

Africa Group I Constituency

Newsletter

May- June 2019



President Malpass affirms commitment to Africa during his visit

The President of the WBG, Mr. David R. Malpass commenced his new mandate by visiting two of our Constituency countries, Ethiopia and Mozambique during the first week of May.



The WBG President was accompanied on his first engagement with the respective governments by the Africa Group 1 Executive Director, Anne Kabagambe, the WBG Africa Region Vice President, Hafez Ghanem and the IFC Africa Region Vice-President, Sergio Pimenta, whose leadership and collaboration are essential for the successful implementation of the WBG strategy for Africa.

In Addis Ababa, Ethiopia, the WBG President met with the Prime Minister, His Excellency Abiy Ahmed, and discussed the country's ongoing economic reforms, objectives and challenges.

The President and the management team also engaged representatives of the private sector with whom they discussed various aspects of Ethiopia's private sector development and participation. The discussion highlighted the success achieved by the private sector in Ethiopia. The President further held a meeting with the Ethiopia WBG Country staff to lay out his vision for the WBG mission.

Ethiopia has about 30 WBG funded projects. Out of these, the President visited beneficiaries of the *Urban Productive*

Safety Nets (UPSNP). The objective of the project is to support the Government of Ethiopia to improve income of targeted poor households and thus establish urban safety net mechanism.

The WBG President's second constituency country visit was to Mozambique, where he met with the President of Mozambique, His Excellency Filipe Nyusi. During the meeting, he was informed of the Government's efforts to enhance peace, socio-economic development, as well as of the ongoing activities of humanitarian assistance for the victims of *Cyclones Idai* and *Kenneth*. The Government shared its plans to collaborate with various development partners in the reconstruction of Beira and surrounding areas. The WBG President also engaged with representatives of the donor community who briefed him about their support to Mozambique in the aftermath of the cyclones.

The President visited Beira on May 3rd, to see firsthand the devastating impact of Cyclone Idai and held discussions with the Director of the Disaster Risk Management Institute (INGC), Ms. Augusta Maita and the Mayor of Beira Mr. Deviz Simango. The President was briefed on efforts undertaken towards humanitarian assistance to the victims of *Cyclone Idai*, as well as the reconstruction efforts and challenges faced by the Institute. These challenges include building coastal protection for Beira and strengthening the Disaster Risk Management Institute's institutional capacity, respectively. The WBG President also visited a climate change project whose implementation was instrumental in shielding Beira from floods prior and during Cyclone Idai. In addition, the President also visited the Central Hospital where multitudes of survivors were being treated.

At the end of his visit to Mozambique, Mr. David Malpass announced a Crisis Response Window (CRW) package of US\$545 million to support the three constituency countries affected by *Cyclone Idai* consisting of US\$350

million to Mozambique, US\$120 million to Malawi and US\$75 million to Zimbabwe.

The future of WBG support to Regional Integration and Trade Facilitation



On May 7, 2019, the Executive Director, Ms. Anne Kabagambe participated in a panel discussion on the future of the WBG support to Regional Integration and Trade Facilitation. The panel discussion was convened by the WBG's Independent Evaluation Group (IEG). The panel discussion was a sequel to two IEG Reports, “*Two to Tango: An Evaluation of World Bank Group Support to Fostering Regional Integration*” and “*Grow with the Flow: An Independent Evaluation of the World Bank Group Support to Facilitating Trade*”. The reports undertook a comprehensive assessment of the WBG's support to regional integration and trade facilitation, respectively. The IEG found that the WBG's efforts to foster regional integration were mostly successful and contributed to positive development outcomes in the Sub-Saharan Africa Region, particularly in the infrastructure sector.

The ED emphasized the need for the WBG to increase its support to Regional Integration and Trade Facilitation through infrastructure development. She requested that this should include prioritization of Ports which were critical entry points for economies to flourish. The Executive Director added that the Port of Beira, which was recently affected by Cyclone Idai serves as a major port for four landlocked countries (Zimbabwe, Malawi, Zambia and the Democratic Republic of Congo) in the Southern African Region. Ms. Kabagambe further noted that improved access to regional and international markets is the most effective way to promote value chains, job creation and ultimately poverty reduction. By supporting the development of trade-related infrastructure, the WBG could significantly contribute to lowering transaction costs and enhance the development of global public goods.

The Federal Democratic Republic of Ethiopia hosts the Second Replenishment Meeting for IDA19



Representatives from donor and borrowing countries (Participants), converged in Addis Ababa, Ethiopia, from June 17 to 20, 2019 for the Second Negotiation Meeting of the 19th replenishment cycle of the International Development Association, IDA19, to discuss the size of funding the envelope and associated Policy Commitments for the IDA19 cycle, spanning July 2020 to June 2023. Among the Participants were the Constituency's three IDA Borrowers Representatives: Dr. Denny Kalyalya, Governor of the Bank of Zambia; Professor Benno Ndulu, former Governor of the Bank of Tanzania; and Mr. Sahr Jusu, Financial Secretary in Sierra Leone's Ministry of Finance. The Meeting was formally opened by the President of the Federal Democratic Republic of Ethiopia, Her Excellency Sahle-Work Zewde, who underscored IDA's contribution in assisting Ethiopia achieve considerable progress in poverty reduction over the last three decades.

Participants focused their discussions on five issues: (a) Policy Commitments for each IDA19 special theme; (b) changes to IDA/IFC/MIGA Private Sector Window (PSW); (c) debt vulnerabilities in IDA countries; (d) IDA19 Requests for Resources and Financing Framework; and (e) the Results Management System (RMS). On policy commitments, there was a broad agreement on the need to scale up ambition in the policy commitments of all special themes. This call was especially pronounced for *Jobs and Economic Transformation* Special Theme. Most participants supported the proposed changes to PSW, where Management proposed to change the allocation among facilities to reflect client demand. Participants underscored the importance of addressing debt vulnerabilities to ensure that IDA19 is a success. They welcomed a proposed set-aside arrangement, where a

country's access to the full size of its IDA indicative resources will be conditional on its pursuit of reforms that promote debt sustainability and transparency. Participants also welcomed the proposed Sustainable Development Financing Policy (SDFP) — an extension of the Bank's Non-Concessional Borrowing Policy (NCBP). Regarding RMS, Participants welcomed the proposed changes of indicators to measure IDA19 impact but called for close alignment between these indicators and those for the SDGs.

The next (third) replenishment meeting will be held on the margins of the 2019 IMF/WBG Annual Meetings in mid-October in Washington, D.C., where the draft IDA Deputies Report, containing overall financial and policy package, will be tabled. The fourth and final replenishment meeting, the pledging session, will be held from December 9 to 11, 2019. Two countries, Samoa and Sweden, have hitherto volunteered to host this last replenishment meeting.

HEADS OF STATES VISITS

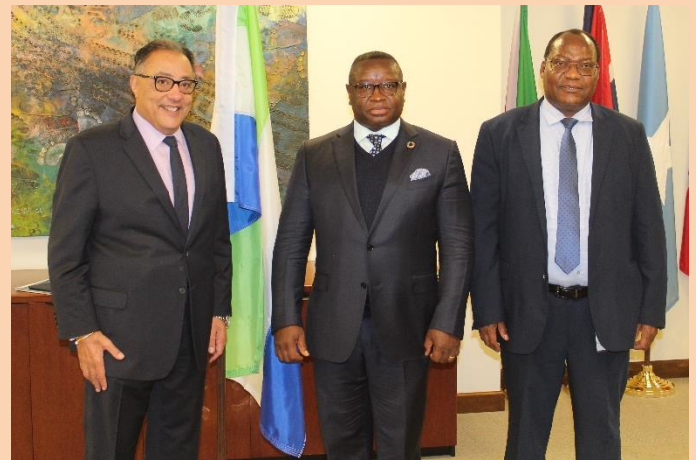
Republic of The Seychelles

The President of the Republic of Seychelles visited the World Bank Group on June 12 -13, 2019. Accompanied by the Executive Director, Ms. Anne Kabagambe, the President held discussions with the Chief Executive Officer of the International Finance Corporation (IFC), Mr. Philippe Le Houverou and the Chief Executive Officer of the World Bank, Ms. Kristalina Georgieva. During his discussions with the IFC, the President noted that the IFC had a limited portfolio in Seychelles and highlighted that he was keen to strengthen the partnership going forward. They discussed the following potential areas of engagement; greening of the Seychelles economy in areas such as renewable energy and specifically solar, marine waste management and eco-tourism.



In his meetings, the President acknowledged the World Bank's support for the issuance of Seychelles' first Sovereign Blue Bond. Ms. Georgieva congratulated the President on receiving the National Geographic Planetary and Leadership award in recognition of his role in championing climate action. The discussions focused on opportunities for the partnership with the World Bank on Coastal Management, the Blue Economy and tackling marine plastic.

Republic of Sierra Leone



The President of Sierra Leone, His Excellency Julius Maada Bio visited the World Bank Group Headquarters in Washington D.C., in March 11, 2019, where he held discussions with Senior Management, led by then interim President and current CEO, Ms. Kristalina Georgieva. They discussed the relationship between Sierra Leone and the WBG. President Bio expressed his appreciation for the partnership with the WBG and called for continued support as his government stabilizes the economy and implements reforms to improve the lives of the Sierra Leoneans. He stated that there was need for Sierra Leone to rebrand in the aftermath of the civil war and the outbreak of the Ebola virus.

During the President's visit, the discussion centered around Sierra Leone's National Development Plan (2019-2023) which aims to support the energy sector; empowerment of women and girls by addressing the high maternal mortality rates, girls' education and reproductive health services; private sector growth; increased budgetary assistance; and the additional support for social safety nets for vulnerable groups, women, and youth, including people living with disabilities. Sierra Leone is an Early Adopter of the Global Human Capital Development Project of the World Bank, in recognition of the government's commitment to human capital development.

Bank Operations in Constituency Countries – July 2018 -June 2019

The WBG's capital increase has reignited and demonstrated its commitment to assist countries in Sub-Saharan Africa (SSA) achieve their nationally set development objectives. Below is a list of AFG1 Constituency operations approved between July 2018 and June 2019.

Name	Project Title	Amount in Millions (Equivalent in Original USD)
Africa	Africa Fund for Science	15
Eastern Africa	East Africa Skills for Transformation and Regional Integration Project (EASTRIP) IUCEA	8
Eswatini	Eswatini - Network Reinforcement and Access Project	40
Ethiopia	Lowlands Livelihood Resilience Project	70
Ethiopia	Renewable Energy Guarantees Program	10
Ethiopia	Lowlands Livelihood Resilience Project	280
Ethiopia	EASTRIP Ethiopia	75
Ethiopia	EASTRIP Ethiopia	75
Ethiopia	Ethiopia Growth and Competitiveness	600
Ethiopia	Ethiopia Growth and Competitiveness	600
Ethiopia	Proposed Investment in Soufflet Malt Ethiopia SC for the Souff. Ethiopia Project	22.4
Ethiopia	Climate Action through Landscape Management Program for Results	500
Gambia, The	The Gambia Social Safety Net Project	30
Gambia, The	Ecogas Electricity Access Gm Grant	66
Kenya	Affordable Housing Finance Project	250
Kenya	Kenya Social & Economic Inclusion Project	250
Kenya	EASTRIP Kenya	60
Kenya	Kenya Proposed Investment in Kenya Tea Development Agency Holdings Ltd	10
Lesotho	Lesotho - Smallholder Agriculture Development Project II	50
Lesotho	Lowlands Water Development Project - II	30
Lesotho	Lowlands Water Development Project - II	48
Lesotho	APPSA Lesotho	20
Liberia	Smallholder Agri.Transf. & Agribus.Revit	25
Liberia	Lr-Southeastern Corri. Road Asset Mgm	48
Liberia	Lr-Southeastern Corridor Road Asset Mgm	29
Liberia	Liberia - Urban Water Supply Project Additional Financing	30
Malawi	MALAWI CAT-DDO	30
Malawi	MALAWI - DPL	40
Malawi	Malawi - Equity with Quality and Learning at Secondary (EQUALS) Project	90
Malawi	Investing in The Early Years in Malawi	50

Malawi	Malawi - Electricity Access Project (IDA Grant: US \$6.0 million equivalent + IDA Credit: US \$144.0 million equivalent).	150
Mozambique	Mozambique Urban Sanitation Project	115
Mozambique	Mozambique Energy for All (PROENERGIA)	82
Mozambique	Moz DRM Resilience Program	90
Mozambique	Financial Inclusion and Stability Proj.	40
Mozambique	Moz Land Adm Project - Terra Segura	100
Mozambique	Emergency Resilience Recovery Project Af	13
Mozambique	Mozambique - Temane Regional Electricity Project (Free-standing Cofinancing Trust Fund: US \$24.0 million equivalent + IDA Grant: US \$300.0 million equivalent).	324
Mozambique	Water Services and Institutional Support II Project	75
Rwanda	Refugees & Host Community Rwanda	35
Rwanda	Refugees & Host Community Rwanda	25
Rwanda	Rwanda Housing Finance Project	150
Rwanda	Rwanda Energy Sector Dpo2	125
Rwanda	Rwanda PFM Reform Project	20
Rwanda	Rwanda - Proposed Investment in 3B Hotels	7.7
Sierra Leone	Energy Sector Utility Reform SL-AF	50
Sierra Leone	SL Second Productivity and Trans-Dpo	40
Sierra Leone	Financial Inclusion and Infrastructure P	12
Sierra Leone	SL Skills Development	20
Sierra Leone	Agro Processing Competitiveness Project	10
Sierra Leone	Integrated and Resilient Urban Mobility Project	50
Somalia	Somalia Capacity Advancement, Livelihoods and Entrepreneurship through Digital Uplift Project (SCALED-UP)	18
Somalia	Public Mgt Capacity Str	20
Somalia	Somalia Recurrent Cost AF	60
Tanzania	EASTRIP Tanzania	75
Tanzania	Tanzania Proposed Investment in nzanja Mortgage Refinance Company Limited	1.5
Tanzania	Tanzania - Support from the IDA18 IFC-MIGA PSW Local Currency Facility (LCF) to the Proposed IFC Investment in National Microfinance Bank Plc (NMB) of the United Republic of Tanzania.	37.8
Uganda	HOA Devt Response Displacement Impacts	150
Western Africa	Regional Off-Grid Electrification	10
Western Africa	Regional Off-Grid Electrification	140
Western Africa	Africa Centers for Excellence Impact I	10
Western Africa	Ecogas Electricity Access	9
Western Africa	Solar SOP SSA	21
Zambia	Transforming Landscapes for Resilience	100
Zambia	Zambia Proposed Investment in Protea Hotel Zambia Ltd. and Bonanza Development Company Ltd	9
TOTAL Commitment		5,646.40