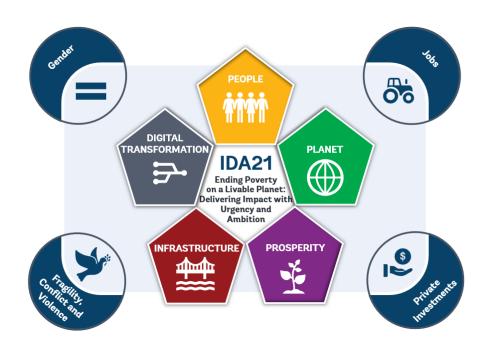




## IDA21 REPLENISHMENT AN OVERVIEW OF THE DRAFT IDA21 POLICY FRAMEWORK

## **Publicly Posted for Discussion**

Ending Poverty on a Livable Planet: Delivering Impact with Urgency and Ambition



October 15, 2024

- 1. The objective of this summary note is to provide an overview of the proposed IDA21 Policy Framework in advance of IDA21 Replenishment Report public consultation period planned for early November. In addition to this note the World Bank Group is making the main elements of the policy package publicly available including the set of corporate targets, the IDA21 policy commitments, the IDA21 scorecard, an overview of the Operational Enhancement and Efficiency Dashboard (forthcoming), and the visualization created to more clearly show the entirety of what IDA21 will deliver (informally called IDA21 bento boxes). This package will be discussed with IDA Participants during the next replenishment meeting on October 28-29. After this meeting, a revised version of the Replenishment Report, incorporating the feedback received from CSOs ahead of the meeting and the feedback from IDA Participants, will be posted formally for public consultation for a week. The final draft of the Replenishment Report, informed by the feedback received throughout the year, will be shared a week before the pledging session in December.
- 2. In line with the WBG Evolution, the IDA21 policy framework is designed to deliver results with speed and at scale, offering greater flexibility to respond to client needs and navigate increasingly complex development challenges and opportunities. Building upon experiences and progress achieved in past IDA cycles, IDA21 will continue to provide a strong policy framework for delivering impact. IDA21 maintains continuity in key thematic priorities while adapting to the evolving external and internal landscapes to fight poverty and inequality on a livable planet. It addresses global and regional challenges that threaten countries' development trajectories. Three over-arching objectives have guided the development of IDA21's policy architecture. First, greater focus on development outcomes via the Scorecard. Second, greater selectivity in Policy Commitments (PCs) to avoid predetermining country programs for the clients. Country-level actions required by IDA policy commitments have grown over recent IDA cycles exceeding 1,100 in IDA20. IDA21 has cut this number by more than half. Third, strategic alignment with broader institutional actions to capture the full spectrum of what IDA delivers.
- 3. Under the Overarching Theme "Ending Poverty on A Livable Planet: Delivering Impact with Urgency and Ambition", IDA21 will support clients in rapidly scaling impact in addressing poverty and inequality with an enhanced focus on climate adaptation. The challenging context in IDA countries demands a decisive and ambitious response in IDA21 to achieve development outcomes and the SDGs. Under the overarching theme, the IDA21 Policy Package defines engagement priorities around five Focus Areas and four Lenses. The Focus Areas center around sectors where IDA has a comparative advantage, leveraging its financing and knowledge to drive progress. Lenses are key priorities that also have cross-cutting relevance to, and the potential to enhance outcomes in, these five Focus Areas. The Focus Areas (People, Prosperity, Planet, Infrastructure, and Digital Transformation) are closely linked with the four Lenses (Gender, Jobs, Private Investments, and FCV). Both Focus Areas and Lenses are equally important to drive impact. The policy architecture aligns IDA with the WBG organizational structure, institutional strategies, and the new outcome-oriented Scorecard, improving operational effectiveness, strengthening WBG synergies, and helping keep a clear line of sight to development impact.

World Bank, *IDA20 Mid-term Review: Implementation Update and Issues for Discussion ("Omnibus Paper)*, November 28, 2023, Washington, D.C..Available at: https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099012624183055952/bosib1dd6aceb20e61ba8d19253d964eb38.

World Bank, *IDA21 Replenishment: Proposed Strategic Directions*, May 17, 2024, Washington, D.C. Available at: https://documents.worldbank.org/en/publication/documentsreports/documentdetail/099051724171538554/bosib19313f22e0391841d1e0f6ea594ec9.

-

- 4. The priorities in the Focus Areas of People, Prosperity, Planet, Infrastructure, and Digital Transformation will help IDA countries deliver on their most pressing challenges.<sup>3</sup> These five Focus Areas that build on priorities of previous IDA cycles, have been identified in consultation with IDA Deputies and Borrower representatives and are informed by feedback from civil society stakeholders. Both institutional and country-level efforts (including through strategic planning, policy dialogue, and operations) will contribute to progress in each of these Focus Areas. 'People' will support countries to build and better deploy human capital for productivity and growth, build resilience to shocks (including pandemics) by preventing disruption in basic services and ensure equitable access for all. 'Planet' will support countries to pursue transformative policy reforms and scalable operations for a green and blue planet, inclusive water and sanitation services and sustainable food systems. 'Prosperity' will support critical economic policies, including in support of debt sustainability and enhanced domestic resource mobilization, finance, and private sector development, as well as strengthening institutions and enhancing availability of foundational poverty data. 'Infrastructure' will support countries in scaling-up energy access and transport, including urban and municipal services to address the burgeoning urban populations. 'Digital Transformation' will prioritize improved broadband connectivity and creation of digital platforms to enable IDA countries to leapfrog on economic transformation. An overview of each Focus Area, including proposed policy commitments, follows. Additional background on each topic is provided in the 'Focus Areas' paper discussed at the third replenishment meeting.<sup>4</sup>
- 5. The five Focus Areas will be reinforced by support under four Lenses: Gender Equality, Jobs, Private Investment, and FCV. These Lenses are also identified as Cross-cutting Themes in the Scorecard and comprise six outcome indicators for the WBG, where progress will be reported regularly. IDA21 delivery will be strengthened by the Lenses in three ways: (i) by shaping operations in the Focus Areas; (ii) through the outcomes of investments and operations within each Lens area; and (iii) through synergies with other Lenses. IDA21 will scale-up support for removing gender barriers and fighting gender-based violence to unlock economic productivity, reduce poverty, deepen social cohesion, and enhance wellbeing for current and future generations. With the rapidly increasing working age population, IDA21 will further reinforce the centrality of the jobs agenda by expanding private investments, stimulating growth of sectors with greater potential for jobs and value addition, and increasing labor force participation, especially for women. The private investment lens will leverage the WBG's collective strengths, knowledge, and resources to mobilize private sector investments, support local market creation, and improve business environments to drive investments and job-rich economic growth in IDA countries. The FCV lens will address drivers of fragility, conflict and violence and strengthen resilience amidst escalating challenges and crises by deepening IDA's considerable support to FCS.
- The IDA21 policy architecture embodies a comprehensive approach featuring three key **elements**. The package ensures a strong alignment between *planning*, *implementation*, and achievements. To *plan* for impact, the five Focus Areas and four Lenses set forth the thematic areas IDA21 will address, responding to critical challenges and driving selectivity. To ensure IDA21 implementation is guided by a focus on impact, a select set of PCs has been agreed. Finally, for achieving impact, the new Scorecard will serve as yardstick to measure progress toward outcomes. IDA21 PCs enhance ambition with a bold set of institutional actions and country-level actions. *Institutional actions* typically apply to most or all

IDA21 Policy Package: An Overview - End Poverty on a Livable Planet - Delivering Impact with Urgency and Ambition.

IDA21 Policy Package: The Focus Areas Paper.

IDA21 Policy Package: An Overview - End Poverty on a Livable Planet - Delivering Impact with Urgency and Ambition.

relevant<sup>6</sup> IDA countries and aim to boost institutional performance, and while they may involve underlying country actions, progress will be reported in an aggregate manner to capture overall trends. *Country level actions* typically apply to a subset of IDA countries, complementing the Scorecard results in relevant policy areas and often addressing key binding constraints to achieving the desired outcomes with implementation efforts focused at the country level, and reporting offering more granular, country-level information. Seven evolution-related institutional actions cover important aspects of how IDA delivers for clients. These include improving crisis preparedness, stepping-up the knowledge agenda, and delivering on One WBG efforts for private sector investments, and improving client capacity. The Global Challenge Programs<sup>7</sup> will strengthen IDA's ability to quickly scale and replicate successful approaches, and the Knowledge Compact will turn ideas into impact by systematically providing the latest development knowledge to tackle complex challenges more effectively. Other institutional actions with specific sectoral or country focus are directly embedded in the Focus Areas and Lenses. These three key elements of this approach are presented in one visualization that provides a comprehensive view of what IDA21 will deliver under each Focus Area and Lens, informally named IDA21 Bento Boxes.

7. IDA21 will have robust mechanisms for reporting progress on implementation of the policy package. First, the new WBG Scorecard will report progress toward development outcomes through quantitative results indicators with unprecedented data disaggregation and results narratives. This will provide more granularity and transparency, allowing a clearer picture on where IDA is delivering outcomes and for whom. The Scorecard unifies the focus on outcomes across WBG institutions, while offering a distinct view of IDA21 results and forms a key element of the IDA21 policy architecture. It will facilitate collaboration and selectivity, while enabling the WBG to reshape its management approach, with a stronger emphasis on results, and will help rebalance the focus from lending volumes to tangible results. Designed as a managerial tool, the Scorecard will offer data insights to guide strategic decisions in IDA21. With unprecedented levels of data disaggregation - by sex, youth, FCS, disability inclusion, country income categories, regions, Small States, Small Island Developing States (SIDS), least developed countries (LDC), institution, and joint efforts – it reveals who benefits from IDA results, where these benefits are realized, and how they are achieved. Embracing enhanced transparency, the Scorecard will serve as a yardstick of accountability for IDA Partners. Second, progress reporting on all PCs and priorities under each Focus Area and Lens will be provided at two stages consistent with existing practices - at the IDA21 Mid-Term Review and in the IDA21 Retrospective report. Third, an updated, user-friendly IDA results website will serve as a one-stop-shop for holistic reporting on all the complementary elements of the IDA21 policy architecture and for communicating IDA's results. In addition, the Organizational Effectiveness and Efficiency (OEE) dashboard will continue to give visibility to IDA's operational performance.

\_

For institutional actions, 'relevant' refers to IDA countries that are engaging with the subject matter. For example, "all relevant" IDA countries for the institutional PC related to FCV in country engagement products refers to FCS countries that develop a CPF/CEN cycle during IDA21 cycle.

The six GCPs are: (i) Forests for Development, Climate, and Biodiversity: to build sustainable forest economy in critical forest biomes; (ii) Energy Transition for Efficiency and Access: to increase access to affordable, reliable, sustainable and modern energy, by scaling up clean-energy and phasing down fossil fuel use; (iii) Accelerating Digitalization: to accelerate digitalization at scale to enable innovation and adoption of technology; (iv) Food and Nutrition Security: to help break the cycle of food and nutrition insecurity by 2030; (v) Enhanced Health Emergency Prevention, Preparedness and Response: to enhance capacity to prevent and prepare for health emergencies by strengthening health systems at country, regional and global levels; (vi) Fast-track Water Security and Climate Adaptation: to strengthen water security through systems change and scaling-up more sustainable water management and disaster risk reduction solutions.

## **ANNEX 1. IDA21 POLICY PACKAGE**

CORPORATE OUTCOME TARGETS			
Indicator	Target/Commitment		
Millions of people provided with access to electricity.	250 million by 2030 (SSA)		
Millions of people receiving quality health, nutrition, and	1.5 billion by 2030 (Global)		
population services			
Millions of people with access to social protection programs to	500 million by 2030, o/w 50% women (Global), together with		
alleviate hunger.	development partners.		

IDA21 POLICY COMMITMENTS - INSTITUTIONAL ACTIONS			
Objective	Commitment		
PC1: Scaling-Up Impact	Implement six Global Challenges Programs <sup>1</sup> to respond to key global challenges through a focus on providing integrated public - private sector solutions that are replicable across countries and can be delivered at scale.  1 Six GCPs are: (i) Forests for Development, Climate, and biodiversity: to build sustainable forest economy in critical forest biomes; (ii) Energy Access and Transition: to increase access to affordable, reliable, sustainable and modern energy, by scaling up clean-energy and phasing down fossil fuel use; (iii) Accelerating Digitalization: to accelerate digitalization at scale to enable innovation and adoption of technology; (iv) Food and Nutrition Security: to help break the cycle of food and nutrition insecurity by 2030; (v) Enhanced Health Emergency Prevention, Preparedness and Response: to enhance capacity to prevent and prepare for health emergencies by strengthening health systems at country, regional and global levels; (vi) Fast-track Water Security and Climate Adaptation: to strengthen water security through systems change and scaling-up more sustainable water management and disaster risk reduction solutions.		
PC2: Outcome Orientation	Implement the new IDA21 Scorecard, with enhanced measurement standards and greater data disaggregation to report results at scale and provide data insights to inform strategic discussions.		
PC3: Crisis Preparedness	Increased take up, including in FCS, of Crisis Preparedness and Response Toolkit in IDA countries including tools that provide (i) fast access to cash for emergency		

IDA21 POLICY COMMITMENTS - INSTITUTIONAL ACTIONS		
Objective	Commitment	
	response; (ii) improved preparedness and scaled up access to pre-arranged financing for emergency response and (iii) expanded catastrophe insurance.	
PC4: One WBG	Enable and mobilize private capital through One WBG, including the use of World Bank Group guarantees in IDA countries under the WBG Unified Guarantee Platform scaling both volume and delivery efficiency.	
PC5: Strengthening Client Implementation Capacity	Scale up IDA support to client implementation capacity, including in low-capacity environments, through strengthening of Environment and Social, financial management, and procurement systems as well as project implementation units and agencies, in line with client needs.	
PC6: Knowledge Compact	Scale up implementation of revamped core diagnostics: Country Climate and Development Report (CCDR), Poverty and Equity Assessment (PEA), Country Growth and Jobs Report (CEM 3.0), Public Finance Review (PFR), Country Private Sector Diagnostic (CPSD 2.0). Roll out the WBG Academy for IDA clients.	
PC7: Cross-Border Externalities	Scale-up IDA support for addressing cross-border externalities through Global & Regional Opportunities Window (GROW).	
PC8 People 221  Continuity of Services	IDA21 operations will strengthen crisis-readiness in health / education / social protection systems to limit disruptions in service delivery during pandemics, climate, food and nutrition insecurity, and other shocks.	

	IDA21 POLICY COMMITMENTS - INSTITUTIONAL ACTIONS		
	Objective	Commitment	
PC9 Prosperity	Institutional Strengthening	Support the strengthening of governments' institutional capacities and anti- corruption efforts in core government functions, including public financial management, public procurement, public administration, and/or institutional dimensions of social and environmental aspects, among others, through technical assistance, knowledge, and/or financing engagements.	
PC10 Gender	Gender Equality	Implement the WBG Gender Strategy in all IDA countries to address Gender-Based Violence, Economic Participation, and Sexual and Reproductive Health (SRH). SRH will be addressed through WBG interventions in [X] countries.	
PC11 Jobs	More and Better Jobs	Support the creation of more and better jobs, particularly for youth and women, through WBG financing engagements, knowledge, and/or technical assistance.	
PC12 Private Investment	<b>Business Environment</b>	Support the implementation of regulatory and institutional reforms addressing critical impediments to private investment as identified by WBG diagnostics, and/or provide direct support through WBG engagements.	
PC13 FCV	Addressing FCV Drivers and Sources of Resilience	CPFs/CENs for IDA FCS and FCV Envelope countries will have strategic objectives that reflect how the WBG program, in collaboration with relevant partners, will help address FCV drivers and sources of resilience based on Risk and Resilience Assessments (RRAs) or other FCV diagnostics.	

## IDA21 POLICY COMMITMENTS – COUNTRY-LEVEL ACTIONS

	Convert Property	Comments	
	Current Proposal	Comments	
PC14 People	Focus on children and adolescents	Support 40 countries to provide services to young people with a focus on ear childhood and adolescent services.	
PC15 Planet	Climate Adaptation	Support at least 50 countries on adaptation and resilience policies and/or climate preparedness interventions. This support will be reflected in relevant new Country Partnership Frameworks and informed by Country Climate and Development Reports (CCDRs) in alignment with adaptation components of Nationally Determined Contributions (NDCs).	
PC16 Planet	Water Security	Support 30 countries to improve their capacity to design and implement equitable, inclusive, financially sustainable, and resilient water sector reforms and investment programs.	
PC17 Planet	Food Security	Support 45 countries to design and implement agriculture sector reforms and investment programs aimed at increasing food and nutrition security and sustainability of food systems.	
PC18 Prosperity	Domestic Resource Mobilization (DRM)	Support effective, efficient, and equitable domestic resource mobilization (improving fairness and progressivity and utilizing the additional fiscal space for pro-poor spending) and prudent fiscal management in countries with tax-to-GDP ratio below 15 percent (41 countries as of June 2024) through comprehensive core diagnostics (PFR), technical assistance, and/or financing engagements.   1 Support provided to DRM would also leverage enhanced partnerships, including with the IMF, the OECD, and others.	

## IDA21 POLICY COMMITMENTS – COUNTRY-LEVEL ACTIONS

	Current Proposal	Comments
PC19 Prosperity	Evidence-based Policy Making	Assist 30 countries with foundational poverty data older than five years by financing the collection and dissemination of household surveys.
PC20 Prosperity	Debt Sustainability	Support debt sustainability and debt transparency in all IDA countries at moderate or higher risk of debt distress (59 countries as of August 2024) through technical assistance, knowledge, and/or financing engagements.
PC21 Infrastructure	Electricity Access	Support 30 countries to improve the financial and operational performance of electricity utilities.
PC22 Infrastructure	Urban Services	Support 18 countries with municipal engagements – through financing, knowledge, and technical assistance – for sustainable and resilient urban and transport infrastructure and services.
PC23 Digital Transformation	Digital Access	Support 50 countries to increase access to inclusive, affordable, safe, and sustainable broadband connectivity and/or digital platforms including through approaches leveraging private sector investment.

## IDA21 POLICY COMMITMENTS – COUNTRY-LEVEL ACTIONS

	Current Proposal	Comments
PC24 Private Investment	Financial Sector Deepening	Support 20 countries in the development of domestic capital markets by addressing critical impediments identified in WBG diagnostics.

טו	A SCURECARD			V
VISI	ON: Our vision is a world free from			
pov	erty on a livable planet			Latest value
			RTY ††	
		Percentage of \$6.85/day)	of global population living in poverty (at \$2.15/day and	
	PROSPE	• • • • • • • • • • • • • • • • • • • •		
			from a prosperity standard of \$25/day	
	_		s with high inequality	
	PLANET 🖊			
	<ul> <li>Global greenhouse gas emissions (G</li> <li>Percentage of people at high risk fro</li> <li>Millions of hectares of key ecosyster</li> <li>Percentage of people facing food an</li> <li>Percentage of people with access to</li> </ul>	m climate-rel ms globally d nutrition ins basic drinkir	ated hazards globally	
_	IENT CONTEXT INDICATORS	Latest data	IDA RESULTS INDICATORS	Achieved Exp
Pro	OPLE otection for the poorest			
	rcentage of people covered by social protection and labor ograms in the total population and in the poorest quintile	r >	Millions of beneficiaries of social safety net programs	
No	learning poverty			
scl	rcentage of children who cannot read by end-of-primary- hool age	>	Millions of students supported with better education	
)	ealthier lives  recentage of children under five stunted	<b>&gt;</b>	Millions of people receiving quality health, nutrition, and popu	ılation
	-	<b>&gt;</b>	services Countries benefitting from strengthened capacity to prevent,	detect,
	niversal health coverage service coverage index (0 – 100)		and respond to health emergencies	
	COSPERITY fective macroeconomic and fiscal management			
Co	ountries/economies at high risk of or in debt distress	>	Countries in or at high risk of debt distress that implemented towards debt sustainability (%)	reforms
	ountries/economies with tax revenue-to-GDP ratios cluding social security contributions) below or equal to 15	> 5%	Countries with tax revenues-to-GDP ratio at or below 15% the increased collections, considering equity	at have
PL	ANET			
	reen and blue planet and resilient populations recentage of people exposed to hazardous air quality			
Co	ountries/economies with increasing renewable natural pital per capita	>	Net GHG Emissions (Millions tonnes of CO <sub>2</sub> e/year)	
Pe	rcentage of terrestrial and aquatic areas that are protecte	ed >	Millions of beneficiaries with enhanced resilience to climate I	
Pro	oportion of fish stocks within biologically sustainable leve	ls	Millions of hectares of terrestrial and aquatic areas under ent conservation/management	nanced
	clusive and equitable water and sanitation services			
Pe	rcentage of people with access to basic drinking water, nitation services, or hygiene	>	Millions of people provided with water, sanitation, and/or hyg which (%) is safely managed	iene, of
	stainable food systems recentage of people facing food and nutrition insecurity	>	Millions of people with strengthened food and nutrition secur	ity
IN	FRASTRUCTURE			7
	onnected communities orcentage of people with access to reliable transport	<b>&gt;</b>	Millions of people that benefit from improved access to susta	inable
_	lutions all year-round fordable, reliable and sustainable energy for all		transport infrastructure and services	
	recentage of population with access to electricity	>	Millions of people provided with access to electricity	
	GITAL	>	GW of renewable energy capacity enabled	
Di	gital connectivity			
_	rcentage of population using the internet gital services	>	Millions of people using broadband internet	
Sta	ate of online e-government service provision	>	Millions of people using digitally enabled services	
	ROSS-CUTTING THEMES ender equality (measured through gender -disaggregated	outcomes acro	oss themes)	
-		>	Millions of people benefitting from actions to advance gender of which (%) from actions that expand and enable economic	equality,
	pulation that own a financial account, total (% population es 15+) and female (% female population ages 15+)	)	opportunities  Millions of people and businesses using financial services, of	which
. 104	nre and hetter iche		(%) are women	
Wa	ore and better jobs age and salaried workers, total (% total employment) and	<b>\</b>	Millions of new or better jobs,	
	male (% female employment) outh not in education, employment, or training, total (%	/	- of which (%) for women	
yo	uth population) and female (% female youth population) etter lives for people in fragility, conflict and violence (n	neasured three	- of which (%) for youth	
Pe	rcentage of population in FCS countries living in extreme	neasured tillou	Millions of displaced people and people in host communities	
	verty (at \$2.15/day) llions of displaced people in need of protection	/	provided with services and livelihoods	
	pre private investment		At the second se	
Pri	ivate investment as a percentage of GDP	<b>&gt;</b>	\$ billions in total private capital enabled	

# ORGANIZATIONAL EFFECTIVENESS AND EFFICIENCY DASHBOARD

An updated version of this document to include and overview of Organizational Effectiveness and Efficiency Dashboard will be posted before the Annual Meetings.

## ANNEX 2. IDA21 POLICY PACKAGE VISUALIZATIONS

# **IDA21 Policy Bento Boxes**



## **Introduction to the Policy Bento Boxes**

**IDA21 FOCUS AREAS** 



**People** 



<u>Planet</u>



**Prosperity** 



<u>Infrastructure</u>



**Digital Transformation** 

**IDA21 LENSES** 



**Gender Equality** 







Private Investment

# IDA21 Policy Bento Boxes Introduction



The IDA21 Policy Bento Boxes highlight what IDA21 aims to deliver and commits to reporting on. IDA works across multiple sectors and in 77 countries to end poverty on a livable planet. With this vast mandate, the 21st cycle, IDA21, organizes its policy package into five Focus Areas and four Lenses. The Policy Bento Boxes below are single-page overviews of what IDA21 aims to deliver in each of these nine policy areas during FY26-28. The Policy Bento Box brings into view three elements grouped as Planning, Implementing, and Achieving. IDA21 commits to reporting on all items under these elements at its Mid-Term Review in December 2026, a Retrospective in December 2028, or more frequently as stated. The Bento Boxes also identify a policy area's link to specific Sustainable Development Goals (SDGs); however, IDA21 does not intend to assess its contributions to attainment of the SDGs.



## **PLANNING**

### **Strategic Approach**

The IDA21 Policy Bento Boxes bring into view key priorities that guide IDA's and the World Bank Group's Strategic **Approach** to respective Focus Area or Lens by, for example, describing relevant thematic strategies or key related actions, or laying out how IDA21 helps advance partnerships.

All items under the "Planning" compartments of the IDA21 Policy Bento Boxes will be reported on at the IDA21 MTR and Retrospective.



#### **Policy Commitments**

There are two types of Policy Commitments in IDA21-Country-Level Actions and Institutional Actions.

Policy Commitments that are unique to a Focus Area or Lens are marked with the respective policy area's icon, be it a Country-Level or Institutional Action:















Additionally, IDA21 commits to seven Policy Commitments that underpin and cut across the policy package. These are all Institutional Actions and hardwire the World Bank Group's Evolution reforms into IDA21. The Policy Bento Boxes have illustrative examples of the Evolution-related Institutional Actions. They appear in various Policy Bento Boxes by the respective icons:













All items under the "Implementing" compartments of the IDA21 Policy Bento Boxes will be reported on at the IDA21 MTR and Retrospective. The WBG Evolutionrelated commitments will be reported at an aggregate institutional level, drawing upon progress in respective actions in the policy areas.

## **ACHIEVING**

#### **Outcomes**

IDA21 aims to deliver important development Outcomes consistent with the 22 results indicators in the World Bank Group's new Scorecard:

- IDA21 will measure Outcomes, rather than outputs, with a focus on results that improve people's well-being. Indicators will meet the highest standards of rigor and transparency, and their methodologies will be publicly available.
- As relevant, reporting will be disaggregated by demographic or client segments: by sex, youth, disability inclusion, country income groups, region, Fragile, Conflict-affected or Violent Situations (FCS), Small States/SIDs/LDCs, and joint programming.
- Expected and actual results of IDA-financed operations will be reported annually starting October 2026. These will also be included the MTR and in the Retrospective.
- Complementary Results Narratives will aim to assess those WBG contributions not captured by quantitative indicators alone-these will all include examples from IDA countries.
- An approach to adaptive management will inform IDA's client dialogue.

### **Corporate Outcome Targets**

IDA21 helps achieve ambitious World Bank Group corporate targets through operations in IDA countries.

IDA21 supports global efforts to achieve the SDGs. This box shows which SDGs the policy area is linked to. Note that IDA21 does not report against the SDG indicators.







## PEOPLE Focus Area



IDA invests in people - the world's most precious resource: IDA is the largest financier of health, education, and social protection in low-income countries. IDA financial commitments for human capital doubled from \$10.9bn in IDA15 to \$21.7bn in IDA19. The COVID-19 crisis highlighted the fragility of human capital, with significant reversals e.g., it is estimated that learning poverty increased to 89% in IDA/Blend countries during the pandemic. IDA21 will support a rapid, robust, ambitious, and sustained effort to help IDA countries develop and protect their populations' human capital. The selected results below focus on points in the lifecycle that shape a person's future, within IDA's much broader core work to provide affordable, quality services to people through strengthened service delivery systems in health, education, and social protection.



## **PLANNING**

### **Strategic Approach**

Investments in human development are intrinsically important for individual well-being, and instrumental to productivity and social and economic development. In IDA21, the People Focus Area targets Equity, Resilience, and Opportunity:

- Under Equity supporting universal quality, affordable healthcare (UHC), education, and social protection services, with particular attention to equitable access for the poorest, persons with disabilities, refugees, ethnic minorities, and marginalized groups.
- Under Resilience ensuring that people and social service systems can withstand shocks, incl. pandemics, climate, conflict and food insecurity, and service disruptions.
- Under Opportunity ensuring people have the human capital needed to find productive opportunities for a brighter future.

Adding to IDA20's focus on early childhood and maternal child health, IDA21 targets adolescence as a critical point in the lifecycle, incl. sexual and reproductive health, out-of-school children, and youth at risk.

The People Focus Area is closely linked to *Gender, Digital Transformation, FCV,* and *Jobs,* and contributes to a range of Scorecard results in these and other areas. It will also build on the on the 10 WBG Disability Commitments for education and social protection to mainstream disability inclusion.



## **IMPLEMENTING**

#### **Policy Commitments**

During the IDA21 cycle, special efforts will target key areas with impact on equity, opportunity, and resilience.

#### **COUNTRY-LEVEL ACTION**

Focus on children and adolescents: Support 40 countries to provide services to young people with a focus on early childhood and adolescent services.

#### INSTITUTIONAL ACTION

- Continuity of Services: IDA21 operations will strengthen crisis-readiness in health / education / social protection systems to limit disruptions in service delivery during pandemics, climate, food and nutrition insecurity, and other shocks.
- Scaling-up Impact: Implement Global Challenge Program (GCP) Health Emergency Prevention, Preparedness & Response (incl. Pandemic Preparedness Diagnostics as needed and scalable solutions to build resilience) and GCP Food & Nutrition Security (incl. innovative nutrition solutions and social assistance to bolster resilience and respond to food insecurity crises).
- Implement the Knowledge Compact with cutting-edge knowledge and scalable policy solutions, WBG Academy programs, and strong partnerships.
- Support implementation of the new Gender Strategy (2024-30) to end Gender-Based Violence, improve sexual and reproductive health, elevate human capital, expand and enable economic opportunities, and engage women as leaders.
- One WBG: collaboration with IFC and MIGA incl. in health on de-risking investments, local manufacturing of medical counter-measures, or in gender on women's leadership and economic empowerment, and reducing gender-based violence or harassment in companies.



### **ACHIEVING**

#### Outcomes

IDA21 will report annually on the following achievements (<u>Scorecard</u> indicator):

- Millions of beneficiaries of social safety net programs (1A)
- Millions of students supported with better education (2A)
- Millions of people receiving quality health, nutrition, and population services (3A)
- Number of countries benefitting from strengthened capacity to prevent, detect, and respond to health emergencies (3B)
- Millions of people benefitting from actions to advance gender equality (12A)

These results will be reported as IDA-specific, disaggregated by sex, and by FCS/non-FCS.

## **Corporate Outcome Targets**

IDA21 supports the achievement of existing, ambitious WBG commitments:

- The delivery of quality, affordable health services to 1.5 billion people by 2030.
- Reaching 500 million people with social safety nets by 2030, alongside other partners.













## **PLANET** Focus Area



IDA21 Planet Focus Area comprises Agriculture and Food, Climate Change, Environment, Natural Resources and Blue Economy, Social Sustainability and Inclusion and Water Security. IDA's net commitments in these areas have increased by 80 percent in ten years - from \$22bn in FY14 to \$39bn in FY24. The proposed IDA21 package scales up and deepens progress achieved in these areas during IDA20 and helps build client capacity and positions the WBG to support countries to prepare and deal with recurring shocks.



## **PLANNING**

### **Strategic Approach**

- Integrating climate and development: align all new IDA operations with the goals of the Paris Agreement since July 2023.
- Accelerate methane emission reduction by providing access to knowledge, technologies, and finance to scale up country-led methane programs while delivering major social, environmental, and economic benefits.
- Advance the sustainable management and conservation of forests landscapes for development, climate, and biodiversity creating economic opportunities and jobs, promoting conservation and enhancement of carbon stocks, and enhancing the conservation of the flora and fauna in forest landscape ecosystems.
- Nature Finance Tracking Methodology tracks World Bank Group investments that finance nature and support implementation of the Kunming-Montreal Global Biodiversity Framework, using the World Bank Group Nature Finance Tracking Methodology.
- Protect biodiversity and ecosystem services through support for integrated landscape management programs tackling resource exploitation, rural poverty, community rights, and land management incl. through channeling finance to local communities.
- Boost inclusive and equitable access to water, irrigation, and sanitation by managing water resources sustainably, including better measurement, allocation, storage, use, and integration of naturebased solutions, along with stronger governance, especially for shared water resources.
- Increase resilience in hunger hotspots by (i) fast-tracking implementation of Preparedness Plans at national, regional, and global levels and enhancing measurement and data systems; (ii) expanding Adaptive Social Protection systems; and (iii) increasing infrastructure investments for transporting food, incl. in emergency settings.
- Improve food nutrition security through food system transformation in a climate smart way, increasing food production through irrigation and climate smart agriculture, strengthening resilience of food systems and supporting the repurposing of agricultural subsidies.
- More systemic approach to citizen and civic engagement, tracked through the Organizational Effectiveness and Efficiency Dashboard.

## 0

## **IMPLEMENTING**

#### **Policy Commitments**

#### **COUNTRY-LEVEL ACTION**

- Climate Adaptation: Support at least 50 countries on adaptation and resilience policies and/or climate preparedness interventions. This support will be reflected in relevant new Country Partnership Frameworks (CPFs) and informed by Country Climate and Development Reports (CCDRs) in alignment with adaptation components of Nationally Determined Contributions (NDCs).
- Water Security: Support 30 countries to improve their capacity to design and implement equitable, inclusive, financially sustainable, and resilient water sector reforms and investment programs.
- Food Security: Support 45 countries to design and implement agriculture sector reforms and investments programs aimed at increasing food and nutrition security and sustainability of food systems.

#### INSTITUTIONAL ACTION

- Scaling-up impact: Implement the GCPs on Forests for Development, Climate, & Biodiversity; Food & Nutrition Security; Fast-Track Water Security & Climate Adaptation; and Enhanced Health Emergency Prevention, Preparedness and Response designed to tackle the nexus of climate adaptation, water and food systems while championing biodiversity and nature.
- Knowledge Compact: Develop CCDRs (26 IDA countries as of Sept. 2024) with actions to operationalize recommendations through analytics, policy dialogue, financing, and TA, and support countries to develop and enhance ambitious and comprehensive national climate plans and strategies (NDCs and LTSs).
- Strengthen client implementation capacity: Build capacity on environmental and social (E&S) risks, standards, and frameworks.
- Crisis Preparedness: Expanded Crisis Preparedness and Response Toolkit including: (1) Climate Resilient Debt Clauses; (2) redirecting financing; (3) linking crisis preparedness and financing; (4) private sector support; and (5) building enhanced catastrophe insurance.
- One WBG: Mobilize private capital through enabling reforms in the water and agriculture sectors as well as for climate action.
- **Cross-border externalities:** Support transboundary water development and management.



### **ACHIEVING**

#### Outcomes

IDA21 will report annually on the following headline achievements (*Scorecard* indicator):

- Net GHG Emissions per year (<u>5A</u>)
- Millions of beneficiaries with enhanced resilience to climate risks (<u>5B</u>)
- Millions of hectares of terrestrial and aquatic areas under enhanced conservation/ management (5C)
- Millions of people provided with water, sanitation, and/or hygiene, of which (%) is safely managed (6A)
- Millions of people with strengthened food and nutrition security (7A)

As relevant, these results will be reported as IDA-specific, disaggregated by sex, and by FCS/non-FCS.









## PROSPERITY Focus Area

Policy Bento Box DA21

The Prosperity Focus Area supports the performance of IDA countries across the key dimensions of economic policies, finance and private sector development, institutions, and poverty. It promotes the integration of analytics with financing through the use of enhanced core diagnostics produced by the WBG to inform public policies, technical assistance, and financing operations. Working closely with global partners, this Focus Area will support i) efficient and equitable domestic resource mobilization through improvements in tax policy and tax administration; ii) public debt sustainability and sound debt management; (iii) evidence-based policy making; and (iv) institutional strengthening. It also supports the jobs agenda as well as private investment by addressing illicit financial flows, promoting financial inclusion, supporting financial market development, and fostering inclusive trade.



## **PLANNING**

### **Strategic Approach**

- Holistic, integrated approach to tackling challenges across economic policies, finance, private sector development and trade facilitation, governance and institutional capacity, and poverty reduction, encompassing support for the creation of more and better jobs, particularly for youth and women, and scaling up private investment by combating illicit financial flows, deepening financial markets, fostering financial inclusion, and green, resilient and inclusive trade—while crowding in private capital by increasing IDA financing of risk capital (derisking instruments and enabling policy work).
- More impact through tighter integration of analytics and financing focused on the revamped and upgraded core diagnostics including the Country Growth and Jobs Report, Public Finance Review, Poverty and Equity Assessment, Country Private Sector Diagnostic (CPSD 2.0), as well as the Financial Sector Assessment Program (FSAP).
- Increased collaboration in critical areas by working across the WBG and other IFIs (IMF, MDBs), WTO, OECD, bilaterals, global and local think tanks, and development partners.
- Results orientation with stronger focus on the most vulnerable countries for TA and analytical support, stressing sustainability and coordinated, programmatic engagements.
- Strengthen client implementation capacity: Support clients on climate finance, data for evidence-based policymaking, DRM, and debt management through the WBG Academy.
- Build capacity in debt management for debt sustainability and debt transparency, leveraging IDA's Sustainable Development Financing Policy (SDFP) and the application of the joint WB-IMF Low-Income Countries Debt Sustainability Framework.

## O

## **IMPLEMENTING**

#### **Policy Commitments**

#### **COUNTRY-LEVEL ACTION**

- Domestic Resource Mobilization (DRM): Support effective, efficient, and equitable domestic resource mobilization (improving fairness and progressivity, and utilizing the additional fiscal space for propoor spending) and prudent fiscal management in countries with tax-to-GDP ratio below 15% (41 countries as of June 2024) through comprehensive core diagnostics (PFR), technical assistance, and/or financing engagements.<sup>1</sup>
- Evidence-based Policy Making: Assist 30 countries with foundational poverty data older than five years by financing the collection and dissemination of household surveys.
- Debt Sustainability: Support debt sustainability and debt transparency in all IDA countries at moderate or higher risk of debt distress (59 countries as of August 2024) through technical assistance, knowledge, and/or financing engagements.

#### INSTITUTIONAL ACTION

- Institutional Strengthening: Support the strengthening of governments' institutional capacities and anti-corruption efforts in core government functions, including public financial management, public procurement, public administration, and/or institutional dimensions of social and environmental aspects, among others, through technical assistance, knowledge, and/or financing engagements.
- Knowledge Compact: Implement upgraded core diagnostics to be more tightly integrated with Bank operations and support the roll out of the WBG Academy.
- One WBG: Enable and mobilize private capital through One WBG, with close collaboration between IDA, IFC, and MIGA, including through IDA guarantees under the WBG Unified Guarantee Platform.
- Cross-border externalities: Facilitate regional approaches to common challenges (e.g., cross-border payments, trade acceleration, data systems); support regional capacity building.

1 Support provided to DRM would also leverage enhanced partnerships, including with the IMF, the OECD, and others.

### **ACHIEVING**

#### Outcomes

IDA21 will report annually on the following headline achievements (*Scorecard* indicator):

- Countries at high risk of, or in, debt distress implementing reforms toward debt sustainability (4A)
- Countries with tax revenues-to-GDP ratio at or below 15% (including social security contributions) increasing collections, considering equity (4B)







## **INFRASTRUCTURE** Focus Area



IDA21 Infrastructure Focus Area comprises Energy, Transport, and Urban & Disaster Risk Management. IDA remains a critical partner in these areas with net financial commitments increasing by 69 percent in the last 10 years - from \$36bn in FY14 to \$62bn in FY24. The proposed IDA21 package scales up electricity access, energy transition, and provision of improved urban and transport infrastructure and services and strengthens capacity for disaster risk management.



## **PLANNING**

### **Strategic Approach**

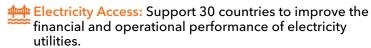
- Achieving universal energy access while accelerating the energy transition.
- Deepening support for renewable energy integration with a focus on transmission and distribution network and battery storage development, and creating enabling policy, regulatory, and institutional conditions for facilitating private investments in renewable energy.
- Promote G20 Principles on Quality Infrastructure Investments (QII).
- Reform utilities to undertake essential functionsoff-takers for renewable energy, expanding networks, raising capital for investments, and keeping power affordable and reliable.
- Develop regional and cross-border infrastructure solutions in energy and transport.
- Provide essential services to urban populations and make cities livable and more resilient. Increase financing and technical support to expand critical urban infrastructure and services including solid waste management, housing, clean cooking, flood risk mitigation, disaster preparedness and response, urban renewal etc.
- Support strengthening institutions and regulatory systems that provide for sustainable urban planning, city management and service delivery.
- Provide access to urban transport services to address access to jobs and supply chains. Expand services to address gaps in missing transport infrastructure and systems. Support effective and dependable logistics services.



## **IMPLEMENTING**

#### **IDA Policy Commitments**

#### COUNTRY-LEVEL ACTION



← Urban Services: Support 18 countries with municipal engagements-through financing, knowledge, and technical assistance-for sustainable and resilient urban and transport infrastructure and services.

#### INSTITUTIONAL ACTION

- Scaling-up impact: Implement Global Challenge Program (GCP) for Energy Transition, Efficiency & Access in IDA countries.
- Nowledge Compact: WBG Academy Programs to support capacity development of utilities and cities, incl. Galvanizing Energy Access & Transition (covering energy access, energy efficiency, renewable energy and network integration, and utilities). The Academy Program on Disaster Risk Management will continue offering the Resilience & DRM Learning Lab. The Livable Cities Academy will provide technical trainings to support cities on city financing and sustainable urban service provision. The Academy Program on Leaders in Urban Transport Planning will continue to train transport professionals from our client countries in designing and implementing sound urban transport programs and policies.
- Cross-border externalities: Scale-up IDA support through the Global & Regional Opportunities Window (GROW), including regional power pools and transport infrastructure.
- One WBG: Enable and mobilize private capital, including the use of IDA guarantees under the MIGAhoused WBG Guarantee Platform.



## **ACHIEVING**

#### **Outcomes**

IDA21 will report annually on the following headline achievements (Scorecard indicator):

- · Millions of people that benefit from improved access to sustainable transport infrastructure and services (8)
- Millions of people provided with access to electricity (9A)
- GW of renewable energy capacity enabled (9B)

#### **Corporate Outcome Targets**

IDA21 supports the achievement of existing WBG commitments:

 Providing improved access to electricity to 250 million people in Sub-Saharan Africa by 2030, reaching 300 million people jointly with the AfDB.







## **DIGITAL TRANSFORMATION** Focus Area



Nearly two-thirds of people in IDA countries still lack access to the internet, the essential gateway to participate in the digital society, economy, and government. IDA21 can play a significant role in putting in place the critical foundations and enablers for Digital Transformation, building on the proven, effective and sustainable strategies of previous IDA cycles. IDA has achieved significant impact, particularly in Sub-Saharan Africa, where 3G broadband penetration tripled from 12% in 2016 to 37% in 2023. Globally, through IDA19-20 commitments (FY21-25), over 40 IDA countries and 300 million people are expected to benefit from inclusive and affordable access to and usage of broadband connectivity. IDA21 will continue to build inclusive, affordable, and interoperable foundations and enablers for digital transformation, enabling other Focus Areas and Lenses and paving the way for widespread digital adoption across IDA countries



### **PLANNING**

## **Strategic Approach**

- Enabling policy and regulatory environment and strengthening regulatory capacity.
- Increasing access and affordability of devices and data services.
- Promoting interoperable DPI and sectoral registries with verifiable IDs and enhancing digital trust to tackle cybersecurity, privacy, transparency and accountability.
- Strengthening digital capabilities and promoting whole of govt approaches to scale the adoption of digital services.
- Increasing women's internet access and usage to contribute to the implementation of the WBG Gender Strategy.
- Expanding access to digital connectivity and services for people in FCV-contexts to strengthen crisis resilience, mitigate grievances, foster trust, and unlock economic opportunities.
- Supporting decarbonization by adoption of Digital tools across sectors, contributing to Climate Co-Benefits, especially adaptation.
- Accelerating Digital Transformation by enhancing private sector engagement through partnerships and innovative financing mechanisms.



## **IMPLEMENTING**

### **Policy Commitments**

#### COUNTRY-LEVEL ACTION



Digital Access: Support 50 countries to increase access to inclusive, affordable, safe and sustainable broadband connectivity and/or digital platforms including through approaches leveraging private sector investment.

#### INSTITUTIONAL ACTION

- **Knowledge Compact:** a Digital Academy will boost IDA clients' capacity to adopt better polices, design of investments, and reform programs.
- Scaling-up impact: The Accelerating Digitalization Global Challenge Program (GCP) will fast-track affordable broadband for all; scale up inclusive and safe digital public infrastructure; and build digital skills for jobs.
- Cross-border externalities. Support will be emphasized for cross-border digital infrastructure deployment, digital market integration and policy harmonization, and deployment of interoperable digital services at scale.
- One WBG: mobilize and enable private capital and integrated public-private solutions.



## **ACHIEVING**

#### Outcomes

IDA21 will report annually on the following headline achievements (Scorecard indicator):

- Millions of people using broadband internet (10), including both new subscribers and existing subscribers experiencing enhanced broadband internet service (based on ITU standards).
- Millions of people using digitally enabled services (11), including new digitally delivered services and enhancements to existing digitally delivered services (through the internet, cloud computing, AI, etc.), provided by the public or private sector.
- These results will be reported as IDAspecific, disaggregated by sex, and by FCS/non-FCS.







## GENDER EQUALITY Lens



Gender equality has been a priority for successive IDA replenishments. The WBG Gender Strategy 2024-2030 sets a new ambition to accelerate gender equality - its implementation in IDA countries requires a strong IDA21. The World Bank Group's ambition to accelerate gender equality is anchored in the WBG Scorecard and the IDA21 Policy Package. IDA21 commits to implement the WBG Gender Strategy in all countries in a customized manner to address binding constraints to gender equality.



## **PLANNING**

### **Strategic Approach**

IDA21 enables the implementation of the 2024-30 <u>WBG Gender Strategy</u>, which prioritizes 3 objectives measured by 6 outcomes:



IDA21 Gender Equality Lens promotes the integration of gender equality as a core element in the IDA21 policy package. For example, People's focus on services for adolescents includes investments in adolescent girls' education and sexual and reproductive health, and Jobs lens advances more and better jobs for women and youth with a focus on productive employment.



## **ACHIEVING**

#### **Outcomes**

IDA21 will report annually on the following headline achievements (<u>Scorecard</u> indicator):

- Millions of people benefitting from actions to advance gender equality, of which (%) from actions that expand and enable economic opportunities (12A)
- Millions of people and businesses using financial services, of which (%) are women (12B)

In the WBG Scorecard, 15 indicators - all indicators that track beneficiaries - will report female beneficiaries, including on financial and digital services, education, safety nets, health, jobs, and water.

The WBG Gender Strategy Results Framework will be reported for IDA support.



## **IMPLEMENTING**

#### **Policy Commitments**

#### INSTITUTIONAL ACTION

Gender Equality: Implement the WBG Gender Strategy in all IDA countries with an emphasis on Gender-Based Violence (GBV), Economic Participation, and Sexual and Reproductive Health (SRH). SRH will be addressed through WBG interventions in X countries.

The 2024-30 WBG Gender Strategy aligns with the Evolution priorities by emphasizing:

- Knowledge Compact: Integrate gender analysis into core analytics to influence policy dialogue, prioritizing specific gender equality outcomes, and advance these outcomes in a coherent manner.
- Scaling-up impact: Advance gender solutions through Global Challenge Programs. Replicate and implement programs at scale, including through supporting institutional and policy reforms and mobilizing the private sector.
- One WBG: Enable private capital investment including through analysis, policy, investment, and quarantee products.
- Outcome Orientation: Introduce new indicators for the IDA21 Scorecard and WBG Gender Strategy results framework that collectively capture the scale, inclusiveness, ambition, and effectiveness of outcomes of WBG support to advance gender equality.

















The World Bank Group's ambitious goal of ending poverty on a livable planet will not be achieved without substantial progress in fragility, conflict, and violence-affected (FCV) contexts. By 2030, 60% of the world's extreme poor are projected to live in areas on the WBG's List of Fragile and Conflict-affected Situations (FCS). Building on experience and guided by the <u>WBG's FCV Strategy</u> in IDA20, roughly 40% of new IDA financing commitments are for FCS. The FCV Lens in IDA21 significantly deepens IDA's longstanding support with a focus on prevention, resilience, and adaptiveness, as well as a clear commitment to outcomes that help address FCV drivers and build resilience.



## **PLANNING**

### **Strategic Approach**

IDA21 will support and deepen implementation of the FCV Strategy and its MTR recommendations (summarized by the acronym "ADAPT") by:

- <u>ANTICIPATING</u> needs in FCS: continuing to <u>invest in FCV</u>
   <u>Diagnostics</u> (RRAs) that help leverage WBG country engagements to address and mitigate drivers of FCV and bolster sources of resilience.
- Responding <u>DYNAMICALLY</u>: supporting <u>adaptive management</u> in FCV for enhanced delivery (early risk monitoring, dynamic decisionmaking, focus on contributing to prevention).
  - Strengthening IDA's FCV Envelope: improved targeting and investment in upstream prevention; focus on performance and commitment; increased flexibility: new qualitative pathway and expanded eligibility and financing options.
  - Continuing emphasis on forced displacement, including IDPs through a focus on inclusive approaches (freedom of movement, self-reliance, inclusion in national systems) in operations and addressing IDP needs within broader context of conflict-affected populations.
- <u>ADVANCING</u> engagement with the private sector through derisking and facilitating private sector development (e.g., IDA's PSW and IFC/MIGA investments).
- Focusing on critical <u>PARTNERSHIPS</u>, including judicious and flexible use of third-party implementation (TPI) to ensure service delivery in challenging contexts while building national capacity.
- Building strong WBG <u>TEAMS</u>, improving support to WBG staff working on FCV throughout the personnel life cycle including recruitment, building talent pipeline, supporting staff safety and health, incentives, clarifying career paths, and clear FCV roles and responsibilities.

A planned independent evaluation of the FCV Strategy by IEG will offer a key opportunity to assess progress and identify lessons to improve delivery and effectiveness.

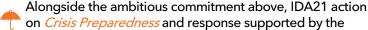


## **IMPLEMENTING**

### **Policy Commitments**

#### INSTITUTIONAL ACTION

Addressing FCV Drivers and Sources of Resilience:
CPFs/CENs for IDA FCS and FCV Envelope countries will
have strategic objectives that reflect how the WBG
program, in collaboration with relevant partners, will help
address FCV drivers and sources of resilience based on
Risk and Resilience Assessments (RRAs) or other FCV
diagnostics.



- Crisis Preparedness and Response Toolkit, the *One WBG* approach to mobilizing private capital and providing integrated public-private solutions, and a scaling up of IDA
- support to address *Cross-border Externalities* will have particular relevance for FCS countries that are highly vulnerable to crises, in urgent need of private investment, and often struggling with conflicts that cross national borders.

IDA21 extends IDA's focus on improving country engagement in FCS with a deepened ambition. IDA20 focused on operationalizing the FCV Strategy by ensuring that Country Partnership Frameworks (CPF) or Country Engagement Notes (CEN) reflect how the WBG would help address drivers of FCV and build sources of resilience. IDA21 goes further by committing to focus CPF outcomes and objectives on these issues.

FCV is a *risk multiplier* to other development challenges. The policy commitment above complements IDA21 Focus Areas and Lenses by ensuring that country engagement strategies in FCS are adapted to deliver development outcomes that also contribute to addressing the drivers of FCV, improving the enabling context for future development in each area.



## **ACHIEVING**

#### Outcomes

IDA21's FCV Lens offers insights across all indicators on the WBG *Scorecard*.

- All outcome areas will report results in FCS, providing visibility on how IDA supports populations living in fragile and conflictaffected situations. (22 indicators)
- The Scorecard includes an indicator on the millions of displaced and host community people provided with services and livelihoods through WBG support. (Indicator 13A)
- The Scorecard will also monitor the overall number of extreme poor living in FCS (context indicator).





# JOBS Lens



IDA21 will continue prioritizing growth and economic opportunities for people, with emphasis on creating more and better jobs. It will focus on upgrading diagnostics tools and strengthening the link between analytics and operations to promote policy reforms with greater impact on job creation. The Jobs Lens ensures that interventions across the five IDA Focus Areas, as well as IFC and MIGA, contribute to this priority. It links closely to the Private Investment Lens, given the centrality of fast-growing firms in creating more and better jobs. The proposed IDA21 policy package anticipates stepped-up support to more IDA countries in analyzing, proposing, and supporting the implementation of impactful policies for creating more and better jobs through Bank Group operations.



## **PLANNING**

#### **Strategic Approach**

- Incorporate a jobs lens in WBG core analytics to improve the focus on the creation of productive employment opportunities in IDA countries, to enhance country-tailored diagnostics and strengthen the link between analytics and operations in support of policy reforms for more and better jobs. Revamped core analytics include: the Country Growth and Jobs Report (former CEM) and the Country Private Sector Diagnostic (CPSD 2.0).
- New policy framework to foster enhanced policy coherence and strategic coordination of interventions with a focus on three pillars:
  - Production: facilitating entry, investment, and growth of productive firms.
  - People: empowering workers with relevant skills and connecting them to well-suited jobs.
  - Places: delivering better infrastructure and connectivity.
- Increased emphasis on digitalization (gig economy), gender (boosting women's economic participation) and climate change (green jobs), as integral components of the jobs agenda.
- Jobs-related interventions contribute to other WBG results captured by the Scorecard, including on private investment, better education and health outcomes, GHG emissions, private capital mobilization, and gender equality.



## **IMPLEMENTING**

**IDA Policy Commitments** 

#### INSTITUTIONAL ACTION

- More and Better Jobs: Support the creation of more and better jobs, particularly for youth and women, through WBG financing engagements, knowledge, and/or technical assistance.
- Knowledge Compact: Implement upgraded core diagnostics (Growth and Jobs Report) to be more tightly integrated with Bank Group operations. Support governments in formulating and analyzing polices for more and better jobs through the WBG Academy.
- Outcome Orientation: Increased accountability and focus on results measurement of One WBG contributions to the creation of productive employment opportunities through a new Scorecard indicator on jobs.
- Cross-border externalities: stronger job creation in IDA countries and more effective management of migration flows will benefit all countries.
- One WBG: Deliver a more cohesive and strategic portfolio of interconnected and complementary projects at country level leveraging synergies across IDA, IFC, and MIGA.



## **ACHIEVING**

#### Outcomes

IDA21 will report annually on the following headline achievements (<u>Scorecard</u> indicator):

 Millions of new or better jobs, of which (%) for women and (%) for youth (14)







## PRIVATE INVESTMENT Lens



The IDA21 Private Investment Lens aims to scale up private investment through Private Capital Mobilization (PCM) and Private Capital Enabled (PCE). This approach leverages WBG collaborative efforts such as IDA's Private Sector Window (PSW), WBG Guarantee platform, Global Challenge Programs, and the WBG's role as a Knowledge Bank to build capacity in-country and develop replicable interventions at scale. IDA21 utilizes several diagnostic tools to stimulate investment reforms including the revamped Country Private Sector Diagnostics 2.0, Investment Climate Assessments Toolkit, new B-READY Flagship Report, Trade Competitiveness Diagnostics, and Financial Sector Assessment Program. This is reinforced by two new Scorecard indicators on PCM and PCE to enhance reporting and measure outcomes.



## **PLANNING**

### **Strategic Approach**

Achieve PCM and PCE by leveraging diagnostics, technical assistance, and lending operations to:

- Improve regulatory/business environments by addressing impediments to business operations, markets and competition, trade, and foreign investment.
- Enable mobilization by deepening financial markets, including domestic capital markets and facilitating local currency financing.
- Use our lending to support greater financing of risk capital to de-risk and thereby crowd-in private capital e.g., Guarantee Platform, new de-risking instruments.
- Complement the IDA21 Jobs, FCV, and Gender Lenses as well as policy commitments in all five IDA21 Focus Areas.



### **IMPLEMENTING**

### **IDA Policy Commitments**

#### **COUNTRY-LEVEL ACTION**

Financial Sector Deepening: Support 20 countries in the development of domestic capital markets by addressing critical impediments identified in WBG diagnostics.

#### INSTITUTIONAL ACTION

- Business Environment: Support the implementation of regulatory and institutional reforms addressing critical impediments to private investment as identified by WBG diagnostics, and/or provide direct support through WBG engagements.
- Scaling-up impact: Use the Knowledge Compact and Global Challenge Programs to build capacity in-country and develop replicable interventions at scale. The six GCPs provide significant opportunities for using and attracting private investments owing to their integrated public-private sector solutions.
- Knowledge Compact: Use knowledge tools to stimulate investment reforms. Core tools include the revamped and upgraded Country Private Sector Diagnostics 2.0 and Country Growth and Jobs Report (CEM 3.0). Build client capacity on Climate Risk Finance through the WBG Academy.
- One WBG: Mobilize private capital through WBG collaborative efforts e.g., PSW, WBG Guarantee Platform and JCAP, scaling both volume and delivery efficiency.

Optimizing the WBG balance sheet through new credit enhancement tools.



## **ACHIEVING**

#### Outcomes

IDA21 will report annually on the following headline achievements (*Scorecard* indicator):

- Billions in total private capital enabled (PCE, <u>15A</u>): Value of private investments resulting from WBG programs expected to materialize within three years of a project's closure.\*
- Billions in private capital mobilized (PCM, <u>15B</u>): Financing contributed by private entities alongside a commitment, including financing or guarantees, or technical assistance delivery made by the World Bank, IFC, and MIGA.

\*PCE indicator inclusion in Corporate Scorecard is pending review and approval.







