (SECGE); Rigo (LEGOP)

ROUTING SLIP		Date 2.5.93	
NAME		ROOM NO.	
Ms. Nancy Birdsall		N11 051	
URGENT	☒ For Action/Comment	☐ Per Your Request	
Appropriate Disposition	☒ Information/Discard	☐ Returned	
Approval/Clearance	☐ Note And Return	☐ See My E-Mail	
File	☐ Per Our Conversation	☐ Signature/Initial	
RE:			
REMARKS			
From D C Rao		Room No. S9 035	Ext. 33800

P-1862

OFFICE MEMORANDUM

DATE: February 3, 1993

TO: Mr. Neil Roger, LA2C1

FROM: Gregory Ingram, RAD

EXTENSION: 31052

SUBJECT: Research Proposal, "Infrastructure Inadequacies in Mexico"

MB

del

93 FEB -4 PM 2:46

RECEIVED
DEVELOPMENT ECONOMICS
RESEARCH

I am pleased to inform you that I have approved your request for funding from the Research Support Budget for the above proposal at the amount requested. The empirical work and modeling you propose to carry out should increase our understanding of the magnitude and significance of the impacts that infrastructure bottlenecks can have on production and growth. Your proposed attention to infrastructure subsectors and their differential impact on development is particularly welcome and timely. Your project should be of use to others in the Bank who are concerned with this issue.

The following account and financial authorization are issued for the conference:

i)	Identification code (RPO #)	677-98
ii)	FY93 authorization	\$ 39,600
iii)	Total authorization	\$ 39,600

Expenses related to the project may be charged to the above account number up to the total amount authorized. Please use the account number as an identification code in all documents relating to the project.

The completion date is June 30, 1993. That will be the last date to make financial commitments against the account. The account will remain open for four months after the completion date, until October 31, 1993, to allow for disbursements against outstanding commitments.

You are required to file a completion report on the project no later than four months after its completion date; that will also be October 31, 1993. Forms for this purpose may be obtained from this office.

cc: E. Segura, LA2DR; D. de Ferranti, F. Lysy, M. Stroude, LA2C1;
B. Pleskovic, C. Else, V. Mataac, E. Thomas, RAD;
M. T. Dose, ACTPR; M. Bellinger, ORGHD; R. Salandy-DeFour, ACTAS;
C. Ramirez, ACTAB;
Research Committee members

The World Bank
Development Economics Department

1818 H Street, N.W.
Washington, D.C. 20433, U.S.A.
Room S-9035

Facsimile Transmittal Form

FAX No.: 202 477-0549

NO. OF PAGES: 2

PHONE No.: 202 473-3774

(including this page)

DATE: February 5, 1993

TO: Mr. Alex ter Weele

FAX No.: 60858

FROM: Mr. D.C. Rao

SUBJECT: Portfolio Performance Management: Next Steps

Alex,

Please try to expedite your input and get contributions from Nancy and Anando if there are items they wish to add.

D. C. Rao

OFFICE MEMORANDUM

8759

cc. MR. A. Ray
MR. Ten Welle
CREDIT - 11:13

DATE: February 4, 1993

TO: Distribution Below

FROM: James W. Adams, OPRDR

EXTENSION: 36691

*Help PL. try to expedite your
input & get contributions for
money & awards if there are
items they wish to add.*

SUBJECT: Portfolio Performance Management: Next Steps

I attach for your information my memorandum to the Regional Vice Presidents and the General Counsel on follow-up actions to strengthen portfolio performance management practices. Mr. Rajagopalan, who I understand has already requested from you the follow-up specific action program of your vice presidency, has asked me in his absence from headquarters to coordinate this exercise. I would therefore appreciate it if by c.o.b. February 11 you could send any comments on the attached note as well as any additions to the plan you have on the area of strengthening the implementation culture in your vice presidency to Mr. Pommier, who will be responsible for preparing a consolidated action program for Mr. Rajagopalan's return.

Attachment

→ Sent this down yesterday. 2/4

Distribution:

Messrs. Alisbah (PAAVP), Linn (FPRVP), Eccles (CTRV), Kashiwaya (CFSVP),
Summers (DECVP), Choksi (HROVP), Rischard (FPDVP), Serageldin (ESDVP)

MR. D.C. Rao

cc: Messrs. Picciotto (DGO), Wijnand (OPRPG), Srinivasan (OPRPR), Moore (OPRIS),
Armitage (EXC)

ROUTING SLIP		Date 2/4/93	
NAME		ROOM NO.	
Nancy Birdsall			
Greg Ingram Amnon Golan			
Dean Jamison Anandarup Ray			
Ramesh Chander Michael Walton			
URGENT	For Action/Comment	Per Your Request	
Appropriate Disposition	Information/Discard	Returned	
Approval/Clearance	Note And Return	See My E-Mail	
File	Per Our Conversation	Signature/Initial	
RE: Attached			
REMARKS For your information.			
From D.C. Rao		Room No. S8-055	Ext. 33800

OFFICE MEMORANDUM

DATE: February 1, 1993

TO: Regional Vice Presidents

FROM: Armeane M. Choksi, HROVP *Amc*

EXTENSION: 31811

SUBJECT: Operational Policies and Procedures: The New System

*To: A. Ray
 Dec 1991
 12/1/91
 cc. Dec L. Myn.*

1. This is to inform you that the Operations Policy Department (OPR) is now moving ahead with arrangements to shift to the new system of operational policies and procedures.

Background

2. As you are aware, the new system that you endorsed and that the Managing Directors approved responds to various concerns expressed by managers and staff:

- (a) task managers feel overwhelmed by the breadth and complexity of the tasks assigned to them by the Operational Directives (ODs);
- (b) staff need to be able to distinguish among obligatory policies, Bank procedures, and advisory material; and
- (c) the system of operational instructions should foster flexibility and innovation in the application of Bank policy.

The New System

3. The new system of operational policies and procedures that the Operations Policy Group (formerly CODOP) is setting up comprises the following three categories of outputs:

- (a) *Operational Policies*. These are short, focused statements of policy (typically two pages long) that follow from the Articles of Agreement, the General Conditions, already-issued Operational Manual statements (ODs and OMSs), and newly approved Bank policies. Within the limits set by such Bank documents, the *Operational Policies* establish the parameters for the conduct of Bank operations. Departures from these policy parameters require special justification according to specific procedures (see (b) below). ODs and OMSs that are reissued as *Operational Policies* will be reviewed by the Policies and Procedures Review Panel (PPRP; formerly the OD Review Group). *Operational Policies* that are based on new policy papers will be reviewed along with the related policy papers by the Policy Review Committee and distributed after the associated policy papers have been approved by the Executive Directors.
- (b) *Bank Procedures*. These statements spell out the common set of procedures or the documentation that provides a framework for ensuring consistency and quality

across the Regions. These procedures ensure consistency in the interactions of the Regions with the Office of the President and with other vice presidential units in the Bank (Legal, Finance, etc.), as well as uniform handling of exceptions to operational policies. *Bank Procedures* do not address intra-Regional procedures; responsibility in that area is left to the Regions. As in the past, *Bank Procedures* will be reviewed by the PPRP.

- (c) *Guidelines and Best Practice*. All other guidance on policy implementation (discussion of the rationale for policy, related issues, analytical framework, sectoral applicability, instances of exceptions to standard procedures, best practice examples) are clearly identified as purely advisory and optional. Statements of *Guidelines and Best Practice* will be reviewed by the PPRP.

Audience and Distribution

4. *Operational Policies*, which are of interest to multiple audiences, will be printed and distributed to the Executive Directors and staff; copies will also be made easily available to external parties on request. *Bank Procedures*, which are of interest primarily to staff and management, will be distributed internally and, on request, to the Executive Directors and to other official agencies and development institutions. *Guidelines and Best Practice* will be available to staff online; printed copies will be available, on request, to the Executive Directors and staff.

Phasing of Changes

5. The shift to the new system is expected to be gradual: over the next three years, existing ODs will be revised and incorporated into the new system as the need for reissuance arises. As of January 4, 1993, all new statements of policy and procedure are being drafted in the new format; the Operations Policy Group has also initiated the arrangements that will underpin the new system (redesign of the Online System interface and mastheads, printing, and distribution).

cc: Messrs./Mmes. Karaosmanoglu, Sandstrom, Stern, Armitage (EXC); Alisbah (PAAVP); Eccles (CTRVP); Einhorn (TREVP); Kashiwaya (CFSVP); Linn (FPRVP); Picciotto (DGO); Rischard (FPDVP); Serageldin (ESDVP); Shihata (LEGVP); Summers (DECVP); Thahane (SECGE); Rigo (LEGOP); Davies (IFTDR); Amoako (ESPDR); de Merode (PHNDR); Adams, Wijnand, Srinivasan, Lateef, Moore, Datta-Mitra (OPR)
Country Department Directors and Technical Department Directors
Policies and Procedures Review Panel

Directives Manager's Files

Summers, DECVP, S 9035

D.C.R.

OFFICE MEMORANDUM

DATE: February 1, 1993

TO: Mr. Jean-Francois Rischard, FPDVP

THRU: Mr. D.C. Rao, Acting Vice President, DEC. *Gal*

FROM: *AG for*
Mary M. Shirley, PRDFD

EXTENSION: 37483

SUBJECT: Private Sector Development Research Advisory Group

*DC Rao:
for sig.*

2/2

*M: 1. Copy all D.C. Rao
2. " all our
PSD Res. Adv. File.
2/3 T. Rao*

In May, 1992, Larry Summers convened a research advisory group composed of eminent businessmen and policy makers in order to inform Bank managers of the constraints and challenges facing the private sector worldwide, thus helping us set a relevant research agenda. As you can see from the attached summary of the first meeting (which also gives a brief bio on the members), this group is well qualified to comment not only on the Bank's research, but also on our programs and priorities more broadly.

We thought that you might wish to convene this group in the future. They are now informed about the Bank's PSD strategy and some of our past efforts, and are very knowledgeable about the issues confronting the private sector.

If you decide to draw on this group again, you may wish to hold the meeting this Spring. Since some of the members of this group are also members of IFC's Business Advisory Group (BAC), Larry timed the last meeting to follow IFC's annual BAC meeting (usually in May).

If you would like any more information, we would be happy to help.

Attachments

cleared w/ and cc: N. Birdsall, CECDR
cc: J. Page, CECDR
A. Hill, CECFD

MMShirley:zck

OFFICE MEMORANDUM

DATE: May 18, 1992
TO: Distribution
FROM: ^{BZ} Brian Levy, Acting Chief, CECPS
EXTENSION: 37490
SUBJECT: Private Sector Development Research Advisory Group:
Summary of First Meeting

Please find attached for your information highlights of the first World Bank Group Private Sector Development (PSD) Research Advisory Group meeting that was held in Washington on May 6, 1992. The advisory group is comprised of eminent businessmen and policy makers from both hemispheres who were invited to help the Bank Group set its priorities for PSD research. A list of the members of the advisory group is also attached.

Attachment

Distribution: Messrs./Mmes. N. Birdsall, J. Page (CECDR); G. Pfefferman, M. Atkin (CEIED); D. Weigel, J. Bergsman (CEIFI); J. Shilling, E. Grilli (DPG); M. Selowsky (LACCE); L. Summers, M. Walton (DECVP); A. Vorkink (LEGEC); I. Husain (AFRCE); P. Ballard, M. Schankerman (AFTIE); R. Bendokat, H. Shishido (SA3CI); P. Guislain, K. Siraj (ASTIF); H. Kohli (EMTDR); C. Michalopoulos (EC3DR); P. Mitra (SALCI); S. Rajapatirana (LATTF); V. Thomas (EAPVP); G. West (MIGGU); A. Martinez (EC2CO); I. Sud (CFSDR); G. Nankani (SASVP); P. Hasan (ECAVP); L. Squire (MNAVP); S.R. Aiyer (LACVP).

***Highlights from the Private Sector Development
Research Advisory Group Meeting, May 6, 1992***

In the first meeting of its kind, the World Bank Group's Private Sector Development (PSD) Research Coordinating Committee invited a group of eminent businessmen and policy makers from both hemispheres to help set priorities for PSD research by informing the committee about the constraints and challenges facing the private sector worldwide. Presentations highlighting research in the Development Economics and Sector & Operations Policy Vice Presidencies, and in the IFC, followed by reports from Mr. S. Shahid Husain (LACVP) and Mr. Ishrat Husain (AFRCE) on the status of PSD in Latin America and Africa, served as a sounding board for group discussions. The following issues were flagged by the advisory group:

A communications strategy embracing the business community and the public at large should be integrated into both research and policy advice.

- A major impediment to creating an attractive and predictable business environment is the absence of a broad social consensus on PSD strategy. The Bank must interact more with the business community and public at large in its member countries to ensure that these groups understand the rationale behind the Bank's policy advice, and to provide a reality check on both its research and advice. Privatization of pension and health funds, for example, may be viewed as an instrument for capital market development, but the public is more likely to buy into the approach, if they understand that the primary objective is to provide for their security. The effectiveness of private sector actors in selling reform packages has also been underestimated.

- To galvanize private investment, the Bank should consider developing information and economic measures more suited to the needs of the business community. Most new jobs, for example, will be created in the service sectors; yet Bank research is concentrated on manufacturing. Research for private sector audiences should also be pitched in a highly readable form.

The supply of international investment capital greatly exceeds the number of good investment opportunities in developing countries.

- The overriding investment constraint is the ability of a country's firms to compete for finance. International investors seek out specific investment projects with the highest possible rates of return wherever they can find them.

- Market-friendly policies do not by themselves turn on the investment pump. International portfolio investors will not invest until private firms have reached international standards of management and competitiveness. In some regions, the opening up of economies has not yet been matched by outward-looking management structures that readily learn from their competitors.

- As the policy environment across countries converges, research should focus more on the attributes of firm excellence, especially in those firms that have managed to move regionally and globally. The Bank should beef up its firm-level expertise by rotating staff through swapping arrangements (or internships) with leading private companies.

- The repatriation of human capital — a vital source of entrepreneurial talent and management expertise — is also more critical in the long run than the return of flight capital.

- The Bank could accelerate the transfer of skills by underwriting extensive visits and twinning arrangements in which successful developing country entrepreneurs and private sector experts would share their experience with managers and policy makers in countries with severe skill shortages.

Participants' views diverged somewhat on the relative roles of liberalization ("unclogging the pipes") and industrial policies ("priming the pump").

- That "unclogging the pipes" should be the first order of business in adjusting countries was not disputed. More problematic is the case for "pump priming" after macroeconomic stability has been restored. Some participants feared this would simply open up new rent-seeking opportunities in societies with weak institutions and economies dominated by narrow elites. Others argued that once primed, the pump generates interest groups that may thwart attempts to shut it off. Most agreed, though, that governments should act to expedite regulatory procedures (e.g., setting up one-stop investment shops), and to improve the process of matching investors with projects.

Minimizing the social costs of adjustment is a key determinant of successful reform.

- While the costs and benefits of reform are well understood, countries require better information on how to minimize the social costs during the transition process (e.g., design of severance pay packages, and strategies for balancing the interests of winners and losers).

The Bank should help governments anticipate market failures and other defects in PSD, which if not addressed can derail the process.

- Research on competition policy and regulation is a critical preventative measure.
- While firm-level private sector assessments (PSAs) that identify binding constraints by type of enterprise are useful, they should feed into a strategy that links constraints with a (i) national vision, (ii) specific goals, (iii) policy trade-offs, (iv) implementation details, and (v) a communications strategy.
- In identifying entry/exit barriers, PSAs should incorporate the views of "have-nots" — people who have not entered the market or have chosen not to graduate to larger-scale operations — as well as those of overseas owners and potential investors.

Regional integration through the transfer of institutions, people, and ideas will be an increasingly important force in economic development, especially in Southern Africa, North America, and around the Mediterranean basin.

Page 3

Research Advisory Group Meeting

A sustainable PSD strategy must not overlook the importance of ethics in the behavior of individuals, corporations or countries.

The Bank should develop better methods to measure economic activity – especially in traded goods and services sectors – and improve the quality of information on firms and their characteristics.

* * *

The Advisory Group agreed to convene again, depending on the needs of the Bank's research program.

PRIVATE SECTOR DEVELOPMENT RESEARCH ADVISORY GROUP

Mr. S. Barbar Ali
Advisor, Packages Limited
Pakistan

Prior to becoming the advisor to Packages Limited in 1977, Mr. Ali was chairman and chief executive of the government-owned National Fertilizer Corporation of Pakistan Limited. He has also been chairman of the board of directors for Hoechst Pakistan Limited., International General Insurance Company of Pakistan Limited., Milpak Limited, National Management foundation, Systems Ltd., and Tetra Pak Pakistan Limited.

Mr. Thomas J. Bata
Chairman of the Board
Bata Limited
Canada

In addition to Bata Limited, Mr. Bata is chairman of the Development of the Business and Industry Advisory Committee to the Organization for Economic Co-Operation and Development (OECD), and the Commission on Multinational Enterprises of the International Chamber of Commerce. He is also the honorary chairman of the Canada-India Business Council, honorary governor of Trent University, Peterborough, Ontario, and a fellow of the International Academy of Management.

Mr. Hernán Büchi
Instituto Libertad y Desarrollo
Chile

Mr. Büchi is a member of the executive committee of the Instituto Libertad Y Desarrollo and a director of several private companies in Chile. In addition to other posts in the public sector, Mr. Büchi has served as Minister of Finance and has directed the National Planning Office Ministry.

Sir Roderick H. Carnegie
Hudson Conway Limited
Australia

Sir Roderick is a director (and former chairman and chief executive) of CRA Ltd. He is also a director of Comalco Ltd. and of Rio Tinto Zinc Corporation Ltd., the vice-president of the Australian Mining Council, and chairman of the Consultative Committee on Relations with Japan.

Mr. Ariston M. Chambati
Chairman and Chief Executive
T.A. Holdings Limited
Zimbabwe

Since 1982, Mr. Chambati has been chairman of T.A. Holding Limited, the largest Zimbabwe-controlled public company, becoming chief executive in 1985. He is also the chairman of the Zimbabwe Development Corporation, chairman of Minet Insurance Brokers, and a member of the Public Service Review Commission. Mr. Chambati is a former lecturer in political science, member of Parliament, and diplomat.

Hon. Roger O. Douglas
Roger Douglas Associates Limited
New Zealand

Sir Roger is a director of Roger Douglas Associates Limited, an international consultancy service that provides advice on corporatization and privatization. As minister of Finance from 1984-1988, he designed and implemented the liberalization of the New Zealand economy. A member of the New Zealand Parliament for more than 20 years, Sir Roger first became a government minister in 1973.

Mr. Pedro Pablo Kuczynski
Chief Executive Officer
Nueva Management
U.S.A.

In April 1992, Mr. Kuczynski became the chief executive officer of New York-based Nueva Management. From 1982 to 1982 was the chairman of First Boston International and a managing director of First Boston Corporation. In addition, he has held positions in the Central Reserve Bank of Peru, the International Finance Corporation, the International Monetary Fund, and the World Bank.

Mr. Dean LeBaron
Founder and Trustee
Batterymarch Financial Management
U.S.A.

Mr. LeBaron founded Batterymarch Financial Management in 1969. Today the firm manages approximately US\$6 billion in equity assets, of which one-half has a global orientation (international assets managed for U.S. clients or U.S. assets for overseas clients).

Mr. Stefan Lewandowski
Chairman
Haste International Ltd.
Poland

As sole shareholder and chairman of Haste International Ltd., Mr. Lewandowski is developing a holding company for his already established companies: Haste-Lodz, Haste Oborniki Slaskie, and his other German and Swedish companies. He is also the chairman of the board of the Foreign Investors Chamber for Industry and Commerce in Poland.

Mr. Keshub Mahindra
Chairman
Mahindra & Mahindra Limited
India

In addition to Mahindra & Mahindra Limited, Mr. Mahindra chairs the Otis Elevator Co. (India) Limited, Remington Rand of India Ltd., and Kema Services (International) Pvt. Ltd. He is also vice chairman of the Housing Development Finance Corporation Ltd. and his directorships include the Agricultural Services Organization, Indian Dyestuff Industries Ltd., and the Tata Iron and Steel Company. Mr. Mahindra's government-appointed committee positions include the Sachar Commission on Company Law and MRTP, the Central Advisory Council of Industries, the Board of Trade, and the Indo-U.K. Technical committee.

Mr. Jaime Garcia Parra
Ambassador
Embassy of Colombia
Colombia

Before coming to Washington to represent the government of Colombia, Mr. Parra was the president of Acerías Paz del Río, a steel company, for eight years. Previously, he has served as a senator, an executive director of the World Bank, minister of Communications, Finance and Public Credit, minister of Mines and Energy, acting minister of Labor, and ambassador to the Court of St. James, London.

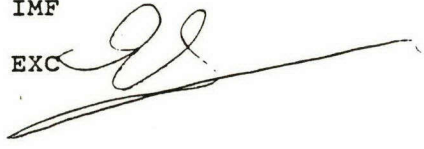
ROUTING SLIP		Date 2.3.93	
NAME		ROOM NO.	
Ms. Nancy Birdsall		N11 051	
Mr. M. Walton			
URGENT	For Action/Comment	Per Your Request	
Appropriate Disposition	☒ Information/Discard	Returned	
Approval/Clearance	Note And Return	See My E-Mail	
File	Per Our Conversation	Signature/Initial	
RE:			
REMARKS			
From D C Rao		Room No. S9 035	Ext. 33800

[illegible]

OFFICE MEMORANDUM

DATE: February 1, 1993

TO: Mr. Jack Boorman, IMF

FROM: Mr. Ernest Stern, EXC 

EXTENSION: 82004

SUBJECT: ESAF Review

1. Thank you for sending us the latest version of the ESAF paper. While it incorporates some of our earlier suggestions, the references to the World Bank's activities are still wrong or misleading in several places. All we were asking for was a factual statement of the many types of policy reforms that have been supported through IDA credits, including structural reforms in trade, taxes, and financial sector policies. Most of the examples of policy reforms in these and other areas that are given in this report relate to IDA credits rather than to Fund arrangements; the failure to make this clear would give an erroneous picture of the scope of reforms actually or directly supported through Fund arrangements.

2. We would like to recommend the following changes:

- Page 7, para 5 - third sentence from top. The sentence "In some countries short-term fiscal costs of structural reforms and increased availability of World Bank and other financing put upward pressure on deficits" may be misconstrued to mean that the Bank and others were undermining the Fund's stabilization targets. There is no need to distinguish financing by sources in this context: both Fund and Bank resource transfers have the same effect; moreover, the issue arises as to whether the upward pressure on deficits was inflationary or not. We propose a simpler statement: "In some countries short-term fiscal costs of structural reforms put upward pressure on deficits."
- Page 24, bottom para - last sentence. The first two sentences of this paragraph are wise, as is the preceding paragraph. However, the last sentence, "Nevertheless, the Fund staff.....adjustment," might be recast as follows: "...the effects of IDA and other credits. The PFP mechanism has enhanced the coordination of the Fund's support for macroeconomic stabilization with the Bank's support for structural reforms in such diverse areas as trade, taxation, financial intermediation, public enterprises, agricultural marketing and the social dimensions of adjustment."
- Page 30, bottom para (continued on page 31). The criticisms of the Bank's work in this draft are not transparent. It is not clear what observations are being made on the frequency of public expenditure reviews, on their quality and concreteness (please bear in mind that PIRs and PERs are generally designed and done in close consultation with Fund staff), or on the receptivity of the countries. We shall be very glad to discuss with you any specific criticisms and complaints you may have of the Bank's work, either on a case-by-case basis or in general terms. However, since such discussions have not been held, it would be wrong, or at least premature, on the part of this report to contain such criticisms. We therefore suggest that you delete the last five sentences, i.e.

everything beginning with "Generally, these were carried out....." Replace by "Generally, these were carried out by the World Bank, either as free-standing reports, or as components of other economic reports, or as informal work related to loan preparation and general economic dialogue (see Table A9 for a list of formal exercises). Satisfactory progress on public expenditure policies has also often been a part of the macroeconomic conditionality of IDA credits. While Bank and Fund reviews of public expenditure policies have had varying degrees of effectiveness in practice, they will continue to be a critical element of overall assistance that should receive strong emphasis."

- Page 52, second para - "Social dimensions....adjustment." This greatly understates the Bank's role relative to the Fund's effort: indeed, most of the actual examples in the following para are examples of Bank interventions, not of the Fund. Furthermore, the existing paragraph attributes efforts to mitigate the social costs of adjustment only to the Fund!! We suggest that the last two sentences of this paragraph be rewritten as follows: "In recent years, the World Bank has greatly increased emphasis on mitigating the social costs of adjustment and promoting sustainable poverty-reduction strategies. IDA adjustment credits have increasingly specified measures to reduce social costs of adjustment and improve longer-term social policies. The Fund has also made efforts to improve policy design and integrate social safety nets in Fund-supported programs."
- Table A9. Add footnote saying that: "the Bank's reviews of public sector expenditures are also carried out through informal country economic and sector work, and through loan preparation and supervision."

FOR YOUR INFORMATION

FYI/93/017
January 29, 1993

Following the recent reorganization, the Country Economics Department (CEC) has become the principal department in the Development Economics Vice Presidency engaged in research affecting the formulation of development policy. In view of this expanded research mandate, which now includes sectoral research, the title of the Country Economics Department (CEC) has been changed to the Policy Research Department (PRD). The new title is more closely descriptive of the Department's actual function.

This change will be effective February 1, 1993.



D.C. Rao
Acting Vice President
Development Economics

OFFICE MEMORANDUM

DATE: January 29, 1993

TO: Mr. Sven Sandstrom

FROM: D. C. Rao, Acting Vice President, DEC *DCR*

EXTENSION: 33800

SUBJECT: Sector Reviews

1. We have reviewed the comments from the Board and our own work program and have had preliminary discussions with other CVPs and the regional Chief Economists. We have the following proposals for additions to the list of "sector reviews" that would be undertaken by DEC (though shouldn't we change the title to make it more accurate?).

(By heading in the present list):

Finance and Private Sector Development

Enterprise reform

May 94 (RP)

Debt

Management of external debt

Fall 94 (RP)

Macro-Sector Links

Transition economies

July 95 (RP)

Environmental and social aspects of adjustment

December 94 (RP)

Fiscal decentralization

TBD (RP)

Consequences for developing countries of trading blocs

TBD (RP)

2. The planned work on transition, adjustment and trading blocs directly corresponds to comments from the EDs, while the research on enterprise reform will, inter alia, deal with alternative approaches to reform, including privatization, in a variety of macroeconomic and institutional settings. We believe a paper on debt management would be useful to improve the Board's understanding of the Bank's growing activities in this area, especially in technical assistance, and would cover both conceptual and institutional aspects. Fiscal decentralization is of major importance in many countries, is of growing relevance for our lending in many sectors, and affects our dialogue on macroeconomic issues; we judge it would be useful to inform the Board of our ongoing research in this area.

3. We are also undertaking other major research activities that pertain to the issues raised by the EDs.

- On labor we are planning a research study on the relationship between labor market policy and functioning and both the pattern of growth and

short-run adjustment; we also plan a new effort on data in this area to support this and other work.

- On population, we plan to undertake a research study on the consequences of rapid population growth; this would be a contribution to a larger piece undertaken by HRO for the 1994 World Population Conference.

- On the environment, a research piece on instruments for pollution control will be completed by December 1993 -- this would complement the ENV update on emission standards.

We do not propose formal submission to the Board for this group of papers, except to the extent that management decides to send such research papers to the Board for information, as is currently the practice with country economic and sector studies.

4. The above list substitutes for the early list of "mini-WDRs" that was circulated to the members of the Policy Review Committee -- the other studies on that list probably fall beyond a roughly two-year planning horizon.

cc: Messrs./Mss. A. Choksi (HROVP), J. Rischard (FPDVP), I. Serageldin (ESDVP), N. Birdsall (CECDR), G. Ingram (RAD), L. Davis (DECVP)

THE WORLD BANK/INTERNATIONAL FINANCE CORPORATION
OFFICE MEMORANDUM

Package to Kamala by
hard s/ry

DATE: August 24, 1993

TO: Mr. T. Thahane, SECGE

FROM: D.C. Rao, Acting DECVP 

EXTENSION: 3-3800

SUBJECT: **Global Economic Prospects and the Developing Countries: Short-Term Update**

Attached for transmission to the Executive Board is a set of charts and tables entitled, "Global Economic Prospects and the Developing Countries: Short-Term Update". This update of GEP '93 will be discussed at the Informal Briefing on Global Economic Prospects Update, on Friday September 10, 1993.

Attachment

/ka
(secmemo)