

Preface

In their work with the Multilateral Development Banks (MDBs), the Nordic countries have till now focused their attention mainly on development policy issues. In recent years, financial issues have become an increasingly important part of the policy agenda in these institutions. Furthermore, cases have arisen from time to time in the MDBs that require thorough understanding of MDB finances, and active shareholder engagement in such issues. The Nordic countries therefore felt the need to devote more attention to MDB financial matters, and to increase their understanding of such issues through a coherent and easily understandable presentation.

To meet this need, the Nordic countries asked the former Senior Financial Advisor to the World Bank, Percy Mistry, to develop a comprehensive presentation of financial issues in the MDBs, primarily to serve as a reference book and training material for use by officials in Nordic ministries responsible for dealing with the MDBs. The idea was to produce a broad overview describing the banks' role in the international development finance system, how they are financially structured and how they mobilise and manage their financial resources. As the process of preparing it evolved, it was clear that the book had become more than just a reference work for Nordic officials. In addition to serving its original purpose, we believe that the book now constitutes an independent and valuable contribution to the ongoing debate on the role and future of the MDBs. The author's wide personal experience and his clear, if sometimes controversial, views on the subject matter have rendered the book more interesting and thought-provoking than originally anticipated.

The author, Percy Mistry of Oxford International Associates, has a background which makes him well suited for undertaking the complex and specialised assignment of presenting these issues in a way that even non-economists and those who are not financial experts can understand. He has wide experience in the field of international finance, in general, and in development finance in particular, and he has the rare gift of being able to communicate his broad knowledge to others. His experience includes working in both the financial and operational complexes of the World Bank for several years. He has also been an Advisor to several governments in Africa, Asia and Europe on matters of debt and macroeconomic management, as well as a Consultant to a number of bilateral and multilateral organisations.

The opinions expressed in the book are those of its author. The four sponsoring Ministries of Foreign Affairs do not necessarily share all the views expressed in the book. Furthermore, the responsibility for possible errors and omissions remains with the author. However, the book constitutes in our opinion a valuable background for and contribution to the ongoing discussions on the role of these institutions as financiers of development in a changing world. The sponsoring Ministries have therefore found it desirable to share Mistry's work with a larger audience. In addition to being useful for government officials in shareholder governments, it is our hope that the book can be of use to researchers, to NGOs, to the world of international finance and to individuals with interest in the MDBs and development issues in general.

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