

**Address by World Bank President James D. Wolfensohn  
to the United Nations High-Level Dialogue on Financing for  
Development**

**By**

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Mr. President, Mr. Secretary General, distinguished colleagues

This for the World Bank is an historic occasion: the first time the president of the World Bank has addressed the General Assembly. And it is, of course, significant that we should come together on financing for development -- a subject which unites us, a subject on which our partnership is being tested and proven each day.

I am delighted to be here in the presence of the Secretary General, whose leadership on these matters is so important and so crucial to a better world, a peaceful world, and a world in which development can take place.

Let me say by way of early observation that we are enriched by the various meetings that have been held by this body. The work on environment, the work on gender, the work on social issues have given the international financial institutions an agenda enriched by the observations of this body and its partners.

Coming to the question of where we are, we have to address the undertakings of the developed and developing countries. Developing countries undertook to strengthen capacity, legal and judicial systems and financial systems, and fight corruption -- all of which were undertaken in Monterrey, and reaffirmed in the case of Africa in the New Partnership for Africa's Development. In return, wealthy countries indicated that they would assist in capacity building, that they would provide additional development assistance, and that they would open their markets for trade.

Some progress has, in fact, been made on both sides. The countries that are developing have indeed taken steps in terms of strengthening governance, in terms of building their infrastructure of legal and financial systems, and to a degree in fighting corruption.

But I think it is not unfair to say that there is still much to be done. As I commented in my annual meeting speech, there are really no secrets in the countries represented here. Everyone knows the steps that need to be taken and the issue is to take action. Everyone knows where the gaps are in structure and where those who are corrupt are to be found. It is difficult to move forward but it is essential if the aims of Monterrey are to be met.

But, on the other side, the encouragement to that is of a better world, a better opportunity which needs to be supported by the wealthy countries, and progress here has at best been mixed. Yes, we have seen and are delighted by, and grateful for, the \$18 billion in additional funding which has been promised over the next three years. And yes we have seen discussions taking place on openness of trade, but again it is fair to say that with the problems of Cancun and with the reassessment of financial needs?it is something that needs further and significant attention.

We in our institution are concerned about the imbalance that exists in terms of the allocation of resources and the allocation of interest in the development process: an allocation which sees spending of \$800 billion on defense and \$56 billion on development assistance, and seen in terms of the movements of people around the world with \$80 billion now in remittances from migrant workers overseas, dwarfing the development assistance that it is coming from the developed countries.

It is no lack of good will, it is no lack of intent. We are seeing good progress and leadership on the part of our colleagues in the United States and in the European Union. But if indeed we are to address the questions of success on the Monterrey agenda, then it is necessary for each of us to lift our game, developed countries, developing countries, and international institutions. And we are looking at ourselves at the ways in which we can increase our effectiveness, the ways in which we can build a more coordinated effort and follow up on the Rome agenda.

I am delighted that within the last couple of weeks I have met with the local representatives of UNDP, in a meeting that I thought was highly constructive, and I want to assure all of you here, in this chamber, that the desire of our institution is to work intimately and closely with the UN system because we believe that no results can be possible in terms of the Monterrey

agenda unless we work as partners; you and us together with our friends in civil society and the private sector.

I think there is progress, but I must say, Mr. President, I think there is very much to be done in today's environment.

Thank you so much.