



PARLIAMENTARY NETWORK ON THE WORLD BANK
Parliamentarians & Development Series

Mid-Term Review of IDA 15 Fund Implementation

What is IDA15?

The International Development Association – IDA for short – is the arm of the World Bank that provides funding to the world’s poorest countries. Through interest-free loans and grants, IDA seeks to reduce poverty by increasing economic growth, reducing inequalities and improving living conditions. Currently, 79 countries are eligible to apply for financing through IDA, 39 of them in Africa.

IDA is funded largely by contributions from 45 World Bank member countries in three-year replenishment cycles. ‘IDA 15’ is an abbreviation for the 15th replenishment cycle of the International Development Association. Donors pledged a total of \$US42 billion to IDA 15 – which runs from July 2008 to June 2011– making it the largest IDA round to date. The leading contributors are (in descending order) the United Kingdom, the United States, Japan, Germany, France, Canada and Italy.

IDA 15 has three *special themes*: IDA’s role in the global aid architecture; IDA’s country-level effectiveness; and IDA’s effectiveness in fragile states.

What is the IDA 15 mid-term review and what are its findings?

In November 2009 -- mid-way through IDA 15 implementation -- the World Bank published a review examining IDA 15 progress generally, and looking specifically at the three IDA 15 *special themes*:

1. *IDA’s role in the global aid architecture*: The internal review found that IDA has played a key role in mainstreaming climate change mitigation, gender equality and regional project integration into the global, long-term development agenda, largely due to its multilateral nature. The review also identified areas for increased focus, including monitoring climate change adaptation efforts and improving project design in regional integration programs.
2. *IDA’s country-level effectiveness*: According to the review, IDA 15 has helped to increase country-level aid effectiveness by improving its operational efficiency and strengthening the results-based focus of its programs. During the first 18 months of IDA 15 implementation, the World Bank made good progress in meeting commitments to strengthen country ownership of the development process; increase partnerships; account for results and implement decentralization efforts. The review highlighted the continuing need to strengthen the Bank’s analytical and advisory activities as well as support to countries in their statistical capacity building.
3. *IDA’s effectiveness in fragile states*: The mid-term review found that significant progress has taken place in reforming human resources in fragile states; cooperating with international institutions such as the UN, EU and OECD; adapting Country Assistance Strategies; and developing indicators to measure progress in state-building and peace-building activities. The review also identified a number of remaining challenges, including adapting implementation processes and procedures to fragile state realities.

More generally, the mid-term review found that the IDA 15 implementation period has been extremely challenging for developing countries, owing to the global food, energy and financial crises. IDA in response has put in place a three-point strategy to protect the most vulnerable from the effects of the three crises; maintain long-term infrastructure investment programs; and sustain the potential for private-sector led economic growth. The World Bank also created the IDA Financial Crisis Response Fast-Track Facility to speed up the delivery of up to US \$2 billion in IDA 15 funds.

How should these findings be used and what are the implications for IDA 16?

The findings emerging from the IDA 15 mid-term review are important for donor countries as well as implementing (partner) countries.

For donor governments, the mid-term evaluation provides information on how money is being spent, progress to-date in priority areas, and what remains to be done during the second half of IDA 15. Partner country governments can use the review as an opportunity to see how IDA operationalizes their development priorities, whether there are any existing gaps, and how they might be addressed during the remainder of the funding period.

Findings from the IDA 15 mid-term review help to illustrate how IDA programs fit into the bigger development-cooperation picture. Donor countries can then use this information to refine their development assistance strategies, especially regarding future commitments to IDA 16. The amount of international aid that a government provides, how it provides it (bilaterally or multilaterally) and to whom (focus countries, international financial institutions such as the World Bank, or regional development banks) are all elements of a country's development assistance strategy that must be thoroughly considered.

How can parliamentarians and PNoWB use this information?

Parliamentarians in both IDA donor and IDA recipient countries can use the mid-term review to learn more about how IDA has responded to the global financial crisis, its on-going priorities, and how those priorities translate into programs on the ground.

In donor countries whose parliaments must sign off on IDA funding pledges, parliamentarians can refer to the IDA 15 mid-term review as a basis for supporting a change in the level of IDA funding during upcoming replenishment negotiations. Partner country parliamentarians can use the mid-term review to learn more about how the World Bank fits into the development cooperation landscape in their country and to question their government over progress made and next steps.

The Parliamentary Network on the World Bank (PNoWB), will use this information to inform its IDA 16 replenishment campaign, in which it calls on donor governments to fully replenish IDA funds by meeting or exceeding IDA 15 funding levels, while simultaneously calling on the World Bank to deepen its commitment to aid effectiveness during IDA 16 in a number of key areas, and through increased engagement with both donor and partner country parliamentarians.

The full IDA 15 mid-term review can be found here:

http://siteresources.worldbank.org/IDA/Resources/Seminar%20PDFs/73449-1257448780237/Aid_Effectiveness_MTR.pdf

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