

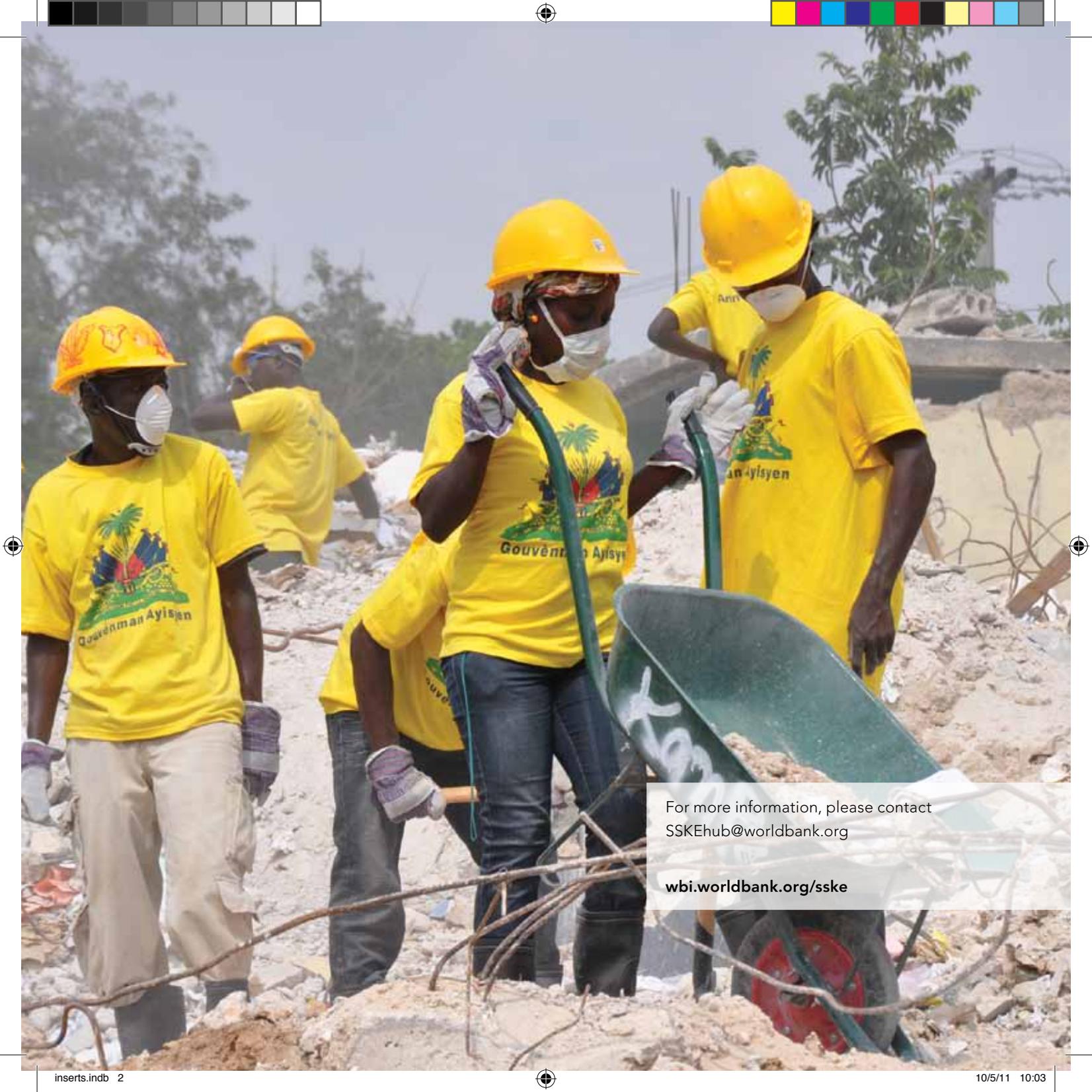
SOUTH-SOUTH KNOWLEDGE EXCHANGE RESULTS STORIES

Haiti learns from Indonesia about community-driven development and housing reconstruction

The 2010 earthquake that hit Haiti wiped out the nation's housing infrastructure. Before the Government of Haiti could begin major reconstruction, it needed to shelter those who'd lost their homes.

Indonesia—which like many middle income countries has been organizing itself to share lessons from decades of development experience—had a great deal of practical knowledge to share with Haiti. The 2004 tsunami and subsequent earthquakes in Indonesia shattered shorelines and also shook its buildings to the ground. The key to rebuilding turned out to be Indonesia's community driven development (CDD) programs, which empowered local Indonesian communities to take charge.

Through a South-South Facility grant, the World Bank connected Haitian officials and technical experts to counterparts in Indonesia to learn how to implement CDD reconstruction programs. The exchange inspired Haiti to amend existing housing policies, formulate new policies to facilitate reconstruction, and develop a blueprint for housing units.



For more information, please contact
SSKEhub@worldbank.org

wbi.worldbank.org/sske

SOUTH-SOUTH KNOWLEDGE EXCHANGE RESULTS STORIES

Pakistan helps Nepal stress test its banks

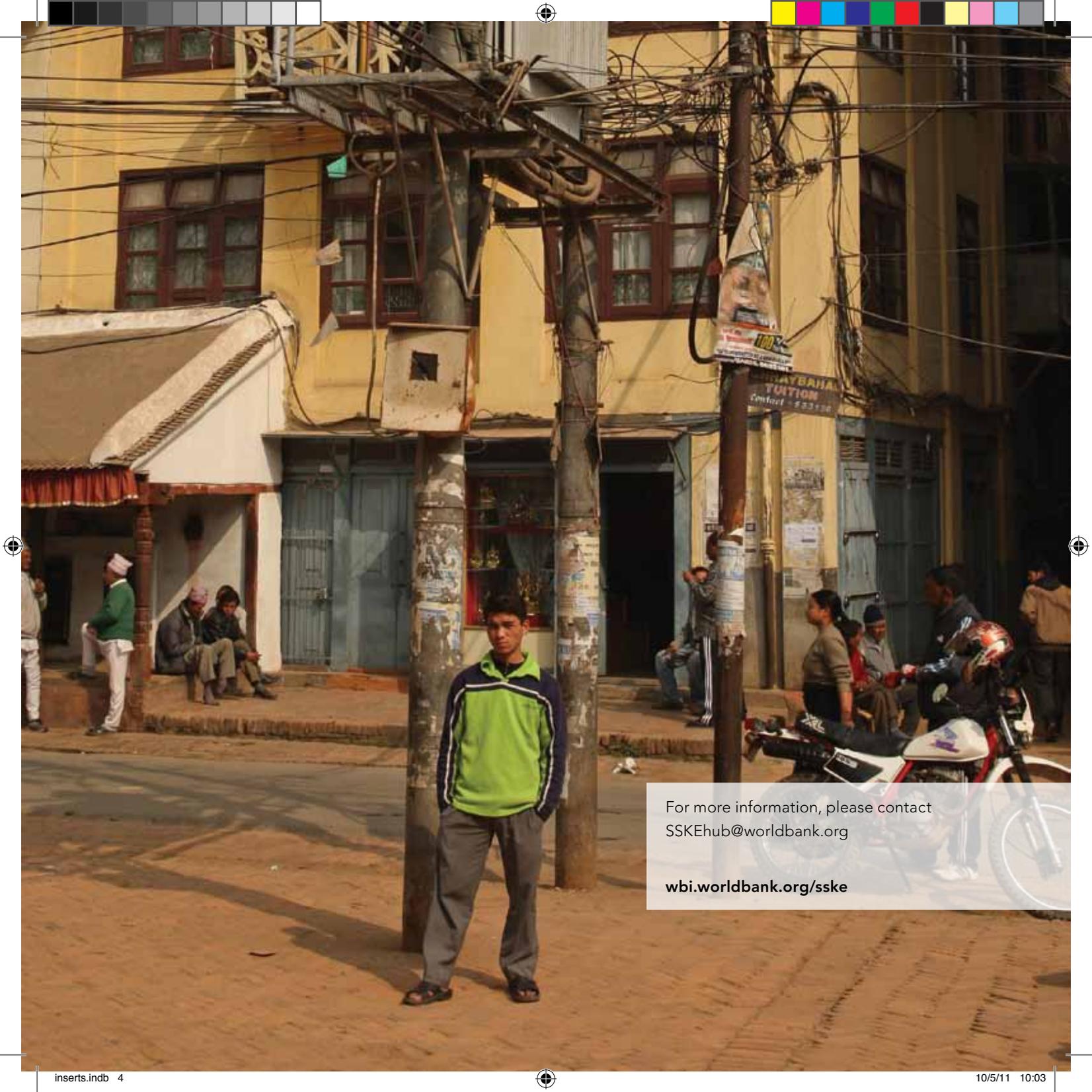
By 2009 financial experts could see that banks in Nepal were dangerously overexposed to inflated real estate and equity markets. Nepal Rastra Bank (NRB)—Nepal’s Central Bank—needed assistance to evaluate the country’s commercial banks and assess the damages that could result from economic shocks.

But there was a problem: models used in developed economies for evaluating banks were unsuited to the circumstances of a small developing country, and an international search for help would take too long and be too public. Nepal needed help quickly and quietly.

Seeing this dangerous state of affairs, the World Bank connected the NRB to experts from the State Bank of Pakistan (SBP) who demonstrated a simple model for evaluating and stress testing bank exposure. “[NRB] needed to know what the impact would be on banks if the bubble [in real estate and equity prices] were to burst,” said Shamsuddin Ahmad, Senior Financial Sector Specialist with the World Bank. “But they didn’t know how to do it. They didn’t have the tools.”

The skills NRB staff acquired through the exchange enabled the Central Bank to quantify the level of risk to which Nepal’s banks were exposed, pass regulations to maintain financial stability, and helped the Government of Nepal establish contingency plans in the case of a bank failure. All this in just 6 weeks!





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SOUTH-SOUTH KNOWLEDGE EXCHANGE RESULTS STORIES

Increasing transparency in extractive industries—knowledge exchange between civil society organizations in Yemen and Kazakhstan

In Yemen—where oil accounts for 25 percent of GDP, 70 percent of government revenue, and over 85 percent of export earnings—transparency and accountability in the extractive sectors is crucial for good governance. In 2007 Yemen was the first country from the Middle East to join the World Bank’s Extractive Industries Transparency Initiative (EITI), but progress stalled almost immediately due to disagreements between oil, gas, and mining companies and civil society organizations (CSOs).

Seeking to build momentum, the World Bank brought key Yemeni stakeholders together with peers in Kazakhstan, which also relies heavily on extractive industries. Kazakhstani participants demonstrated to the Yemeni CSO coalition how to promote transparency to extractive companies and parliament, resolve disputes, and foster civil society’s role in reporting and auditing. The exchange renewed support and momentum for EITI in Yemen, improved collaboration among industry, civil society, and government, and helped ensure the continued partnership of the donor community. Soon after the exchange, Yemen was validated as an EITI partner and subsequent reports have openly verified company payments and government revenues in the oil, gas, and mining sectors.

“We finally understood that we shouldn’t fight among ourselves, but we should unite and have a common position,” said Tawfik Al-Budiji, CSO Coalition leader from Yemen.



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