

CONCLUDING REMARKS

STATEMENT BY THE ALTERNATE GOVERNOR OF THE BANK FOR
GUYANA, AT THE CLOSING JOINT SESSION

Hon. Saisnarine Kowlessar

Guyana is honored to accept the Chairmanship of the Boards of Governors of the International Monetary Fund and the World Bank Group for the coming year. Guyana's Chairmanship underscores our recognition of the critical role played by the Bretton Woods Institutions in promoting a sound international financial system, and in promoting growth and reducing poverty worldwide.

Fellow Governors, I am sure you will join me in thanking Minister Futa for his skillful and efficient conduct of this year's meetings.

Our discussions this year touched upon a number of important issues. While the global economy is growing strongly, a number of risks loom in the horizon, including high and volatile oil prices and a tightening of global financial markets. For a number of regions, such as ours in the Caribbean, those risks also include frequent natural disasters and reduced access to markets in our traditional trading partners. Meeting these challenges will require continued commitment by all of us to and fiscal strengthening, structural reforms, and flexibility in adapting to the rapidly changing global developments. All countries and regions must come together at this critical juncture to face these challenges and make meaningful progress toward meeting the hopes and aspirations of millions of the world's people, which are reflected in the Millennium Development Goals. In this regard, I welcome the new instruments endorsed by Governors this weekend to strengthen support for our low-income members, as well as the agreement on the G-8 proposal for debt relief. Finally, and no less urgently, we must give new impetus to our efforts to take forward the Doha trade round.

Mr. Chairman, I would like to take this opportunity to thank President Wolfowitz and Managing Director de Rato and their dedicated staff for carrying out their work in an effective and efficient manner. I would also like to convey our appreciation to our hosts, the government and people of the United States, and the citizens of the District of Columbia, for their hospitality and for the security arrangements they have provided. In closing, I look forward to working with all of you on the important agenda over the next months, and to seeing all of you at our Annual Meetings next year in Singapore.

CONCLUDING REMARKS BY THE PRESIDENT OF
THE WORLD BANK GROUP

Paul Wolfowitz

Mr. Chairman, let me join with others in thanking you for the way you've presided over these meetings, I must say, with real style and a valiant attempt to keep enforcing discipline, which I think we all appreciate.

And also thank you for that precise and eloquent presentation you made at our opening, including your excellent exposition of the situation of your own country, which I learned a great deal from, and I appreciate that.

I'd like to take this occasion, too, even though there are relatively few people here to hear it. But it's a time for me to say thank you to a fantastic staff that has supported me enormously in the last three months, and Jim Wolfensohn in the last 10 years. It is as professional and dedicated an organization as one will find anywhere in the world, working every day of the year to give the poorest people of the world the opportunity to enjoy the kind of life that some of us--that we enjoy and sometimes perhaps take for granted.

And at this particular time of year, they work particularly hard and we could not pull off a meeting of this complexity in such a short time without an enormous amount of effort by hundreds and hundreds of people on the World Bank staff and the IMF staff.

But I do want to single out three in particular. Paatii Oforu-Amaah, who is a wonderful secretary of the Board who is constantly keeping us on schedule day after day, but also during these meetings. Paatii, thank you.

Zia Qureshi, who stepped in heroically when we unexpectedly had a gap in the executive secretary position for the Development Committee and did a flawless job.

And Pat Davies, who I am told has been working on these meetings for at least 13 years and is the Chairman of the Joint Fund Conference Secretariat. Thank you all for not only what you've done for these meetings but what you do every day.

I believe we have made significant progress in these meetings in fulfilling our obligations to the world's poorest people, who are ultimately the people that we represent here at these meetings. The high

point of these meetings is the historic endorsement provided by both the Development Committee and the IMFC of the G-8 proposal to cancel 100 percent of the debts of some of the world's poorest countries. Indeed, as Trevor Manuel said this morning, this meeting took the G-8 proposal and made it into the G-184 proposal, and only a meeting like this could do that.

I was particularly pleased by the firm assurances provided on Friday in a letter I received from the G-8 Ministers. The path to complete debt relief has now been cleared. Across Africa and around the world, leaders in 38 countries will no longer have to choose between spending to benefit their people and repaying impossible debts, often the legacy of governments long past.

We will move swiftly to give the Bank's Board of Directors a paper outlining a compensation schedule and a monitoring system as requested by the Development Committee, a process that can be completed within weeks.

I'm particularly pleased that in this breakthrough on 100 percent debt relief, the Bank's shareholders committed to preserving IDA's financing capacity dollar for dollar by ensuring that there will be additional funds.

The Development Committee also gave its full support to the Bank's Africa Action Plan. There was a unanimous view that we have reached a critical point in history, with a real opportunity to help Africa accelerate growth and reforms.

Taken together, the G-8 commitments and the Africa Action Plan represent the largest commitment to increase development assistance in the past 50 years. This increased assistance will only be effective if it is matched with strong performance by the developing countries. As Prime Minister Blair has said, it is a deal for a deal. It is the improved performance of so many developing countries, including in Africa, that gives me the hope that this is a real moment of opportunity.

However, perhaps even more important than both these tremendous advances is the need for a comprehensive trade agreement at the Doha Round of the WTO negotiations in December. A trade agreement in Hong Kong would provide the spur for investment and economic growth that promises a lasting exit from poverty for millions, even billions of poor people in developing countries. We have agreement on more aid, we have consensus on debt relief. So let's complete the picture and deliver a true development round on trade.

CONCLUDING REMARKS BY CHAIRMAN OF THE EXECUTIVE BOARD
AND MANAGING DIRECTOR OF
THE INTERNATIONAL MONETARY FUND

Rodrigo de Rato y Figaredo

Thank you, Mr. Chairman. I want to first thank you and the other Governors, for what has been a very intensive and productive weekend. As Paul Wolfowitz has just said, this has been an important moment, and we have accomplished a great deal. I am also glad that we have been able to conclude the meetings in this new IMF building.

There has been general agreement that the world economy is in a strong position at the moment, and that the current conditions are very benign. But most governors also agree with me that if the present good situation in the world economy is to continue we must take the opportunity to press ahead with reforms. The discussion in the IMFC about global imbalances that is reflected in the IMFC communiqué shows that there is a growing consciousness of the need for action by many countries, to head off the threats posed by both global imbalances and high oil prices.

There is growing recognition that countries have to address the challenge of high oil prices through a range of policies: including increasing production and refining capacity and promoting energy conservation and sustainability. There is also a clear call in our communiqué of yesterday for countries to move away from subsidies toward direct social spending. There was also a call to make the oil market more transparent. The IMF will collaborate in that effort, both by working with the authorities of different countries to make data available and transparent, and also by focusing our research to understand the oil market more clearly, including the possible consequences of speculation, a concern that was raised by some Governors.

In our policy in low-income countries, there is a clear consensus among members regarding the central importance of the PRGF, and also strong support for the new Policy Support Instrument and the shocks facility. Low-income countries' opportunities will also be enhanced by the very important agreement that we have reached regarding debt relief. I will follow up on the IMFC agreement yesterday by calling on the Executive Board to complete its discussions on this issue in the near future. Governor Johnson of Norway made a telling point yesterday when she reminded us that "The poor have seen many promises come and go, leaving very little behind them. It is up to us to show them that

the promises we made this time are different, that our commitments stand firm. ” I think that the steps taken by the whole of the membership will show that this time promises are going to hold, and our commitments will stand firm.

I want to thank the Governors for their backing of my proposals on the Fund’s medium-term strategy. I had the honor to present this to you yesterday in the first part of the Annual Meetings and it was discussed at length in the IMFC. I will be reporting to you at the next Spring Meetings on the steps taken to implement the strategic review. The issue of quotas and voice is a major element in the medium-term strategy, and it was also discussed extensively yesterday. This is a very important issue that needs to be taken forward, and I hope that we will be able to reach a consensus on it in the period ahead.

In closing, Mr. Chairman, I would like to thank you and the Board Secretaries for your very able direction of these meetings. I also want to thank Pat Davies and all of her colleagues for the incredible work they’ve done for all of us. For those who don’t know it, Pat Davies and her colleagues are the ones who organize both for the Bank and for the Fund these very important conferences and I think they’ve done a fantastic job. There have been many people working for us during these very busy two days, and I want to thank them all.

I look forward for seeing you in the spring, and especially in Singapore next September. I want also to thank the authorities of Singapore, who I know are working very hard to prepare for next year’s meetings. And finally, I want to thank you again for your presence. Thank you very much.

CONCLUDING REMARKS BY THE CHAIRMAN OF THE BOARDS OF
GOVERNORS AND THE GOVERNOR OF THE BANK AND THE FUND FOR THE
DEMOCRATIC REPUBLIC OF CONGO

André-Philippe Futa

We now come to the conclusion of our annual deliberations. In closing the 2005 Annual Meetings, I would like to briefly review the major themes that have emerged from our deliberations and their implications for the work priorities of the Bank and the Fund for the coming year.

First, we reaffirmed our collective responsibility in pursuing bolder policies that would spur higher, stable, and more balanced growth. In this regard, we underlined the crucial roles of the Bank and the Fund in enhancing the coherence and consistency of the international monetary, financial, and trading systems, and in fostering international cooperation to address economic challenges.

Second, we discussed the importance of enhancing the development partnership and financing for the Millennium Development Goals (MDGs), especially in the context of the urgency of Africa's development challenges, and debt relief. In this regard, we agreed with the enhanced focus on results, country-led strategies, the need to create the enabling environment for stronger private-sector-led growth, and good governance. Governors broadly welcomed the G-8 Debt Relief Initiative which aims to provide a valuable opportunity to reduce debt and increase resources for achieving the MDGs. We look forward to a prompt implementation of and delivery on these commitments. The call for substantially increasing the level and effectiveness of aid, and improving the quality of aid was also noted.

Third, we discussed the importance of trade in fostering growth and in promoting global prosperity. The need for further trade liberalization, especially in agricultural products was highlighted. We underscored the critical importance of integrating poorer countries more fully into the global economy by allowing them fair access to markets. Governors noted the Bank/IMF proposal for an enhanced Integrated Framework for Trade-related Technical Assistance and they expressed interest in further study as well as implementation of these proposals. We look forward to the timely and successful outcome of the Doha Development Round.

Fourth, at this critical juncture in the global economy and the challenges facing the poorest countries, Governors stressed the importance of further strengthening World Bank and IMF collaboration. We emphasized the need for the BWI to step up their efforts in assisting their member countries to maintain macroeconomic and financial stability, build capacity, and improve governance, including the legal and regulatory frameworks essential for a vibrant private sector. Governors noted the jointly produced second Global Monitoring Report which calls for a five-point action plan to achieve the MDGs.

Fifth, Governors discussed the importance of voice and participation of developing and transition countries in the BWI, and of the need to adapt the governance structures to reflect the changing realities in the global economy. Governors also welcomed the IMF's recognition in its medium-term strategy of the need to adapt to new challenges and the changing needs of member countries.

My fellow Governors, before adjourning, I would like to say that it has been my privilege to have served as Chairman of the Boards of Governors of the Bank and the IMF. I thank you for your support during my tenure as Chairman of these meetings. Allow me also to reiterate my hearty welcome to Mr. Wolfowitz to his leadership position at the World Bank, and my tribute to Mr. De Rato for his exemplary stewardship of the IMF. I would also like to commend the staffs of the Bank and the IMF for their dedication and hard work. My deep appreciation also goes to Mr. Oforu-Amaah and Mr. Anjaria, as well as the staff of the Joint Secretariat for their hard work and dedication, which have helped make our meetings such a success.

I would like to congratulate the Minister of Finance of Guyana, who succeeds me as Chairman of the Boards of Governors. I would also like to express my sincere gratitude for the kind words he just extended to me. Fellow Governors, I wish you safe travels home and I look forward to seeing you again next year in Singapore.