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The World Bank Africa Group I Constituency Newsletter is published quarterly by the Office of the Executive Director for Africa Group I.

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The Office of the Executive Director for Africa Group I Constituency acts as the resident representative for its member countries. The office protects the individual and collective interests of its member countries in World Bank Group affairs. The Office has a chair on the Board of the World Bank Group (IBRD/IDA, IFC and MIGA). It is one of the twenty-four chairs on the Board.

Executive Directors are responsible for the conduct of the general operations of the Bank and exercise all the powers delegated to them by the Board of Governors under the Articles of Agreement. Executive Directors consider and approve or reject IBRD loan and guarantee proposals, IFC investments, as well as IDA credits, grant and guarantee proposals made by the President. They also decide on polices that guide the Bank’s general operations. They are responsible for presenting to the Board of Governors at the Annual Meetings, an audit of accounts, an administrative budget, and an annual report on the Bank’s operations and policies as well as other matters. In shaping Bank policy, the Board of Executive Directors takes into account the evolving perspectives of member countries on the role of the Bank Group as well as the Bank’s operational experience and policy. The Executive Directors have Board sub-committees that monitor Bank Group operations. The sub-committees are serviced by independent evaluation and audit entities.

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Responding effectively to the consequences and impact of the on-going financial and economic crisis continued to claim greater discussion over the last three months. For Africa, the associated challenges are huge. Countries that previously appeared to be shielded from the crisis, had different stories to tell, as they were all being seriously impacted in different ways. While most countries were already taking measures on their own to cope with the global economic slowdown, all still looked up to the Bank for some form of support and assistance, to tide through the crisis.

The Bank has tried within the limited available IDA resources, to extend timely support to Sub Saharan Africa. In this regard, the Africa Region has performed creditably well in terms of commitments made to the region during the past quarter, as it recorded the largest number of approved projects and commitments for the region this year, within a very short period. Most of these projects have been highlighted in this edition. It is sincerely hoped that implementation would also be carried out at equally rapid pace.

In addition, a number of internal reforms aimed at improving Bank’s mode of doing business and engaging with its clients, are under discussion, and will be elaborated upon in subsequent editions, as they crystallize.

In a similar vein, the Board, Management and Staff have accelerated work on the second phase of the voice reform, as requested by the Development Committee. In this regard, the Development Com-
The Issue

Like many other developing countries, African countries in general are experiencing the adverse impact of the current financial crisis. Several of these countries, particularly those in sub-Saharan Africa are experiencing stagnating or falling growth rates accompanied by substantial macroeconomic and social cost. It is axiomatic that such situations, exacerbated by the consequences of the recent food and fuel crisis, would prove detrimental to these countries’ efforts towards the human development objectives of the MDGs and poverty reduction.

Among the global financial institutions, the World Bank Group (comprising the IBRD, IDA, IFC, MIGA and ICSID) is one of the most prominent in terms of providing funding to promote and support development activities. The Group’s collective mission is to fight poverty with passion and professionalism for lasting results. This includes helping people help themselves and their environment by providing resources, sharing knowledge, building capacity and forging partnerships in the public and private sectors.

In carrying out its mission the World Bank Group is making efforts to be increasingly responsive to current and evolving socio-economic and governance situations. It is currently planning and undergoing several reform measures to increase its responsiveness to the fast changing and diverse needs of its clients.

It is also noteworthy that the Bank has trebled IBRD lending and fast tracked IDA 15 commitments. In continuation of these efforts, the Bank is in the process of initiating several modalities designed to mobilize increased public and private resources, for the benefit of all eligible members. However, in order to best capitalize on these opportunities and modalities, it would seem prudent for member states to strategize their approach of engagement with the Bank. Such approach would facilitate, more expeditiously, a member state or region’s influence on policy issues and maximize access to funding opportunities.

Developing Consensus Around a Strategic Framework

Accepting the adage that ‘in unity there is strength’, it would seem advisable that sub-Saharan Africa, and Africa in general, develop a strategic framework to engage the World Bank Group not only to promote the interest of Africa in its development agenda, but also to facilitate the World Bank Group carrying out its mission “to fight poverty with passion and professionalism for lasting results”. It is within this context that a Working Session is being planned as a joint Pan African initiative to develop a strategic framework. This initiative is being under-
taken under the auspices of the African Union, the Government of Zambia and the Offices of the Executive Directors of Africa Groups I and II Constituencies and relevant World Bank Group entities. The Working Session is slated to be held in Livingstone, Zambia, September 1-3, 2009.

The general objective of the Working Session is to identify, deliberate on and map out ways and means to maximize members’ participation in and benefits from existing and planned financing instruments at WBG. In this context, participants would have the opportunity to obtain a clearer and deeper understanding of the current and pending available financing instruments at the WBG for supporting development efforts in member countries. They would also be able to collectively review selected experiences of other regions’ engagements with the World Bank Group, drawing appropriate lessons that would guide members in strategizing their engagements with the WBG. The Working Session would further facilitate African countries’ effective participation in formulating strategic approaches and interventions aimed at increasing African Groups I and II benefits and shares from these financing instruments as well as contributing to the reformulation of the WBG Africa Strategy and Action Plan.

Finally, the Working Session expected outcome would be manifested in an enhanced Africa constituencies’ capacity to engage the WBG and participate effectively in its lending and advisory services activities. The expected outcome would also include the production of an operational framework with a strategic action-plan aimed at maximizing member’s participation in and benefits from existing and planned financing instruments at WBG. The action plan shall be presented to the African Governors of the Bank to guide their engagement with the Bank management during and after the 2009 Annual meetings.
At its April 2009 meeting, the Development Committee agreed to accelerate work on the second phase of the voice and participation reform with a view to reaching agreement by the 2010 Spring Meetings. It also agreed that the discussions must involve all shareholders in a transparent, consultative and inclusive process.

As part of the steps taken towards achieving this mandate, the Development Committee Deputies met in Washington DC on June 25, 2009, to discuss and provide guidance for the second phase of the World Bank Voice and Participation Reforms. The meeting was well attended by several deputies from the capitals. Our Constituency was represented by Nigeria (DC Member) along with Uganda (DC Associate) and South Africa.

Deputies’ discussions were guided by an Options Note which focused on a set of six broad issue areas, with extensive explanations on each of the six questions (the ED’s Office had earlier circulated copies of the Options Notes to Governors, for their comments and/or advice). Issues addressed covered: possible criteria for IBRD share reallocation; mechanism for IBRD reallocation; IFC voting shares; allocation of IDA shares; timing / modality for any shifts in voting power, among others.

Overall, good progress was made, in terms of getting a clearer sense of the concerns and interests of shareholders. While some level of broad consensus were emerging in some areas such as: Basis for country shareholdings in IBRD – use of country’s economic weight in the world economy, measured according to some generally acceptable methodology yet to be specified; contributions to the WBG mandate, to include IDA contributions to IDA in some ways, yet to be agreed. There was also general support for the proposal that shift in shareholding should be accomplished through some form of capital increase, such as Selective, General, or a combination of both - yet to be agreed. On the other hand, there were a number of critical areas of concerns to shareholders, on which there clearly was no agreement at that point in time. However, is that the forum provided opportunity for all to lay their cards on the table. There were no negotiations, just stating of positions. It is therefore hoped that a lot of consultations, negotiations and re-thinking will take place among shareholders between June and the next DC Deputies meeting, ahead of the 2009 Annual Meetings.

For sub-Saharan Africa, it is key that the gains of the first phase of the reform remains intact with room for further improvement. This case should and must be made during the debates.

The next meeting of the DC Deputies is scheduled to hold sometime in September, 2009. In the meantime, Governors will continue to be briefed on further developments and consulted for guidance.
The African Group I Constituency of the World Bank and the IMF under the Chairmanship of Honorable Mousa Bala-Gaye, then Minister of Finance of The Gambia, held its statutory biannual meeting at the margins of the Annual Meetings of the African Development Bank in Dakar, Senegal, on May 12, 2009.

The minutes of the meeting will be considered and approved at the next Statutory meeting in Istanbul, Turkey in October, 2009. The following are highlights of the key issues considered.

**The Third Chair for Sub Sahara Africa on the World Bank Boards**

The Report by the Constituency Chair on the Joint Bureau Meeting of AFG 1 & 2 Constituencies held in Washington DC on April 25, 2009 was presented. The key highlights were the decision on the three guiding principles (size of the new groups, minimum voting power and sovereign choice) and timeline of actions to be undertaken ahead the next regular election of Executive Directors in October 2010. Four possible options for the reconfiguration were proposed and the Executive Directors of both Constituencies were mandated to develop options for consideration by all member countries at the meeting of the African Caucus in Freetown, Sierra Leone, in August 2009.

**Confirmation of DC and IMFC Members, Alternates and Associates from April 2010 to October 2010**

The following DC and IMFC representatives for the Constituency were confirmed:

**DEVELOPMENT COMMITTEE**

- **Member**: Nigeria (West)
- **Alternate**: Kenya (East)
- **Associates**: The Gambia (West), Malawi (South), Sierra Leone (West), Uganda (East), Botswana (South), Mozambique (South)

**INTERNATIONAL MONETARY FINANCIAL COMMITTEE**

- **Member**: South Africa (South)
- **Alternate**: Liberia (West)
- **Associates**: Eritrea (East), Zambia (South), Namibia (South), Sudan (East), Ethiopia (East)
Appointment of Second Alternate Executive Director at the IMF

The Chair articulated the following options:

(i) that the second Alternate Executive Director position enters the current rotation process;

(ii) that the second Alternate Executive position is held on an alternating basis between two shareholders only – Nigeria and South Africa, and

(iii) that Nigeria and South Africa be accorded the second Alternate on a rotation basis but relinquish the dispensation on the position of Advisor and alternating IMFC membership.

In view of delays in final adoption of this decision at the IMF, the Constituency decided that it was best to allow the Voice reform process to effectively unfold before a final decision can be reached on the issue. In the meantime a select committee was suggested to advise the Constituency on the way forward in Turkey.

Adoption of Revised Constituency Rules

The meeting approved the revised constituency working rules and procedures with the exception of the second Alternate at the IMF.

IMFC, DC Member and EDs’ Reports

Also considered were reports from the IMFC and Development Committee Representatives–South Africa and Nigeria respectively, on the outcome of the 2009 Spring meetings. The Executive Directors for the Constituency at the IMF and the World Bank as well gave an account on key policy focuses of the Boards and emerging issues that may preoccupy the Annual Meetings in Istanbul, Turkey in October 2009.
In continuation of efforts to forge stronger relations with and ably represent member countries of Constituency I, the Executive Director (ED), Mr. Toga McIntosh, accompanied by his Advisors, undertook brief visits to nine (9) countries in east Africa during the months of May and June, 2009. Countries visited include Zimbabwe, Sudan, Tanzania, Burundi, Namibia, Uganda, Kenya, Ethiopia and Seychelles.

The visits provided the ED with a first-hand feel of the countries’ development agendas and challenges. The visits also enabled him to exchange views and consult with the authorities on strategic ways for our countries to take full advantage of the World Bank Group’s financing instruments and services. In addition to meeting with authorities, meetings with World Bank staff in the countries visited were also held; briefing staff on the mandate and workings of the Board, and listening to staff on the challenges they faced in the field. All in all, the authorities expressed appreciation to the Executive Director for reaching out and seeking closer collaboration with constituency member countries. Following are the highlights of the visits.

ZIMBABWE & SUDAN

The ED was accompanied by the Alternate Executive Director, Mr. Hassan Ahmed Taha and Mr. Elmutasim Elfaki, Senior Advisor.

Zimbabwe (May 18, 2009)

The ED met with Honorable Tendai Biti, Finance Minister, Honorable Eric Mangoma - Minister for Economic Planning, and Honorable G. Gono, the Governor of the Central Bank. He later met with H.E. Mr. M. R. Tsvangirai, Zimbabwe’s Prime Minister. It was quite clear that the visit could not have come at a better time, given that a Government of National Unity had just been formed, and the World Bank and the International Community had started re-engaging Zimbabwe. The need for both financial and technical support from the Bank was raised at each meeting. Overall, the discussions on Zimbabwe’s concerns and the World Bank’s initial response were candid and fruitful. Authorities expressed appreciation for the mission and considered it very timely.

The visit coincided with the 46th anniversary of the Africa Day, and the Zimbabwe television used the opportunity to interview the ED on issues such as the purpose of his mission as well as the impact of the World Bank in Africa and its relationship with the regional African institutions. The general thrust of the discussion centered on pan-Africanism, and the importance and urgency for greater African collaboration, coordination and integration.

Sudan (May 20-21, 2009)

The ED met with the State Ministers of Finance – Honorable L. Deng, and Honorable Shalabi, and the Governor of the Central Bank, Dr. Sabir Hassan. In addition to discussing the country’s relationship with the Bank and ways of improving the cooperation, the meetings also touched on the issue of regional institutions and the need to remove cross-conditionalities in dealing with the multilateral institutions. Issues related to the implementation of the third chair for Sub-Saharan Africa, were also discussed.

The visit concluded with a trip to the Marawe dam for hydropower generation (under construction); the large integrated infrastructure develop
ED’s Visit to Constituency Countries Continued...

The Bujagali Hydropower Project, Uganda

The Bujagali project includes a hydro-dam capable of producing up to 2000 mega watt of electricity, highways, river crossing bridges, modern hospital, in addition to several resettlement villages with full social services.

TANZANIA, BURUNDI & UGANDA

The ED was accompanied by Mr. Dismas Baransaka, Advisor.

Tanzania (May 23-27, 2009)

The Executive Director met with the Honorable Minister of Finance, M.H. Mkulo, Hon MFEA-Zanzibar, the Permanent Secretary and other senior government officials within and outside the Ministry of Finance.

With regards to the implementation of the third chair, the Governor thanked the Director for the excellent work done so far and expressed satisfaction with the proposals already made to help facilitate informed decision-making.

The authorities underscored the high value and relevance of the World Bank’s contribution to Tanzania, as evidenced by its robust portfolio in the country. However, the Governor indicated that the country’s progress was being negatively affected by the economic downturn. Demand and prices for commodities like coffee, cotton, as well as tourism, were depressed.

Burundi (May 28-30, 2009)

The Executive Director met with the Honorable Minister of Finance, H.E Clotilde Nizigama and other top Government officials within and outside the Ministry of Finance. He paid a courtesy call on His Excellency, Gabriel Ntisezeranathe, Second Vice President in charge of Economic and Social Affairs.

The Burundian authorities thanked the Executive Director for his support during the recent Board discussions of Burundi’s attainment of the completion point under the enhanced Heavily Indebted Poor Country (HIPC) Initiative framework. The authorities stressed this was an important step for Burundi given the magnitude of the challenges and limited fiscal space, at a time the country was experiencing the effect of oil and food crisis. The Governor indicated that government efforts needed significant additional support from the Bank. In this context she has solicited the support of the Executive Director for three projects that were scheduled for consideration some time in June.

Uganda (May 30- June 3, 2009)

The Executive Director met with
the Ministers of Finance, Planning and Economic Development; Energy and Mineral Development; Agriculture, Animal Industries & Fisheries; and Health. A meeting was also held with representatives from the Uganda National Roads Authority.

The discussions were centered on the impact the financial crisis would have on the country’s growth model. It was stressed that while Uganda is better positioned than some other African countries to weather the financial crisis, the global economic slowdown is likely to weaken export growth and slow capital inflows including FDI, remittances and ODA.

The authorities also stressed that sustaining growth at high levels required addressing the most binding constraints; in particular, the infrastructure gaps in energy and transport sectors. The authorities also expressed willingness to reduce short term power shortages and to facilitate orderly long term expansion of electricity services with the Bujagali hydro-power project supported by the Bank, providing the needed power.

KENYA & ETHIOPIA

The Executive Director was accompanied to Kenya and Ethiopia by Senior Advisor, Mr. Felleke Mammo.

Kenya  (June 15-18, 2009)

The ED met with senior government officials, including the Deputy Prime Minister and Minister of Finance, Honorable Uhuru Kenyatta. The discussions were forward-looking and a call for a greater partnership between the Bank and Kenya. Concerns regarding disbursement delays due mainly to the Bank’s internal procedures and processes, were raised, with particular emphasis on getting approval on ‘no-objection’ basis. A call was made for increasing Bank financing to Kenya over and above the IDA allocation (such as access to IBRD resources), and for better ways to enhance the country’s partnership with the Bank and its other development partners. In such cases the officials emphasized the need to base partnership on informed dialogues and mutual understanding.

The ED visited sites of three projects supported by the Bank: (i) the Northern Corridor Transport Improvement Project, which mainly includes the road connecting Nairobi and neighboring countries to the Mombasa port, (ii) the Geothermal Plant (Olkaria Project) in Naivasha, and (iii) Olympic Primary School, which is the main beneficiary of the Free Primary Education program.

Ethiopia (June 19-23, 2009)

The ED met Honorable Sufian Ahmed, Minister of Finance and World Bank Governor for Ethiopia. The main issues raised during the meetings relate to the importance of front-loading of IDA financing for timely implementation of country programs. Problems associated with delays in project processing time; (including, in particular, long delays of ‘no objection’ approvals on procurement documents/proposals) were also raised. The need to rationalize IDA country-allocation method in order to make it more relevant and better aligned with the development financing needs of member countries, in general was highlighted by the Minister.

The field visits were made to two projects: (i) the Productive Safety Net project, where the ED
visited various local development sites, and also met with the direct beneficiaries of the project, and (ii) the Road Sector project, the main component of which relates to the Addis-Nazareth road, the main road network connecting Addis Ababa with the Southern part of the country.

Meetings with Senior Officials of Regional Institutions based in Ethiopia

The ED used the opportunity to meet with the following senior officials of the three regional institutions: Mr. Abdoullie Janneh, Executive Secretary of the United Nations Economic Commission for Africa (UN-ECA), Mr. Erastus Mwencha, Deputy Chair Person of the African Union (AU), Dr. Maxwell M. Mkwezalamba, AU Commissioner for Economic Affairs, and Mr. Peter Mwanakatwe, Resident Representative of the African Development Bank.

During these meetings, the ED exchanged views with the officials of the institutions, on ways to enhance collaboration between their respective institutions and the World Bank Group aimed at advancing the cause of Africa, particularly within the context of promoting and supporting regional development programs. The ED provided a briefing on the preparations being made regarding the upcoming working session for member states being organized in Zambia. The AU renewed its commitment to provide support to the proposed working session.

NAMIBIA (June 25-26, 2009)

Mr. Chris Hoveka, Advisor, accompanied the ED.

The Executive Director met with Ministers and senior Government officials from the National Planning Commission, Ministries of Finance, Trade and Industry and Health and Social Services. He also met with the Executive Secretary of the Southern Africa Customs Union (SACU).

The Director General of the National Planning Commission, Hon. Peter Katjavivi, briefed the ED on the impact of the global economic crisis on Namibia. He indicated that key industries such as mining and tourism, had been severely affected and that the Government was looking at options to address the attendant problems, including anti-poverty measures, especially in the rural areas to mitigate the impact of
the economic crisis on the poor.

The Governor also briefed the ED on the floods which devastated the northern part of Namibia during the recent rainy season as the country was ill prepared and thanked the Bank for undertaking a damage assessment study which was being finalized. World Bank and other development partners and that the report had been finalized.

Namibia presently had only one loan with the Bank, which the Government intended to pay off early, because the loan was too expensive and the conditions unfavorable to country. The general feelings were that small countries with relatively good track record of economic management were not extended sufficient assistance to deal with the effects of the global economic and financial crises.

The ED indicated that there are several other ways (other than borrowing) through which middle income countries could benefit from the Bank. He explained that the Bank had vast experience in many areas of economic and financial management and could therefore provide technical assistance and advisory services, to clients such as Namibia.

SEYCHELLES (June 29—July 3, 2009)

Mr. Peter Larose, Advisor, accompanied the ED to Seychelles. The ED met with His Excellency, President James Michel, Vice-President Joseph Belmont, who also holds the Ministry of Tourism and Transport portfolio. He held working sessions with Designated Minister and Minister of Finance, Danny Faure; Minister of Foreign Affairs, Patrick Pillay; Governor of Central Bank, Pierre Laporte; and Secretary of State, Jean Paul Adam.

The ED’s visit coincided with the country’s launching of the macroeconomic reform program supported by IMF and other multilateral partners, following its non-engagement with the World Bank for 17 years.

A major area of concern raised was the significant drop in the country’s tourism receipts as a direct result of the ongoing financial crisis. The combined impact of climate change and recent pirate threats is not helping the situation.

The ED also took the opportunity to brief the authorities on the Voice and Participation reform including the 3rd Chair for Sub-Saharan Africa. The authorities expressed appreciation to the ED and congratulated him for his efforts in visiting all member countries of Africa Group 1 Constituency including Seychelles.
Farewell to Participants of the Voice Secondment Program

On June 26, 2009, the Office of the Executive Director (ED) bid farewell to thirteen government officials who were seconded to the Bank from our constituency countries. After six months of hard work, presentations, meetings and hands-on training both at the World Bank Headquarters in Washington DC and in the field offices during mission travels, the Fifth Cohort of the Voice Secondment Program (VSP) successfully concluded their program at the end of June 2009. Upon returning to their ministries and units, the participants shall remain within their original units that deal with World Bank affairs.

Generally, there is consensus among the participants that their induction and exit weeks at the ED’s office were very useful in contributing to their understanding of how the ED office operates, its role in representing the constituency member countries, and what is expected from them to improve their countries’ working relationships with the ED office, a key objective of the program.

We at the ED’s office were happy to have received a wonderful group and they return with our best wishes and congratulations.
Approved Board Projects
March— June 2009

IDA / IBRD

**BOTSWANA**

**Integrated Transport (S)**
Approval Date: May 28, 2009
IBRD Loan: US$186.0 million

Project Development Objective
The primary development objective of the project is to enhance the efficiency of the transport system in Botswana by building modern business management capacity, and improving the strategic planning aspects of inter-regional transport and critical transport infrastructure. The project seeks to achieve the above development objectives through investment in the following three components: (i) Capacity Building, Institutional Strengthening, and Training; (ii) Road Sector Investment.; and (iii) Urban Roads Infrastructure Investment.

**BURUNDI**

**Health Sector Development**
Approval Date: June 9, 2009
IDA Grant: US$25.0 million

Project Development Objective
The grant is expected to increase the use of a defined package of health services by pregnant women and children under the age of five. The grant includes two components: (i) support for increased financing of a "Free Package of Services"; and (ii) strengthening the capacity of the Ministry of Public Health and other entities involved in results-based financing in the health sector.

**Public Works and Urban Management (S)**
Approval Date: June 9, 2009
IDA Grant: US$45.0 million

Project Development Objective
The project development objective is to increase access to basic socio-economic services and short-term employment opportunities in target areas. This would be achieved through the combination of demand-based and trunk infrastructure investment programs covering communes of all provinces and targeted municipal support programs to strengthen municipal management and fiscal performance at the local level in the three main cities of Bujumbura, Gitega, and Ngozi. Bank support would be provided to support the creation, rehabilitation, and maintenance of infrastructure while supporting institutional reforms and management practices and policies that affect the sustainability of the investments.

**Emergency Demobilization and Transitional Reintegration (S)**
Approval Date: June 16, 2009
IDA Grant: US$15.0 million

Project Development Objective
The objective of the Project is to support the efforts of the Republic of Burundi to: (i) demobilize
members of the National Liberation Forces and the National Liberation Forces - Dissidents, the two remaining non-statutory armed groups in the country; and (ii) provide socioeconomic reintegration support to said members following demobilization, as well as to ex-combatants demobilized under the Emergency Demobilization, Reinsertion, and Reintegration Project - with a particular focus on the provision of such support to female, child, and disabled ex-combatants.

The project would also contribute to the consolidation of peace and stability in Burundi and improve security in the Great Lakes region. Financing for the project will be provided through an IDA grant and co-financing resources from a Bank-administered multi-donor trust fund.

**ETHIOPIA**

*Protection of Basic Services: Phase II Project*

**Approval Date: May 14, 2009**  
**IDA Credit:** US$230. million  
**IDA Grant:** US$309. million

**Project Development Objective**
The Credit and Grant for the Project would contribute to expanding access to and improving the quality of basic services in education, health, agriculture, water supply and sanitation, and rural roads delivered by sub-national governments, while continuing to deepen transparency and local accountability in service delivery. The Project which has four Sub-Programs is expected to contribute to the attainment in Ethiopia of several MDGs, through: (i) increased access and quality of primary and secondary education; (ii) reduction in incidence of key preventable diseases and under-five and maternal mortality; (iii) improvements in agricultural productivity and access to markets; and (iv) an increased supply of potable water and sanitation services. The Project also promotes partnerships via a harmonized donor framework and alignment with country systems.

*Road Sector Development Program: Stage IV Project*

**Approval Date: June 2, 2009**  
**IDA Credit:** US$245.0 million

**Project Development Objective**
The objective of the project is to assist the Government of Ethiopia through the Ethiopian Roads Authority (ERA), in the final phase of implementation of its 13-year RSDP to strengthen and expand the road transport infrastructure of the country and improve its reliability. This is expected to lead to improved overall road conditions by strengthening the existing road pavement structures of priority routes, expanding access to rural areas, and improving maintenance works, so as to enhance the efficiency of the existing road network. The project will focus principally on (i) upgrading of three selected federal link roads from a gravel or earth to an asphalt surface; (ii) provision of related supervision services; and (iii) technical assistance for institutional strengthening and capacity building.

*Sustainable Tourism Development Project*

**Approval Date: June 30, 2009**  
**IDA Credit:** US$35.0 million

**Project Development Objective**
The objective of the project is to enhance the quality and variety of tourism products and services in targeted destinations so as to increase the volume of tourism, foreign exchange earnings, and jobs. This will be achieved through four components: (i)
destination development; (ii) market development; (iii) institutional development and capacity building; and (iv) implementation support and results monitoring. It is expected that the implementation of the project will yield the following outcomes in key destinations: (i) an increase of annual international visitors; (ii) increased average spending by visitors translating into higher foreign exchange earnings; and (iii) an increased number of direct and indirect tourism-related jobs.

**KENYA**

### Northern Corridor Transport Improvement Project—Additional Financing

**Approval Date:** April 2, 2009  
**IDA Credit:** US$253.00 million

**Project Development Objective**

This is an additional credit which would support financing of costs associated with completion of the original project activities with a few additional activities. The revised project development objectives are to: (i) increase the efficiency of road transport along the Northern Corridor to facilitate trade and regional integration; (ii) enhance aviation safety and security to meet international standards (iii) promote private sector participation in the management, financing and maintenance of road assets; and (iv) restore vital infrastructure and public assets damaged as a result of the 2007 post-election crisis.

### Energy Sector Recovery Project—Additional Financing

**Approval Date:** April 2, 2009  
**IDA Credit:** US$80.0 million

**Project Development Objective**

The IDA credit to the Republic of Kenya is to provide additional financing to the on-going Energy Sector Recovery Project. The additional financing would help finance the costs associated with scaling-up activities to enhance the impact of the project and also cover the financing shortfall for a sub-component. The development objectives are to: (i) Enhance the policy, institutional and regulatory environment for private sector participation and sector development; (ii) Support efficient expansion of power generation capacity to meet the economy’s projected supply deficits; and (iii) Increase access to electricity in urban and peri-urban areas while improving the efficiency, reliability and quality of service to existing consumers.

### Agricultural Productivity and Agribusiness Project

**Approval Date:** June 11, 2009  
**IDA Credit:** US$82.0 million

**Project Development Objective**

The main objective of this second phase program is to increase agricultural productivity and the incomes of participating smallholder farmers in the project area. The project will contribute to this objective by transforming and improving the performance of agricultural technology systems, empowering male and female stakeholders, and promoting the development of agribusiness in the
project area. The project has four components: (i) Policy Institutional and Project Implementation; (ii) Agricultural Research Systems; and (iii) Agricultural Extension and Farmer and other Stakeholder Empowerment. A new component supporting Agribusiness and Market Development to improve value addition was added in this second phase of the Program.

LESOTHO

Water Sector Improvement - Phase 2 (S)**

Approval Date: May 26, 2009
IDA Credit: US$16.5 million
IDA Grant: US$8.5 million

Project Development Objective
The project is intended to support the kingdom of Lesotho in: (i) developing and sustaining an environmentally sound, socially responsible, and financially viable framework for the Metolong Dam and Water Supply Program (MDWSP); (ii) increasing the quantity of safe, bulk water supplied to Teyateyaneng; and (iii) strengthening institutions and related instruments in the water sector. The multi-donor funded program is aimed at improving the supply of water to beneficiary towns in support of the government’s efforts to sustain socio-economic growth and development. The program comprises five main investments; (i) advance infrastructure; (ii) the Metolong Dam and pump station; (iii) the water treatment works and downstream conveyance system; (iv) an environmental and social management program; and (v) institutional support.

LIBERIA

Urban / Rural Infrastructure Rehabilitation (S)**

Approval Date: April 21, 2009
IDA Credit: US$44.0 million

Project Development Objective
The project would support the government’s goal of improving road access in Monrovia and targeted rural areas, as well as improving institutional structure for technical management of the road sector. The operation will finance several critical components of transport infrastructure around the country, including: (i) rehabilitation of city streets in Monrovia and a traffic solution for a major congested city intersection; (ii) rehabilitation of primary road sections in rural area (Cotton Tree-Bokay Town, and Pleeb-Barclayville); (iii) maintenance of primary and secondary roads through collaboration with United Nations Mission in Liberia (UNMIL) peacekeepers, and; (iv) construction of a major bridge and a fuel unloading facility. The operation also supports the gradual and careful rebuilding of institutions and human capacities to professionally manage the road sector.

Second Reengagement and Reform Support Program

Approval Date: May 21, 2009
IDA Grant: US$4.0 million

Grant Objective
The objectives of the grant are to support government-owned ongoing reforms, as articulated in the Poverty Reduction Strategy Paper, to improve Liberia’s fiduciary environment, rebuild
public institutions and improve the environment for private sector-led growth. More specifically, the project focuses on: (i) improving the efficiency of budget preparation and execution and increasing the professionalism and improving the human resource management of the civil service; and (ii) improving the investment climate through the reform of the revenue and private investment regimes.

Emergency Infrastructure (S)**

Approval Date: June 30, 2009
IDA Grant: US$8.2 million

Project Development Objective
This is an additional grant intended to help finance the costs associated with over-runs and the scaling up of activities to enhance development impact. The main additions to the Emergency Infrastructure Project will: (i) cover cost overruns for five project activities; (ii) modify at zero cost the technical intervention of specified road works on the Freeport of Monrovia to Cotton Tree road corridor; (iii) introduce a new project activity in the port of Monrovia; and (iv) drop three specific project activities from the project design.

Agriculture and Infrastructure Development (S)**

Approval Date: June 30, 2009
IDA Grant: US$16.0 million

Project Development Objective
This additional grant will help to: (i) cover cost over-runs for a major consultancy assignment and for the construction of a critical bridge in Monrovia; (ii) for scaling up road works on 83 km corridors from Freeport of Monrovia to Cotton Tree; and (iii) for dropping three activities from the project.

These projects, will provide critical support to post civil war reconstruction in Liberia, especially in terms of providing additional funding to transportation, including roads, bridges, and Monrovia Freeport.

MALAWI

Poverty Reduction Strategy Grant – 2 (S)**

Approval Date: May 28, 2009
IDA Grant: US$30.0 million

Program Development Objective
The PRSG-2 builds on reforms supported under PRSG-1 completed by the Government of Malawi in the implementation of the Malawi Growth and Development Strategy. This operation’s reform program supports efforts by the Government in the following areas: (i) reforms for deepening maize and fertilizer markets through the establishment of a warehouse and leasing company using excess assets of a state-owned company; (ii) improvements in the business environment by reducing the length of time it takes to settle commercial disputes; (iii) addressing the vulnerability of poor households to shocks through improved targeting of the fertilizer subsidy program; and (iv) improvements in economic governance with a focus on reforms to improve the budget process, debt and payroll management, and systems of accountability in public financial management.
MOZAMBIQUE

Health Service Delivery (S)**

Approval Date: April 16, 2009
IDA Credit: US$44.6 million

Project Development Objective
The objectives of the proposed project are to: (a) reduce child mortality; (b) reduce maternal mortality; (c) reduce the burden of malaria; (d) reduce the prevalence of tuberculosis; and (e) reduce inequity in the access to health services in the Republic of Mozambique. Further, the proposed project will help improve access to health by scaling up the provision of health services in an integrated manner through fixed-based, outreach and community health services in the three Northern provinces of Cabo Delgado, Niassa, and Nampula which have the weakest health indicators in the country.

NIGERIA

Nigeria Electricity and Gas Improvement

Approval Date: June 16, 2009
IDA Credit: US$200.0 million
Guarantee: US$400.0 million

Project Development Objective
The development objectives of the Project are to: (i) improve the availability and reliability of gas supply to increase power generation in existing public sector power plants; and (ii) improve the power network’s capacity and efficiency to transmit and distribute quality electricity to the consumers. The project has three components: (i) The first component will consist of Partial Risk Guarantees which will backstop gas supply payment obligations of Power Holding Company of Nigeria to Oil Companies; (ii) The second component will provide resources for: (a) critical investments to strengthen the electricity transmission network to enable the delivery of additional power to consumers, and (b) development of "good practice" projects in electricity distribution network that achieve efficiencies in the sector to gradually reduce losses and subsidies; and (iii) The third component will provide support for the ongoing reform program in the power sector and gas-to-power, specifically through Technical Assistance and knowledge transfer.

HIV/AIDS Program Development (S)**

Approval Date: June 16, 2009
IDA Credit: US$225.0 million

Project Development Objective
The objective of the project is to reduce the risk of HIV infections by scaling up prevention interventions and to increase access to and utilization of HIV counseling, testing, care and support services. This goal will be achieved by strengthening the capacity of government and non-government actors to target the most at risk groups and to provide information to the general population for reducing the risk of HIV/AIDS infections. The project has three components:

(i) strengthening the capacity of selected line ministries and agencies to scale up the scope of their ongoing activities against HIV/AIDS; (ii) financing for civil society and private sector prevention, care and support activities; and (iii) capacity-building for the implementing agencies and for public and private sector actors involved in the fight against HIV/AIDS.
**Malaria Control (S)**

Approval Date: June 16, 2009
IDA Credit: US$100.00 million

Project Development Objective
The credit would support Nigeria’s new national malaria control strategy. This new strategy expands the programmatic focus from children under five and pregnant women to the entire population at risk. The proposed Additional Financing would retain the original development objectives and implementation procedures, and will support the costs associated with additional and expanded activities that will scale up the project’s impact and development effectiveness by focusing on certain core health systems, community systems, and communications issues, in addition to the purchase of the additional commodities required under the new national strategy.

**Lagos Eko Secondary Education (S)**

Approval Date: June 16, 2009
IDA Credit: US$95.0 million

Project Development Objective
The objective of the project is to improve the quality of public junior and senior secondary education in Lagos State. The project will support over half a million public school students in 637 secondary schools, over 5,385 teachers, and 1,700 school administrators, and will strengthen the capacity of education districts, state and federal institutions to deliver quality education services. The project has four components which will: (i) provide school grants annually to all public secondary schools; (ii) establish a standardized system for measuring student’s learning achievements in core subjects; (iii) support project coordination, management, and monitoring and evaluation at the State Level; and (iv) support the Federal Ministry of Education to strengthen policy dialogue, build capacity, and provide technical assistance for developing the national post-basic education strategy.

**SIERRA LEONE**

**Integrated Public Financial Management Reform (S)**

Approval Date: June 4, 2009
IDA Grant: US$4.0 million

Project Development Objective
The project’s main objective is to support the Government of Sierra Leone in sustainably improving the credibility, control and transparency of fiscal and budget management. The main beneficiaries of the project are the Ministry of Finance and Economic Development (MoFED), other central ministries and agencies, two parliamentary committees, local councils and non-state actors. Along with financial support from other development partners and institutions, this IDA grant will be part of an overall technical assistance project of US$21.0 million. The key expected outcomes are: reduction in variance in budget execution; relative increase in the share of actual to budgeted spending on pro-poor expenditure priorities; reduction in payment arrears; increase in transparency through the publication of a larger number documents; improvements in the quality and timeliness of public accounts; better compliance on public procurement; and greater scrutiny by non-state actors of public financial management.
**TANZANIA**

*Sustainable Management of Mineral Resources*

Approval Date: June 9, 2009  
IDA Credit: US$50.0 million  

Project Development Objective  
The objective of the project is to strengthen the Government’s capacity to manage the mineral sector to improve the socioeconomic impacts of large and small-scale mining for Tanzania and enhance private local and foreign investment. This will be achieved by improving the benefits of the mineral sector for the country by implementing the national artisanal and small scale mining development strategy; strengthening links between the mineral sector and the local economy; strengthening governance and transparency in mining; and stimulating mineral sector investment. The project includes four components: (a) Improving the Benefits of the Mineral Sector for Tanzania: Artisanal and Small-Scale Mining, Local Economic Development and Skills Development; (b) Strengthening Governance and Transparency in Mining; (c) Stimulating Mineral Sector Investment; and (d) Project Coordination and Management.

**UGANDA**

*Second Northern Uganda Social Action Fund (S)**

Approval Date: May 28, 2009  
IDA Credit: US$100.00 million  

Project Development Objective  
The credit would support improved access of beneficiary households in Northern Uganda to income-earning opportunities and better basic socioeconomic services. The Project will support community livelihood investments, community infrastructure rehabilitation and institutional development activities, including improvement of transparency and accountability throughout the various levels of project implementation.

Production and productivity in targeted areas by improving farmers’ access to critical agricultural inputs. The second operation is an additional financing credit for the Tanzania Second Social Action Fund of US$ 30 million that seeks to improve access of the poor and vulnerable to enhanced socioeconomic services and income-generating opportunities. The third operation, an additional financing credit for the Agriculture Sector Development Program of US$ 30 million, seeks to promote sustainable agricultural productivity growth through scaling up of small-scale irrigation facilities and integrated soil management practices.
**Water Sector Performance Improvement (S)**

Approval Date: April 16, 2009  
IDA Credit: US$10.0 million

**Project Development Objective**
This additional credit to the Republic of Zambia would help finance the costs associated with scaled-up activities to enhance the impact of this water and sanitation project. The additional credit will support expanding coverage over the additional three years of the project. Specifically, the credit will: (i) improve the technical efficiency and financial sustainability of Lusaka Water and Sewerage Company and improve access to safe water supply and sanitation services for urban consumers in Lusaka, Kafue, Chongwe and Luangwa districts, and (ii) strengthen effectiveness of national water supply and sanitation planning to provide a better foundation for coordinated donor support in the future. The additional financing will fund repairs to the intakes and other minor works on the Zambezi River at Luangwa and the Kahe River at Kahe.

**Agricultural Productivity – Eastern Africa Agricultural Productivity Program (S)**

Approval Date: June 11, 2009  
Total IDA Credit: US$90.0 million (US$30.0 million each)

**Project Development Objective**
The credit would support efforts to strengthen and scale up regional cooperation in generation of agricultural technology, training, and dissemination of superior plant varieties and livestock breeds. For identified commodities recognized as regional priorities, the project will support development of national research programs into Regional Centers of Excellence (RCoEs) and the leadership of the Centers in the generation and dissemination of agricultural technologies, together with related training. The lending instrument will be a regional IDA "mixed" (horizontal and vertical) Adaptable Program Loan (APL). The proposed project will be the first of a two-phase, 10-year program, with scope for horizontal expansion of the program to allow participation of additional countries as and when they express demand and demonstrate readiness. The "vertical" phase of the program will allow for continued support for initial participants, and entry of new countries.
### MALAWI, TANZANIA and MOZAMBIQUE

**Affordable Communications Services**

**Approval Date:** June 25, 2009  
**IDA Credit:** US$151 million

**Project Development Objective**
The project is expected to extend access to affordable communications services to Malawi, Mozambique and Tanzania. This is the third phase of the Regional Communications Infrastructure Program (RCIP) – a US$424 million regional program that will increase the availability of reliable communications services for citizens, businesses and governments in Eastern and Southern Africa. Under RCIP 3, Malawi, Mozambique and Tanzania will receive US$20 million, US$31 million and US$100 million respectively.

### SOUTH AFRICA

**South African Banks Infrastructure Facility - Absa**

**Approval date:** June 18, 2009  
**IFC Investment:** US$30.0 million Term Loan  
US$120.0 million Stand-by Facility

**Project Description / Development Impact**
The project is part of IFC’s response to the global financial crisis, which has resulted in substantial shortage of long-term US$ funds to commercial banks. The Absa Infrastructure Facility is part of IFC’s commitment to support infrastructure finance in sub-Saharan Africa, particularly during the current global financial crisis. The Project is expected to: (i) Channel long term dollar funding to private infrastructure projects in IDA countries in sub-Saharan Africa indirectly, via the Absa

### INTERNATIONAL FINANCE CORPORATION (IFC)

**Helios Towers (HTN)**

**Approval date:** May 21, 2009  
**IFC Investment:** US$50.0 million “A” Loan  
US$25.0 million “C” Loan  
US$25.0 million quasi-equity  
US$150.0 million “B” Loan

**Project Description / Development Impact**
The Project consists of the nationwide expansion of shared telecommunication infrastructure network. The Project will: (i) increase mobile penetration by expanding the coverage of HTN’s tower network. Increased competition will lead to further declines in telephone access tariffs; (ii) create both direct and indirect employment opportunities; (iii) pioneer the development of low-cost models for accelerating the extension of telecommunications networks into rural and low income urban areas (iv) increase access to and foster the development of micro-franchisers and SMEs in rural and low income urban areas; and (v) stimulate a number of peripheral industries.
Infrastructure Facility and directly via IFC direct co-investments in projects funded by the Absa Infrastructure Facility and additionally via mobilization from third parties such as the ICF. Infrastructure, defined as the industry segments covered by IFC’s infrastructure, oil, gas & mining and information communications and telecoms departments, will account for a minimum of 75 percent of the proceeds of the loan. The remaining 25% of the proceeds of the loan may be applied towards on-lending to other important projects within sub-Saharan Africa that may not fall under the IDA designation (e.g. certain countries in southern Africa) or infrastructure designation

**Streamlined Procedures (S)**

*Source: World Bank Database*
Coming on the heels of the food and fuel crises, the financial crisis poses one of the greatest challenges of our time. Existing systems and capacities are overstretched due to the combined impacts of these crises. Compounding the worsening situation, Africa now faces a real risk of a human catastrophe as a direct result of the crisis, for which it is not responsible. With GDP decelerating from 5.7 percent in 2008 to a projected 2.8 percent this year, the sub-continent risks drifting even farther away from achieving the Millennium Development Goals (MDGs), as millions of people are being pushed back into poverty, and millions of children projected to die from malnutrition as well as preventable diseases. Low-income and fragile countries will be hardest hit.

While countries in the sub-continent are undertaking measures to counter the economic slowdown and minimize the impacts of the crisis on the most vulnerable, the situation still remains critical, as they are hamstrung by lack of resources to effectively respond to the magnitude of the challenges. The international community, especially the Joint Committee on the Transfer of Real Resources to Developing Countries, is therefore urged to take unprecedented and urgent actions to assist African countries in their efforts towards protecting the poor as well as restoring the growth momentum, prior to the crisis.

Low integration of Africa into the international capital markets appeared to have shielded the continent from the first round effects of the financial crisis. However, the situation is changing at a rapid pace, and threatens to reverse the positive trends of the past decade. The macroeconomic imbalances have accentuated, with many countries facing widening current account and budget deficits. Foreign exchange reserves are depleting fast - a situation which is jeopardizing the capacity to provide adequate import cover, as well as undermining currency stabilities and fueling inflationary pressures. The poor and most vulnerable are already being deprived of their meager livelihoods, and this deprivation will become worse if the global recession is protracted. The prospect of such a human catastrophe cannot and should not be acceptable in this globalized world of the 21st century.

Africa’s current account surplus, which was hitherto estimated at 2.7 percent during 2009-10, will be wiped out to a deficit of 4.3 percent of GDP. The region’s exports are projected to plummet by nearly 40 percent during the period 2009-10. The
oil exporting countries and those whose economies rely heavily on commodity exports are expected to take the biggest hit. Capital flows are already declining sharply. Across the continent, major capital projects have been or will be cancelled, and bond issuances are being put on hold. Tourism is on the decline while remittances have fallen sharply. We therefore emphasize the need to undertake an early review of the Bank’s capital adequacy with a view to enhancing its lending capacity.

Against this backdrop, delays by the donor community to honor the promises made at the Gleneagles G8 Summit, and the lack of progress on the Doha Development Round, have had the combined effect, in consonance with the financial and economic crises, of increasing the resource gap and rendering the attainment of the MDGs by Africa, a pipedream.

Although a provisional estimate, African Ministers are looking at a financing gap of $50 billion in 2009, rising to $56 billion next year, just to restore the pre-crisis growth momentum. To accelerate growth and increase the chances for achieving the MDGs, the African continent requires $117 billion in 2009 and $130 billion in 2010, to bridge the investment gap. We estimate the infrastructure-financing gap to be about $75.5 billion a year for the next decade.

We therefore call on our development partners to marshal the political will necessary to honor their promises as an important first step. Further, additional assistance is required to restore the momentum of growth that Africa had already achieved. We therefore welcome the G20 decisions to augment the resources of the IMF, the World Bank and other multilateral actors. We urge that deployment of these resources should be carried out with speed, flexibility, devoid of constraining conditionalities, and be available to all countries. In particular, we call for fast tracking the disbursement of IDA 15 resources and the need to move towards early IDA 16. We also welcome the World Bank’s Vulnerability Framework (VF) and call on developed nations to support the Facility.

These extraordinary times demand unusual speed in responding to the crisis in order to save lives and restore credibility in the process of globalization. Our combined efforts should therefore be focused on results rather than on conditionalities. While we need to continue with on-going efforts to strengthen country institutions and capacities, it is important to recognize that the emergency we are facing demands pragmatism and agility to deliver social services. In this respect, we note the progress being made by the World Bank Group to streamline internal procedures, but more needs to be done to make a lasting difference.

We urge that trade financing and trade facilitation must be part of the short-term and long-term packages of responses. We also call on countries to resist taking protectionist measures, and any of such measures that have been put in place must be reversed. At the same time, efforts must be made to commit to an early conclusion of an ambitious and development oriented Doha Round.

We remain committed to taking actions to im-
prove our institutional capacities, and business environments, as well as to developing sound revenue base and providing basic services to our citizens. However, to complement these efforts, we encourage enhanced international cooperation, including transparency in financial transactions in national and international financial institutions. We therefore look forward to the full implementation of the decisions of the G20 in this regard, including the establishment of a transparent monitoring mechanism.

The crisis reinforces the importance of improving global governance for more transparency, accountability, and equitable representation. In this regard we welcome the progress made towards implementing the first phase of the voice reform package at the World Bank, and remain committed to its timely implementation. We similarly, note the other aspects of the reform that are ongoing and commend the progress so far. We urge the Bank to proceed with the second phase of the reforms in a timely manner that reflects the importance and urgency of the situation.

The present financial crisis adds to the increasing burden in Africa of coping with the changes brought about by global warming; again an external shock not of Africa’s own making. The increasing frequency of dry spells and changes in rainfall patterns have resulted in serious agricultural losses and food insecurity in many of our countries. These developments have put undue pressure on national budgets at the expense of social programs thereby slowing down our development efforts. We call on the developed countries to act decisively and with dispatch to ensure the transfer of new resources and technology needed to address climate change.

Source: World Bank Database
The global economy has deteriorated dramatically since our last meeting. Developing countries face especially serious consequences, as the financial and economic crisis turns into a human and development calamity. Hard-earned progress towards the Millennium Development Goals (MDGs) is now in jeopardy. The crisis has already driven more than 50 million people into extreme poverty, particularly women and children. We must alleviate its impact on developing countries and facilitate their contribution to global recovery.

The World Bank Group (WBG) and the IMF have shown leadership and complement each other in helping developing countries respond to the crisis, enabling countercyclical measures, and helping to bridge the huge financing gap, including efforts to revive private capital flows. Multilateral institutions need the resources and capacity for effective crisis response and prevention. We welcomed member countries’ commitments to a substantial increase in resources for the IMF.

More needs to be done as the crisis unfolds further. We now need to translate our respective commitments, including those made by the participants at the recent London Summit, into concerted action and additional resources. We urged all donors to accelerate delivery of commitments to increase aid, and for us all to consider going beyond existing commitments.

We welcomed the WBG’s efforts to ensure a timely crisis response while maintaining its focus on long term development challenges, including those posed by climate change and the need to accelerate progress towards the MDGs. We noted the expected trebling of IBRD lending this fiscal year and the fast tracking of IDA 15 commitments. We supported the initiatives the WBG has launched and encouraged their timely implementation:

- **To protect the poorest**, the Bank has set up the Vulnerability Financing Facility, including the Global Food Crisis Response Program and the new Rapid Social Response Program. IFC has also created the Microfinance Enhancement Facility to help poor borrowers.

- **To reinvigorate trade finance**, IFC has expanded its Global Trade Finance Program from $1 billion to $3 billion, and has also launched its Global Trade Liquidity Program, expected to support up to $50 billion of trade over the next three years.

- **To maintain infrastructure development and create jobs**, the Bank has established the Infrastructure Recovery and Assets Platform. The Bank will lend up to $15 billion a year for infrastructure, while IFC has launched the Infrastructure Crisis Facility.
To help support the financial sector, IFC has created the Capitalization Fund, to provide additional capital for developing country banks. MIGA has extended guarantees to loans to Eastern Europe for coverage of $500 million. Many of these initiatives are designed to mobilize more resources, both public and private. We welcomed the additional contributions that have been made and urged governments to consider further support. In addition, we called upon the WBG to update as appropriate its policies, instruments and strategies in light of lessons learned from the crisis.

We confirmed our support for making optimal use of IBRD’s balance sheet with lending of up to $100 billion over three years. Given the possibility of a slow recovery, we considered the potential need to deploy additional resources and asked the WBG to review the financial capacity, including the capital adequacy, of IBRD and IFC, and the adequacy of the concessional resources going to IDA countries, for our further consideration at the 2009 Annual Meetings.

The crisis and the need for a strong multilateral response further highlight the relevance of ensuring enhanced voice and participation of developing and transition countries in the governance of the WBG. Based on agreement at our last meeting for the Board to develop principles, criteria and proposals for Bank shareholding, we agreed to accelerate work on the second phase of the reform with a view to reaching agreement by the 2010 Spring Meetings. This must involve all shareholders in a transparent, consultative and inclusive process.

We welcomed the Board’s review of internal governance and asked the WBG to continue the work, as part of the comprehensive approach to strengthening WBG governance and overall effectiveness.

The Committee’s next meeting is scheduled for October 5, 2009 in Istanbul.

Source: World Bank Database
### Up-coming Meetings

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<tr>
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<td>August 12-13, 2009</td>
<td>African Caucus Meeting</td>
<td>Freetown, Sierra Leone</td>
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<td>October 6-7, 2009</td>
<td>2009 Annual Meetings of the IMF and WBG</td>
<td>Istanbul, Turkey</td>
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When old people speak it is not because of the sweetness of words in our mouths; it is because we see something which you do not see.

~Chinua Achebe