

Remarks by World Bank Group President Robert B. Zoellick at the Conference “Ways to Bridge Gender Gap” on the sidelines of the IMF/WB Spring Meetings 2008

Remarks by World Bank Group President Robert B. Zoellick, Heidemarie Wieczorek-Zeul, German Minister for Economic Cooperation and Development and Ulla Pedersen Tørnæs, Danish Minister for Development Cooperation. Moderated by Danny Leipziger, World Bank Vice President and Head of PREM.

Friday, April 11, 2008

MR. LEIPZIGER: To do anything with fireworks in the World Bank requires a fire marshal; and so, although I have no training, in order to do this, I will put this on [fire marshal armband] and this will enable us to proceed with this particular part. Bob, would you like to come up. So, as we know, it's important to get attention on certain issues, and I think we have had a very good three hours here, but, as the final session, we would like to get comments both from the President of the World Bank and from Minister Wieczorek-Zeul. I turn to Ulla Tørnæs, who is going to explain the fireworks.

MS. TØRNÆS: Thank you very much, Danny. Dear Ministers, dear President Zoellick, ladies and gentlemen, I'm very pleased to be part of this distinguished panel at today's event. The timing of the event at these Spring Meetings is, in many ways, very excellent. 2008 should be a ground-breaking year for finding ways to bridge the gender gap.

We will discuss eight modalities in Accra, seek political support for new MDG3 milestones at the U.N. high-level meeting in September, and discuss the financial aspects of the political goals at the Monterrey follow-up conference in Doha. We should exploit the political momentum in our common efforts to empower women.

To ensure that MDG3 is kept at the forefront of development efforts, the Danish Government proposes to initiate a global coalition of governments, of international organizations, private sector actors, and civil society that is committed to make gender equality and women's economic empowerment a key issue on the way to 2015.

The efforts of the global MDG3 coalition will be complementary and build on a strong platform established by the Advisory Council on Women's Economic Empowerment. The coalition should work to guarantee the needed leadership. The coalition should, among other things, work for firstly, a substantial increase in resources to gender equality and women's empowerment; secondly, a strengthened accountability in relation to MDG3 efforts at both international and national levels; and thirdly, a strong and active involvement by the private sector.

Next Thursday, the Danish Government will host a conference in Copenhagen on the empowerment of women. The ambition of the conference is to establish a catalog of tangible and replicable interventions and commitments. At the conference, we will focus on solutions on how to create economic options for women that put poverty reduction on a faster track.

An important ambition for the conference is to accelerate the discussions on how we can seek strong public-private partnerships to empower women. I'm grateful for the strong support for the conference from the World Bank and from the members the newly established MDG3 network, which counts many of the ministers present here today, who are all strongly committed to this agenda. I truly look forward to seeing you again at the conference in Copenhagen.

As many of you are aware, Denmark has also initiated an MDG3 torch campaign that calls upon recipients to do something extra, to promote gender equality and women's empowerment. The important message with the torch is to do something extra, to walk the extra mile, so to say, to invest in women and the women of tomorrow. The idea behind the MDG3 torch is that action needs to be taken to correct the underlying causes that restrict women's economic opportunities, including disincentives deriving from culture and traditional norms.

In the run-up to the U.N. high-level meeting on the 25th of September this year, at least 100 torches will travel the world from north to south, emitting a wave of resolve in support of MDG3. All the torch commitments will be presented to the U.N. Secretary-General Ban Ki-moon, who will be invited to take the final torch. Torches will be handed over to representatives of governments, donors, international organizations, the private sector, and civil society who are ready to do something extra and to be accountable. Torches can be passed on and requested, provided the receivers stand ready to make a firm commitment to empower women.

Nobel Prize winner Professor Yunus, the first one to accept to become MDG3 champion torch bearer. Today, I'm very pleased to hand an MDG3 torch to my colleague from Germany, Heidemarie Wieczorek-Zeul. And I'm also very pleased to hand an MDG3 torch to the President of the World Bank, and I think the acceptance of the MDG3 torch sends a crucial signal of the personal commitment by you, Mr. Zoellick, and the indispensable role that the World Bank has for the empowerment of women.

Thank you very much. (Applause)

MS. WIECZOREK-ZEUL: Well, I can be very short, and I would like to thank our colleague, Ulla Tørnæs, and the Danish Government for the initiative they are undertaking to have a campaign for the MDG3, and actually what we discussed before signals how important it is, and I'm very much in favor of using all the data that we have and also all the dates and possibilities that we have, starting from Accra, starting from the MDG U.N. General Assembly, and then, of course, to Doha financing for development. And I think it is major that we do not forget those MDGs that still have to be fulfilled.

And I don't know whether I deserve the torch, but I can say that, as we have discussed beforehand, I'm really convinced that, in our development cooperation, we can change behavior, thinking, feeling, but also results in the interests of women and the whole society, and that we have put aside an extra \$95 million dollars, which we want to specifically use for concrete projects towards the equality of women and, well, hopefully it will also engage all people in our respective governments looking forward to having good results in the interests of women. Thank you very much. (Applause)

MR. ZOELLICK: I was just going to say very briefly that, for Heidemarie Wieczorek-Zeul, she's already earned her torch. On behalf of the Bank Group, as I will say in a minute, we have some commitments, so we still have to earn ours. But I also want everyone to know--and I checked on this--that knowing the Danish Government's role in climate change, that I double-checked to make sure this is a particularly low-carbon torch. (Laughter and applause)

Well, I'm absolutely delighted that we at the World Bank could host an event today on ways to bridge gender gaps. As I mentioned, my good friend, Heidemarie Wieczorek-Zeul, has been a tremendous champion of this cause, so I'm very, very pleased that she could be here with us today. And I appreciate the leadership that Minister Tørnæs has played; Minister Carlsson, who I was just with in Iceland; Minister Sayeh, who I had a chance to meet when I was in Liberia. I was so glad there is another gentleman here with me, Mr. Mohieldin, and I'm very pleased to see some of the women leadership of the World Bank Group here today with us as well.

As I think Heidemarie was saying, as I came in, one motivation for women's empowerment is basic fairness and decency. Young girls should have the exact same opportunities that boys do to lead full and productive lives.

But, second, the empowerment of women is smart economics. Over only a few decades, women and girls have, on average, seen a very significant improvement in their health and education levels, but progress on women's economic opportunity is lagging. Women continue to consistently trail men in formal labor force participation; access to credit; entrepreneurship rates; inheritance and ownership rights; and, of course, as it follows from that, the income they can generate. This is neither fair nor smart economics. And, in fact, studies show that investments in women yield large economic and social returns.

Today, you had the opportunity to discuss some of the policy options to improve women's access to the economy, and specifically we discussed two areas of the World Bank Group's Gender Action Plan: how to

smooth the transition for adolescent girls into productive adulthood, and to how to improve women's entrepreneurship rates. Adolescent girls in low-income countries are, on average, much better educated today than they were 20 years ago, but they remain far behind boys when it comes to the transition from school to work, with girls in poorer households trailing the most. Conditional cash transfers can help improve family's investment in girls. Targeted skills training can help match that investment to labor market needs.

So, I'm particularly delighted to have a chance to recognize Finance Minister Antoinette Sayeh from Liberia and Nike Foundation President Maria Eitel for the ongoing cooperation we have in this field. We have a very exciting project with Nike in Liberia to support adolescent girls that we are going to launch this fall at our Annual Meetings, and my friend Ngozi [Ngozi Okonjo-Iweala] here has played a key role in driving that forward.

We also hope we can scale up this program so we can replicate it with other countries as partners. But given the trauma and trials that Liberia has faced, I can think of no better country to start, so we are delighted to do that.

Second, women's entrepreneurship. I want to extend a special thanks to the women entrepreneurs who are joining us today from Cameroon, Swaziland, and Tanzania, to share their real-life stories of business success. They represent the pioneering spirit of African women. We are excited by the interests of the private sector to help the development efforts in training and skills for young women.

I think this is an avenue that offers enormous opportunities beyond the traditional aid agenda, so I would like to recognize in particular my friend Dina Powell from Goldman Sachs, who I know is one of your speakers today, who talked about the \$100 million commitment Goldman Sachs has made recently to 10,000 underserved women from developing countries with business and management education. And I know from a little history of my own that this is a project that Dina drove forward, it's a tremendous step, and I'm really delighted she could be here with us today.

Now, there is much, much, to do to level the playing field for women entrepreneurs. To help, we recently launched a two-year program for research as a joint effort between our Doing Business project and the Gender Action Plan; and, in fact, the first publication of this new partnership is being launched today, and it features the three entrepreneurs that we are fortunate to have here.

The work I have highlighted today is part of a larger program for gender equality at the Bank. Under-investing in women limits economic growth and slows down the progress in trying to overcome poverty, and that's why I was very honored to be able to accept the MDG3 torch on behalf of my colleagues of the World Bank Group. But in accepting it, as I said, we have to make six new commitments on behalf of the World Bank Group, so I want to share those with you, and, Minister, you can write these down so you can measure the results and effectiveness as we go forward.

First, to measurably improve the integration of gender equality into our agricultural and rural development projects by the end of the implementation of the Gender Action Plan in 2010. More concretely, at least half of the Bank's rural projects in the Africa Region will include gender-responsive actions in their design.

Now, the soaring world food prices underscore the importance of redoubling the efforts to improve productivity in incomes and agriculture to stave off hunger and malnutrition, and women make up the majority of the workforce in small and subsistence farming. Indeed, the initiative we have in agriculture, particularly in Sub-Saharan Africa, may be one of the best ways we have, given the fact that women in rural areas, if they're involved in the economy, are so through the agricultural sector.

Studies from Sub-Saharan Africa indicate that yields could increase by up to 20 percent merely by redistributing existing resources more equally between men and women. Women who, in many parts of the world, make up a majority of the agricultural workforce often lack access to basic extension services, land rights, and support to start agribusinesses.

Second, we are committed to channel through IFC, our private sector arm, at least \$100 million in credit lines

to commercial banks for women's entrepreneurship by the end of 2012.

Third, I have asked our country directors to report to me by the beginning of June on what we are doing and what more we should be doing to empower girls and women economically in the countries that we support.

Fourth, to launch a work program on Young Women Count for Economic Development, starting with an event prior to our 2008 Annual Meetings; and we hope this event will convene private and public sector leaders on the development value of increasing adolescent girls' economic opportunities, and we could then use that to seek to mobilize government, donor, foundation, and private sector engagement in funds. So, we are really delighted to start to see the Nike and Goldman Sachs relationship, and I hope that's one we can build on, particularly given the partnership that I just mentioned that I hope we launch at the time of the Annual Meeting as well.

Fifth, we will create a private sector leaders' forum and convene the first meeting on the margins of the 2008 Annual Meetings, and this is to support the Gender Action Plan in our efforts to expand opportunities for girls and women in developing countries as both the right and the smart thing to do.

And, sixth, to increase IDA investments for gender equality. I will ask for a review of IDA-funded activities with regard to gender mainstreaming at the end of the IDA15 cycle, with the objective of increasing IDA investments on gender equality and operations financed through IDA16. And I want to give credit where credit is due: This is an idea that Heidemarie Wieczorek-Zeul has long suggested, and it's time we act on it, Minister.

This is a very exciting area, and we have much more potential to do well by doing good, so I want to thank all of you for joining us today. We think this is a very exciting aspect of our work, and thank you, Minister, for giving us both the incentive and recognition. (Applause)

MR. LEIPZIGER: We open this session to the press, for obvious reasons, and I don't know if any members of the press would like to pose any questions to either Minister or Mr. Zoellick.

JOURNALIST: Good evening to everyone. I would like to, first of all, say I was thrilled to see you walk by me, Mr. Zoellick. I didn't know I was going to have the opportunity to have...My name is Todd Wiggins. I'm an entrepreneur. I started a communications business seven years ago, and it's the best thing that has ever happened to me. I would recommend anyone follow their passions. I have a question for you about what is happening, for those of us who are domestic and have no idea what's happening in Africa, can you explain to folks, if we are making progress, most people in D.C. have no idea what the World Bank really does and how effective it is because we are not really marketing the World Bank to the citizens in D.C. So, could you explain to people basically what it is that you do.

MR. ZOELLICK: This is a trick question; right? This relates to Africa more generally, is the question, as opposed to women--it's Africa more generally? Well, I gave a speech last week where I was trying to highlight both the risks and opportunities of the present international economic situation, and I tried to focus much of it on Africa because I believe there is tremendous economic opportunity in Africa, and I highlighted the fact that is little known that, between 1995 and 2005, there were some 17 African countries that grew on an average of 5.5 percent a year, and these countries were ones that are not primary beneficiaries of mineral resources. There are another seven or eight countries that grew on average about 9 percent a year, and these were the major resource producers. Each of these categories, the first one represents about 33 percent, the other one about 29 percent, so you have almost two-thirds of the population of Africa in these growth countries.

Now, it's very important, the other third are in countries that have been suffering from conflict or facing the breakdown of the State, but these countries also have great potential, as in the case of Liberia, where you have got some courageous people building some tremendous opportunity.

So, what we are trying to do is start with the important work we have done in the Millennium Development Goals, and this one is a critical one, MDG3, to build the social development framework. But for many of the growing countries in Africa, they want the same things that growing countries want anywhere: They want infrastructure, they want energy, they want regional integration linked to a global environment, they want

private sector--and this is where women's involvement will be absolutely critical to build it--and we think there is great possibilities.

But then I noted there's ways that we could offer particular support. One is an initiative that we will be talking about this weekend called EITI++. It builds on the extractive industry transparency initiative that Ngozi and our Vice President for Africa, Obi Ezekwesili, helped put together a few years ago--and that initiative focused on transparency at one point of the value chain for resource development, the idea that the companies that would put money in would publish the funds, and then the governments would also publish it and it would be verified. But we are trying to work across the whole value chain from the contract stage to the development of the resources, and we are starting with some countries in West Africa.

But another important area that I think has opportunity is equity investment in Africa. You said you're an entrepreneur. And one idea that we are working on with IFC, our private sector arm, is to try to create investment platforms that can draw not only our investment but others, and I called for the idea of a One Percent Solution with the logic that if we could draw just 1 percent of the money in the estimated \$3 trillion of Sovereign Wealth Funds to Sub-Saharan Africa, that would be \$30 billion. And some ministers have already said that's a good place to start, but that they believe we could do more. And this is not pie in the sky. You have already got funds coming in there focused on communications and finance, but there is an intermediary aspect that we can play.

But having said these good things, there is a very big risk, and that's another big message that we are trying to communicate this weekend. It's one I just talked about with the Finance Ministers, which is that the problem of the high food and energy prices is a real, real threat, and you have seen the social unrest that it has created. My friend Josette Sheeran, who runs the World Food Program, has called for at least \$500 million to meet critical needs, and it relates fundamentally to one of the other Millennium Development Goals, which is the first goal that has a subgoal related to malnutrition. And so, one of the real dangers here is not only that people will be unable to get enough food, but will they get nutritious food.

And, frankly, this comes right back to the gender issue: It's young girls who get pushed out first in this process, if there is not enough food in these families, or if there is a problem in terms of getting kids to school. They are the ones who get pushed out first. And the danger with malnutrition is not only that it's the primary cause of infant and child mortality--about 3.5 million people a year--it's also 20 percent of the maternal deaths, which is another one of the Millennium Development Goals.

And the third part is it's a problem that will plague people in a society for a whole generation because we now have the data. If kids don't get a good start, it undermines their intellectual development as well as their physical development, and that would be such a huge tragedy.

So, we are trying to emphasize the need, first off, to make sure we meet the emergency food supplies for these countries, which is also important to support a number of these governments that have made difficult reforms and support them. But then let's turn it and make it an opportunity, and let's help develop the agriculture in these sectors, including small holders. And it goes right back to some of the points that you were talking about and I was talking about. You know, if you don't have land tenure, and women are unable to own property, you're not going to be able to have investments in that property. People aren't going to--it's obvious they are not going to build the irrigation, they're not going to plant the trees, they are not going to do the things that build that as an asset.

So, there is a huge agenda force in the agricultural area, which can not only have an important part in dealing with this crisis, but it can also help in terms of the issues of overcoming poverty more generally and, I think, help in women's empowerment.

But I will tell you, I'm frankly concerned in that the anecdotal information that I'm getting is, despite the high food prices, what you're seeing in some Sub-Saharan African countries is the farmers aren't planting because they also have higher inputs, they have higher prices for their energy and other thing, and they just don't know whether those high prices will be there.

So, one of the things that I'm really trying to press forward over the course of the next couple of days, and I did with the Finance Ministers, is we are going to have to ramp this up much more seriously. We are putting, with the help of Ngozi and Obi, we are putting from \$450 million to \$800 million a year in African agriculture, but there is a lot that we could do with others, and I will just close by saying that I'm very delighted that Gordon Brown has also focused on this issue and is trying to raise attention for the context of the G8 summit. So, I could go on too long on this if you're asking about Africa, but anyway, it gives you a flavor.

MR. LEIPZIGER: Thank you, Bob. I think in light of the time and the fact that the ministers have a lot of commitments this weekend, we should close this session. I want to thank everyone for participating.

MR. ZOELLICK: I'm happy to take one other question. I didn't get any questions on gender.

MR. LEIPZIGER: Okay. Sure, if it's on agenda.

JOURNALIST: My name is Page Thompson from World Press, and I was one of the first journalists to use a microcomputer, and it was clear that what we were going to do with microcomputers was computerize a world that didn't put its information together for development purposes. And what I have done over 22 years is create a business plan that generates a huge volume of money, and my request is that this be set up through the office as a not-for-profit institution. I'm too old, and I wanted I want it to be evaluated properly and handed off to women of all Africa as a resource for Africa, and my request is that--how do I talk to institutions about that?

MR. ZOELLICK: Why don't you just make sure, leave your name and address or an e-mail. We have actually been involved with some of these with some of the other projects, but we would be delighted to learn more about yours. So, are you in the region? Are you in this area?

JOURNALIST: I'm in London.

MR. ZOELLICK: Okay. Well, you leave the contact information so we could learn more about it. It sounds like a great idea.

MR. LEIPZIGER: Okay. I would like to thank our ministerial panel and Bob Zoellick and all of you. Thank you.

(Applause)