

**Legal Forum 2005
December 1, 1:00 -1:15pm
IFC Auditorium**

Roberto Dañino
Senior Vice President and General Counsel of the World Bank
Opening Remarks

- Let me begin by welcoming you all and expressing my appreciation for your attendance. The purpose of this Forum is to discuss **how we can make the development process more equitable**, and more precisely to explore the **role that law and justice institutions play** in this process. I am particularly pleased to be among such a distinguished group of critical thinkers drawn from a variety of fields including economics, political science, policy studies, anthropology, sociology, international relations and law.
- I am very excited about this opportunity to expand on the ideas and themes that have come out of this year's **World Development Report (WDR) on Equity and Development**, and also to explore with you a number of the **key areas of LEGAL's work on these themes**. Before introducing you to Francois Bourguignon, Chief Economist of the Bank, who will make some introductory comments about the themes coming out of the WDR, I would like to take this opportunity to share with you some thoughts about ways that we in LEGAL are taking these themes forward. Many of the areas of our work will clearly be explored in more detail over the next day and a half.

- As the WDR clearly points out, the principle of equity is central to legal traditions across the world. How this principle has been incorporated or codified into law in different traditions may differ; however, the overarching concept of “fairness” cuts across different cultures and nations. The prevalence of this concept within legal traditions- which are fundamental to how societies organize themselves- indicates that people from most, if not all, cultures share a concern for equity.
- The well established relationship between law and equity is key for development for a number of reasons. First, a focus on equity is essential for the development and reform of legal and judicial systems themselves. As we will explore in more detail later, it is now well established that effective and equitable legal and judicial systems are of central importance to development. Second, legal and regulatory systems underpin and govern market and non-market interactions that are central to all other areas of development. Laws shape the distribution of rights and responsibilities in all areas of our work as development practitioners- from people’s rights to health care and education, to the rules that govern international trade and the protection of human rights.
- Given the central importance of equity to law, and law to equity, we in LEGAL felt it was essential that we actively engage in this important WDR on Equity and Development. We established a working group who provided content and background papers for different sections of the report, and we were very pleased that

Francois Bourguignon invited a Legal representative to be part of the WDR team. As a result, many of the important areas of law and justice -- that we will expand on over the next few days -- are highlighted in the WDR.

- One important area of our work is Justice Sector reform- or “building equitable justice systems.” In an effort to formulate an integrated Bank strategy and address the diverse approaches to legal and judicial reform that have existed in the Bank, I launched the Legal Modernization Initiative, which aims to integrate LEGAL’s work on the justice sector with that of the regions and networks. We have now formulated an integrated Bank-wide strategy which addresses the diverse approaches to legal and judicial reform. Indeed, I have often said that “**Justice Reform**” is too complex and too important for lawyers to pretend to monopolize it. We need a collaborative and multidisciplinary approach, and that is what we are trying to achieve through the LMI.
- The members of the LMI Steering Committee met yesterday and discussed the progress with the implementation of action plans on issues such as diagnostics, criminal justice, and justice for the poor. The LMI initiative has led us from a fragmented approach to the issue of judicial reform to a Bank-wide comprehensive and integrated approach. This allows us to identify more precisely the legal boundaries of this work. In turn, within this legal framework, the Bank will be better equipped to identify its comparative advantages

and thus define the niches in which we can have the greatest impact. This will also allow the Bank to be more effective in its justice reform work and to better coordinate with other institutions working in this field.

- Another area where we have really begun to step up our activities and to work with our partners both inside and outside the Bank is in the area of human rights. In LEGAL we have been re-examining the provisions of the Articles of Agreement regarding **the legal and policy framework for the Bank's work in the field of human rights**. We are currently drafting a legal opinion on this issue which will provide a more enabling environment for the Bank's role in this area. We have also developed a **human rights matrix** to chart the substantive overlap of key provisions of the International Bill of Rights with Bank policies, projects and activities. The matrix already confirms that human rights are the very essence of the Bank's work.
- The Bank has long recognized that sustainable development requires both economic growth and social equity. The Bank's work substantially contributes to the substantive realization of the rights of people in a number of areas, such as health, education, gender, participation, accountability, environment, institutional reform activities and, above all, the fight against poverty itself as a fundamental denial of human rights. Other Bank activities also contribute to the substantive realization of human rights: these include fighting corruption, increasing transparency, accountability and

governance. Our review of this topic will hopefully provide a more explicit link between human rights and the Bank's work, while at the same time remaining fully in compliance with our Articles of Agreement.

- Besides these two examples, LEGAL has worked hard to strengthen its skills to adequately serve the **“knowledge” side of the Bank** on all of the other areas that will be covered over the course of the Forum- infrastructure and private sector law, indigenous rights, criminal law, environmental law, trade. Our advisory services are focused on the strategic areas for the Bank – Environment Social Sustainable Development (ESSD), Poverty Reduction and Economic Management (PREM), Finance Private Sector Development & Infrastructure (FPSI), and Human Development (such as the legal implications of HIV/AIDS).
- During my first 2 years here, we have been working hard to change the perception some had of us being **“why not” lawyers to become acknowledged as “how to” lawyers**. I am confident to say that such efforts are yielding positive results and LEGAL is now perceived as a relevant and constructive partner in the execution of the Bank's mission.
- To be successful in all these endeavors, it is clearly essential to have **regular ties and consistent dialogue** amongst all actors involved in

the development process – governments, donors, civil society and academia. And this is why we are here today – to **share experiences and build common understandings about ways of improving the quality and effectiveness of our work.** I really look forward to hearing your views on what we can do together to better contribute to economic growth with social equity.

I would now like to welcome Francois Bourguignon to make some opening remarks.

Thank you for your attention.