

# ANNUAL REPORT 2020

**ANNE N. KABAGAMBE**  
AFRICA GROUP | CONSTITUENCY



**AFRICA**  
GROUP 1 CONSTITUENCY



**WORLD BANK GROUP**

THE WORLD BANK  
IBRD • IDA

**IFC**

International  
Finance Corporation

**MIGA**

Multilateral Investment  
Guarantee Agency



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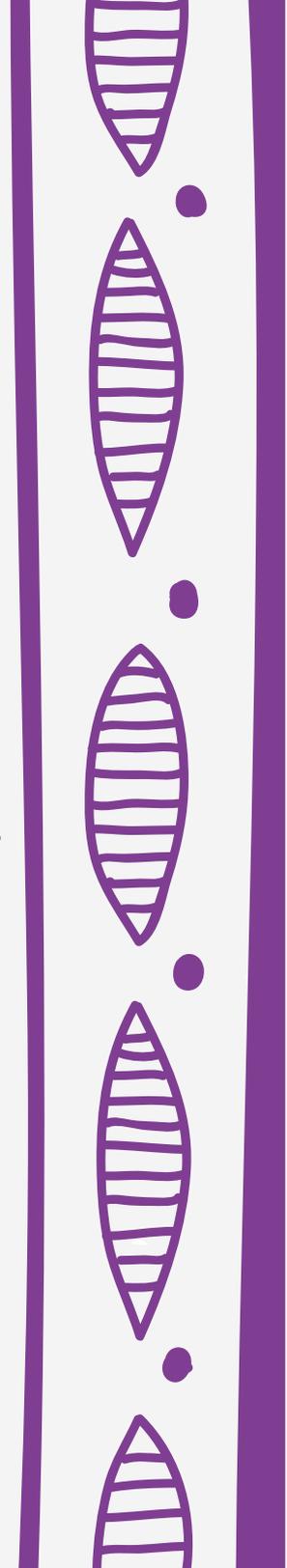
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# Acronyms and Abbreviations

|          |   |       |   |
|----------|---|-------|---|
| AfG1     | Africa Group 1 Constituency                           | IMF   | International Monetary Fund                           |
| CAT-DDO  | Catastrophe Draw Down                                 | IPF   | Investment Project Financing                          |
| COVID-19 | Coronavirus Disease 2019                              | JET   | Jobs and Economic Transformation                      |
| CPF      | Country Partnership Framework                         | LTF   | Long Term Finance                                     |
| DSEP     | Debt Sustainability Enhancement Program               | MIGA  | Multilateral Investment Guarantee Agency              |
| DPF      | Development Policy Financing                          | MPA   | Multi-Phased Approach                                 |
| DSSI     | Debt Service Suspension Initiative                    | OECD  | Organization for Economic Cooperation and Development |
| EMDE     | Emerging Market and Developing Economies              | PCO   | Program for Creditor Outreach                         |
| FCS      | Fragile and Conflict-Affected Situations              | PforR | Program for Results                                   |
| FCV      | Fragility, Conflict and Violence                      | PPA   | Policy and Performance Action                         |
| FTCF     | World Bank Group Fast Track COVID-19 Facility         | PSW   | Private Sector Window                                 |
| FY       | Fiscal Year   | SDGs  | Sustainable Development Goals                         |
| GWG      | Gender Working Group                                  | SDFP  | Sustainable Development Financing Policy              |
| GDP      | Gross Domestic Product                                | SIDS  | Small Island Developing States                        |
| IBRD     | International Bank for Reconstruction and Development | SSA   | Sub-Saharan Africa                                    |
| IDA      | International Development Association                 | US    | United States   |
| ICT      | Information and Communication Technology              | WBG   | World Bank Group                                      |
| IFC      | International Finance Corporation                     |       |   |



Rwanda. Rambura, Nyabihu District © Simone D. McCourtie/World Bank

# Message from the Executive Director

I am pleased to present the Annual Report for 2020, a year that has witnessed an unprecedented global crisis due to the Coronavirus Disease 2019 (COVID-19) pandemic. It has been a troubling and eventful year as some members of our Constituency have also had to deal with the locust outbreaks, floods, and droughts. Ensuring support to our Constituency Member Countries to address these and other development challenges has been our focus this year. Since this is my last report, as the Executive Director for the Africa Group 1 (AfG1) Constituency, its contents will slightly differ from the norm. The Report covers the past two years and provides a review of our performance and challenges, and looks forward by sharing lessons and recommendations for the future. It also covers our Constituency engagements, including the COVID-19 response by the World Bank Group as well as updates on key selected policy issues. The Report concludes with some lessons learned as well as recommendations to improve and build on this performance.

Upon being elected in October 2018, my first task was to formulate a strategy and define an agenda for the two years for the Constituency Office. The agenda, communicated to the Honorable Governors of our Constituency, had four axes: (i) Mobilizing maximum resources for the Constituency Countries; (ii) Facilitating re-engagement of transition countries with the Bank; (iii) Facilitating the sharing of experiences between countries within the Constituency; and (iv) Focusing attention and leading on recurring issues. With the support of our Honorable Governors and the Constituency Chair, the two-year period has been highly productive, making significant progress at the Bank level as well as within the Constituency.

The Constituency Office played a critical role in the Bank-wide achievements. These include the implementation of the “Forward Look”, through the historic International Bank for Reconstruction and Development (IBRD) Capital Increase; a record replenishment of the 19<sup>th</sup> round for the International Development Association (IDA19) aligned to the policy priorities of African countries; the approval of the International Finance Corporation (IFC) Capital Increase Resolution; and the IBRD Shareholding Review. In the last part of FY20, the notable achievement was the establishment of the World Bank Group COVID-19 Financing Facility.



Anne N. Kabagambe  
Executive Director

“ ... sharing lessons and recommendations for the future. ”

In addition, we made significant strides in mobilizing financing for our Constituency members from the World Bank. Our Office played a critical role in the IDA19 resource mobilization by engaging multiple partners to include the Jobs and Economic Transformation (JET) agenda as one of the core policy priorities of IDA19. We drew lessons from the past and current challenges in implementing IDA cycles, especially relating to their relevance to the African countries' context, and assisted countries to voice their priorities through various ministerial engagements. We engaged Executive Directors to mobilize their support for our programs, including the endorsement of several Country Partnership Frameworks (CPFs) for our Member Countries; we advocated for more engagement with the World Bank Group (WBG); we pushed for the mobilization of the Crisis Response Window for Cyclone IDA1, and facilitated more support for regional integration projects.

We advised and supported our Member Countries to prioritize Development Policy Financing (DPFs). Given the importance of policy reform and transformation, we focused our efforts on promoting and mobilizing financing for sectors such as agriculture, energy/power, transport, and technology. Today, a sizable share of projects approved by the WBG for Member Countries go towards the financing of these sectors. We also emphasized funding to support private sector development in our Member Countries. In this respect, we engaged the IFC management on enhancing the use of the WBG's Private Sector Window (PSW) to promote investment and paid close attention to IFC's advisory services. With the advent of COVID-19, our focus shifted to mobilizing support for relief, restructuring, and recovery.

The Office facilitated the re-engagement efforts of countries in transition to enable them to fully access the financial resources of the WBG. The good news is that in March 2020 the Republic of Somalia became the 37<sup>th</sup> nation to reach the HIPC decision point. This historic milestone could not have come at a better time. Somalia became eligible for the COVID-19 Fast Track Facility on emergency and pandemic preparedness, as well as the IDA19 resources. The reengagement process for Sudan is underway with a landmark Sudan Berlin Conference held on June 25, 2020. The WBG and the IMF are taking a central role in laying the ground for donor support and resource mobilization for Sudan. Additionally, we are continuing to make progress in the reengagement of Zimbabwe and Eritrea.

We focused and led on the recurring development issues facing our Constituency Countries. We consulted widely, using country visits for substantive engagements, advocated for Member Countries to preserve their voice in the WBG, among others, by subscribing to the 2018 Capital Increase. The Office regularly engaged WBG management on the challenges arising from the implementation of its environmental and social safeguard policies in Africa, as manifested by the mismatch between country-level capacities and WBG expectations. We facilitated efforts for countries within the Constituency to learn from each other. As part of this effort, we organized learning workshops and provided linkages between countries. Our Office also

championed the opening of WBG country offices in our Member Countries, enhanced support for countries impacted by fragility, conflict and violence (FCVs), sustainable development financing, as well food security and gender parity. We engaged with civil society organizations to ensure the participation of more national stakeholders in the development process.

I am humbly aware that the achievements over the past two years were possible only because of your support and engagement, Honorable Governors and Alternate Governors, as well as our IDA Borrowers' Representatives. I am profoundly appreciative of the trust placed in me as your Executive Director at the Africa Group 1 Constituency. In addition, I am deeply grateful to all government officials in Constituency Countries and in Washington, DC who have worked behind the scenes to ensure that we achieve our goals. For me, it has been an exciting journey, an honor and a privilege for the opportunity to serve, for which I shall forever be grateful.

I do hope that you, Honorable Governors and Alternate Governors, as well as other interested readers will find the Report both informative and useful.

A handwritten signature in black ink, reading "Anne N. Kabagambe". The signature is fluid and cursive, with the first letter 'A' being particularly large and stylized.

**ANNE N. KABAGAMBE**

Executive Director



Liberia. C.H. Rennie Hospital in Kakata, Margibi County. © Dominic Chavez/World Bank

# Executive Summary

The COVID-19 pandemic has wreaked havoc on people's lives and livelihoods across the world in an extraordinary way, killing hundreds of thousands of people, and putting large swathes of economies in hibernation. Sadly, it is still raging on. Recent data indicates that the rate of infection in Sub-Saharan Africa has been rising even though most countries are partially lifting some of the containment measures to stop further damage to their economies. The COVID-19 pandemic threatens to inflict deeper deprivation on millions of people, leading to an increase in global poverty for the first time since 1998. The poverty rate is unfortunately expected to deepen in Fragility and Conflict-Affected Situations (FCS).

In its quest to effectively serve the Constituency, the Office of the Executive Director formulated in 2018 a strategic agenda for the Africa Group 1 Constituency that was communicated to the Honorable Governors. The agenda had four main axes: (a) mobilize maximum resources for Constituency Countries, (b) facilitate re-engagement of the transition countries, (c) facilitate sharing of experiences between countries within the Constituency, and (d) focus attention and lead on recurring issues. The four pillars informed the Office's work program between 2018 and 2020. Delivery on the strategy over the biennium was anchored in these three success factors: (a) the size of resources going to Constituency members; (b) the level of engagement within the Bank to change perception and to drive support for projects of Constituency Countries; and (c) the prioritization of issues that are of importance to the Constituency on the Bank's agenda.

While the pandemic has dramatically changed the working environment, the Office remained adaptive and flexible in ensuring that the core focus of the strategy was unaffected, and achievements are documented. First, the Office spearheaded the approval of Country Partnership Frameworks for eight countries from the Constituency. It is through this framework that client countries and the Bank jointly identified areas of support and the needed resource envelope while taking into account the respective country's development priorities and World Bank Group's (WBG) comparative advantage. Second, the Office has been monitoring the performance of country programs to ensure that Member Countries exhaust their indicative Performance-Based Allocations (PBAs). In this regard, client countries of the International Development Association (IDA) fully utilized their IDA18 PBAs by the end of June 2020. Third, the Office has facilitated re-engagements of transition countries, with the Federal Republic of Somalia now fully re-engaged while notable progress has been made for the Republic of Sudan. The Office continues to support Eritrean and Zimbabwean Authorities in their efforts to reactivate their cooperation with the international community.

“ ... mobilize maximum resources for Constituency Countries ... ”

“ ... the Bank’s resources complement their domestic resources in improving people’s lives and livelihoods ... ”

The Office hosted and facilitated several strategic meetings. It helped the Republic of Zambia and the Federal Democratic Republic of Ethiopia to host strategic IDA meetings, which contributed to the strong IDA19 resource and policy commitments. The visits of the WBG President to Ethiopia and Mozambique as well as that of a delegation of WBG Executive Directors to Uganda further strengthened the partnerships between the Bank and those countries. During these visits, host countries were able to showcase how the Bank’s resources complement their domestic resources in improving people’s lives and livelihoods, as well as build a case for more technical and financial support.

Further, the Office emphasized the exchange of knowledge and information by encouraging Constituency Countries to share best practices in the realm of jobs and economic transformation, human development, women empowerment, private sector development, domestic resource mobilization, resolving the debt issue, as well as promotion of technology and digital transformation. The Office strongly advocated for the balance between addressing risks in operations and realizing development impact, amid concerns about country capacities. Failure to observe this balance in applying environmental and social safeguards would disproportionately disrupt development efforts.

The impact of COVID-19 is likely to be more intense in emerging and developing countries which are characterized by widespread informality and weak health systems. Countries that are highly dependent on tourism, are deeply integrated into the global value chains, have narrow fiscal space due to large public debts and falling tax revenues, are commodity-dependent, and rely on remittances to support human development will also be deeply affected. In this regard, about half of the countries in Africa Group 1 (AfG1) will see their economies shrink in 2020.

The road to recovery from the pandemic’s devastating impact is clouded by extraordinary uncertainty as no treatment or vaccine is currently available. The pace of economic recovery will largely depend on how the pandemic evolves, its extent and duration; the containment measures; the size and effectiveness of the policy responses; and the spillover emanating from major economies. Countries must therefore deploy the right mix of policy levers to kickstart or sustain recovery. First, countries should use available fiscal and monetary policy spaces to help the most affected sectors and households by alleviating liquidity constraints so that they can get back to business. Second, as forecasts point to the likelihood of the long-lasting scars of the pandemic, countries should quickly embark on productivity-enhancing reforms. These reforms should be geared towards facilitating investment in human and physical capital, as well as in research and development; encouraging reallocation of resources toward more productive sectors; fostering technology adoption and innovation; and promoting a growth-friendly macro-economic and institutional environment. Lastly, strengthening global coordination and cooperation is critical to ensure that international support is available to complement national efforts in responding to the pandemic’s social and economic consequences.

In addition to the social and economic consequences of COVID-19 highlighted above, one of the immediate impacts of the pandemic is the exacerbation of the food insecurity situations. In recent months, COVID-19 and its associated shocks coupled with conflict, weather extremes, and desert locusts led to the deepening

of food insecurity. The severity of the crisis compelled the international community including the WBG, to mobilize resources needed to address the growing crisis of food shortages and price escalation. However, there is a need to closely monitor how the crisis of food insecurity evolves since the disruption to global value chains of foodstuffs brought by the pandemic containment measures is yet to be corrected.

The IDA's Sustainable Development Finance Policy (SDFP) came into effect in July 2020 and applies to all IDA countries, including gap and blend countries. The policy's objective is to provide incentives to IDA-eligible countries to move towards transparent and sustainable financing and to promote coordination between IDA and other creditors in support of the recipient countries' efforts. This objective will be achieved through the implementation of the two pillars of the policy, namely: Debt Sustainability Enhancement Program (DSEP) and Program for the Creditor Outreach (PCO). Country Authorities must be acquainted with the policy and its implications on their engagement with IDA. In preparation, Authorities should proactively identify issues contributing to their debt vulnerabilities, which should inform Policy and Performance Actions (PPAs) to be jointly developed with the Bank. Authorities should also identify any implementation capacity gap that could prevent them from successfully undertaking the agreed PPAs. They should also be aware that failure to implement agreed PPAs would reduce the country's IDA allocations. Thus, the onus would be on the Authorities to complete the negotiated PPAs on time in order not to lose any set-aside allocation before the end of the IDA cycle.

Fragility, conflict, and violence undermine development efforts at the local, national and global levels. Tackling this challenge head-on is therefore critical if countries are to realize their development potential. The WBG has put in place a new strategy for Fragility, Conflict and Violence (FCV), which will guide its response in terms of financing and expertise deployment when operating in conflict-affected low and middle-income countries. The effort to successfully combat challenges arising in fragility, conflict, and violence situations is expected to take time, with two-thirds of the world's extreme poor likely to be FCVs by 2030. The implementation of the strategy is backed by an earmarked resource envelope of US\$20 billion and the deployment of more professional staff in FCS. The strategy is thus a framework to mobilize efforts and resources required to help design appropriate response measures in the FCV context.

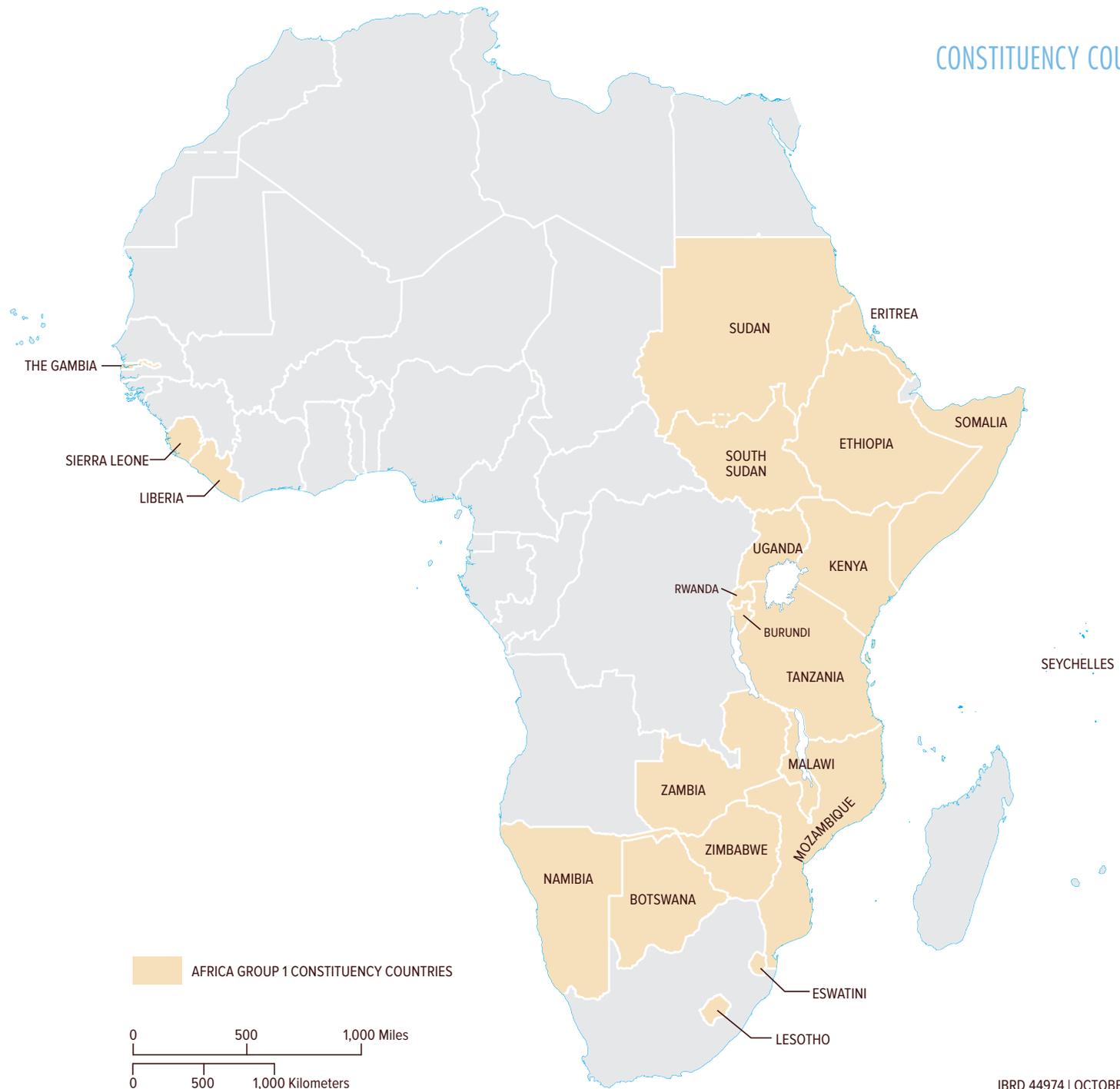
Gender inequality is another drag on the development efforts. The WBG has put in place an outcome-based gender strategy, which aims to promote what works while acknowledging the fact that the WBG could be a force for good in addressing the gender challenge in development. In this regard, gender has been a key policy agenda for the Office. At the Board level, the Constituency Office played an active role in driving the policy agenda on gender and carving out specific programs of support for our Member Countries. There is notable progress on this front at the WBG as the gender lens is increasingly factored in the Bank's operations, policies and strategies.

Finally, the Report catalogs lessons learned over the two-year term of the Constituency leadership. It also highlights what needs to be done by the Constituency to deepen engagement and leverage more WBG support for the priority agenda of the Member Countries. These lessons could potentially make the Office

“ ... played an active role in driving the policy agenda on gender and carving out specific programs ... ”

more efficient and effective in serving the Constituency and the Bank. First, the value of the Office could be optimized by having a shared vision and an agenda for the Constituency. This agenda would be derived from the dialogue among the Constituency members and translated into a strategic plan by the Constituency Office. Second, Constituency Countries should actively engage in the agenda-setting of the WBG by ensuring that they seize every available opportunity presented by the Bank's events and forums. Collaboration among Member Countries and effective use of the Constituency governance structure could also be leveraged to foster active engagements. Additionally, Constituency Countries need to be proactive at all times; leverage the WBG and the presence of national offices to advance national/constituency interests; engage civil society organizations by recognizing their contributions as actors in development; engage in dialogues for re-engagements; and contribute to ensuring the Constituency Office is effective and efficient.

# CONSTITUENCY COUNTRIES







# PART 1

## Our Performance

In this chapter, we explore our performance over the last two years. The aim is to undertake an assessment, highlight our successes and achievements as a Constituency, and identify the challenges to draw lessons for the future. We, therefore begin the chapter with the presentation of our two-year strategy, which includes what we aimed to achieve and how we intended to realize our goals.

### THE STRATEGY

The Office's agenda had four main axes: (i) mobilize maximum resources for Constituency Countries, (ii) facilitate re-engagement of transition countries, (iii) facilitate sharing of experiences between countries within the Constituency, and (iv) focus attention and lead on recurring issues. The four pillars formed the core of the agenda for these two years and provided the framework for the Office's priority actions and focus.

### MOBILIZE MAXIMUM RESOURCES FOR CONSTITUENCY COUNTRIES

The World Bank Group (WBG)'s mission is to end extreme poverty and promote shared prosperity by 2030 in alignment with the Sustainable Development Goals (SDGs). As such, for developing countries in Africa and elsewhere, the WBG is an important source of development finance and technical support. As such, a key goal of the Office is to drive as much as possible funding for Africa and, more specifically, to AfG1 countries. Thus, the overarching objective for these last two years was to mobilize the maximum amount possible for the members of our Constituency.

To realize this objective, the Office formulated a program to ensure that the Country Partnership Frameworks, a key instrument in country engagement with WBG, reflected national development priorities, supporting governments to fully utilize resources allocated to countries through the Performance-Based Allocation (PBA) framework, encouraging countries to propose projects which could tap into special financing windows. The Office also engaged proactively in the IDA19 replenishment process by ensuring that important issues for our Constituent countries are part of the priority policy package for the replenishment period.

As part of the strategy, we also advocated for regional integration. In this respect, we insistently promoted transformative regional integration initiatives and projects where our countries have interests. On fostering regional integration, the Constituency Office promoted cross-border initiatives as primary instruments for the development and implementation of regional strategies, including physical infrastructure projects and adequate regulatory frameworks in each sub-region. The Office also prioritized work on cross-country trade and investment-related initiatives. The goals included a focus on transformative projects with impact across countries and to foster viable and integrated economic development as well as free movement of goods and services within the sub-region. The strategy also identified some priority sectors, including energy, transport, agriculture, technology, and human capital development. These sectors were identified based on their wider implications for structural change and socio-economic transformation.

## **FACILITATE REENGAGEMENT OF THE COUNTRIES IN TRANSITION**

Member countries that were in transition were targeted for reengagement with the Bank in 2018. These countries were Eritrea, Somalia, Sudan, and Zimbabwe. A key objective was to improve the collaboration and cooperation between them and the WBG. In 2018, most of them showed the characteristics of Fragility and Conflict-Affected Situations (FCS). Bringing these countries back to the fold of the WBG to enable them to access resources for development and continues to be a priority. The Office also sought the support of other potential donors, including financing of projects.

To drive the re-engagement, the strategy called for facilitating roundtable conversations, visits, and networking with other institutions and donor partners to engage the transition countries. The strategy also called for engaging all transition countries to carry out the necessary reforms, which would help in the mobilization of resources for their development efforts by creating attractive conditions for investment.

## **FACILITATE THE SHARING OF EXPERIENCES**

The two-year strategy emphasized learning and the importance of the AfG1 countries to share experiences arising from their respective development endeavors. Although our countries are different, their realities are comparable. Many are at about the same level of development, face similar challenges, and have relatable experiences. As such, the Office's strategy was to help facilitate learning through the sharing of

experiences among our Constituency Countries. This included providing opportunities for conversations as well as workshops explicitly designed for countries to learn from each other. It also aimed to piggyback on the Bank's official meetings where countries are represented. The Office also planned to help facilitate study tours and exchanges among countries.

## FOCUS ATTENTION AND LEAD ON RECURRING ISSUES

As part of the strategy, the Office set for itself the goal of becoming the leading voice within the Bank on issues facing the continent such as private sector development, mobilizing domestic resources, and the use of technology as a driver of the development process. The aim was to ensure these issues are taken into account in resource mobilization, policy priorities, analytical work, and technical assistance by the WBG. The Office continuously and actively engaged the WBG on these issues. The goal was to facilitate engagement among the stakeholders, while also mobilizing partners' support for African interests.

The strategy called for the Office to hold the WBG management accountable for its diversity goals. The Office advocated for the hiring of more Africans within the Bank Group, while also encouraging mentoring, promotion, and retention. The Office also advocated and pressed for more and qualified staff from Sub-Saharan Africa (SSA) to join the Bank Group. The effort included advocacy for programs that ensured Africans within the Bank can progress in their careers and that they are present at all technical and managerial levels.

## KEY SUCCESS FACTORS

As part of the strategy, three success factors were defined to provide the indicators to measure success by the Office in delivering on the strategy over the two years. The three success factors are: (i) the volume of resources going to the members of the AfG1 Constituency; (ii) the level of engagement within the Bank to change perception as well as to drive support for projects of Constituency Countries; and (iii) the ability to drive the conversations and place issues of importance to the Constituency on the Bank's agenda.

## THE SIZE OF RESOURCES GOING TO THE MEMBERS OF THE AFG1 CONSTITUENCY

A primary role for the AfG1 Constituency Office is to help mobilize and attract resources to the Member Countries to support their development agenda. It is a crucial objective given the considerable gap in development financing. Undoubtedly, developing countries' WBG membership is mainly driven by the

“ ... focus on transformative projects with impact across countries and to foster viable and integrated economic development ... ”

opportunities for resource mobilization and support for the development process. As such, the amount of financial resources flowing to the AfG1 Member Countries is a key indicator in assessing the success of the two-year strategy.

## THE LEVEL OF ENGAGEMENT WITHIN THE BANK BOARD

The WBG is made up of various constituencies. The ability of the AfG1 Office to pull resources to the Constituency requires a high level of engagement and building goodwill and good perception with the other constituencies at the Board as well as with technical and operations teams. It is important to be able to communicate the challenges and opportunities of investing in its Member Countries. It is crucial in building the necessary broad-based support from partners as well as leadership of the institution to succeed in driving resources to Member Countries.

## THE ABILITY TO DRIVE THE CONVERSATIONS

Ensuring sizable resource flows to the AfG1 Constituency requires that our countries have identified national priorities and that the Office can place their concerns on the agenda of the Bank. Importantly, the agenda and policy-setting processes of the WBG is a crucial entry point. The Office has a critical role to play in placing issues of importance to the Constituency on the Bank's agenda. This will influence the process of resource mobilization, defining priorities areas, as well as the types of instruments and policies developed by the Bank. Impact on these areas is crucial to driving resources to the Member Countries of the Constituency.

## ACHIEVEMENTS AND SUCCESSES FOR FY19–20

The Constituency made significant progress and achieved many successes over the last two years in resource mobilization, enhancing engagement of the Constituency members with the WBG as well as in helping to drive the agenda and policy-setting processes of the WBG. Box 1.1 highlights some of the successes and achievements of the Office.

## BOX 1.1. OFFICE ACHIEVEMENTS

The critical focus of the Constituency Office over the past two years has been to improve performance to ensure that our services and delivery to Member Countries were of highest level. This included seeking ways to raise the Constituency Voice within the WBG; to improve efficiencies within the WBG, and to increase resource mobilization for the WBG as well as flows to our Member Countries. The good news is that significant progress was made, and the Constituency Office has played a major role in the achievements. Key areas worth mentioning include resource mobilization, convening power, advocacy, board agenda, oversight, outreach and administration.

**RESOURCE MOBILIZATION:** A critical focus of the WBG is mobilizing resources to support development in its Member Countries. In the two years, various milestones were achieved. A capital increase for IBRD and IFC were successfully negotiated and shareholding realigned. There was also the successful IDA19 replenishment which led to a record level commitment of US\$ 82 billion. The result has been increased flows of resources to the members of the Constituency. A key example of this is the extensive use of the IDA-Refugee Window for Constituency Countries.

**CONVENING POWER:** The influence of the Constituency Office within the WBG was boosted over the last two years through the efforts to engage both at the technical and Board levels. As a result, the Constituency Office was invited and participated in major committees. These include co-chairing the selection of the President of the WBG, and of a new Vice-President for the Office of Compliance at IFC & MIGA; Vice-Chair of the Development Effectiveness Committee (CODE); Co-Chair, Board Working Group on Gender; and Member, Budget and Pension Benefits Administration Committees.

**ADVOCACY:** The Constituency Office invested significantly to garner more respect and it was able to better deliver results for Member Countries. Specific examples of successful advocacy efforts include Somali's re-engagement in March 2020 and Sudan's re-engagement which is expected to begin in September 2020. Other advocacy efforts included a widely distributed Monthly Newsletter; Ambassador lunches with the Constituency Diplomatic Community; Selection of the African DC Chair for 2018-2020; and Chairing the Sub-Saharan Africa (SSA) Coordination Group. The advocacy efforts also led to increased WBG representation in our Constituency Countries. Examples included the location of MIGA's office in Kenya and the IFC Offices in Burundi, Eswatini, Somalia, Uganda, Zimbabwe.

**BOARD AGENDA:** The Board dealt with various issues over the two years and the Constituency Office played important roles in all. Among these were the capital increase package and the rapid response to COVID-19 in which the WBG has mobilized and disbursed substantial amount of resources to support countries in their response. The Human Capital Project (HCP) evolved from idea to a flagship program for the Bank. The Board made various approvals including the MIGA Strategy for FY21–23 and the Fragile, Conflict and Violence (FCVs) Strategy for 2020–2025. The Jobs & Economic Transformation (JET) program which was a key aspect of the IDA19 resource mobilization and the Sustainable Development Financing Policy of IDA were also approved. Also, the Board initiated the review of the IDA Voting Rights.

**OVERSIGHT:** Improving the performance of oversight groups was an important focus of the Constituency Office over the two years. The goal was to ensure that reforms were undertaken to guarantee smart oversight groups that support development while also providing safeguards. Some of the successes that the Office was instrumental in moving forward included the external review of the Compliance Advisor/Ombudsman (CAO) for the IFC and MIGA and the reforms of the Inspection Panel (IPN) Toolkit . In September 2020, the Board approved a Resolution establishing the new World Bank Accountability Mechanism, which will house the Inspection Panel and a Dispute Resolution Service (DRS). The DRS will provide an option to requesters and borrowers for dispute resolution to avoid or prior to compliance with the IPN, on a voluntary basis. In addition, these were the discussions which, for example, facilitated the closing of the 20-year compliance case on the Bujagali Hydropower project in Uganda.

**OUTREACH:** The Office also undertook extensive outreach including efforts to visit our Constituency Countries. A majority of Constituency Countries (15 countries) were visited by the Executive Director, while the COVID-19 disrupted travel plans to the remaining seven (7) Constituency Countries. There was also an historic visit by President David R. Malpass of the WBG to two Constituency Countries of Mozambique and Ethiopia. Executive Board missions were also organized to the Constituency Countries.

**ADMINISTRATION:** Achieving the goals of the Constituency depends largely on the performance of the Office. In this respect, efforts were made to increase staff performance through an appraisal system, recruiting advisors and ensuring diversity of staff. Over the two years, the Office continued to implement professional staff rotation, by replacing the advisors from Zambia, Uganda and Mozambique with advisors from Ethiopia, Botswana and Sudan. The recruitment exercise increased the gender balance in the Office, with four women out of 11 advisors. In addition, two women were promoted to the positions of senior advisor. We also implemented the Voice Secondment Program (VSP) of the Executive Board that allowed us to bring in 8 nationals from Constituency Countries, as well as an internship program.

## COUNTRY PARTNERSHIP FRAMEWORKS FOR EIGHT CONSTITUENCY COUNTRIES ENDORSED BY THE WBG BOARD

The engagement between a Constituency Country and the WBG is mainly informed by the Country Partnership Framework (CPF). The WBG Board and Management use this strategic tool to review and guide WBG country programs, as well as to assess their effectiveness. The CPF identifies key objectives and development results through which the WBG intends to support a member country in its efforts to end extreme poverty and promote shared prosperity. CPFs usually pick up areas of the country's development strategy in which WBG has a comparative advantage. Over the past two years, the Constituency Office promoted and mobilized support from other Executive Directors' Offices to endorse CPFs for eight Member Countries: Burundi, Liberia, Rwanda, Seychelles, Sierra Leone, Somalia, Tanzania, and Zambia. Table 1.1 highlights each CPF's priority areas.

## MOBILIZED MAXIMUM RESOURCES FOR CONSTITUENCY COUNTRIES

A primary focus of the resource mobilization effort from the WBG is to ensure Member Countries fully utilize their Performance-Based Resource Allocations (PBA). In this regard, the performance for IDA18 was impressive, as most Member Countries fully committed their PBAs by the end of June 2020. During FY19–20, the World Bank's cumulative commitments to the Constituency amounted to US\$13.3 billion, of which US\$12.7 billion was from IDA and US\$626 million was from IBRD (See the Facts and Figures section for more details on resource flows to the Constituency Countries). Other grants amounted to US\$5.5 million. Of the cumulative commitments, US\$6.0 billion and US\$7.3 billion were committed in FY19 and FY20, respectively. On the share of commitments by type of financing instrument, 55.9 percent, 38.5 percent, and 5.6 percent of the World Bank's cumulative commitments were, respectively, in the form of Investment Project Financing (IPF), Development Policy Financing (DPF), and Programs for Results (PforRs). In terms of sector composition, over half of the commitments went into financing operations related to macroeconomics, trade, and investment. This composition of commitments partly reflects the big development policy operations committed to Ethiopia and Kenya. Other priority sectors included social protection and jobs, education, water and environment, and natural resources.

On the flow of actual funds, total resources disbursed by the World Bank to our Constituency Countries over the biennium amounted to US\$14.2 billion, of which US\$328.1 million and US\$13.9 billion was from IBRD and IDA, respectively. Ethiopia, Kenya, Tanzania, and Uganda were the largest recipients, with Ethiopia's and Kenya's substantial amounts being driven by the large, fast-disbursing development policy operations. Moreover, the composition of cumulative disbursement by financing instruments indicated that IPF was the dominant financing instrument, with 47.2 percent, followed by DPF at 34.1 percent, and PforR at 15.7 percent. Large shares of these resources went into supporting operations related to macroeconomics, trade and investment; urban development; energy and extractives; social protection and jobs; and transport.

**TABLE 1.1.** LIST OF CONSTITUENCY CPFs ENDORSED BY THE BOARD IN FY18–20

| COUNTRY                         | CPF PERIOD | CPF FOCUS AREA  |
|---------------------------------|------------|---|
| The United Republic of Tanzania | FY18–22    | Enhance productivity and accelerate equitable and sustainable growth;<br>Boost human capital and social inclusion - a lifecycle approach to human development challenges; and<br>Modernize and improve the efficiency of public institutions.                 |
| The Republic of Zambia          | FY19–23    | Balanced territorial development: opportunities and jobs for the rural poor;<br>Public services and social protection for job participation; and<br>Institutions for resilience.  |
| The Republic of Seychelles      | FY18–23    | Sustainable growth for shared prosperity; and<br>Fostering inclusion and public sector performance.   |
| The Republic of Liberia         | FY19–24    | Strengthening institutions and creating an enabling environment for inclusive and sustainable growth;<br>Building human capital to seize new economic opportunities; and<br>Narrowing the infrastructure gap to foster more equitable nationwide development. |
| The Republic of Burundi         | FY19–23    | Building human capital and inclusion; and<br>Strengthening foundations or economic and social resilience.   |
| The Republic of Sierra Leone    | FY21–26    | Sustainable growth and accountable governance;<br>Human capital acceleration for inclusive growth; and<br>Economic diversification and competitiveness with resilience.   |
| The Federal Republic of Somalia | FY19–22    | Strengthening institutions to deliver services; and<br>Restoring economic resilience and opportunities.   |
| The Republic of Rwanda          | FY21–26    | Improved human capital;<br>Improved conditions for private sector development;<br>Expanded access to infrastructure and the digital economy;<br>Increased agricultural productivity and commercialization; and<br>Intensified urban agglomeration.            |

The Constituency Office, through its IDA Borrowers' Representatives, worked with other offices to make a case for a robust IDA19 replenishment to implement a strong IDA19 policy package, which includes the Jobs and Economic Transformation (JET) Agenda (See Box 1.2). Consequently, IDA donors were able to raise US\$82 billion for the FY21–23 cycle. A significant share of these resources will be deployed to help countries respond to the social and economic consequences of COVID-19.

## FACILITATED RE-ENGAGEMENT OF TRANSITION COUNTRIES

The Constituency Office has been working with the Authorities of four Constituency Countries with inactive engagement with the WBG, namely Eritrea, Somalia, Sudan, and Zimbabwe. Notable progress has been made with the Federal Republic of Somalia, which is fully engaged with the Bretton Woods Institutions since March 2020, thereby being able to access WBG's financial and technical resources. The Republic of Sudan is also on the cusp of restoring its relationship with the International Financial Institutions as well as development partners, following strong support for its ambitious reforms program during the June 25, 2020, Sudan Berlin Conference. Sudan's re-engagement discussions, which commenced in May 2020, have advanced quickly with the first-round resource release to the government expected to begin in September 2020. The Constituency Office has also pursued avenues for accelerating reengagement with Eritrea and Zimbabwe. The WBG Board held a technical discussion on August 31, 2020, focusing on the current situations of the two countries and issues to be addressed to facilitate access to the much-needed support in response to the COVID-19 pandemic and development financing to support their economic development.

## CONSTITUENCY COUNTRIES HOSTED STRATEGIC MEETINGS AND VISITS

The Constituency hosted two important IDA meetings. In November 2018, the IDA18 Mid-Term Review was held in Livingstone, Zambia. The meeting's overriding goal was to take stock of IDA18's implementation progress. It was attended by IDA Deputies, Borrowers' Representatives as well as WBG Senior Management. The Constituency took the opportunity to mobilize support on an important agenda for our Constituency, which is the JET agenda. Also, during this meeting the Constituency pushed for and managed to secure a 100 percent grant for countries experiencing a surge in refugee inflows. In June 2019, the Federal Democratic Republic of Ethiopia hosted the Second IDA19 Replenishment Negotiation Meeting in Addis Ababa. The meeting was of utmost importance to the Constituency as it was in this gathering that the policy package for IDA19 was negotiated. Again, the Constituency used this meeting to strengthen its JET agenda by advocating strong policy commitments that reflect the needs of the Constituency Countries and Sub-Saharan Africa. In each meeting, the host country had an opportunity to showcase to IDA donors and Management how it is making the best use of IDA resources to improve its citizens' livelihoods.

“ ... advocating strong policy commitments that reflect the needs of the Constituency Countries and Sub-Saharan Africa. ”

## **BOX 1.2. IDA19 POLICY COMMITMENTS FOR JOBS AND ECONOMIC TRANSFORMATION**

The IDA19 Jobs and Economic Transformation special theme has 13 policy commitments contributing to two pillars and other cross-cutting areas.

### **PILLAR 1: CREATING AND CONNECTING TO MARKET:**

1. The WBG will undertake interventions in 10-15 countries to help them address bottlenecks in sectors with high potential for private sector led job creation and economic transformation, in sectors such as agribusiness and manufacturing. Proposed WBG actions will be grounded in diagnostics, such as the Country Private Sector Diagnostics (CPSD) findings and jobs diagnostics, selected in agreement with country authorities.
2. At least 66 percent of agriculture and agribusiness projects in IDA countries will include support for participation in value chains with high potential for growth and job creation. IDA will help to reduce trade costs by connecting producers to markets, providing them with technical assistance to meet international standards and regulations, adopt modern technology and related logistics.
3. IDA will support at least 15 client countries to develop their primary and secondary cities with a focus on JET, including through climate-smart development, strengthening urban land management, and development of enabling infrastructure for job creation.
4. IDA will support 10 countries to develop and modernize regional infrastructure (e.g., power, transportation) and cross-border policy reforms with high potential for export promotion, increased productivity and labor mobility.
5. To help close the digital infrastructure gap, IDA will support 25 countries to double their broadband penetration (16 on the African continent), including eight in landlocked countries, by 2023.
6. IFC will aim to increase the share of its commitments in FCS-IDA17 & LIC-IDA17 countries, reaching 10-15 percent of its own-account commitments on average during the IDA19 cycle. This commitment however, is conditional on the approval of the IFC capital increase resolution, with a significant portion of the new shares offered to shareholders being subscribed to.

### **PILLAR 2: BUILDING CAPABILITIES AND CONNECTING WORKERS TO JOB:**

7. Fifty percent of entrepreneurship and Micro, Small and Medium Enterprises (MSME) projects will incorporate digital financial services and/or digital entrepreneurship elements and ensure they address particular constraints facing women and people with disabilities.
8. IDA will support at least 15 countries, with programs or policies to improve skills and employability toward more and higher-quality jobs, considering the differential constraints facing young women and men, and people with disabilities. This will include at least 12 of those among the 30 with the lowest Human Capital Index (HCI).

## CROSS-CUTTING COMMITMENTS

9. IDA will embed a JET focus in all IDA country programs and the design of operations as appropriate, informed by diagnostics such as SCDs and CPSDs, and reflected in all new CPFs and PLRs. There will be enhanced use of JET results indicators and where relevant, migration diagnostics will inform IDA country programs and design of operations.
10. Under country government leadership, IDA will actively participate in country platforms to collaborate and coordinate with development partners and stakeholders including MDBs, DFIs, bilaterals, and the private sector in at least 10 IDA countries. The objective will be to develop a coherent vision and a set of actions for JET, as well as mobilize private finance.
11. All SCDs of IDA countries at moderate or high risk of debt distress will address the country's approach for sustainably financing its development.
12. IDA will conduct 20 pilots in 'economic transformation IDA projects' to estimate indirect and/or induced jobs. The IFC will track direct jobs and estimates of indirect jobs associated with all IFC PSW investments. Where feasible, jobs reporting will be disaggregated by the poorest quintile, gender, FCS, disability and youth.
13. IDA will work with regional institutions on capacity building and skills in addition to establishing strategic partnerships with at least three RECs to promote regional markets and develop regional value chains.

In his first official trip to Sub-Saharan Africa, the WBG President, Mr. David Malpass, visited two Constituency Countries in April and May 2019. The President visited the Republic of Mozambique to explore with Authorities how the WBG could help the country rebuild after the devastating impact of cyclone Idai, which also wreaked havoc in two other countries in the Constituency: Malawi and Zimbabwe. The President also visited the Federal Democratic Republic of Ethiopia to have discussions with the Authorities on how the WBG could effectively support Ethiopia's ambitious reform agenda. A delegation of WBG Executive Directors visited the Republic of Uganda in April 2019, where they were received by H.E President Yoweri Kaguta Museveni. Their discussions with the Ugandan authorities focused on ways to deepen WBG support and investment in human capital, digital technology, and the private sector. Also, President Museveni met WB Vice President for Africa, Mr. Hafez Ghanem, in March 2020, on the Bank's response to COVID-19 and the Eastern African locust outbreak.



# Executive Director Anne N. Kabagambe' Constituency Country Visits



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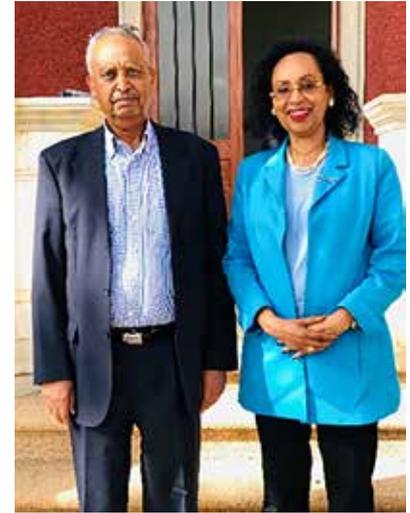


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- 1 Hon. Mr. Henry Rotich, Cabinet Secretary of the National Treasury and Planning. Kenya. Dec. 2018
- 2 & 3 H.E. President Danny Faure. Seychelles. Feb. 2019
- 4 Hon. Dr. Thambo Gina, Minister for Economic Planning & Development, Eswatini. March 2019
- 5 H.E. Prime Minister, Carlos Agostinho do Rosario. Mozambique. Feb.—March 2019
- 6 Hon. Carl-Hermann Gustav Schlettwein, Minister of Finance. Namibia. March 2019



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7 Hon. Ato. Ahmed Shide, Minister of Finance. Ethiopia. March 2019

8 Hon. Mr. Berhane Habtemariam, Minister of Finance. Eritrea. June 2019

9 Hon. Dr. Philip Mpango, Minister of Finance and Planning. Tanzania. Aug. 2019

10 Rt. Hon. Prime Minister Dr. Edouard Ngirente. Rwanda. Sept. 2019



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- 11 & 12 H.E. President Adama Barrow. The Gambia. Nov. 2019
- 13 H.E. Vice President Inonge Mutukwa Wina. Zambia. Feb. 2020
- 14 Hon. Mr. Joseph Mwanamvekha, Minister of Finance. Malawi. Feb. 2020
- 15 H.E. President Julius Maada Bio. Sierra Leone. Nov. 2019



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16 H.E. President Uhuru Kenyatta, Kenya. March 2020

17 H.E. President Emmerson D. Mnangagwa. Zimbabwe. Feb. 2020

18 & 19 H.E. President Yoweri Museveni. Uganda. March 2020

“ ... consult  
with the country  
Authorities on  
their development  
needs and  
challenges. ”

## GETTING THE BANK CLOSER TO OUR CONSTITUENCY COUNTRIES

The Multilateral Investment Guarantees Agency (MIGA) opened its second office in Sub-Saharan Africa in Nairobi, Kenya, to serve its eastern and southern Africa clients, most of which are our Constituency Countries. Having a MIGA office is critically important at a time when many of our Constituency Countries are increasingly improving their business environments to attract foreign direct investments. Furthermore, the International Finance Corporation (IFC) has opened offices in our Constituency Countries: Burundi, Eswatini, Somalia, Uganda, Zimbabwe. Since July 1, 2020, the Sub-Saharan Africa region is being served by two WB vice-presidents, with Mr. Hafez Ghanem taking care of eastern and southern Africa, while the newly appointed vice president, Mr. Ousmane Diagana, deals with western and central Africa. This administrative reconfiguration of Sub-Saharan Africa is expected to give the two vice presidents more time to consult with the country Authorities on their development needs and challenges.

## SHARING OF KNOWLEDGE AND EXPERIENCES

The Office advocated for more WBG engagement and funding for regional integration in Africa. The Office encouraged and facilitated engagements between Ministers of Finance, the leaderships of Regional Economic Communities (RECs), and the WBG management and, more specifically, with the WBG Africa Regional Integration team. Progress in the Horn of Africa Initiative is at the stage where priority investment projects have been selected. The program has facilitated cooperation among development agencies and support for the countries in the region. The Office facilitated a joint meeting of the East African Community (EAC) Finance Ministers on the margins of the 2019 Annual Meetings. A subsequent meeting identified the areas of a joint work program between the WBG and the EAC. The Bank also approved financing for specific regional integration projects. These projects have provided opportunities for countries to work together as well as to share knowledge and experiences.

## SUPPORT FOR THE PRIVATE SECTOR

Africa's private sector operates way below potential. While several of the constraints need to be addressed through domestic policy, the Office recognizes that IFC's support could enhance Authorities' efforts to catalyze private sector development. For these reasons, the Office proactively engaged IFC management to assess the level of efforts being made to finance operations in the Member Countries of AfG1. Of importance to the Office are the number and type of investment operations in support of operations in AfG1, the size and quality of Advisory Services, and the role of Public-Private Partnerships in fostering private sector engagement. The Office frequently engaged IFC's management on how to improve the use of the WBG's Private Sector Window (PSW) to promote investment in Africa. Since early 2020, there are signs that the delivery of

PSW supported projects is increasing. The Office also paid close attention to IFC's analytical works in Sector Deep Dive and the Country Private Sector Diagnostics (CPSD), as these insights will enhance the effectiveness of IFC's country strategies as well as contribute to appropriate country engagement, compatible with national priorities and comparative advantages.

## FOCUS ATTENTION AND LEAD ON RECURRING ISSUES

The Constituency Office championed issues of interest to Member Countries in other areas. Firstly, it pressed the Bank to prioritize the JET Agenda with a recognition that true and meaningful transformation relies on the extent to which countries diversify their economies and thereby create more and better jobs. On this front, under the SSA EDs' coordination, the Office was able to rally support from other Executive Directors by acquainting them with the stylized facts of African economies through Brown Bag Lunches. Feedback from these information-sharing sessions helped shape strong policy commitments for IDA19's JET Special theme. Additionally, a unanimous voice from the Board of Executive Directors on the need for the Bank to systemize its interventions on the JET agenda led to Management's commitment to preparing a systematic framework on how to pursue this agenda.

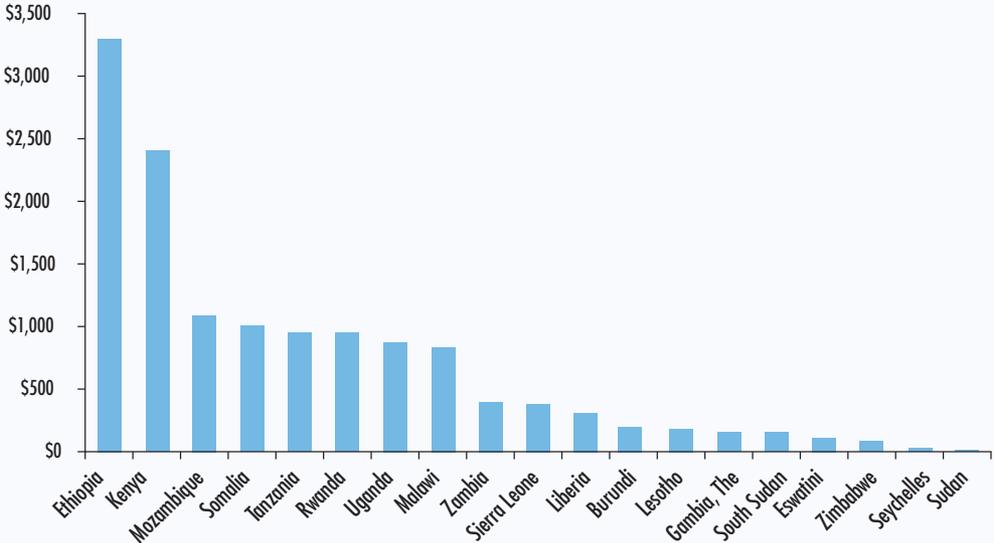
As a member of the Committee on Development Effectiveness, the Constituency Office has been a strong advocate of balancing risks in operations and the intended development impact. In this regard, the Office was able to nominate one member from the Constituency to the Compliance Advisor/Ombudsman (CAO) review panel. The active participation of the Office was manifested by the President's request to the Executive Director to co-chair the selection committee for the new Vice President for the CAO. In addition, the Constituency has strongly voiced the concerns of client countries in the review of the Inspection Panel's Toolkit and the implementation of the new Environmental and Social Framework (ESF). The Office realized that implementation of the ESF in particular, is facing challenges in Africa due to the mismatch between country-level capacities and the requirements by the Bank operations. The Office was able to bring the perspective of Member Countries to Bank management as well as the appropriate oversight bodies within the Bank about these challenges, while at the same time supporting Authorities on how to make advances in specific areas.

## FACTS AND FIGURES

### WORLD BANK COMMITMENTS TO THE CONSTITUENCY (FY19–20)

On mobilizing resources to the Constituency Countries, the World Bank committed US\$13.3 billion, of which US\$626 million was provided by IBRD and US\$12.7 billion by IDA. Over the two years, the Bank supported 19 of the 22 countries in the Constituency, including IDA-only, blend, gap and countries in fragile and

**FIGURE 1.1.** WORLD BANK CUMULATIVE COMMITMENTS BY CONSTITUENCY COUNTRY FOR FY19–20 (IN US MILLION)



Source: World Bank.

**FIGURE 1.2.** WORLD BANK COMMITMENTS TO CONSTITUENCY COUNTRIES FOR FY19-20, BY SECTOR

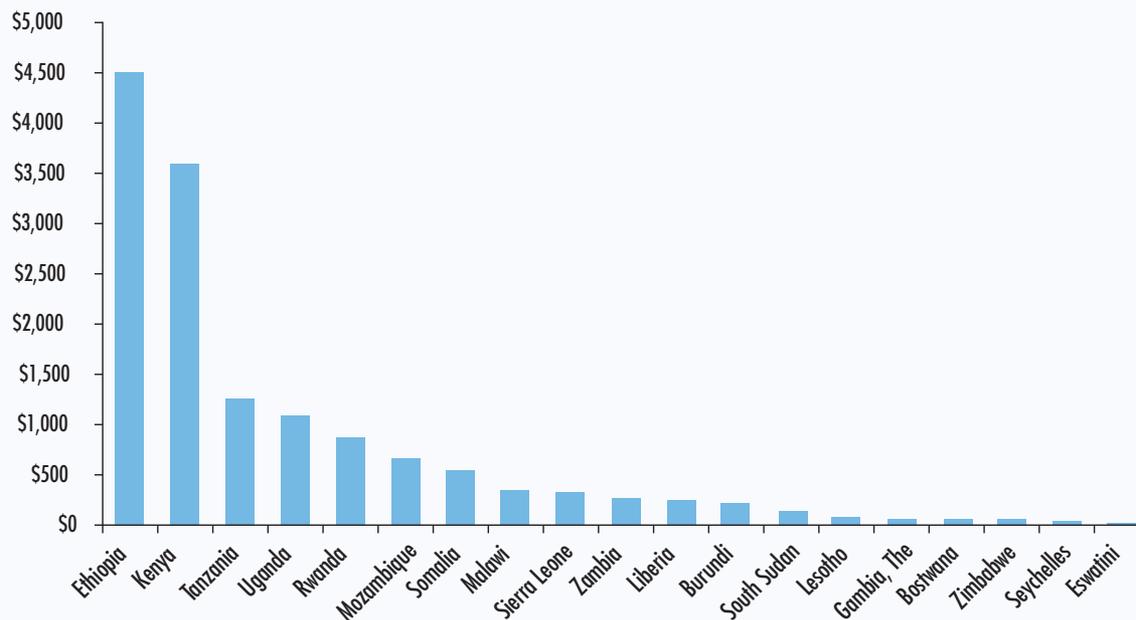


Source: World Bank.

conflict-affected situations (FCS) such as Somalia, Mozambique, South Sudan, Burundi, The Gambia, Liberia, Zimbabwe (Figure 1.1).

Over the two years, World Bank commitments to the Constituency spread across all sectors. Macroeconomics, trade and investment; social protection and jobs; and education were the most supported sectors. Commitments to these sectors accounted for more than 50 percent of the Bank’s commitments in FY19–20. Support to the transport sector should also be interpreted cautiously as some infrastructure components fall under other sectors (Figure 1.2).

**FIGURE 1.3.** WORLD BANK CUMULATIVE DISBURSEMENT BY CONSTITUENCY COUNTRY FOR FY19–20



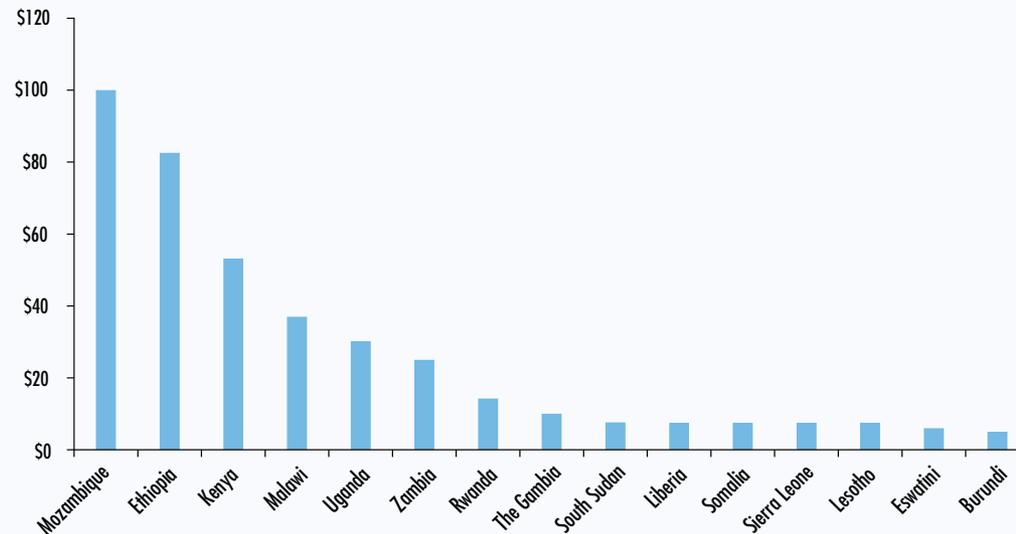
Source: World Bank.

World Bank disbursements to the Constituency in FY19–20 totaled US\$14.2 billion, including US\$328.1 million from IBRD and US\$13.9 billion from IDA (Figure 1.3). Out of the 22 Constituency Countries, these resources flowed to 19 countries. Notably, disbursements over the two years also include disbursements for projects approved before FY18.

## SUPPORT FOR COVID-19 RESPONSE

The Bank supported Constituency Countries to respond to the COVID-19 pandemic (Figure 1.4). As of mid-August, about US\$400 million was already committed to helping 15 Constituency Countries to strengthen their health systems. These resources were mainly drawn from a US\$6 billion Fast Track COVID-19 Facility (FTCF) set up by the World Bank immediately after the pandemic outbreak. The allocation of the FTFCF resources for each country was determined by, among other factors, the country’s population size. Additionally, IFC and MIGA extended support to their clients affected by the COVID-19 pandemic, particularly those in the service sectors, such as tourism.

**FIGURE 1.4.** RESOURCES COMMITTED FOR COVID-19 RESPONSE (MAINLY FIRST PHASE, US MILLION)

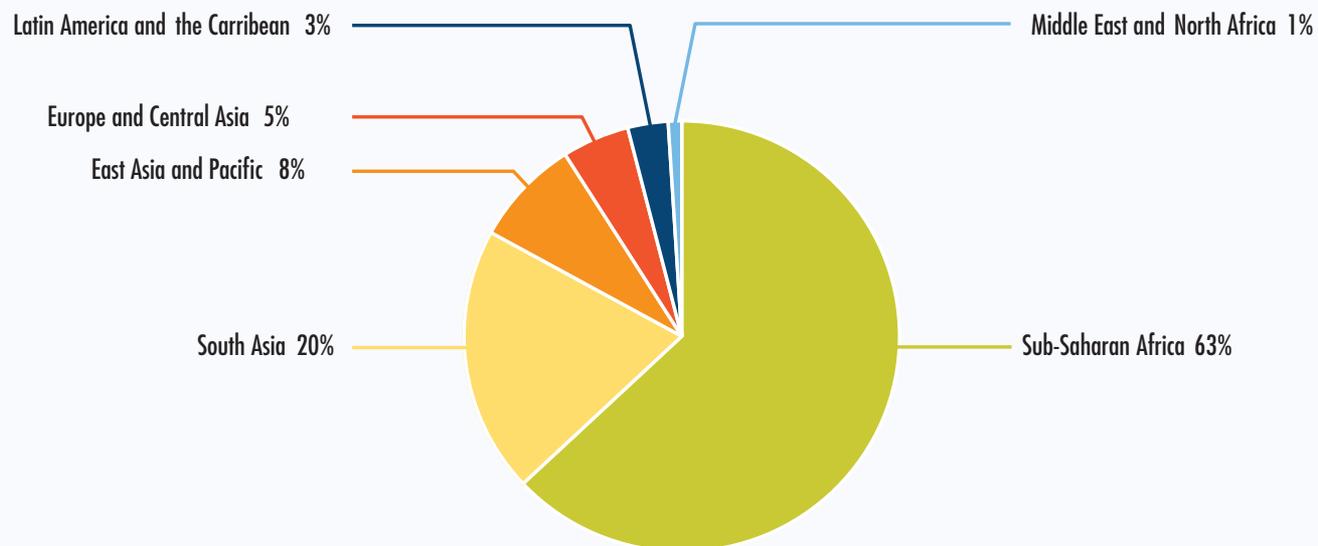


Source: World Bank.

## IDA TOTAL COMMITMENTS REACHED A RECORD HIGH IN FY20

IDA commitments reached a record high in FY20, as new resources amounted to US\$30.4 billion, equivalent to a 38.8 percent increase over US\$21.9 billion in FY19. The bulk of the new commitments were to help IDA countries respond to pandemic explains part of the increase. The African Region had the highest share of commitments, at 63 percent, partly due to an increase in IDA financing, followed by the South Asia region at 20 percent, while other regions accounted for 17 percent (Figure 1.5). IDA commitments to countries characterized by Fragility and Conflict-Affected Situations (FCS) more than doubled relative to IDA17, as the share of commitments to this group rose from 19 percent under IDA17 to 30 percent in IDA18. At US\$23 billion, commitments to FCS were above the target of US\$20 billion, and much of these resources went to support human development programs.

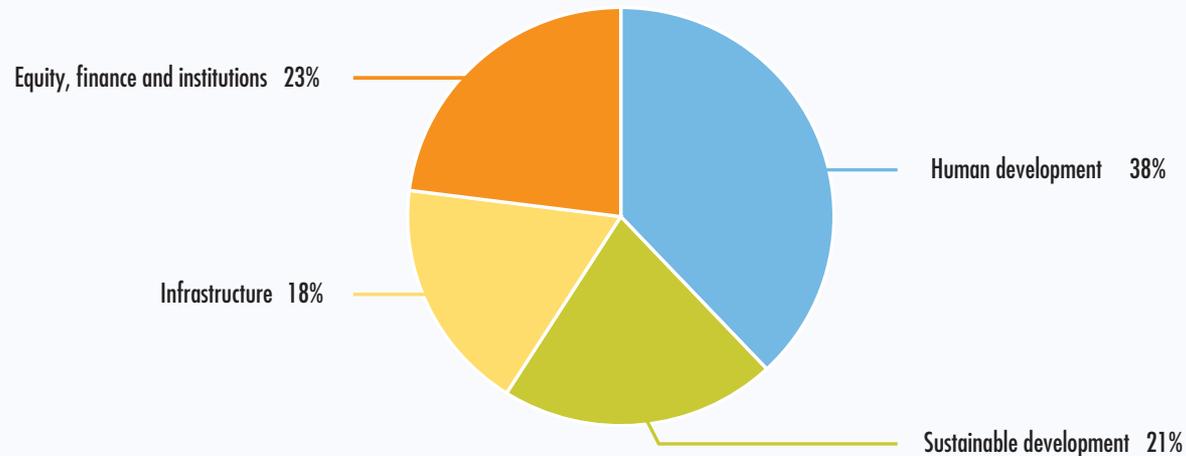
**FIGURE 1.5.** IDA COMMITMENTS BY REGION FOR FY20 (PERCENTAGE SHARE)



Source: IDA.

In terms of commitments by the broad sectors, 38 percent of the commitments were earmarked for human development, mostly covering health and education, followed by finance, trade, and macroeconomics group at 23 percent (Figure 1.6). Sustainable development and infrastructure accounted for 21 percent and 18 percent, respectively. IDA's commitment to the infrastructure sector should be construed as a minimum since other groups, such as human development and sustainable development also have components that support infrastructure. In terms of IDA commitments share by instrument, IPF continued to command the highest share, at 72 percent, followed by DPF and PforR at 24 percent and 4 percent respectively. In the African region, DPF supported reforms were mostly concentrated in energy policy reforms, at 21 percent, while domestic revenue administration and Information and Communication Technology (ICT) policies accounted for 7 percent each.

**FIGURE 1.6.** IDA COMMITMENTS BY PRACTICE GROUP FOR FY20 (PERCENTAGE SHARE)

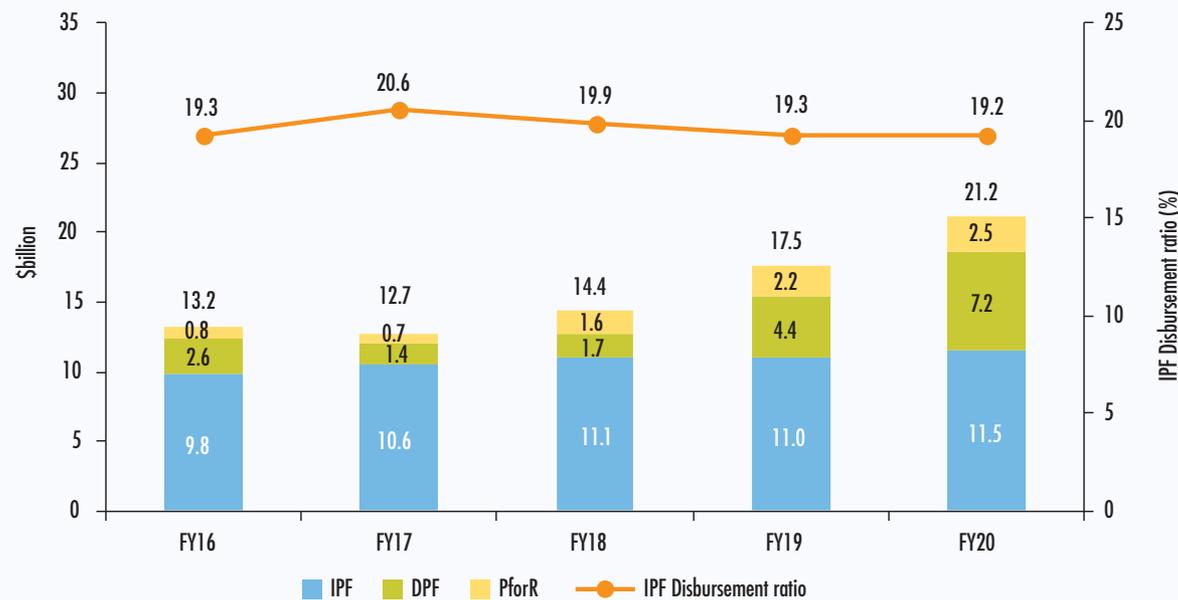


Source: IDA.

Total IDA disbursements increased by 21 percent to US\$21.2 billion in FY20 from US\$17.5 billion in FY19 (Figure 1.7). Of the three financing instruments, DPF had the highest disbursement compared to IPF and PforR. Higher disbursements over the recent years reflect the combined impact of increased commitment under IDA18 and IDA countries' capability to absorb the increasing level of financing.

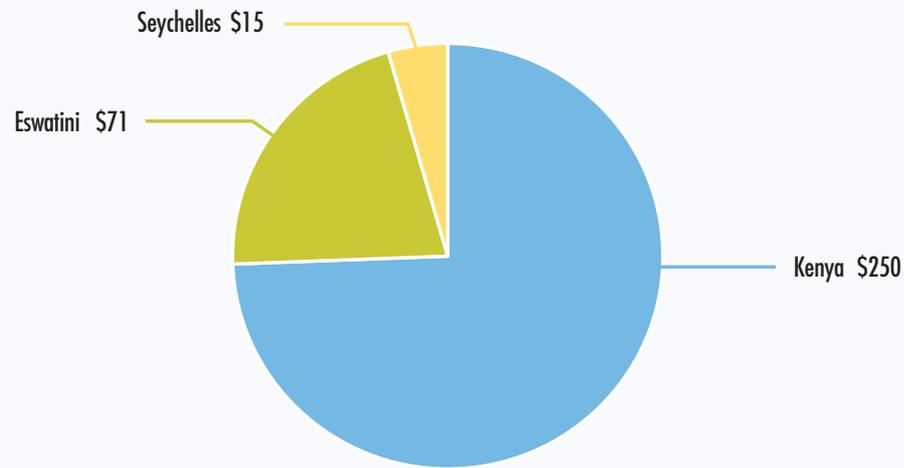
Total gross IBRD commitments increased significantly to US\$28.5 billion in FY20 from US\$23.2 billion in FY19, partly reflecting demand for resources to respond to the pandemic. The share of IBRD commitments was the highest in Latin America and the Caribbean, while Sub-Saharan Africa accounted for only 6 percent (Figure 1.9). In contrast to IDA, about 36 percent of the IBRD commitments went to support programs under the equity, finance and institutions group, with human development coming second with a share of 29 percent. In FY20, IBRD supported three Constituency Countries (Eswatini, Kenya, and Seychelles) with commitments amounting to US\$336.0 million (Figure 1.8).

**FIGURE 1.7.** TREND AND COMPOSITION OF IDA DISBURSEMENTS



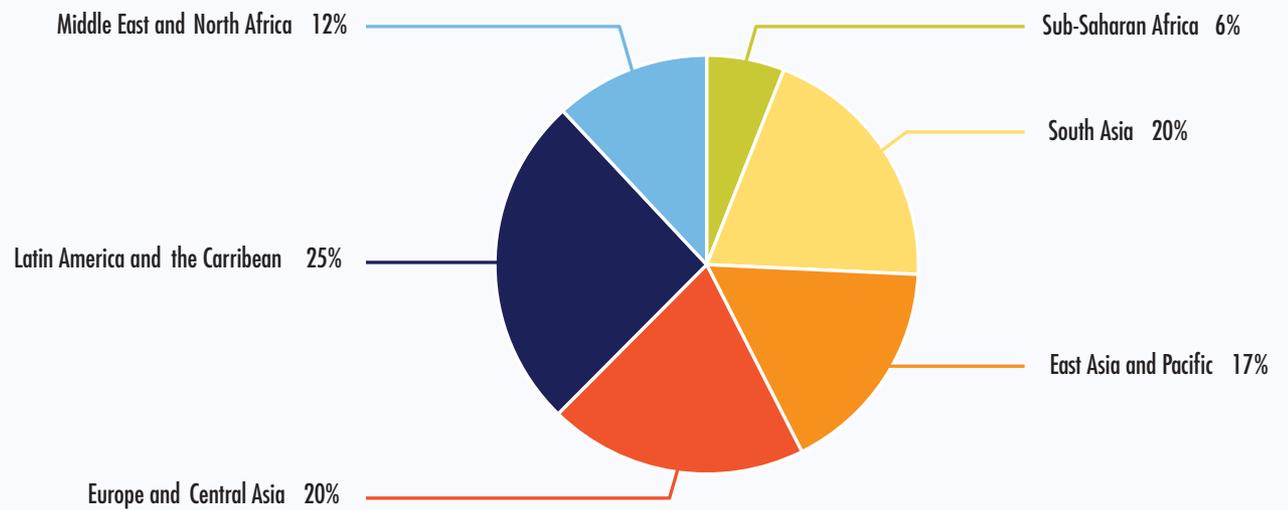
Source: IDA.

**FIGURE 1.8.** IBRD COMMITMENTS TO THE CONSTITUENCY COUNTRIES FOR FY20 (IN US MILLION)



Source: IBRD.

**FIGURE 1.9.** IBRD COMMITMENTS BY REGION (SHARE)



Source: IBRD.

**TABLE 1.2.** GROSS IBRD DISBURSEMENTS BY REGION  
(PERCENTAGE, SHARE)

| REGION                       | FY19         | FY20         |
|------------------------------|--------------|--------------|
| East Asia and Pacific        | 25.0         | 23.1         |
| Europe and Central Asia      | 10.9         | 15.3         |
| Latin America and Caribbean  | 24.0         | 28.7         |
| Middle East and North Africa | 23.7         | 11.9         |
| South Asia                   | 12.9         | 15.6         |
| Sub-Saharan Africa           | 3.4          | 5.4          |
| <b>Grand Total</b>           | <b>100.0</b> | <b>100.0</b> |

Source: IBRD

In terms of financing instruments, Investment Project Financing (IPF) was the most used instrument with an IBRD financing share of 53 percent, followed by the DPF at 36 percent while PfoR accounted for 10 percent of the total commitment. The significant share of IBRD commitments in DPFs reflects middle-income countries' preference for reforms due to their emphasis on sound macroeconomic framework and strong institutional capacity.

Total gross disbursements flatlined at US\$20.2 billion in FY20 as in FY19. The share of disbursements increased in four of the six regions and fell in East Asia and Pacific as well as the Middle East and North Africa. The share of disbursements in the SSA region increased by two percentage points from 3.4 percent in FY19 to 5.4 percent in FY20. But it remains the lowest share of all the regions (Table 1.2). IBRD disbursements to four Constituency Countries (Botswana, Eswatini, Kenya, and Seychelles) amounted to US\$282.4 million.

**TABLE 1.3.** IFC LONG-TERM OWN ACCOUNT COMMITMENTS BY INSTRUMENTS

| INSTRUMENT               | FY19           |              | FY20            |              |
|--------------------------|----------------|--------------|-----------------|--------------|
|                          | (US MILLION)   | SHARE (%)    | (US MILLION)    | SHARE (%)    |
| Loans                    | 7,138.0        | 80.0         | 9,509.0         | 85.4         |
| Equity                   | 999.0          | 11.2         | 992.0           | 8.9          |
| Guarantees               | 742.0          | 8.3          | 550.0           | 4.9          |
| Risk Management Products | 42.0           | 0.5          | 82.0            | 0.7          |
| <b>Grand Total</b>       | <b>8,920.0</b> | <b>100.0</b> | <b>11,135.0</b> | <b>100.0</b> |

Source: IFC





Tanzania. Dar es Salaam's new bus transit system © Lombard

**TABLE 1.4.** IFC LONG-TERM OWN ACCOUNT COMMITMENTS BY REGION (PERCENTAGE, SHARE)

| REGION                          | FY19        | FY20       |
|---------------------------------|-------------|------------|
| Sub-Saharan Africa              | 19.32       | 11.3       |
| East Asia and Pacific           | 17.66       | 24.2       |
| Europe and Central Asia         | 8.36        | 18.3       |
| Latin America and the Caribbean | 27.93       | 25.1       |
| Middle East and North Africa    | 5.83        | 5.2        |
| South Asia                      | 20.72       | 5.2        |
| Global                          | 0.18        | NA         |
| <b>Grand Total</b>              | <b>100%</b> | <b>100</b> |

Source: IFC.

**FIGURE 1.10.** IFC COMMITMENTS TO CONSTITUENCY COUNTRIES FOR FY19–20 (IN US MILLION)



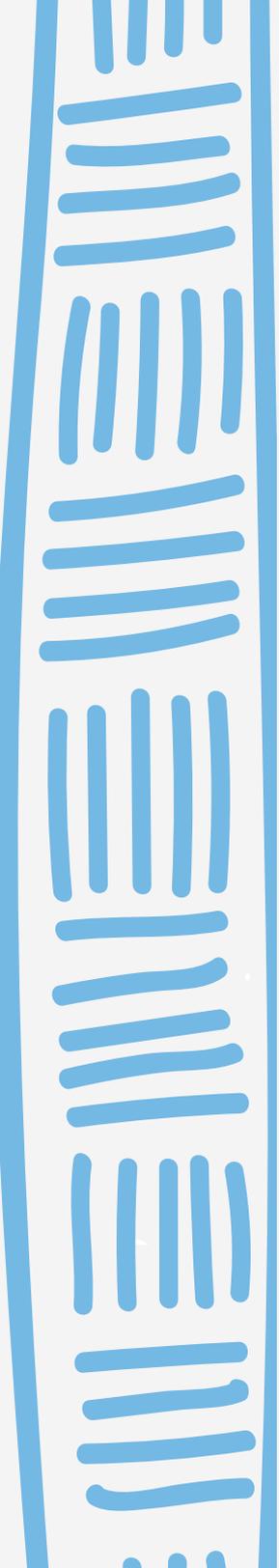
Source: IFC.



## INTERNATIONAL FINANCIAL CORPORATION (IFC): COMMITMENTS AND DISBURSEMENTS

The Long-Term Finance (LTF) commitments in FY20 amounted to US\$22.0 billion, equivalent to a 15 percent increase over FY19. Of the total LTF commitments, IFC's own account commitment was US\$11.1 billion and core mobilization was US\$10.9 billion, including US\$565 million of COVID response commitments. As a result of these commitments, the IFC net committed portfolio increased by 2.6 percent to US\$59.8 billion in FY20, from US\$58.3 billion in FY19. The share of loans/quasi loans increased from 80 percent in FY19 to 85.4 percent in FY20 while those of equity and guarantees fell by more than half between the two periods (Table 1.3). This trend may partly be explained by the increased share of IFC commitments in two regions (East Asia and Pacific and Europe and Central Asia), where IFC clients are well established (Table 1.4). Eight countries from the Constituency benefited with total cumulative commitments of US\$479.4 million in FY19–20 (Figure 1.10).







# PART 2

## COVID-19 | Impact, Response and the Road to Recovery

### THE COVID-19 CHALLENGE

The novel coronavirus (COVID-19), a once-in-a-century public health crisis, has exacted health, social and economic impact of unprecedented scale. Admittedly, the health, social, and economic impacts of the outbreak could have been considerably worse without the dedication of frontline and other essential workers who continued to serve the public, putting their health at risk in doing so. The pandemic poses a unique challenge as a failure to respond to the health and economic crisis effectively could trigger other crises with dire consequences. Moreover, the pandemic has accelerated the shift from greater global economic and trade integration to fragmentation and isolation due to border closures as well as trade and investment restrictions that have sprung up. Consequently, the impact on economies is divergent depending on when and to what extent the virus hit them, the preparedness of their healthcare system, their economic structure, and their fiscal capacity to respond to the shock.

Sub-Saharan African (SSA) has not been spared from the ravages of the COVID-19 pandemic. As of August 13<sup>th</sup>, confirmed cases in Africa stood at 916,644 and 17,557 people had lost their lives. SSA countries have put in place wide-ranging measures to stave off further spread of the pandemic, protect livelihoods, and support recovery. The suite of measures includes social distancing, travel restrictions, nationwide school closures, national lockdowns, and border closures. However, applying some of these measures has been challenging for some countries due to livelihood styles. While necessary, the pandemic-control measures have brought large swathes of domestic economies to a standstill, leading to the sharp contraction in economic activity. Countries have, however, taken forceful fiscal, monetary, and regulatory measures to safeguard the health of their economies. While Africa is still the least affected region in terms of morbidity and loss of life, however, the overall disease burden of COVID-19 is still unknown as the Continent's rate of infection continues to rise, and no vaccine or treatment is currently available.

“ ... 2020 recession expected to be the worst since the Great Depression in the 1930s. ”

## THE ECONOMIC IMPACT OF COVID-19

### THE GLOBAL ECONOMY IS DESCENDING INTO RECESSION

The worsening of COVID-19 into a global pandemic in March shifted the global economic outlook, with the 2020 recession expected to be the worst since the Great Depression in the 1930s. The global economy is projected to contract sharply by 4.9 percent in 2020, far worse than during the 2008–2009 financial crisis<sup>1</sup>. The pre-COVID-19 global economy was forecast to expand by 3.2 percent. While the global economic outlook remains highly uncertain, this baseline forecast was predicated on the fading of the pandemic in the second half of 2020 and gradual lifting of containment measures. The eventual impact of the COVID-19 pandemic will depend on several factors, such as the pathway of the pandemic, the intensity and efficacy of containment efforts, the extent of supply disruptions, the repercussions of the dramatic tightening in global financial market conditions, shifts in spending patterns, behavioral changes, confidence effects, and volatile commodity prices. Thus, the pace of recovery of the global economy in 2021 remains uncertain, with economic activity projected to rebound to 5.4 percent with the assumption of pandemic attenuation and continued policy support.

### ADVANCED ECONOMIES ARE HEADING TOWARDS DEEP RECESSION

The recession is expected to run deep in advanced economies, as the IMF's projections have their economic activity shrinking by 8.0 percent this year. The contraction appears to deal a deeper hit to economic activity in the first half of the year than anticipated, with signs of voluntary distancing even before lockdowns were imposed. This also suggests a more gradual recovery in the second half as fear of contagion is likely to prolong the combined adverse effects of the widespread lockdowns and the willingness of these countries to engage in social distancing measures to reduce infection and death rates. Assuming each country reopens and removes social distancing restrictions during the summer of 2020, the projection saw advanced economies growing at 4.8 percent in 2021.

### EMERGING AND DEVELOPING ECONOMIES (EMDES) ARE PARTICULARLY VULNERABLE TO THE COVID-19 PANDEMIC

Some of the vulnerabilities likely to aggravate the pandemic impact are identified below.

- **Weak health systems and inadequate pandemic preparedness.** Countries with weak and under-resourced health systems will likely be much more adversely affected by the pandemic. Health systems in many EMDEs, and particularly in FCV settings, have severely limited infrastructure due mainly to

chronic lack of funds. They are inaccessible to the vulnerable populations who are largely underinsured, resulting in poor health outcomes. In 2016, five million deaths in low- and lower-middle-income countries occurred due to receipt of poor-quality care, while 3.6 million were due to non-utilization of health care.

- **Dependence on trade and tourism.** EMDEs that are highly open to trade or are deeply integrated into global supply chains will be severely affected by the collapse in global trade. In several East Asian countries, for example, foreign inputs account for 50 percent or more of domestic exports, making them very vulnerable to supply chain disruptions. In response to the spread of the COVID-19 pandemic, 100 percent of global travel destinations had some form of travel restriction in place by the end of April 2020. Ten EMDEs that are heavily reliant on tourism, including many small states, saw a sudden stop in a major source of income because of travel restrictions and pandemic-related fears keeping tourists at home.
- **Financial vulnerabilities.** EMDEs with large financing needs — including wide current account or fiscal deficits, and/or large public and private debt burdens — are particularly vulnerable to a sharp increase in borrowing costs or limited access to financing and markets. Total (public and private) EMDE debt reached a record high of almost 170 percent of GDP in 2018, an increase of about 55 percentage points since 2010. In LICs, total debt was 67 percent of GDP in 2018, up from 48 percent in 2010.
- **Commodity exporters.** Almost two-thirds of EMDEs are commodity exporters and will experience severe growth headwinds due to declining prices and demand. Many commodity exporters have more limited buffers to counter the commodity price shock with fiscal policy than before the 2009 global financial crisis.
- **Output is falling.** EMDEs are expected to contract as the COVID-19 pandemic drags down domestic and external demand and commodity prices. GDP growth is expected to shrink by three percent in 2020. This forecast is predicated on the assumptions that the pandemic recedes in such a way that mitigation measures are gradually lifted from the middle of this year—and rebounds of activities in major trading partners. Growth in EMDEs is forecast to rebound to 5.9 percent in 2021 as a pick-up in confidence and global trade boost consumption and investment.
- **Jobs crisis is looming.** The pandemic is severely impacting the world of work, with four out of five people in the global workforce affected by full or partial pandemic-related workplace closures<sup>2</sup>. Nearly 80 percent of the world's informal economy workers — 1.6 billion people — have faced COVID-19 lockdowns and slowdowns in hard-hit sectors, such as tourism and trade. About four in ten young people employed globally were working in hard-hit sectors when the crisis began, further complicating the challenge of youth unemployment.<sup>3</sup> As the informal sector accounts for up to 90 percent of workers in some emerging economies, the implications of lost wages will cascade from households to communities to entire societies. Additionally, about 77 percent of the world's young workers were in informal jobs, compared with around 60 percent of adult workers. According to the ILO, the youth informality rate is, unfortunately, the highest in Africa, at 93.4 percent. A prolonged

and widespread crisis in EMDEs could force firms to scale back further, including more layoffs and/or reduced compensation. A collapse of firms will break relations with workers that will be difficult to regain quickly once recovery begins.

- ***The expected decline in remittance flows will weigh on human development.*** Remittance flows are projected to fall by 20 percent in 2020, down by US\$109 billion from US\$554 billion last year. This fall will deny many families the opportunity to improve their human development outcomes. Remittance flows to Africa and South Asia in 2020 are projected to fall by 23 percent and 22 percent, respectively, while East Asia and the Pacific might see it fall by 13 percent in 2020. Importantly, remittances in GDP terms tend to be largest in developing countries (8.9 percent in 2019), Small Island Developing States (7.7 percent), and those in Fragile and Conflict-Affected Situations (9.2 percent).
- ***The pandemic will entrap millions of people into extreme poverty.*** The COVID-19 pandemic threatens to inflict deeper deprivation on millions of people. This could cause the first increase in global poverty since 1998. The World Bank's Global Economic Prospects (June 2020) indicates that 73 million more people could be living in extreme poverty in 2020 — nearly one-half of these would be in South Asia and one-third in SSA. This will mean an estimated additional 18 million destitute people in FCS countries. At the US\$3.20 per day poverty line, 175 million more people are now projected to be poor in 2020 — many of them newly poor. Extreme poverty is likely to persist at these higher levels in 2021 and potentially beyond.

## SUB-SAHARAN AFRICA'S ECONOMIC OUTLOOK REMAINS BLEAK

The health and economic crisis precipitated by COVID-19 aggravates the dismal economic outlook for Sub-Saharan Africa. While lockdowns in most countries are about to expire, the number of confirmed cases is rising. Governments across the region contend with the challenge of extending lockdowns that would mean further loss of household incomes and potentially catalyze social unrest. As a result of the severe impact of the COVID-19 pandemic and falling commodity prices, the regional economy is expected to contract by 3.2 percent this year, the sharpest decline on record. Growth is expected to recover in part in 2021. However, the region could experience prolonged economic fallout due to compromised health care systems, constrained fiscal policy space, limited capacity to effectively implement pandemic-control measures, and debt distress due to high debt levels and higher borrowing costs. The economic fallout from the COVID-19 and low commodity prices vary among different groups of SSA countries, but less diversified economies are likely to experience the most significant fallout. The trend highlights the need for long-term structural reforms for countries under this category.

The severe economic strains imposed by the COVID-19 pandemic are expected to weigh on the progress made in the fight against extreme poverty. As several SSA economies are on the verge of contracting or slow growth, per capita GDP is bound to nosedive by 5.3 percent, sending an additional 23 million people into poverty.<sup>4</sup> This is a concern for the region where about half of the most deprived call home, and where the vulnerability to poverty is high as the majority of the non-poor cluster just above the poverty line.

Economic activity in the region is expected to recover to about 3.4 percent in 2021 amid considerable uncertainty, as the risks that are peculiar to the region are tilted to the downside. First, the COVID-19 pandemic is expected to increase debt vulnerability significantly. Second, tight fiscal space and restrictions due to pandemic control measures could lead to loss of critical public services. Third, large and growing displaced populations in some SSA countries could scale back efforts to mitigate the spread of COVID-19. Finally, violence and social unrest could break out as a result of the pandemic and its containment measures. The realization of these risks, along with other underlying vulnerabilities, could prolong the socio-economic impact of the pandemic and lead to a deeper recession with long-lasting effects on development and growth.

## HALF OF THE ECONOMIES IN THE AFRICA GROUP 1 CONSTITUENCY ARE ON THE CUSP OF CONTRACTING

Economies of the Africa Group 1 Constituency will also be severely impacted by the unfolding COVID-19 pandemic, as half of them are forecast to contract while low growth rates will be posted by the other half (Figure 2.1). The outlook is broadly grim and reflects the combined adverse effects of COVID-19 social distancing restrictions, supply disruptions, significant tightening of financial conditions, a spike in private sector uncertainty, falling household disposable incomes, and sharp drops in global trade and commodity prices. In a few countries, country-specific factors such as policy adjustments, climate, and other natural shocks exacerbated the slowdown. For instance, the locust infestation that wreaked havoc in Eastern Africa could aggravate the impact of COVID-19 by threatening food security.

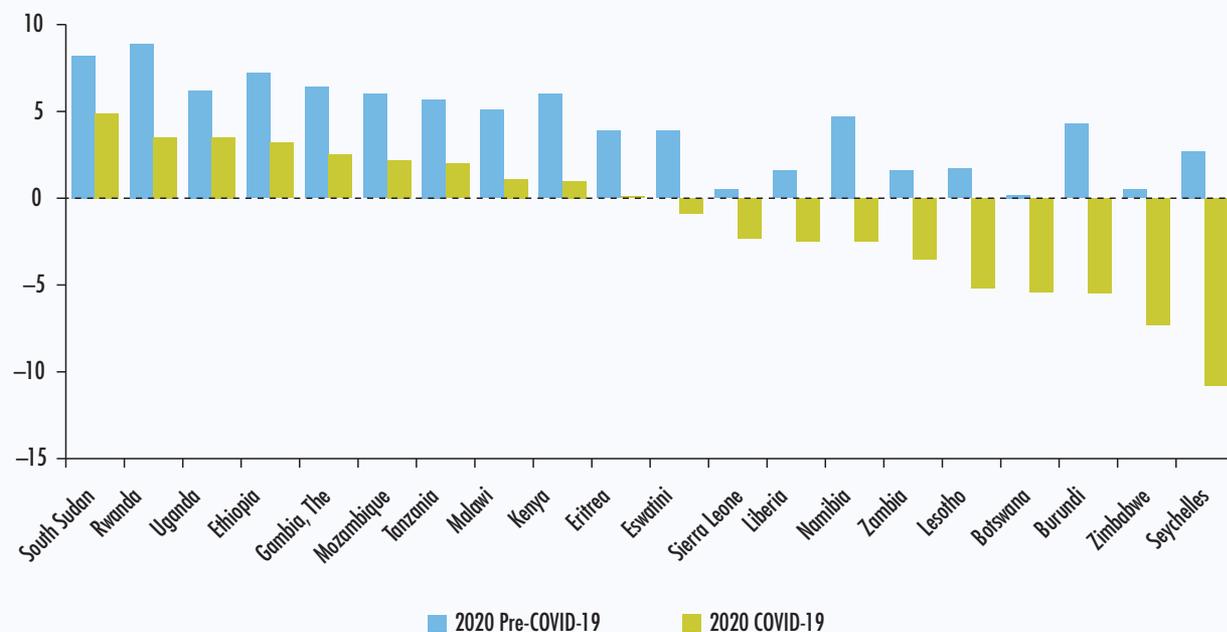
## THE COVID-19 PANDEMIC HAS TRIGGERED A WIDESPREAD DECLINE IN COMMODITY PRICES

The COVID-19 pandemic presents a unique shock as measures to mitigate its spread, while essential, are disrupting the demand and supply of goods. The shock affects various commodities through different channels. On the oil market trend, Figure 2.2 depicts a substantial drop in the index for energy in April, reflecting a two-thirds decline in crude prices since January 2020. The index started to increase in May, reaching 51.3 in July, but well below the 2019 average. Depressed demand stemming from mitigation measures to contain further spread of the outbreak, which stalled the transport sector, was the main driver of the decline. The agreement reached by OPEC+ in mid-April to cut production by 9.7m b/d had a limited impact on prices but helped to avert a market crash. Falling oil prices could provide some relief to many net-oil importers in SSA, but a drag on oil exporters. For the rest of 2020, demand will continue to determine oil price fluctuations.

On the industrial and precious metals market, most of them recorded a drop in their prices, albeit significantly lower than oil prices. After hitting the trough in April, the index for base metals had been rising, reaching 80.2 in July

“ For the rest of 2020, demand will continue to determine oil price fluctuations. ”

**FIGURE 2.1.** IMPACT OF COVID-19 ON AfGI GROWTH OUTLOOK (PERCENTAGE GROWTH RATES)

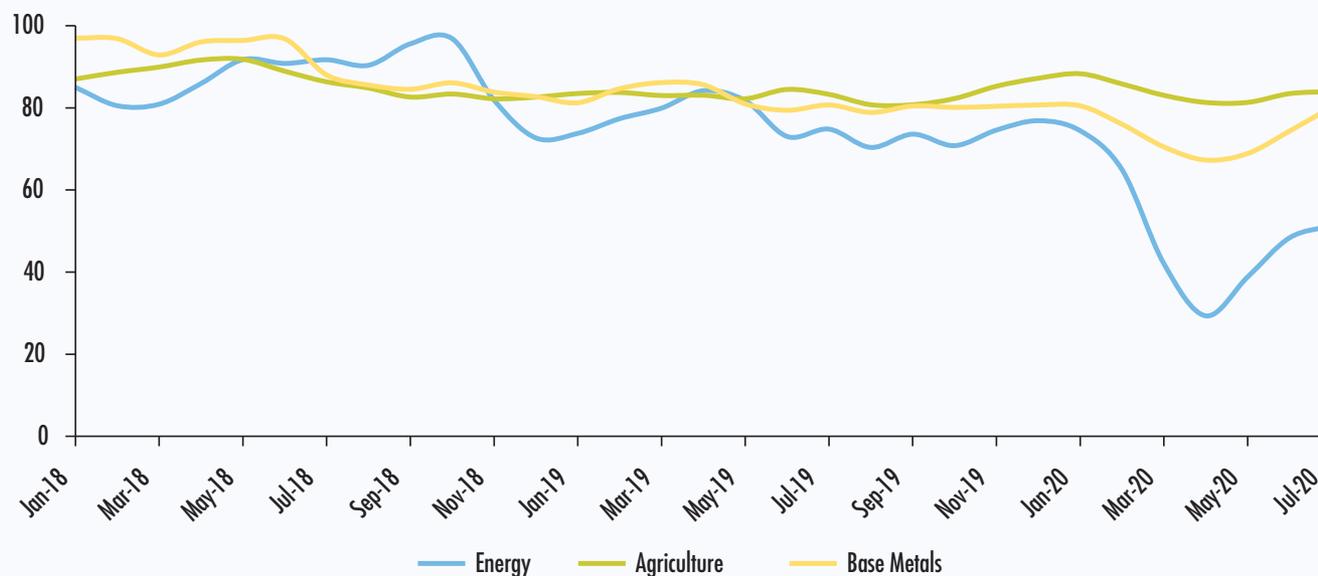


Source: IMF (2020).

(Figure 2.2). This was due to the plunge in global activity, particularly in China, which accounts for more than half of the global metals demand. Supply has also been affected by disruptions caused by mine and refinery closures. Regarding the trend of precious metals, while silver and platinum prices have dropped sharply, gold price increased by 18.3 percent in July compared to January 2020, as gold is preferred as a haven during the economic fallout.

The agricultural market index reached a low level at the peak of the pandemic in April and May, though it was relatively stable compared to industrial commodity indices, signifying less pronounced pandemic impact (Figure 2.2). Lower oil prices affected crops used in biofuels, such as corn and soybeans. Despite well-supplied global food markets, a recent move by major exporters to restrict the export of key staples has raised concerns about food security. Some countries, especially in SSA, have turned to regional value chains to curb the supply shortage caused by the disruption in the global value chain. There is a need to keep a close watch on disruptions to agricultural inputs for key staples, such as maize<sup>5</sup> since they could reduce yields later in the year and further threaten food security.

**FIGURE 2.2.** TREND OF COMMODITY PRICE INDICES



Notes: Base Metal index excludes price for Iron Ores.  
 Source: World Bank Commodity Prices Database (August 2020).

## THE WORLD BANK GROUP RESPONSE TO THE HUMANITARIAN CRISIS

In response to the call for the World Bank Group (WBG) to take urgent action to support the global public good by helping client countries to respond to the outbreak, prevent and reduce contagion and loss of life, the Board on March 17, 2020, approved the establishment of a World Bank Group Fast Track COVID-19 Facility. The Facility was designed to provide up to US\$14 billion in immediate support to assist countries in coping with the impact of the global outbreak. Of this amount, US\$6 billion would come from IBRD and IDA, and US\$8 billion from the IFC. MIGA has availed US\$6.5 billion to guarantee private investment. The World Bank Group's response to COVID-19 is broad-based. It includes emergency financing, policy advice,

and technical assistance, building on existing instruments to support eligible countries in addressing the health-related and broader development impacts of COVID-19.

Whilst immediate action is needed in multiple areas to anticipate impacts, there is also a longer-term agenda given systemic shortcomings concerning core public health functions. Work on both the short and long-term agendas needs to proceed in tandem, and countries must make efforts to ensure that short-term responses are consistent with and contribute to proposed longer-term interventions as they respond to the pandemic.

The World Bank COVID-19 Response comprises two components:

**COMPONENT 1.** Entails US\$4 billion in additional IBRD and IDA resources that would be channeled under a global emergency Multi-Phase Approach (MPA) that will focus on health-related support.

**COMPONENT 2.** An amount of US\$2 billion mobilized through any combination of (i) new stand-alone IPF or DPFs from existing IDA and IBRD envelopes; (ii) restructuring existing operations; and (iii) cancellation of undisbursed amounts under existing operations and recommitment under the WB COVID-19 Response.

Since the Board approved the overall MPA, Management has moved quickly to commit funds for projects with approval delegated to Regional Vice Presidents up to US\$100 million, and on an absence of objection basis approval by the Board otherwise. In some cases, where country needs differ from what can be accommodated under the MPA, free-standing IPF projects continue to be prepared and processed under emergency procedures, using the flexibilities available in the IPF policy. As of mid-August 2020, IPFs valued at US\$400.9 million were approved for 15 countries in AfG1 Constituency.

Beyond their respective MPA allocations, countries have the option to fast track up to US\$2 billion in additional resources from their country program (pipeline or portfolio) for new health-related projects to deal with the COVID-19 pandemic impacts. Countries also can restructure ongoing operations typically by using Contingent Emergency Response Components, which allow countries to quickly reallocate funds within an existing project to be used for emergency needs. Seven countries under the Constituency have triggered the use of this instrument to the value of US\$135 million.

The Facility has supported over 100 countries in various regions. The Bank Group has also committed US\$160 billion to be deployed up to end of FY21 to help countries respond to the socio-economic impact of COVID-19. Three pillars will guide the implementation of the second-phase support: protecting the poor and vulnerable, supporting businesses, and strengthening economic resilience and speed of recovery. The lion's share of the resources will be delivered to Member Countries through the Development Policy Financing instrument and its variants as well as Program for Results. These instruments are being given priority to facilitate rapid disbursements and, by extension, rapid response to the unfolding effects of the pandemic.

Countries that already have financing available under the Catastrophe Draw Down Option (CAT-DDO), may trigger these due to the imminent or occurring emergency conditions created by COVID-19. In cases where the triggers of existing CAT-DDOs do not cover public health-related shocks or emergencies, the CAT-DDOs may be restructured by modifying the trigger to include such public health-related high-impact, low-frequency events. Three countries in the Constituency have triggered CAT-DDOs to the value of US\$167 million.

## GLOBAL RESPONSE TO ECONOMIC IMPACT OF COVID-19

The international community has moved swiftly to contain the rapid spread of COVID-19. This pandemic, like climate change, calls for international cooperation as no nation can handle it alone. While the pandemic will leave no region unscathed, its impact on SSA would be unprecedented owing to vulnerabilities inherent in health sectors and government balance sheets. Against this backdrop, development partners, including bilateral and multilateral partners, have mobilized financial and material support to help developing countries cope with the pandemic.

The group of 20 wealthiest nations, commonly known as the G20, have unanimously called on bilateral official creditors to suspend debt service payments to eligible countries seeking debt forbearance. These efforts yielded what is now known as the G20 Debt Service Suspension Initiative (DSSI), where all official bilateral creditors have agreed to take part. DSSI will allow all eligible countries to suspend debt service payments to official bilateral creditors from May until the end of 2020. Beneficiary countries are expected to use freed-up resources to contain further spread of the outbreak, protect livelihoods, and support recovery. Upon recovery, recipient countries are expected to pay back deferred debt service payments over three years, with a grace period of one year.

The International Monetary Fund (IMF), the lender of last resort, also responded expeditiously to the COVID-19 pandemic by enhancing its Emergency Financing Toolkit to US\$100 billion. The toolkit includes the Rapid Financing Instrument, available to all members, and the Rapid Credit Facility, available only to low-income countries eligible for concessional financing. The two instruments are used to support Member Countries to respond more quickly to their urgent balance of payments needs. Additionally, the Fund extended debt service relief to 25 Member Countries eligible for support from the Catastrophe Containment and Relief Trust. The Facility usually allows the IMF to provide grants to eligible low-income countries to cover their IMF debt service obligations after catastrophic natural disasters and major global public health emergencies. Beneficiary countries are expected to use freed-up financial resources for vital emergency medical and other relief efforts while fighting the impact of the pandemic.

“ ... development partners ... have mobilized financial and material support to help developing countries cope with the pandemic. ”



## THE ROAD TO RECOVERY

The road to recovery for most countries, especially developing ones, is clouded by considerable uncertainty as the number of confirmed cases is on the rise while widespread testing is inadequate, though improving. However, there is a broad consensus that the world faces unprecedented health and economic crisis that requires a proportionate and timely policy response. It behooves policymakers to increase public health spending to cope with the growing need for health services and to slow the spread of the virus. Effective macroeconomic policy responses should follow to minimize economic losses, protect the most vulnerable, and ensure a quick recovery as the pandemic fades.

The extraordinary uncertainty surrounding global growth projections indicates that the range of feasible global growth outcomes remains exceptionally wide. The pace of economic recovery and growth outcomes will depend on the evolution of the pandemic, the extent and duration of the pandemic containment measures, the size and effectiveness of the policy responses, and the spillover emanating from major economies.<sup>6</sup> Amid these contingencies, advanced economies are expected to be severely impacted by the pandemic. EMDEs will also be substantially affected, with the magnitude of the downturn and subsequent recovery varying across countries. As the pandemic abates and containment measures are lifted, the policy focus will need to move into recovery. Governments must seize the opportunity to engineer a fairer and more sustainable economy. The policy support to sustain recovery could broadly be segmented into three groups as described below.

### PROVIDE FISCAL AND MONETARY SUPPORT TO SUSTAIN RECOVERY

SSA countries should implement targeted fiscal measures to help the most affected sectors and households. The overarching objective of this support should be to alleviate liquidity constraints while ensuring transparency and accountability in managing spending related to COVID-19. While the application of these measures seems challenging to implement to the large informal sector, Governments can explore these options. Temporary tax relief, prevention of arrears accumulation, tax and customs exemptions on health products, smooth running of public transport, scaling up and facilitating access to social programs, reduction of fuel subsidies, and leveraging digital technologies in the provision of critical public services.

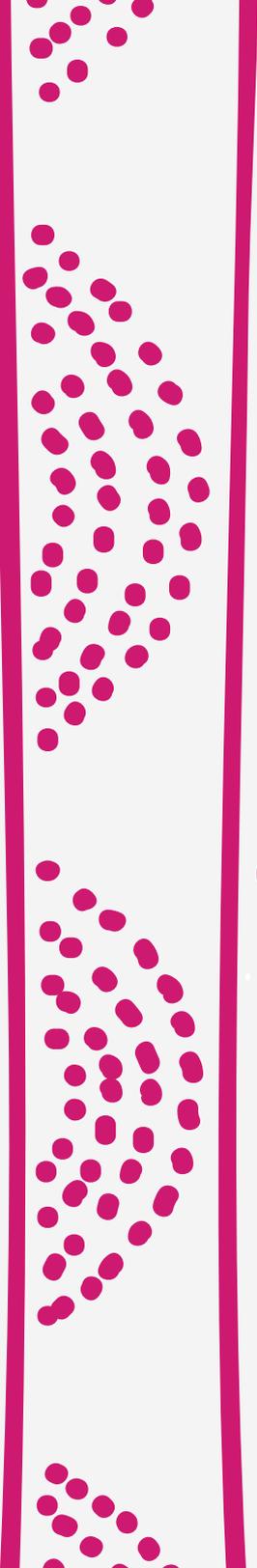
Amid constrained fiscal spaces, Governments through central banks may turn to the monetary stimulus to contain economic fallout by reducing borrowing costs and providing vital liquidity to households and firms. As already demonstrated by several SSA countries, the monetary stimulus may be in the form of easing monetary policy stance, providing adequate liquidity, and making credit more easily accessible to SMEs.

## STEP UP STRUCTURAL REFORMS

The COVID-19 pandemic is likely to leave long-lasting scars in many SSA economies. Disruptions of investments in education due to school closures and a long spell of unemployment would lead to irreparable loss of human capital, raising the risk of increased poverty and persistence of low productivity. SSA countries have no choice but to renew their commitments to implement productivity-enhancing reforms. The reforms should aim at facilitating investment in human and physical capital, as well as in research and development; encouraging reallocation of resources toward more productive sectors; fostering technology adoption and innovation; and promoting a growth-friendly macro-economic and institutional environment. Also, raising the quality and effectiveness of governance and improving the business climate can encourage a faster rebound from disasters. Governments that improved labor and product market flexibility, strengthened legal systems and property rights, fostered effective competition and addressed inequality, set the foundations for more effective adjustment to adverse events.

## STRENGTHEN GLOBAL COORDINATION AND COOPERATION

The recovery of most SSA economies would benefit from strong multilateral cooperation that complements national policy efforts. Fiscally constrained countries could tap into continued multilateral assistance, including access to concessionary financing, grants, and debt relief. This cooperation is also needed to restore cross-border trade and global supply chains, which facilitate access to the market for most commodity-dependent countries as well as supplies of food and capital goods. More broadly, upholding a stable, rules-based international trading system will be critical to launching a strong and durable global economic recovery. Global cooperation will help build domestic capacity to detect and respond to health crises, as well as develop and disseminate global public goods such as vaccines.





# PART 3

## Selected Policy Issues and Updates

In this chapter, four selected policy issues are covered. The policies were selected due to their importance for the development process in the AfG1 Constituency Countries. The four topics selected for coverage are the Sustainable Development Finance Policy; the Fragility, Conflict and Violence Strategy; Gender; and Food Security.

### SUSTAINABLE DEVELOPMENT FINANCE POLICY

Government borrowing, an integral part of any country's policy toolkit, has been used regularly to mobilize additional resources to finance development programs and projects. Used prudently, debt could help countries meet their development goals. Over the last two decades, countries in Sub-Saharan Africa have used this policy lever to improve their human development outcomes<sup>7</sup>. As a result, the region recorded remarkable progress as infrastructure gaps narrowed, average life expectancy increased, infant and maternal mortality rates were reduced, and enrolment at all levels of education rose. These achievements would have remained a distant dream without the prudent use of fiscal resources, including debt proceeds. At times, countries borrow to smooth consumption in the event of a shock, while setting a clear fiscal consolidation plan to return to normalcy as the shock fades. However, for debt to catalyze economic growth and development, the returns from it must exceed the costs.

Public debt levels in IDA countries have risen significantly over the past five years due to myriad factors, some global and some idiosyncratic. High levels of debt vulnerabilities threaten global efforts to end extreme poverty, as most developing countries would be unable to meet the Sustainable Development Goals (SDGs). The international community appealed to the WBG and the IMF to help developing countries address

emerging debt vulnerabilities that risk eroding decades of development gains<sup>8</sup>. Against this backdrop, the Bretton Woods Institutions responded to the call by initiating and implementing the Multi-Pronged Approach to Address Debt Vulnerabilities in developing countries. Part of the Approach is to review the effectiveness of the very policies aimed at helping countries borrow sustainably, namely: the WBG's Non-Concessional Borrowing Policy (NCBP) and IMF's Debt Limit Policy. Recognizing the evolving landscape of development finance, the review of NCBP underscored the need for an improved policy that reflects the reality. That policy is the Sustainable Development Finance Policy (SDFP) of the International Development Association (IDA).

## OBJECTIVES OF THE SDFP

The Executive Board of IDA approved the SDFP in June 2020, as part of the comprehensive IDA19 package. The policy aims to provide incentives to IDA-eligible countries to move towards transparent and sustainable financing and to promote coordination between IDA and other creditors in support of the efforts of recipient countries. Unlike the NCBP, which had a narrow focus on debt sustainability, SDFP entails a greater emphasis on debt sustainability and debt transparency. Specifically, it stresses the interplay of sustainable financing, economic growth, and fiscal policy in enhancing debt sustainability. It is also broader in terms of country coverage and eligibility. It represents a shift toward a portfolio approach to assessing the nation's debt management capacity on external borrowing, rather than a project-by-project assessment.

## PILLARS OF THE SDFP AND THEIR IMPLEMENTATION

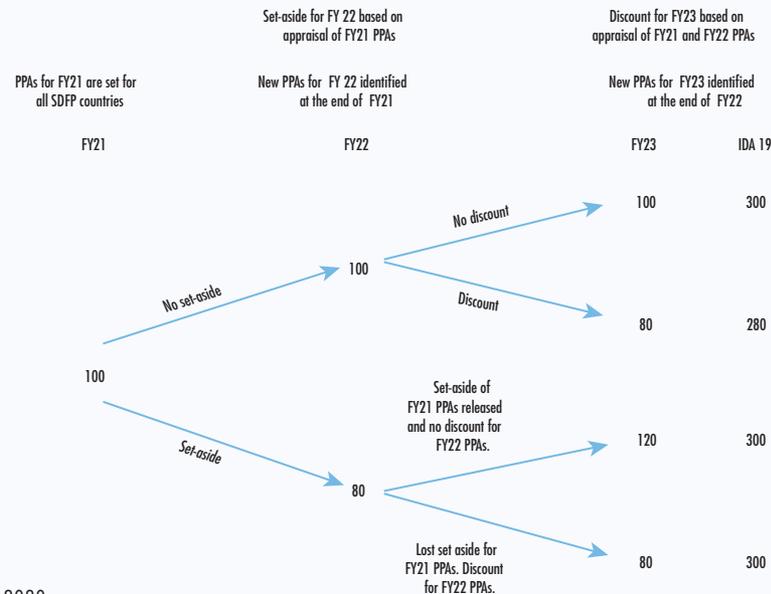
The structure of the SDFP rests on two pillars: Debt Sustainability Enhancement Program (DSEP) and Program of Creditor Outreach (PCO). The first pillar aims to enhance incentives for countries to move toward transparent and sustainable financing, while the second will leverage IDA's convening role to enhance a global platform that promotes creditor outreach and coordination on transparent and sustainable lending practices, especially debt transparency.

The DSEP will help countries deal with debt vulnerabilities emanating from the demand-side by formulating and enabling countries to implement Performance and Policy Actions (PPAs). These are activities and reforms deemed crucial for debt sustainability and will help countries improve debt transparency, enhance fiscal sustainability, and strengthen debt management. Where appropriate, some PPAs would be implemented as part of (triggers) prior actions for (programmatic) development policy operation. However, as the rollout of the SDFP comes at a time when most countries are stepping up efforts to respond to the health, social and economic impact of the novel coronavirus (COVID-19), PPAs for FY21 will mostly focus on improving debt transparency and strengthening debt management. Thus, PPAs focusing on fiscal sustainability will be implemented after countries have recovered from the pandemic.

The DSEP begins with an annual process of defining a set of PPAs designed to improve debt sustainability and assessing progress in their implementation. The process will proceed in four steps:

- (i) Screen all IDA countries annually for their debt vulnerabilities to identify those which will need PPAs to be identified and implemented.
- (ii) Implement the defined PPAs in close consultation with IDA, considering their institutional capacity to implement PPAs and focusing on the definition of milestones. These PPAs will serve as the cornerstone of the DSEP.
- (iii) Evaluate the progress achieved by countries in implementing their PPAs against their defined milestones; and
- (iv) Apply the country's performance on the PPAs to the determination of IDA allocations. Countries that do not satisfactorily implement their PPAs would not be able to access 10 or 20 percent of their annual country allocations ("Set-Asides"), eligibility to IDA19 frontloading, and reallocations. In cases where an IDA-eligible country has severe or repeated breaches of PPAs such as non-concessional borrowing ceilings, IDA financing can also be hardened (Figure 3.1).

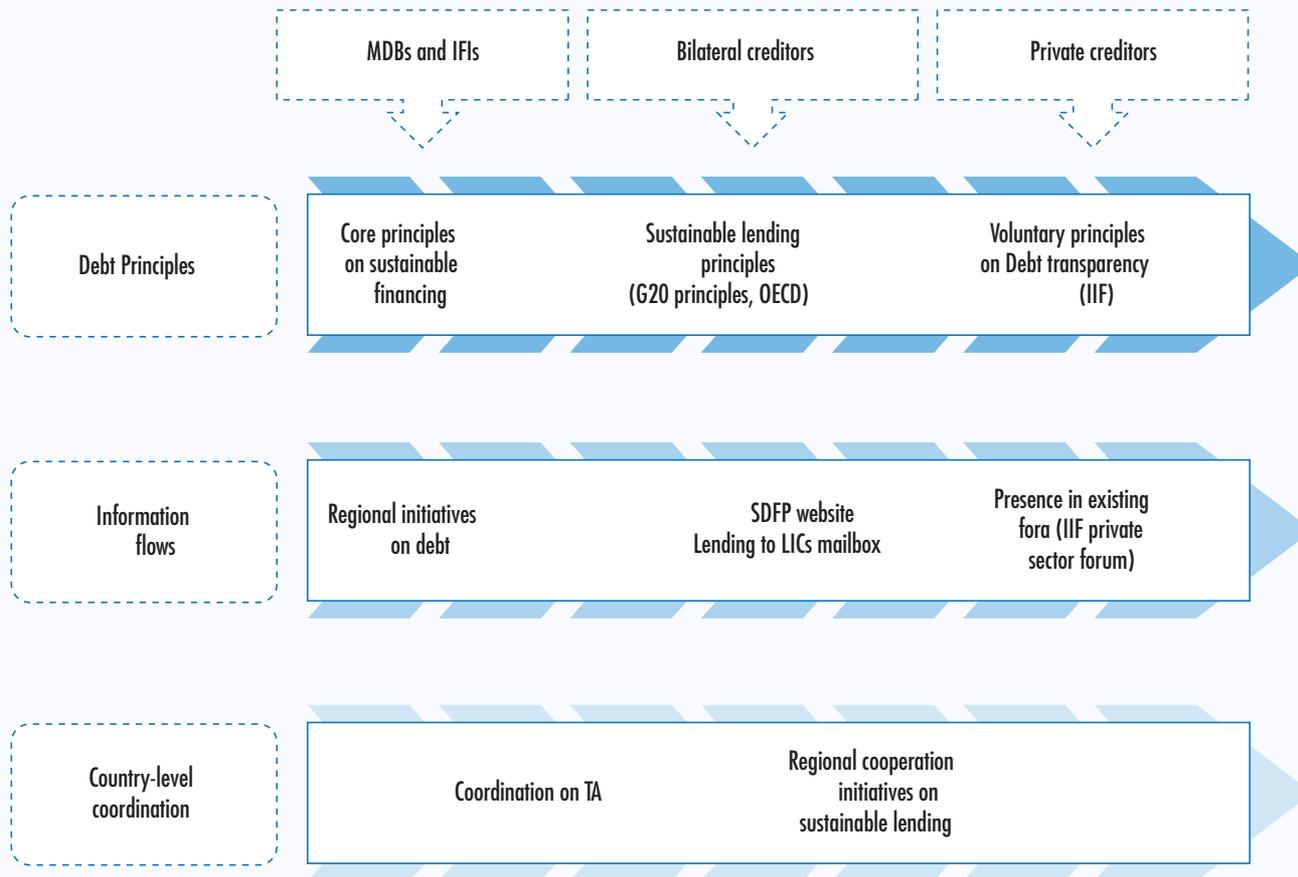
**FIGURE 3.1.** THE SYSTEM OF SET-ASIDES AND DISCOUNTS: EXAMPLE FOR AN IDA COUNTRY AT HIGH RISK OF EXTERNAL DEBT DISTRESS



Source: World Bank Group 2020.

On the other hand, the Program for Creditor Outreach (PCO) aims to enhance creditor coordination to mitigate debt-related risks associated with supply-side factors (Figure 3.2). This coordination is critical as the landscape of development finance has evolved significantly since the HIPC/MDRI era, as there is now an increasingly diverse creditor base and rapid innovation of debt instruments. The centrality of PCO rests on the effective collective action needed not only to mitigate risks of unsustainable debt accumulation but also to bring bilateral official creditors to support an orderly and fair relief in debt service where appropriate.

**FIGURE 3.2.** IDA'S OUTREACH WITH CREDITORS



Source: World Bank Group (2020).

The PCO will specifically serve three purposes. Firstly, on promoting good practice, the Bank will focus on promoting transparent and sustainable financing principles<sup>9</sup> among multilaterals as well as non-Paris Club bilateral creditors. Secondly, on improving debt transparency, the Bank will embark on new information-sharing initiatives, dialogue on the SDFP, as well as strengthening its outreach to creditors through existing fora, such as the Paris Club and the Organization for Economic Cooperation and Development (OECD) Working Party on Export Credits and Credit Guarantees. Finally, on promoting country-level dialogue, the Bank will engage creditors at the country level in activities such as technical assistance for debt management. Where feasible, and under the leadership of the respective country, national platforms would be used to bring together development partners and creditors on issues of sustainable financing.

## GOVERNANCE ARRANGEMENTS FOR THE POLICY

The governance structure of the SDFP will mainly reflect IDA's existing accountability and decision-making framework. There will generally be three layers of governance: SDFP Secretariat under Development Finance, SDFP Committee<sup>10</sup>, and IDA's Senior Management. The arrangement will seek to ensure that the PPAs are identified based on country dialogue; informed by sound diagnostics, including Debt Sustainability Analyses, Public Expenditure Reviews; and aimed at supporting an ambitious but realistic pathway towards debt sustainability.

IDA's Management will regularly inform the Board on SDFP implementation and SDFP-related decisions every year. Also, Management will provide an update on the implementation of the policy to IDA Deputies and Borrower's Representatives at the IDA19 Mid-Term Review in FY22.

## CONCLUSION

The SDFP will compel Country authorities and technocrats to be acquainted with its requirement and its implications on their engagement with IDA. In preparation, Authorities should proactively identify issues contributing to their debt vulnerabilities, which will inform PPAs to be jointly agreed with the Bank. They should also identify any implementation capacity gap that could prevent them from successfully undertaking the agreed PPAs. Unsatisfactory implementation of agreed PPAs would reduce the country PBA allocations. Thus, the onus would be on the Authorities to complete the negotiated PPAs on time in order not to lose any set aside before the end of the IDA cycle.



# WORLD BANK GROUP STRATEGY FOR FRAGILITY, CONFLICT, AND VIOLENCE (FY20–FY25)

## THE STRATEGY

On February 25, 2020, the World Bank Group Board approved the first-ever strategy on Fragility, Conflict, and Violence. The strategy provides a comprehensive framework for guiding WBG’s responses as well as financing and expertise deployment when operating in conflict-affected low- and middle-income countries. It is also a response and recognition of the worsening crisis in many parts of the world, where there is continued undermining of progress made over decades in reducing extreme poverty. Several countries still face protracted conflicts, with detrimental impacts on entire populations and economies. The effort to successfully combat challenges arising from fragility, conflict, and violence situations is expected to take time, with two-thirds of the world’s extreme poor likely to be impacted by 2030. The strategy is thus a framework to mobilize efforts and resources required to help design appropriate response measures.

The strategy’s strength includes its focus on the drivers of fragility, underscoring the critical role of capacity building, strengthening resilience, and aiding the poorest – many of whom are challenged by inadequate services in education, health, and basic infrastructure. The WBG’s institutional shift is backed by increases in the financing, supported by the 2018 General Capital Increase and the recently endorsed robust replenishment of IDA19, which provides over US\$20 billion for FCV countries. The strategy is enriched through the WBG’s global footprint, which by deploying more professionals to field positions located in FCS, aims to enhance implementation capacity. The strategy’s strength also emanates from its aim to leverage partners working in FCV settings, involving both international and local actors.

The FCV strategy is guided by four principles: (i) differentiation (with solutions tailored to each specific country and the specific drivers of conflict); (ii) inclusion (advancing the economic and social inclusion of the most marginalized communities); (iii) legitimacy, transparency, and accountability (strengthening core institutions and ensuring access to basic services); and (iv) scaling up private sector solutions for greater impact (leveraging the potential of both public and private sectors in strengthening economies and job creation).

The FCV strategy is anchored on prevention and preparedness in countries that are impacted by crisis and conflict to ensure they do not slide into deeper problems. The strategy further recognizes the importance of staying engaged over the long-term, including during active conflicts and during the transition to peace to mitigate the adverse spillovers of FCV as well as to contribute to the resilience of productive economic sectors and institutions. The WBG’s engagement will be aligned with government-led national development plans and strategies. The four pillars of engagement of the strategy are: (i) preventing violent conflict and interpersonal violence; (ii) remaining engaged during the crisis and active conflict; (iii) helping countries transition out of fragility; and (iv) mitigating the spillovers of FCV. These pillars will strengthen the WBG’s approach in addressing challenges across the full spectrum of FCV.

In terms of operational focus, the FCV strategy will place special emphasis on six areas of high priority in countries affected by FCV. These areas are: (i) investing in human capital; (ii) supporting macroeconomic stability and debt sustainability; (iii) creating jobs and economic opportunities; (iv) building community resilience and preparedness, including the resilience against the impacts of climate change and environmental degradation; (v) strengthening justice and the rule of law; and (vi) developing approaches to dealing with the security sector, where this is within the WBG's mandate and comparative advantage. The WBG FCV strategy was built upon lessons learned from IDA18, policy commitments under IDA19, as well as from extensive consultative efforts.

## ENHANCING THE EFFECTIVENESS OF WBG'S FCV STRATEGY IN THE CONTEXT OF COVID

The COVID-19 crisis has brought an additional dimension to the challenge of managing development in FCV settings. Preliminary assessments show that the pandemic is contributing to deepening existing sources of fragility and exacerbating instability. Due to the limited capacity of governments in FCV situations to respond effectively to public health and economic crises, FCV countries are facing more strain in their social fabric. Macroeconomic contraction, shortfalls in humanitarian aid, and uneven responses by the state could be other factors leading to increased inequality, exclusion, and grievances. These considerations require that the COVID-19 response should pay attention to fragility risks in the design and implementation of programs.

Management is adopting an approach where the Bank's COVID-19 response will be designed in an FCV-sensitive manner. While the FCV strategy will guide the overall response, appropriate adaptation and flexibility will be made to the COVID-19 circumstances. The Bank highlights the following points as key guidance parameters: (i) strengthen community engagement, (ii) preserve and strengthen key institutions and services; (iii) support vulnerable groups, including refugees, internally displaced persons, and host communities, (iv) mitigate the escalation of FCV risks and strengthen sources of resilience; and (v) link the emergency response to conflict-sensitive recovery.

The crisis also highlighted the increased importance of finding solutions (including by mobilizing trust funds) to provide support to FCV impacted countries in arrears such as Sudan and Zimbabwe. Close cooperation with the UN is another dimension the Bank seeks to leverage when working along with the humanitarian-development-peace nexus.

On the part of the IFC, additional instruments and strategies are available to help improve effectiveness in an FCV setting. In addition to the use of diagnostic tools to enhance its engagement in FCS, the use of the private sector conflict-sensitivity framework adds to the depth of analysis needed. IFC's instruments, such as creating markets (to promote sector reform, standardization, building capacity, and demonstration to expand investment opportunities in key sectors); de-risking (use Private Sector Window); guarantees



The World Bank Headquarters in Washington D.C. © Manuella Lea Palmioli /World Bank

and blended resources are also in the toolbox available in an FCV setting. Additional tools include upstream works, advisory services to support governments to improve the business legal and regulatory environment, and trust-fund support through the Conflict-Affected States in Africa Initiative.

## COMPLEMENTARITY WITH THE WBG'S GLOBAL FOOTPRINT

The World Bank Group (WBG) operating model is adjusting to position itself to meet the twin goals by 2030. The adjustment aims to strengthen country engagement and devolve more decision-making to the field. The process entails the deployment of more staff to field positions, particularly in Fragile, Conflict-Affected States in line with the Bank's FCV Strategy (2020–2025).

In 2019, the WBG decided to increase its global footprint in low-income and lower-middle-income countries, aiming to improve the effectiveness of its country programs, particularly in countries affected by fragility, conflict, and violence. The Bank announced a corporate target to increase the proportion of staff in the field to 55 percent, from 45 percent, by the mid-2020s. IFC's new corporate target is to increase its field presence from 55 percent to 65 percent by the same period.

Adjustments to the World Bank global footprint will include increasing field presence of practice management, with more delegated authority; continuing to deploy more Practice Group staff close to clients, especially in Africa, Middle East, and South Asia; and attracting motivated and highly skilled professionals with global knowledge and experience in multiple locations. In this regard, the World Bank increased manpower in IDA and FCV by 159 staff by June 2020. During this period, IFC has enhanced its capacity to implement its IFC 3.0 strategy by opening additional offices in Africa, including in Burundi, Eswatini, Somalia, Uganda, Zimbabwe. MIGA's business model, on the other hand, requires a core team to be based in the Headquarters in Washington, which will be complemented by regional hubs in Dakar, Senegal, and Nairobi, Kenya. Both offices are staffed by regional representatives deployed from Washington, DC.

## GENDER POLICY

Inequities and inequalities abound in the world today and are key drivers of under-development. One prominent example is gender inequality. Despite the realization that "development is freedom" and that women play critical roles in the process of socio-economic development, women continue to face inequities in almost all aspects of life. The gender gap is a major global problem. However, its manifestations and impacts differ among countries and are felt more in the developing world. The AfGI Constituency Countries are not an exception and face major similar challenges, including in the efforts to ensure everyone is engaged.

“ WBG decided to increase its global footprint in low-income and lower-middle-income countries ... ”

Gender inequality is socially and morally undesirable at the human rights level and it is a hindrance to development. It simply does not make sense. In a competitive race for development, why would a population handicap their side by limiting the contribution and performance of more than half of their team? Knowing what we know from research, half of the team that is discriminated against tends to be the one that yields more returns from investments. This is a recipe for the sub-par outcome.

## WBG GENDER STRATEGY

For the WBG, gender equality is a key aspect of the development process. A key goal of the WBG, therefore, is to place gender as a priority issue in development. As such, the Bank plays a key leadership role in supporting countries to promote gender equality and to find ways to close the gender gaps, especially in human development and economic opportunities. To better address the gender challenge, the WBG formulated a Strategy on Gender Equality in 2016, which the Bank is implementing to help countries to accelerate progress in human capital, job creation, asset ownership, and women's voice and agency.

The WBG updated its Gender Strategy to ensure equality of opportunities for girls and boys, as well as women and men. All must have the same opportunities and voice. The fact is those artificial barriers that are constructed to hinder girls and women from having equal opportunities are holding back countries around the world from achieving their full potential. This is particularly problematic for developing countries that are already facing many daunting challenges. While gender equality challenges in FCS are broadly similar to those in other developing countries, the context makes the situation more challenging.

The context of fragility often makes the condition of gender-based violence (GBV) more daunting, considering an environment of impunity it creates. The social and moral breakdown further creates a vacuum for lawless groups. Other enabling realities in FCV countries include the lack of economic opportunities and access to labor markets, access to assets and services, and the lack of voice and agency. These realities make the gender challenge in these countries even more complex.

The WBG strategy focuses on improving human endowments with emphasis on ensuring girls and women have access to health, education, and social protection. This ensures that women are empowered and can actively participate in the economy. Second, constraints must be removed for more and better jobs. Women should be able to work in any profession or business. Without appropriate training for jobs traditionally dominated by males, women will not get the opportunity to earn more and to participate in the economy fully. Third, ownership and control over assets must not be determined by gender. Barriers to women's ownership and control over assets must be removed. Fourth, women's voice and agency must be enhanced, while also engaging men and boys on the issues of gender equity.

“ ... gender equality is a key aspect of the development process. ”

## IMPLEMENTING THE STRATEGY

In implementing the strategy, the emphasis has been placed on four key elements. First, the implementation must be country-driven. That is, efforts target ensuring better country-level diagnostics, policy dialogue, and sex-disaggregated data to ensure policy decisions are effective. Second, there is an effort to develop a better understanding of what works for gender equality. This will require investing in information gathering to ensure evidence-based decision making. There is a need to systematically build on what works, by bringing evidence to task teams and clients. Third, adopt a strategic approach to mainstreaming that helps achieve results in client countries, including a more robust monitoring system. Fourth, leverage partnerships for effective outcomes, particularly with key development partners and the private sector.

These elements underscore the centrality of outcome-based gender strategy. The gender strategy, by design, emphasizes measurable results based on data and evidence. It aims to promote what works while acknowledging the fact that the WBG could be a force for good in addressing the gender challenge in development. As such, the gender strategy promotes clear objectives and commitments around the problem of ensuring gender equity. The gender strategy has enhanced the WBG's effectiveness in promoting women's economic participation and economic development. One major bet of the strategy is that enhancing the capacity of women to increase their productivity and to participate in the economy fully is a sure way to address the gender gap while simultaneously promoting economic development. A key outcome of the country-driven approach is the recognition of the differences between countries. In this respect, the WBG has committed to supporting FCV countries with specific tools and instruments, as well as monitoring implementation. Additionally, the WBG has continued to work to embed gender in its policies, procedures, and strategies.

## ROLE OF THE CONSTITUENCY OFFICE

As such, the issue of gender has been a key policy agenda for the Office. The Constituency has played a critical role in pushing for more robust engagement on gender issues, including Gender-Based Violence, especially in FCV Countries. At the Board level, the Constituency Office played an important role in driving the policy agenda on gender and carving out specific programs of support for our Member Countries.

The Constituency Office continues to push for enhanced financing for Gender-Focused Initiatives and support for strengthening gender policies and implementation at the country level. This is particularly important given the linkages between gender issues and many of the crucial development challenges such as land, infrastructure development, and women's engagement in the private sector. The Constituency Office continues to encourage fostering partnerships to leverage resources to meet the goals of gender equity (Box 3.1).

### BOX 3.1. WE ARE AFRIKA: THE POWER OF WOMEN AND YOUTH

Ten years after the ground-breaking Africa Now, our Constituency Office in collaboration with the Vice Presidency for Africa and the Gender Global Theme, as well as the World Bank Art Program have curated, We are Afrika: The Power of Women and Youth. The program is an exploration and celebration of the role of art in development. It focuses on the youth and women from the 22 African countries making up the constituency of the Bank's Executive Director EDS14: Botswana, Burundi, Eritrea, Eswatini, Ethiopia, The Gambia, Kenya, Lesotho, Liberia, Malawi, Mozambique, Namibia, Rwanda, Seychelles, Sierra Leone, Somalia, South Sudan, Sudan, Tanzania, Uganda, Zambia and Zimbabwe.

The idea for *We are Afrika* began in a conversation between the Executive Director and the Bank's Art Curator three years ago on revisiting the concept of Africa Now; A Continent on the Move, which was a ground-breaking exhibition organized by the WBG Africa Region Vice Presidency and the World Bank's Art Program back in 2008. The program which emerged from that conversation resulted in the 2020 exhibition featuring African women artists. While the 2008 program was to redefine the international image of Africa, the purpose of We are Afrika was to give voice to its women and youth as core custodians and beneficiaries of the Human Capital Agenda of the WBG Africa Region. Additionally, the goal was to use art to engage the region deeply on how to compete in the global economy that is more digital and to alleviate poverty through the development of human capital of Africa's youth and women, the two groups that are often without a voice.

The artists selected for *We Are Afrika* represents a region of 600 million people in 22 countries with great diversity, as well as rich artistic and cultural history. We are Afrika is an exhibition that offers us a glimpse into the lives of the Africa Group 1 Constituency through the art created by its contemporary young artists with their innate creativity and energy. It also represents a variety of ways of working, consisting of female artists depicting the advancement of women in society, young artists using graffiti or installation as a means of expression. The plan was to facilitate direct engagement of the artists with the World Bank as an audience. Artists were initially to be invited to undertake mini-residency and work alongside colleagues at the World Bank in Washington DC while creating works that would resonate with the priorities of the Region in terms of empowerment of women and youth. Due to COVID-19, these plans were quickly adjusted.

The program turned into dialogue from May 2020 to May 2021 taking the form of weekly self-interviews, essays by curators and presentation of individual artists, workshops, blogs, videos, virtual visits to artists' studios and public panels disseminated via the Art Program page and the Africa Region social channels. These events will be crowned with a physical display of artworks in the Main Complex of the World Bank Campus once the Bank Group reopens.

At its core, development is about building human capital and art plays a critical role in developing the human potential along with the function of engaging our cultural consciousness. It is also crucial for projecting a new vision for the future. *We are Afrika* purpose was to present a renewed vision of Africa.

Source: Adapted from the Catalog of *We Are Afrika. The Power of Women and Youth*. The World Bank Group.

As co-chair of the WBG Gender Working Group (GWG), the Executive Director emphasized the need to improve the gender-diversity of the WBG Board. The Working Group engaged the President of the Bank in its campaign against the gender imbalance at the board level and encouraged countries to nominate female candidates for appointments to Executive Directors and Alternate positions. The request was formalized through a letter sent by the Co-Chairs of the GWG to all the Governors of WBG in October 2019 and followed by President Malpass' appeal letter to the same Governors in early July 2020. Also, the GWG initiated a synchronization of assumption of duty with the start of the academic calendar for elected officers. The board approved and adopted the proposal in August 2020.

Gender equity has become an integral part of WBG lending operations, and tools and guidelines have been created for such interventions. However, there are indications that limitations exist on several fronts, including the lack of capacity for gender planning, lack of information, limited data, and the challenge of measuring progress. Going forward, there is a need for continued expansion of more inclusive gender approaches as well as innovative methods to promote, scale, and leverage collaboration to promote gender equality.

Indeed, there is more awareness of gender challenges in development. There is more engagement and a consensus that it is an issue that must be addressed head-on to ensure women achieve their full potential. There are now clearer linkages between country diagnostics, policy dialogue, programs, and projects; and these have enhanced the quality of interventions. While there has been progress, there will be a need for continued investment and engagement to build on the momentum to close the gaps between men and women, facilitate the building of an enabling environment for women's equal participation in the labor force, private sector, as well as in governance. Additionally, there is a need to continue to pursue agendas that will reduce the barriers to financial access, technology networks, and markets for women.

## FOOD SECURITY IN THE ERA OF COVID-19

COVID-19 is having an unprecedented impact around the world, both in health and socioeconomic terms. By August 13, 2020, 20.4 million cases and 744,285 deaths had occurred globally.<sup>11</sup> According to the UN Food and Agricultural Organization (FAO), there are 55 countries and territories (home to 135 million acutely food-insecure people) in need of urgent humanitarian food and nutrition assistance (Figure 3.3). Since COVID-19 does not discriminate, these countries must cope with either the very limited health capacity or socioeconomic aspects of the shock. Consequently, these countries are faced with a painful trade-off between saving lives or livelihoods or, in a worst-case scenario, saving people from the coronavirus to have them die from hunger.

**FIGURE 3.3.** FOOD CRISIS IN 2019



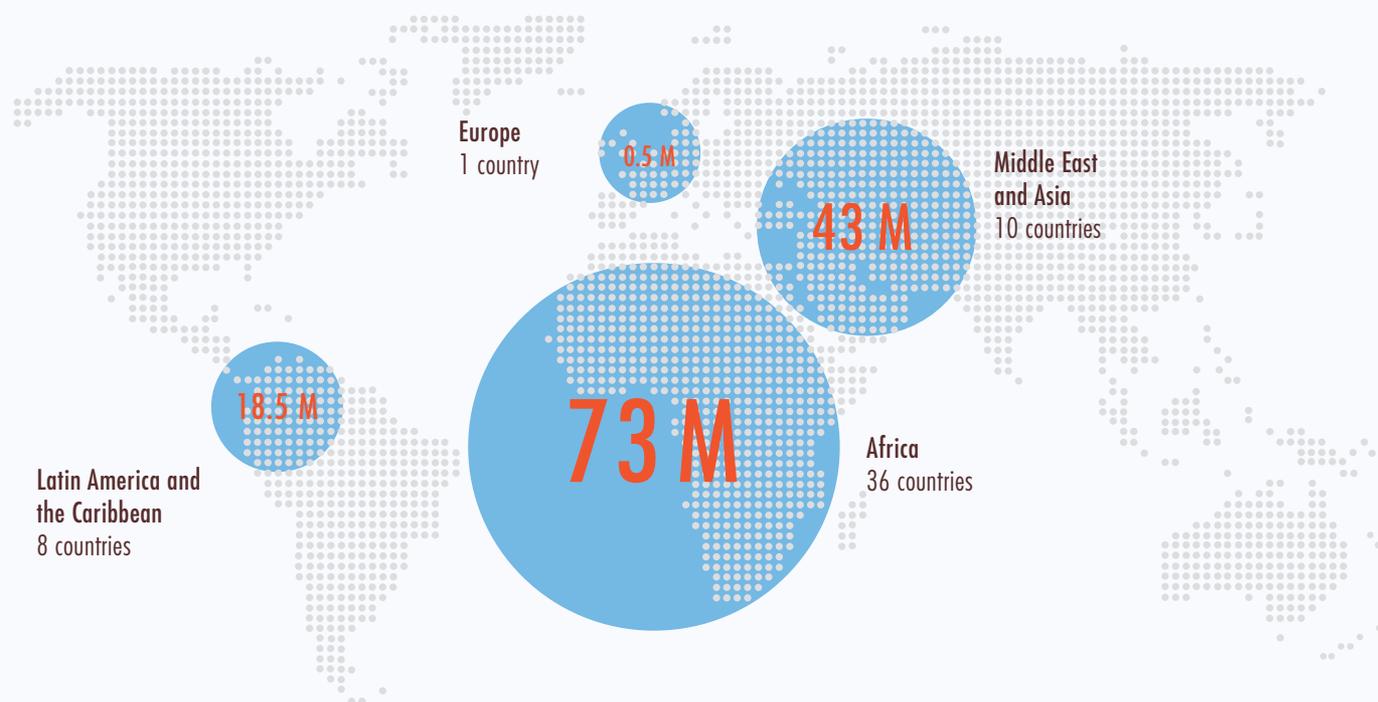
### Numbers in previous years



Note: IPC/CH: Integrated Food Security Phase Classification  
Source: Food Security Information Network (2020). Global Report on Food Crises (2020)

Most African countries, including Small Island Developing States and oil-exporting countries, are affected as they are net importers of food with a large share of their population dependent on income from remittances and tourism (Figure 3.4). Generally, people in food crises often have higher rates of underlying health conditions, including non-communicable diseases and malnutrition (acute, chronic, and micronutrient deficiencies), which weaken the immune system and increase the risk of people developing severe COVID-19 symptoms.

**FIGURE 3.4.** NUMBER OF ACUTELY FOOD INSECURE PEOPLE IN CRISIS OR WORSE (IPC/CH PHASE 3 OR ABOVE) BY REGION



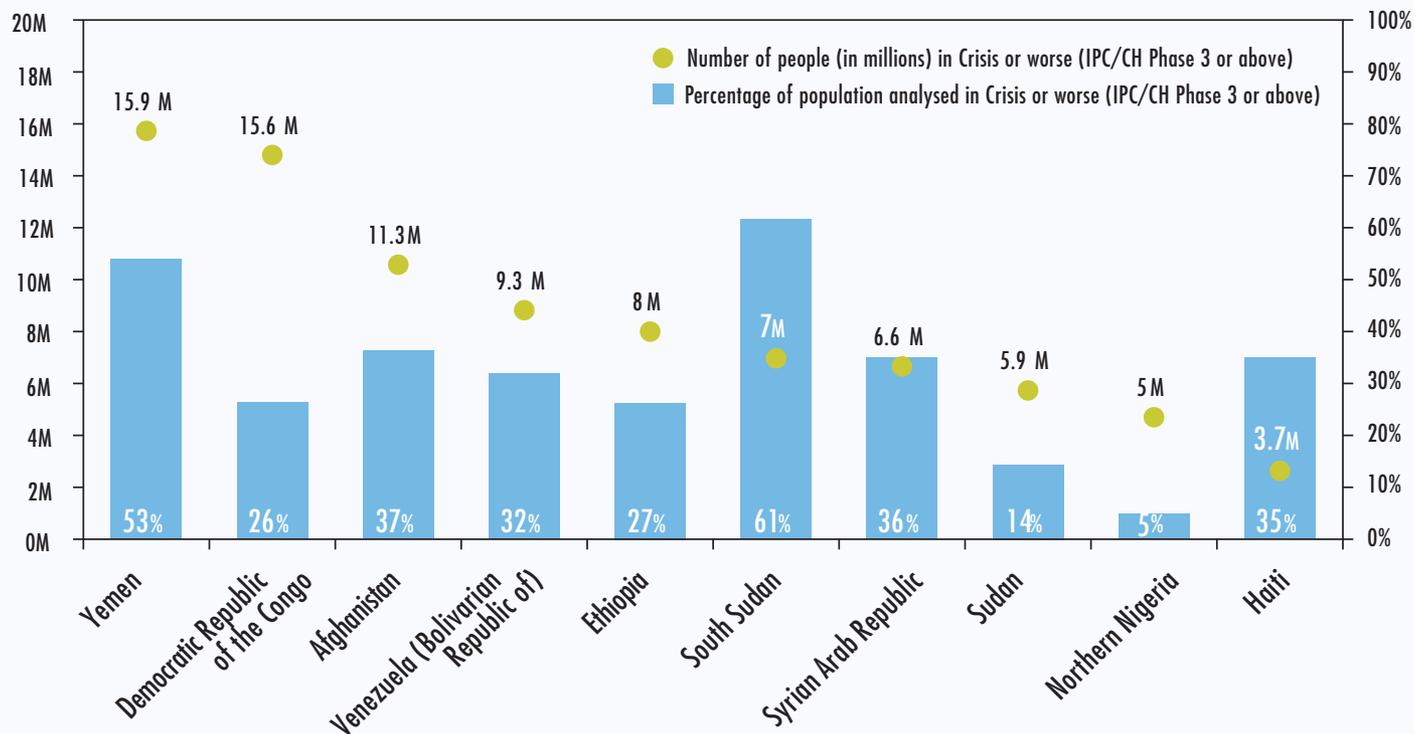
Source: Food Security Information Network (2020) and Global Report on Food Crises (2020)

## DRIVERS OF ACUTE FOOD INSECURITY

Conflict and insecurity were the main drivers of food crises in 2019, but extreme weather and economic shocks became increasingly significant. Africa had the largest numbers of acutely food-insecure people in need of assistance, particularly in the Horn of Africa, the Sahel, and Southern Africa, followed by Central America and Pakistan (Figure 3.5).

In the first half of 2020, conflict/insecurity, weather extremes, desert locusts, economic shocks, and COVID-19 were the key drivers of acute food insecurity. In West Africa, prices of coarse grains remained stable or increased and are at high levels in conflict-affected areas according to FAO. The FAO warns that countries where prices of one or more basic food commodities are at abnormally high levels in main markets (identified by the Indicator of Price Anomalies<sup>12</sup>), could negatively impact access to food at the national level.

**FIGURE 3.5.** THE 10 WORST FOOD CRISES IN 2019 BY NUMBER OF PEOPLE IN CRISIS OR WORSE (IPC/CH\* PHASE 3 OR ABOVE)



\*IPC/CH: Integrated Food Security Phase Classification.

Source: Food Security Information Network (2020) and Global Report on Food Crises 2020.

## ACCESS TO FOOD

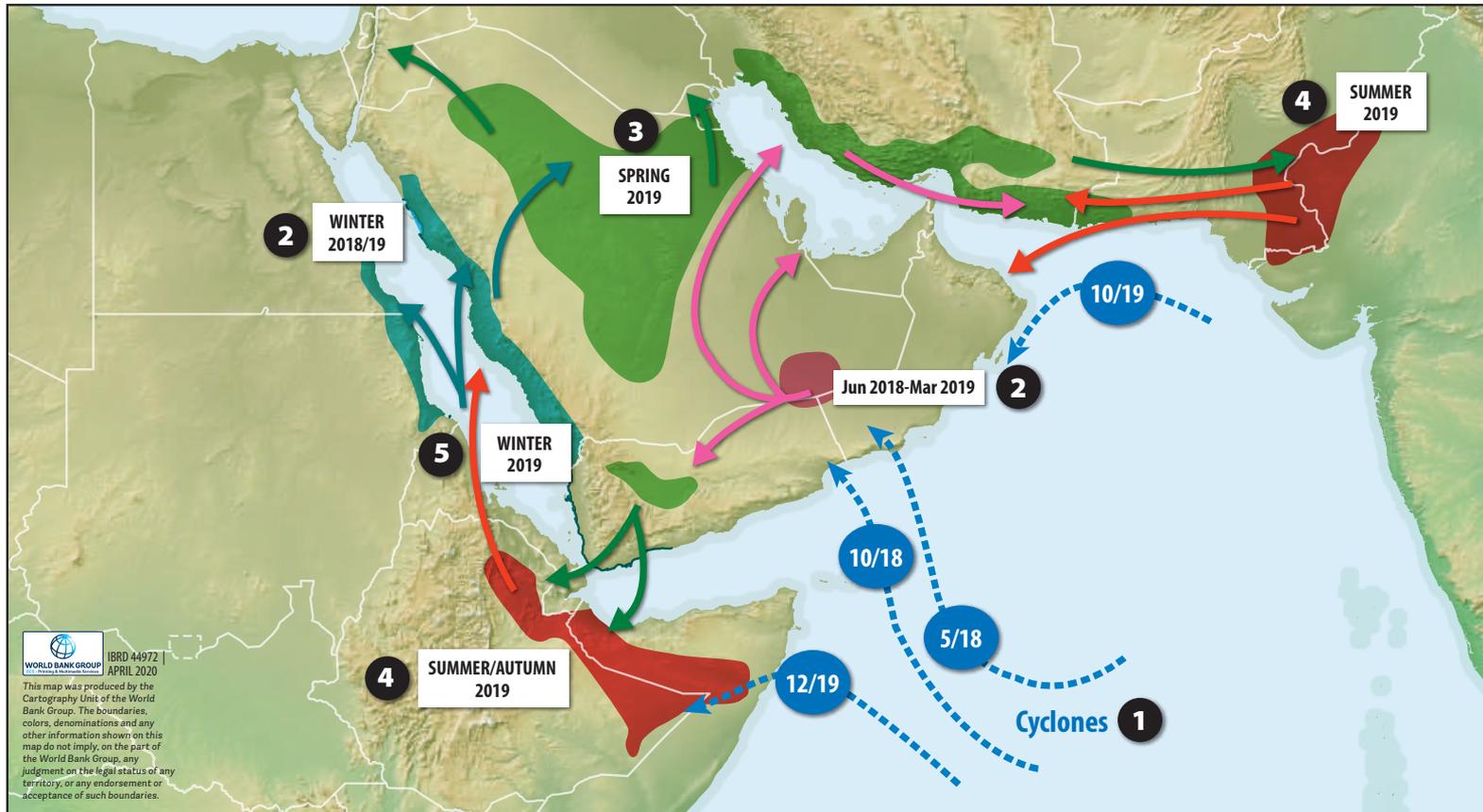
On the food supply side, harvests have been good, and the 2020 outlook for staple crops is promising. However, movement restrictions necessary to contain the spread of the virus has disrupted the transporting and processing of food and other critical goods, increasing delivery times and reducing the availability of even the most basic food items. For households that are dependent on food production and livestock rearing, disruptions in the supply chain of agricultural inputs or the inability to access livestock markets have led to a decline in crop and livestock production and sales. The food security consequences of the pandemic on nomadic and semi-nomadic pastoralists were aggravated by the closure of national borders in the Sahel region, where about 5.2 million people are facing a food security crisis.

### BOX 3.2. GOVERNMENT MEASURES

- Vietnam, the world's third-largest rice shipper, has temporarily suspended new export sales to protect domestic supplies amid drought in the Mekong Delta. The country's prime minister has asked the trade ministry to submit an export plan before April 5, as shipments need to be controlled in order to ensure national food security. This move by Vietnam is causing a lot of attention in the international market as the Philippines, China and countries in Africa are among the biggest buyers of Vietnam's rice
- Russia, the world's biggest wheat exporter, wants to limit grain exports to protect domestic supplies. The Russian Agriculture Ministry proposed to limit the exports of some grains, including wheat, to 7 million tons for April-June.
- The U.S. is reported to be in the process of increasing grain reserve stockpiles, with U.S. farmers having lower acreage under wheat production than in previous years.
- Many African countries such as The Gambia, Rwanda, South Africa, Madagascar and Niger among others have fixed prices for basic food items including rice, sugar and cooking oil.
- Mauritania closed its border with Senegal, the main market for its livestock, in March 2020. While merchandise is officially exempted, herders have not been allowed to move their animals across the border.
- East African traders have also faced delays and blockages. Cargo volumes into some inland countries had fallen by more than half with tailbacks at the border between Kenya and Uganda stretching more than 50 km., said the East African Grain Council.
- In Côte d'Ivoire, the busiest route from the West African coast to interior, transporters have encountered few delays. In recent weeks, some governments have started to ease restrictions, including reopening some markets and shortening curfews.

According to the Permanent Interstate Committee for Drought Control in the Sahel, West African traders of perishable produce and livestock have experienced losses of 10–30 percent since health restrictions were instituted, as transport was disrupted and markets close while illegal tax collection at checkpoints leaped nearly 50 percent. This has disrupted livestock migration routes, including across the fragile region. In countries where crop and livestock production are affected by the desert locust outbreak, the restrictions on movement have hindered locust control operations with dramatic consequences for crop production. In response to some of the challenges, governments around the world are taking measures, some of which are protective and hinder trade (Box 3.2).

**FIGURE 3.6.** HISTORICAL TIMELINE OF DESERT LOCUST UPSURGE (2018–2019)



### DESERT LOCUST CRISIS IN EASTERN AFRICA

Starting in early 2020, the global Desert Locust situation deteriorated as favorable climatic conditions allowed widespread breeding of the pest in Eastern Africa, Southwest Asia, and the area around the Red Sea (Figure 3.6). The current situation remains extremely alarming in Eastern Africa where Kenya, Ethiopia, and Somalia continue to face an unprecedented threat to food security and livelihoods. If the desert locusts arrive in Sudan before the summer rains, the swarms are likely to continue westwards across the Sahel from Chad to Mauritania. The consequences of a possible locust outbreak added to those of the armyworm, which now infests the whole West African region, could have a long-lasting effect on the region’s agri-food systems.

The Desert Locust is the most destructive migratory pest in the world. They are ravenous eaters who consume their weight per day, targeting food crops and forage. A single square kilometer of the swarm can contain up to 80 million adults, with the capacity to consume the same amount of food in one day as 35,000 people. Large swarms pose a major threat to food security and rural livelihoods.

## MULTILATERAL RESPONSES TO FOOD SECURITY AND HEALTH CRISIS

- The Food and Agriculture Organization has long-standing expertise in monitoring Desert Locust populations and helping countries cope with the locust invasions. The World Health Organization, the Food and Agriculture Organization, and the World Trade Organization issued a joint statement on mitigating the impacts of COVID-19 on food trade and markets. They noted that amid the COVID-19 lockdowns, every effort should be made to ensure that trade flows as freely as possible, to avoid food shortage. It has designated the Desert Locust upsurge in Eastern Africa as one of its highest corporate priorities and is moving swiftly to support governments in responding.
- The IMF availed US\$100 billion through rapid-disbursing emergency facilities. Besides, the IMF's Catastrophe Containment and Relief Trust can provide grants to the poorest countries to pay off the debt to the Fund.
- The G20 Finance Ministers urged official bilateral creditors to suspend debt repayment for IDA countries that request forbearance.
- The World Bank Group provided a US\$14 billion package of fast-track financing to assist countries in coping with the crisis, in addition to helping them beef up health systems capacity.
- The African Development Bank sold a record US\$3 billion three-year Fight COVID-19 Social Bond, to raise financing to help combat the fallout from the virus outbreak. Coordinating across IFIs and bilateral creditors will be essential to ensure adequate and timely support for the countries in the region.

Food insecurity is one of the greatest challenges in modern times and its coincidence with the COVID-19 pandemic makes it overwhelming. This pandemic has worsened the already fragile situation and requires urgent global efforts to tackle. The United Nations Secretary-General António Guterres highlighted the threat in his message delivered on May 28, 2020, at the high-level event 'Financing for Development in the Era of COVID-19 and Beyond'. He noted that *"Unless we act now, the COVID-19 pandemic will cause unimaginable devastation and suffering around the world. We need to respond with unity and solidarity"*. It is the same approach to use in the fight against hunger and malnutrition. The world will only emerge victorious when food insecurity is defeated everywhere, and hunger remains nowhere.





# PART 4

## Lessons and Recommendations

The first three chapters of this Report provided an in-depth analysis of the Office performance over the past two years. The first chapter covered the strategic agenda for the biennium, with a focus on the strategy, achievements, and successes. The second provided information on the Constituency engagements with the emphasis placed on the COVID-19 challenge, the response and support of the WBG to Constituency Countries as well as lessons learned to-date. The third chapter presented updates on selected policies that are important to the constituency. In sum, these chapters provided a comprehensive review of the Constituency's performance over the last two years as well as the status of critical issues.

This chapter will focus on the lessons learned over the last two years and highlights what needs to be done by the Constituency to deepen engagement and leverage more WBG support for the priority agenda of the Member Countries. In making the recommendations, emphasis is placed on how the Office can be more efficient and effective in serving the Constituency, as well as on the organization and the engagement of the Constituency in matters related to Bank services and products. The goals are to ensure that the Office and the Member Countries are actively engaged in the agenda-setting of the Bank as well as to mobilize the maximum amount of resources possible to the countries within the Constituency.

### A SHARED VISION FOR THE CONSTITUENCY

To drive the agenda of the Bank, the Constituency will continue to create a shared vision and mission for their specific needs. It will be critical to have a coordinated approach that clearly articulates the Constituency development agenda and what needs to be achieved in a specific time. What does the Constituency need from the WBG? This is a pertinent question that the AfG1 Constituency Panel may wish to consider as they establish the AfG1 policy agenda to push Bank resources to the Constituency.

The dialogue process initiated by the Constituency Panel would set the high-level goals and agenda for the Constituency, while the Office of the Constituency could translate the agenda set by the Constituency into an action plan. The dialogue process undertaken by the Honorable Governors should be continuous, preferably with a dedicated time set aside for agenda-setting during the regular or statutory meetings of the Constituency. The adopted strategic plan should where necessary, be updated based on a two-year cycle; when there is a change of the Executive Director.

## MAINTAINING AN EFFICIENT CONSTITUENCY OFFICE

The Constituency's success within the WBG depends highly on the effectiveness and efficiency of the Office that serves the group. The key goal is to ensure that the Office's effectiveness is at the same level or even higher than comparative Constituency Offices. This is an important task given the highly diverse group of member countries represented at the Board. The quality and performance of individuals nominated to serve at AfG1 should be at par with Bank staff with respect to expertise and educational background. The Advisors who are selected, their length of service at the Office, as well as the management of the team is critical to delivery of services to the client countries. In this regard, the Executive Director has provided to the Chair and Members of the Constituency Panel with a report on areas that may be considered for revisions on staffing matters, as defined by the *Constituency Rules, Guidelines and Procedures*.

## ACTIVE AGENDA SETTING

Active engagement by the Constituency and the Office in the WBG is crucial if we are to be able to help set and/or drive its agenda. The Constituency must be fully engaged, taking and seizing every available opportunity to participate in Bank's dialogues, events, and forums. The key issue is whether the Constituency Panel or the entire Constituency should be actively engaged in the conversation regularly, based on its agenda.

It will also require that Constituency members collaborate effectively. This will include working together on issues and sharing experiences. These are necessary if the Constituency is to act as a group and seize the opportunities that collaboration within the Constituency offers. Learning from each other's experiences becomes crucial so also is working as a team to be able to effectively influence the directions of debates on key policy issues within the WBG. Another key element is to ensure that the Panel/Committees of the Constituency are highly engaged and effective.

## CIVIL SOCIETY ORGANIZATIONS

Civil Society Organizations (CSOs) have critical roles to play in the development process and should be an integral part of the development equation. CSOs operate in various areas and serve in different roles, including as watchdogs and advocates that provide services to build an active citizenship as well as engaging on issues of global governance. CSOs can facilitate national mobilization, bringing onboard expertise, facilitating learning and sharing of ideas, as well as engaging all other actors so that they can keep their end of the bargain; which could be the difference between success or failure with project design and implementation.

It has become critical to consider CSOs as a partner in ensuring sustainable development. For the WBG and other international partners, national CSOs are key sources of knowledge and information. The Office should continue to endeavor to engage with CSOs.

## DEEPENING DEVELOPMENT DIALOGUE

Development is a complex process. The practice is even more challenging in today's highly competitive and rapidly changing world. Financing development is an enormous undertaking, and the ever-growing financing gap is a key obstacle. At the same time, countries are facing many demands for human capital development programs, infrastructure, private sector development, and other provisions of social services. Countries facing civil strife and conflict situations face even further complications. For the countries in transition with the WBG, the process of re-engagement is challenging and difficult. Ensuring re-engagement requires deepening dialogue by member countries with the WBG to place building relationships with the Bank as a priority item. In addition to addressing the issues of excessive debt burden and financing and policy reforms. A case in point is the current urgent need by countries to mitigate the devastating effects of COVID-19.

Although it is difficult, re-engagement for transition countries is a necessity. It requires a robust strategy and engagement in difficult conversations over a sustained period to build consensus. The Office has a critical role to play in the re-engagement process; and must continue to be at the forefront of supporting countries through this intricate exercise. The Office is well placed to understand these intricacies of building alliances to ensure broad support within the donor community, as well as engage with the resident representatives of donor countries at the Board level to reach out to their respective principals. However, member countries will also need to play their part and dedicate the required capacity at the appropriate levels.

“ A case in point is the current urgent need by countries to mitigate the devastating effects of COVID-19. ”



## MAINTAINING MOMENTUM

We live in a new world in which agility, speed, and foresight have become critical for organizations and countries that want to thrive. These are important requirements for organizations, institutions, or nations that want to be proactive. Considering the speed of global change as evidenced by COVID-19, organizations and countries cannot afford to be reactive if they want to drive events. The Office and members of the Constituency will not drive the development agenda or to be able to leverage the WBG or other partners for their nation's development, simply by reacting to events. We must take the lead.

This always requires that the Office and the Constituency adopt a proactive stance. Member countries will also need to continue to enhance capacity for dialogue. Given the seriousness and opportunity costs, it is crucial that countries engage at the appropriate levels, including devoting the necessary capacity for engagement with the Bank and other development finance institutions. Essentially, countries must place a priority on the engagement with these institutions and the role of they play in supporting national vision and development agendas.

This is a necessity if we want to be ahead of the curve and if we are to be able to create and seize opportunities to speed up the pace of national development. The key is to engage in foresight to identify opportunities or problems before they have a chance to appear. Whether it is dealing with a pandemic such as COVID-19 or designing and implementing projects, policymakers will need to think ahead and create options before they materialize. Better preparation will minimize surprises and empower decision-makers to act proactively.

## LEVERAGING COUNTRY OFFICES

The WBG has a critical role to play in promoting development at the national level; facilitating financing, engaging in policy dialogues, encouraging the sharing of ideas and learning, and supporting private sector development. The Bank is a significant development partner, especially for countries facing severe challenges, and those affected by fragility, conflict, and violence (FCVs). The Office and the Member Countries of the AfG1 are encouraged to actively engage with the WBG Country offices to better leverage the institution for development.

One of the major gains in recent years is the expansion of the WBG country offices network. AfG1 has been a beneficiary of this expansion. This is an opportunity that can be seized to enhance the pace of active programs and projects in our respective countries. This proximity provides for ongoing conversations and continuous engagement between national policymakers and Bank officials. This increased access and engagement will go a long way in speeding up the process of project design, appraisals and approval as well as disbursements. Additionally, it is likely to reduce the number of problem projects since issues can easily be resolved locally.

## LESSONS FROM DISRUPTION BY COVID-19

COVID-19 has wreaked havoc on the health systems and economies around the world, with some countries getting hit harder than others. The main issue today is how to recover from the effects of COVID-19, and what can be done to avoid such catastrophes in the future, especially given that this will not be the last global pandemic. It is therefore crucial that we learn from the experience still unfolding with the COVID-19 pandemic. Among the lessons that should be learnt is the need for engagement, collaboration, and agility.

First, given the nature and potential force of destruction of a pandemic such as COVID-19, the engagement of the Office and the Constituency is crucial. There will be a need to understand how pandemics will affect or impact our countries as well as find solutions for mitigation and recovery. The Office can take the lead and could play significant roles in fostering dialogue among Member Countries and within the Bank to build alliances and engender support to countries. It also can play a key role in helping countries to promptly shepherd their projects to respond to pandemics through WBG financing.

Second, collaboration is key. Countries need to work together to be able to minimize the impacts of pandemics, such as COVID-19. This is particularly important in today's global village where a virus can get from one end of planet earth to another within twenty-four hours. With fast, cheap, and easy travel, the world today has become more connected than any time in history; what is happening on one end of the globe can impact another side rapidly. It is therefore key that our countries work together on pandemics issues such as COVID-19. Collaboration is necessary for sharing of data, ideas, solutions, and learning from each other on effective approaches for preparedness, prevention, response, and recovery.

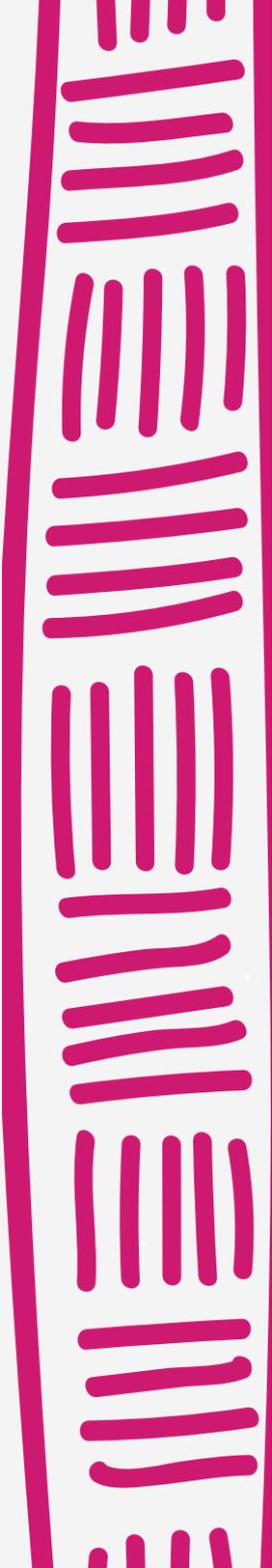
Third, we need to be more agile. In the fast-paced world of today and the high level of interconnectedness, agility is key. It is no longer enough to have good solutions. One must be agile and move quickly to implement well-designed solutions. Seemingly, countries able to cope better with the devastating impacts of COVID-19 to-date are the agile ones. They marshaled their resources to create as well as implement policy decisions rather quickly. While the lessons on COVID-19 are still unfolding, seven months into the pandemic, the world will need a new playbook to manage and respond to future pandemics.





# Endnotes

- 1 IMF (2020). Global Economic Outlook Update, June 2020: A Crisis Like No Other, An Uncertain Recovery.
- 2 ILO Monitor: COVID-19 and the World of Work. Third Edition, April 29, 2020.
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- 4 World Bank Group (2020). Global Economic Prospects- June 2020: Pandemic, Recession: The Global Economy in Crisis
- 5 In Africa, more than 300 million people depend on corn as their main food crop, making it one of the region's major crops.
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- 7 Selassie, Abebe Aemro. "The Debt Challenge to African Growth." Project Syndicate-News Commentary. <https://www.project-syndicate.org/commentary/sub-saharan-africa-rising-debt-levels-by-abebe-aemro-selassie-2018-05?barrier=accesspaylog> (accessed 2020).
- 8 World Bank Group. Development Committee Communiqué, April 21, 2018 (accessed 2020).
- 9 The G20 Operational Guidelines for Sustainable Financing.
- 10 The Committee will comprise Development Finance (DFI); Equity, Finance and Institutions (EFI) Group; Operations Policy and Country Services (OPCS); Chief Risk Officer (CRO); and Legal (LEG).
- 11 WHO Situation Report, August 13, 2020.
- 12 A price warning indicator as an early warning tool; The FAO Warning on 2/05/2020.





# Annexes

## **Annex 1.**

Letter from the Gender Working Group Co-Chairs to the World Bank Group Governors

## **Annex 2.**

Rotation Schedule for the Constituency Chairmanship

## **Annex 3.**

Rotation Schedule for the Constituency Panel

## **Annex 4.**

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## **Annex 6.**

Rotation Schedule for IDA Borrowers' Representatives

# Letter from the Gender Working Group Co-Chairs to the World Bank Group Governors ANNEX 1.



Anne Kabagambe (EDS014)  
Richard Montgomery (EDS03)  
Executive Directors  
World Bank Group

September 15, 2020

To:  
World Bank Group Governors

Dear Governors,

Subject: BOARD GENDER WORKING GROUP

As co-chairs of the Executive Board Gender Working Group, we are writing to update you on progress and challenges ahead of the Annual meetings.

The working group's mandate is to ensure the Board is both gender aware and representative in the way it carries out its governance of the World Bank Group and to work with our authorities and Bank management to promote these issues. These are perhaps more important than ever as evidence mounts of the gendered impact of the global pandemic, and the Board looks to support senior management on a gender-sensitive and inclusive approach to recovery. As part of our approach, we also need to consider additional ways to make the Board more inclusive – the diversity of voices, wider experiences, and better gender balance needed for effective decision making.

Currently, the World Bank Group Board has 6 female Executive Directors (EDs) and 6 female Alternate Executive Directors (AEDs) meaning that women hold 25 percent of senior board positions. These figures are a small improvement over the trend of recent years, where there have been on average 4 female EDs and 5 female AEDs. The Board's composition is set to change in November with new AED and ED appointments. Whilst some appointments are still being confirmed it is likely that female representation will decrease with only 4 female EDs and 2 female AEDs confirmed at present. At senior adviser and adviser level the figures have remained largely static at roughly 40 percent female to 60 percent male in both positions.



### Progress in Activities

Following the last update to Governors in 2019, the Working Group has made progress towards improving the representation of women and promoting the benefits of gender diversity at the level of the Board through:

- i) Creating networking and learning opportunities for Board members and their staff to improve understanding of gender diversity. For example, providing unconscious bias training and sessions on "Creating a Respectful and Harassment-free workplace".
- ii) Agreeing with the President on the importance of encouraging authorities to consider gender when selecting their Board representatives and advisers. The President included this request in a recent letter to Governors.
- iii) Securing management and Board support for a pilot program to facilitate the early arrival of families, ahead of the usual November start dates. This had been identified as a barrier to encouraging greater gender diversity at the Board.

### Next Steps

Our informal group has helped to publicize the need for greater female representation at the Board with Governors, but we encourage your recognition that far more is needed if we are to meet the goal of genuine gender balance at the Board.

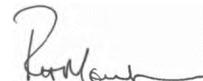
The Gender Working Group will continue to work on improving representation and providing a more inclusive environment; and removing administrative barriers to improving these issues. The Group will continue to champion gender equality in Board discussions of the Bank's work.

We, in turn, encourage Governors to support this agenda both personally and in relation to your recruitment decisions for representatives and advisers. While the World Bank Group has achieved very significant progress in achieving gender balance across senior positions, the Board continues to lag behind.

Yours sincerely,



Anne Kabagambe (EDS14)



Richard Montgomery (EDS03)

Gender Working Group Co-Chairs  
On Behalf of  
Executive Directors and Alternate Executive Directors to the World Bank Group Boards

## Rotation Schedule for the Constituency Chairmanship **ANNEX 2.**

| FIRST ROUND 2010–2052 |                      |                      |
|-----------------------|----------------------|----------------------|
| YEAR                  | CHAIRPERSON          | VICE CHAIRPERSON     |
| 2010                  | BOTSWANA             | BURUNDI              |
| 2012                  | BURUNDI              | ERITREA *            |
| 2014                  | ERITREA              | ETHIOPIA             |
| 2016                  | ETHIOPIA             | GAMBIA, THE          |
| 2018                  | GAMBIA, THE          | KENYA                |
| 2020                  | KENYA                | LESOTHO              |
| 2022                  | LESOTHO              | LIBERIA              |
| 2024                  | LIBERIA              | MALAWI               |
| 2026                  | MALAWI               | MOZAMBIQUE           |
| 2028                  | MOZAMBIQUE           | NAMIBIA              |
| 2030                  | NAMIBIA              | RWANDA               |
| 2032                  | RWANDA               | SEYCHELLES           |
| 2034                  | SEYCHELLES           | SIERRA LEONE         |
| 2036                  | SIERRA LEONE         | SOMALIA              |
| 2038                  | SOMALIA              | SOUTH SUDAN          |
| 2040                  | SOUTH SUDAN          | SUDAN                |
| 2042                  | SUDAN                | ESWATINI (SWAZILAND) |
| 2044                  | ESWATINI (SWAZILAND) | TANZANIA             |
| 2046                  | TANZANIA             | UGANDA               |
| 2048                  | UGANDA               | ZAMBIA               |
| 2050                  | ZAMBIA               | ZIMBABWE             |
| 2052                  | ZIMBABWE             | BOTSWANA             |

### NOTES.

1. Every country is given a turn for Chairmanship in alphabetical order from A to Z.
2. Avoids duplication with IMF Rotation. Governors not serving on the IMF constituency Panel are given preference.

\* Since Eritrea elected to pass their turn as Vice Chair of the Constituency in 2012–2014, Ethiopia was advanced in its place. Accordingly, the Chair and Vice Chair advance a period up beginning 2014.

## Rotation Schedule for the Constituency Panel **ANNEX 3.**

| FIRST ROUND 2010–2052 |                      |                      |                      |                      |              |
|-----------------------|----------------------|----------------------|----------------------|----------------------|--------------|
| YEAR                  | CHAIRPERSON          | VICE CHAIRPERSON     | OTHER PANEL MEMBERS  |                      |              |
| 2010                  | BOTSWANA             | BURUNDI              | SEYCHELLES           | KENYA                | SIERRA LEONE |
| 2012                  | BURUNDI              | ERITREA*             | RWANDA               | ESWATINI (SWAZILAND) | LIBERIA      |
| 2014                  | ERITREA *            | ETHIOPIA             | LESOTHO              | ZAMBIA               | SOUTH SUDAN  |
| 2016                  | ETHIOPIA             | GAMBIA, THE          | NAMIBIA              | ZIMBABWE             | SUDAN        |
| 2018                  | GAMBIA, THE          | KENYA                | MOZAMBIQUE           | MALAWI               | TANZANIA     |
| 2020                  | KENYA                | LESOTHO              | ESWATINI (SWAZILAND) | BOTSWANA             | ETHIOPIA     |
| 2022                  | LESOTHO              | LIBERIA              | RWANDA               | BURUNDI              | SOUTH SUDAN  |
| 2024                  | LIBERIA              | MALAWI               | MOZAMBIQUE           | ETHIOPIA             | ZAMBIA       |
| 2026                  | MALAWI               | MOZAMBIQUE           | GAMBIA, THE          | UGANDA               | KENYA        |
| 2028                  | MOZAMBIQUE           | NAMIBIA              | ETHIOPIA             | SOMALIA              | ERITREA      |
| 2030                  | NAMIBIA              | RWANDA               | BOTSWANA             | SOUTH SUDAN          | LIBERIA      |
| 2032                  | RWANDA               | SEYCHELLES           | LESOTHO              | UGANDA               | TANZANIA     |
| 2034                  | SEYCHELLES           | SIERRA LEONE         | SUDAN                | ZIMBABWE             | LIBERIA      |
| 2036                  | SIERRA LEONE         | SOMALIA              | KENYA                | BOTSWANA             | MALAWI       |
| 2038                  | SOMALIA              | SOUTH SUDAN          | ESWATINI (SWAZILAND) | ZAMBIA               | BOTSWANA     |
| 2040                  | SOUTH SUDAN          | SUDAN                | LIBERIA              | MALAWI               | BURUNDI      |
| 2042                  | SUDAN                | ESWATINI (SWAZILAND) | SOMALIA              | SIERRA LEONE         | LESOTHO      |
| 2044                  | ESWATINI (SWAZILAND) | TANZANIA             | UGANDA               | ERITREA              | NAMIBIA      |
| 2046                  | TANZANIA             | UGANDA               | ZAMBIA               | SEYCHELLES           | BOTSWANA     |
| 2048                  | UGANDA               | ZAMBIA               | ZIMBABWE             | KENYA                | GAMBIA, THE  |
| 2050                  | ZAMBIA               | ZIMBABWE             | UGANDA               | BURUNDI              | LIBERIA      |
| 2052                  | ZIMBABWE             | BOTSWANA             | LIBERIA              | SUDAN                | RWANDA       |

### NOTES.

1. Every country is given a turn for Chairmanship in alphabetical order from A to Z.
  2. Avoids duplication with IMF Rotation. Governors not serving on the IMF constituency Panel are given preference.
  3. Other panel members reflects regional balance (East, South and West).
  4. Schedule revised to include South Sudan following the country's membership to the Constituency in October 2012.
- \* Since Eritrea elected to pass their turn as Vice Chair of the Constituency in 2012–2014, Ethiopia was advanced in its place. Accordingly, the Chair and Vice Chair advance a period up beginning 2014.



## Rotation Schedule for Constituency Representation on the Development Committee **ANNEX 4.**

| FIRST ROUND 2010–2052 |                      |                      |                      |              |                      |                      |
|-----------------------|----------------------|----------------------|----------------------|--------------|----------------------|----------------------|
| YEAR                  | DC REPRESENTATIVE    | ALTERNATE            | ASSOCIATES           |              |                      |                      |
| 2010                  | ZIMBABWE             | ZAMBIA               | TANZANIA             | ERITREA      | RWANDA               | GAMBIA, THE          |
| 2012                  | ZAMBIA               | UGANDA               | GAMBIA, THE          | MALAWI       | LESOTHO              | KENYA                |
| 2014                  | UGANDA               | TANZANIA             | NAMIBIA              | MOZAMBIQUE   | ZIMBABWE             | SIERRA LEONE         |
| 2016                  | TANZANIA             | ESWATINI (SWAZILAND) | LESOTHO              | RWANDA       | BURUNDI              | LIBERIA              |
| 2018                  | ESWATINI (SWAZILAND) | SOUTH SUDAN          | SIERRA LEONE         | SOMALIA      | LESOTHO              | UGANDA               |
| 2020                  | SOUTH SUDAN          | SUDAN                | NAMIBIA              | ZIMBABWE     | GAMBIA, THE          | BURUNDI              |
| 2022                  | SUDAN                | SOMALIA              | KENYA                | ZAMBIA       | ESWATINI (SWAZILAND) | SIERRA LEONE         |
| 2024                  | SOMALIA              | SIERRA LEONE         | ZIMBABWE             | LESOTHO      | NAMIBIA              | GAMBIA, THE          |
| 2026                  | SIERRA LEONE         | SEYCHELLES           | ESWATINI (SWAZILAND) | ETHIOPIA     | BOTSWANA             | TANZANIA             |
| 2028                  | SEYCHELLES           | RWANDA               | SUDAN                | TANZANIA     | ZIMBABWE             | ESWATINI (SWAZILAND) |
| 2030                  | RWANDA               | NAMIBIA              | KENYA                | SUDAN        | ZAMBIA               | SIERRA LEONE         |
| 2032                  | NAMIBIA              | MALAWI               | BURUNDI              | KENYA        | SIERRALEONE          | SOUTH SUDAN          |
| 2034                  | MALAWI               | MOZAMBIQUE           | TANZANIA             | GAMBIA       | ETHIOPIA             | BURUNDI              |
| 2036                  | MOZAMBIQUE           | LIBERIA              | LESOTHO              | ZAMBIA       | ERITREA              | SEYCHELLES           |
| 2038                  | LIBERIA              | LESOTHO              | GAMBIA, THE          | MALAWI       | NAMIBIA              | RWANDA               |
| 2040                  | LESOTHO              | KENYA                | MOZAMBIQUE           | ZAMBIA       | ZIMBABWE             | UGANDA               |
| 2042                  | KENYA                | GAMBIA, THE          | BOTSWANA             | NAMIBIA      | ETHIOPIA             | RWANDA               |
| 2044                  | GAMBIA, THE          | ETHIOPIA             | ZAMBIA               | ZIMBABWE     | LIBERIA              | MALAWI               |
| 2046                  | ETHIOPIA             | BURUNDI              | SIERRA LEONE         | LIBERIA      | LESOTHO              | SOUTH SUDAN          |
| 2048                  | BURUNDI              | ERITREA              | LIBERIA              | SOMALIA      | ESWATINI (SWAZILAND) | NAMIBIA              |
| 2050                  | ERITREA              | BOTSWANA             | KENYA                | SIERRA LEONE | SEYCHELLES           | RWANDA               |
| 2052                  | BOTSWANA             | GAMBIA, THE          | SIERRA LEONE         | KENYA        | ETHIOPIA             | MOZAMBIQUE           |

### NOTES.

1. Avoids duplication with the other Panel membership.
2. DC Representative and Alternate Members accorded opportunity in descending alphabetical order (Z to A).
3. Associate Members are selected on basis of providing regional balance.
4. Schedule revised to include South Sudan following the Country's membership to the Constituency in October 2012.

## Rotation Schedule for Executive Director and Alternate Executive Director **ANNEX 5.**

| FIRST ROUND 2010–2052 |                      |                      |
|-----------------------|----------------------|----------------------|
| YEAR                  | EXECUTIVE DIRECTOR   | ALTERNATE ED         |
| 2010                  | SUDAN                | ZAMBIA               |
| 2012                  | ZAMBIA               | SEYCHELLES           |
| 2014                  | SEYCHELLES           | ZIMBABWE             |
| 2016                  | ZIMBABWE             | BOTSWANA*            |
| 2018                  | BOTSWANA*            | UGANDA               |
| 2020                  | UGANDA               | BURUNDI              |
| 2022                  | BURUNDI              | TANZANIA             |
| 2024                  | TANZANIA             | ERITREA              |
| 2026                  | ERITREA              | ESWATINI (SWAZILAND) |
| 2028                  | ESWATINI (SWAZILAND) | ETHIOPIA             |
| 2030                  | ETHIOPIA             | SOUTH SUDAN          |
| 2032                  | SOUTH SUDAN          | SOMALIA              |
| 2034                  | SOMALIA              | GAMBIA, THE          |
| 2036                  | GAMBIA, THE          | SIERRA LEONE         |
| 2038                  | SIERRA LEONE         | KENYA                |
| 2040                  | KENYA                | RWANDA               |
| 2042                  | RWANDA               | NAMIBIA              |
| 2044                  | NAMIBIA              | LESOTHO              |
| 2046                  | LESOTHO              | MOZAMBIQUE           |
| 2048                  | MOZAMBIQUE           | LIBERIA              |
| 2050                  | LIBERIA              | MALAWI               |
| 2052                  | MALAWI               |                      |

### NOTES.

1. Sudan and Zambia accorded special dispensation to serve their turn under rotation system of the erstwhile Africa Group 1 Constituency.
2. Seychelles which has never served the Constituency as Executive Director is accorded special dispensation on the rotation system.
3. The rest of the countries follow an Alphabetical rotation alternating between Z and A until the first round is completed, taking into account South Sudan's membership of the Constituency in October 2012.
4. This schedule proposed with a view to avoid duplication with IMF Rotation for EDs and AEDs. Botswana and Uganda agreed to switch turns for AED and ED for 2016–2018.



## Rotation Schedule for IDA Borrowers' Representatives **ANNEX 6.**

| REPRESENTATIVE COUNTRY | IDA CYCLE  | SERVICE YEARS<br>(3 YEAR TERM) |
|------------------------|------------|--------------------------------|
| ZAMBIA                 | IDA 17, 18 | 2015–2019                      |
| TANZANIA               | IDA 18, 19 | 2018–2020                      |
| SIERRA LEONE           | IDA 19     | 2019–2021                      |
| ETHIOPIA               | IDA 19     | 2019–2021                      |
| BURUNDI                | IDA 20     | 2022–2024                      |
| ERITREA                | IDA 20     | 2022–2024                      |
| GAMBIA, THE            | IDA 21     | 2025–2027                      |
| LESOTHO                | IDA 21     | 2025–2027                      |
| LIBERIA                | IDA 21     | 2025–2027                      |
| MOZAMBIQUE             | IDA 22     | 2028–2030                      |
| RWANDA                 | IDA 22     | 2028–2030                      |
| SOMALIA                | IDA 23     | 2031–2033                      |
| SOUTH SUDAN            | IDA 23     | 2031–2033                      |
| SUDAN                  | IDA 23     | 2031–2033                      |
| ZIMBABWE               | IDA 24     | 2034–2036                      |
| UGANDA                 | IDA 24     | 2034–2036                      |
| KENYA                  | IDA 25     | 2037–2038                      |
| MALAWI                 | IDA 25     | 2037–2038                      |
| ZAMBIA                 | IDA 25     | 2037–2038                      |

### NOTES.

1. Each country is given an opportunity to serve as Borrower Representative in alphabetical order, starting with the ones that have never served in this position.
2. The countries that have served or are currently serving will serve again, with the one that served earliest coming first, after Zimbabwe.



# Africa Group 1 Constituency Team

## EXECUTIVE DIRECTOR



**Anne N. Kabagambe**  
Executive Director  
Uganda

## ALTERNATE EXECUTIVE DIRECTOR



**Taufila Nyamadzabo**  
Alternate Executive Director  
Botswana

## SENIOR ADVISORS TO EXECUTIVE DIRECTOR



**Antonio Fernando**  
Senior Advisor  
Mozambique



**Zarau Wendeline Kibwe**  
Senior Advisor  
Tanzania



**Fisseha Aberra Kidane**  
Senior Advisor  
Ethiopia



**Allan Ncube**  
Senior Advisor  
Zimbabwe



**Naomi Rono**  
Senior Advisor  
Kenya

## ADVISORS TO EXECUTIVE DIRECTOR



**Lonkhululeko Magagula**  
Senior Advisor  
Eswatini



**Abraham Akoi**  
Advisor  
South Sudan



**Lamin Bojang**  
Advisor  
The Gambia



**Kuena Diaho**  
Advisor  
Lesotho



**Abdirahman Sharif**  
Advisor  
Somalia

## ADMINISTRATIVE STAFF



**Mohammed Ahmed**  
Senior Executive Assistant  
Sudan

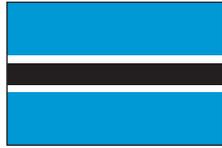


**Petronella Makoni**  
Program Assistant  
Zimbabwe

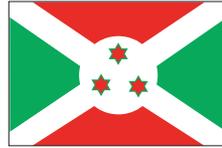


**Lozi Sapele**  
Program Assistant  
Zambia





Botswana



Burundi



Eritrea



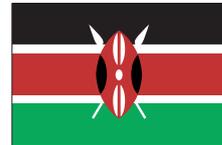
Eswatini



Ethiopia



The Gambia



Kenya



Lesotho



Liberia



Malawi



Mozambique



Namibia



Rwanda



Seychelles



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## **AFRICA GROUP 1 CONSTITUENCY**

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UGANDA · ZAMBIA · ZIMBABWE

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