

IDA21 THIRD REPLENISHMENT MEETING

CO-CHAIRS' SUMMARY

Kathmandu, Nepal — June 18-21, 2024

Public Disclosure Authorized

INTRODUCTION

1. **The Government of Nepal hosted the third meeting of the IDA21 Replenishment in Kathmandu, Nepal from June 18-21, 2024.** The Right Honorable Prime Minister, His Excellency the Minister of Finance and a representative of Nepal's private sector addressed the Participants, emphasizing the importance of IDA in Nepal's development. Participants also heard from World Bank Managers and Task Team Leaders who offered brief remarks on IDA's support for development in the South Asia Region. A pre-recorded address from the Secretary General of the United Nations and an overview of the IDA for Africa Heads of State Summit highlighted the importance of the IDA21 Replenishment to global development, and a representative of the Federative Republic of Brazil's Ministry of Finance spoke about opportunities to align IDA and the G20 Global Alliance on Poverty and Hunger. Participants observed IDA in action through site visits that showcased WBG and IDA support for Nepal's home-grown Green, Resilient and Inclusive Development Strategy, and the strategy's alignment with IDA priorities. Following an update on IDA20's operational delivery and results, a panel provided regional perspectives on priorities and demand for IDA resources, touching also on implications for IDA borrowers of balancing top-down commitments and country needs. Participants and Management warmly thanked the Government of Nepal for its generous hospitality. Participants discussed the proposed IDA21 policy architecture, financing architecture, including IDA's approach to addressing vulnerability and IDA21 financing scenarios, financing terms and other financing arrangements. Management thanked Participants for the extensive consultations including IDA Deputies, Borrowers, development partners and civil society that informed the proposals, along with the 22 non-papers that had been distributed and carefully considered.

IDA21 POLICY ARCHITECTURE

Overview of the IDA21 Policy Framework

2. **Management provided an overview of the IDA21 policy package.** Management observed that IDA policy commitments (PCs) had grown in number and complexity over recent IDA cycles. Three factors had informed the approach to shaping IDA21's policy architecture. First, the challenging global context for IDA21 requires scale, flexibility, and impact. Second, client feedback has called for simplification. And third, aligning with the World Bank Group (WBG) Evolution offers an opportunity for IDA21 to contribute to, and benefit from, WBG reforms. Management observed that discussions since the first meeting had helped to clarify the broad scope of the IDA21 delivery framework: how proposed PCs complement the WBG Scorecard, how thematic strategies and Global Challenge Programs connect to IDA and complement PCs, and how IDA contributes to, and benefits from, Better Bank commitments. Management noted that, in addition to proposed PCs, Evolution priorities, Better Bank commitments, and sectoral strategies (including the WBG Strategy for Fragility, Conflict and Violence and the new WBG Gender Strategy) form an integral part of the IDA21 policy package and support for their implementation will be key to delivering results for clients during IDA21. Participants underscored the importance of reporting on progress in all complementary elements of the IDA21 policy architecture.

3. **To further clarify the shared understanding of the IDA21 policy package, Management presented a visualization.** The visualization illustrated how progress on each Focus Area and Lens can be observed more comprehensively through institutional *planning* (country partnership frameworks and institutional strategies), *implementation* (IDA21 PCs and WBG Better Bank commitments) and *achieving results* (corporate outcome targets and outcome reporting through the new Scorecard). Visualizations were included in presentations of each Focus Area and Lens for Participants' feedback and to aid discussion of whether proposed PCs show how IDA21 will contribute to specific and critical priorities for driving change. Management observed that, when finalized, the visualizations could help donors make a strong case for IDA. Participants requested to continue engagement on the results architecture and to strengthen the formulation of PCs, with a focus on expressing the change they will achieve in support of client priorities. Some Participants observed that the visualizations are useful but should be refined to show interactions and complementarities among the elements and should be accompanied by a clear overarching narrative that describes what IDA21 will deliver and that can be easily presented to parliaments and national stakeholders.

4. **Borrowers appreciated the alignment of the Focus Areas and Lenses with priorities articulated in the IDA for Africa Heads of State Summit in Nairobi, and Participants broadly supported Management's proposal to align the IDA21 policy package with WBG Evolution priorities and the outcome orientation of the new Scorecard.** Some called for PCs with more additionality to complement the Bank's Scorecard and thematic strategies, and more ambition to ensure that PCs drive change, while others emphasized the importance of maintaining the advantages of IDA's country-led model through select, impactful and ambitious PCs. Some called for greater specificity in PCs, including with respect to what PCs will count towards progress of actions set in broad language (such as "support" and "improve"), Others asked for greater clarity on the underlying rationale for Management's proposal to implement some PCs in 'all relevant countries' (Group A) and other PCs in one-quarter of countries (Group B). Participants stressed the importance of partnerships for the successful implementation of IDA policy priorities and programs at the country level, including the global and regional development initiatives, new MDBs, and bilateral development agencies in developing countries. Participants underscored that IDA continues to rely on the country-based model.

People Focus Area

5. **Participants welcomed the focus on equity, resilience, and opportunity in the People Focus Area and provided feedback on two proposed PCs.** Participants welcomed the proposed PC focused on supporting countries to provide services to young people, with emphasis on early childhood and adolescent services, but some requested greater specificity on what would be covered by the PC. Discussing the proposed PC on building resilience in health and/or education and/or social protection systems, Participants acknowledged the importance of such systems in IDA countries, with some highlighting the need to continue incentivizing countries to work toward achieving universal health coverage. Comments suggested clarifying the relationship between building resilience in such systems and achieving crisis readiness. Several Participants preferred to disaggregate the PC for each type of system, rather than present a "composite" PC. Some Participants called for greater emphasis on disability inclusion, migration, jobs and skills and noted the importance of social protection systems in safeguarding food security. Several Participants expressed the need for a standalone PC to cover comprehensive and quality sexual reproductive and health services and rights, and

several encouraged Management to consider a standalone PC on pandemic prevention, preparedness, and response.

Planet Focus Area

6. **Participants endorsed the overall direction and priorities proposed for the Planet Focus Area and discussed three proposed PCs, emphasizing the importance of ambition in mainstreaming climate action.** Participants appreciated IDA21's aim to enhance support for climate adaptation and resilience, which aligns with recommendations in non-papers developed by some IDA partners. Participants commended the emphasis on concerted efforts to address the nexus of climate, nature, biodiversity, water security, and sustainable food systems, which they saw as critical to sustaining a 'livable planet'; they reiterated the cross-border nature of these issues. Participants also reiterated the need for IDA to leverage partnerships with other actors, including other MDBs to mobilize concessional climate financing, and stressed the importance of ensuring that World Bank analytics provide clear and operational recommendations for partners.

- a. Participants appreciated the proposed PC on supporting reforms and investments for adaptation and resilience, including the commitment to facilitate private sector engagement and local community involvement. Some asked for the PC to be reformulated to clarify the actions that would be taken. Many Participants called for the proposed PC on adaptation to apply to all IDA countries, and some Participants suggested IDA21 PCs should support implementation of the Kunming-Montreal Global Biodiversity Framework and strengthen adoption of modern technologies for agribusiness.
- b. Participants supported a PC on building capacity for water sector reforms and investments. Some Participants suggested that a PC could address institutional and cross-border aspects of water programs or that these issues should be addressed in the draft IDA21 Replenishment Report.
- c. Some Participants requested that a proposed PC on identifying reforms to support more resilient, healthy, and sustainable food systems be strengthened to include implementation of reforms that align with Sustainable Development Goal 2. Participants asked Management to elaborate on the links between this PC and people-focused priorities of nutrition and food security, including the role of small-scale producers in food systems, and to emphasize the importance of private sector activity and partnerships in this sector. Some Participants encouraged Management to collaborate with the G20 Global Alliance on Poverty and Hunger as it advances the food systems agenda. Some Participants requested that the water and food systems PCs also be extended to apply to all IDA countries.
- d. Participants asked Management to consider an additional PC on support to Nationally Determined Contributions, National Action Plans, and Long-term Strategies. Participants also took note of the ongoing work to implement the taxonomy on nature finance that was developed as part of the IDA20 Mid-Term Review (MTR) and is being shared across MDBs. Some Participants suggested Management should consider a Better Bank indicator on nature finance tracking. Management will consider how to reflect more emphasis on biodiversity in the draft IDA21 Replenishment Report, including with respect to the nature finance methodology, while balancing the shared

priority of focusing IDA 21's policy framework on outcomes. Some Participants requested that the target on climate financing remain at the FY25 commitment level of at least 45 percent, with half invested in adaptation. Several Participants asked Management to clarify IDA's approach to climate mitigation in the draft IDA21 Replenishment Report. Management noted the importance of climate adaptation and natural disaster resilience measures responding to country-specific-conditions and noted that climate co-benefits are expected to reach 42 percent (\$13 billion) in FY24.

Prosperity Focus Area

7. **Participants considered the approach to Prosperity holistic and integrated. They discussed three PCs proposed under this Focus Area.** Participants acknowledged Management's effort to reflect inputs from earlier replenishment meetings, technical briefings, and non-papers. Participants supported a proposed PC to assist in collection of foundational poverty data for evidence-based policymaking. Participants acknowledged strong collaboration between the World Bank and the IMF on debt and domestic revenue mobilization (DRM) issues and called for continued efforts to deepen this collaboration. Participants welcomed further collaboration with other MDBs. Participants asked Management to target tax progressivity in the proposed PC to support DRM and prudent fiscal management in countries with tax to GDP ratios below 15 percent, and several Participants also suggested extending support to countries with tax to GDP ratios above 15 percent to incentivize all IDA countries to receive this support. Management clarified that progressivity is embedded in the PC through the reference to equity, which encompasses both progressive taxation and pro-poor spending. In addition, the methodology for the DRM indicator to be included in the new Scorecard incorporates progressivity in the tax system, allowing for this to be monitored and evaluated. Some Participants encouraged IDA to help countries develop policy instruments or tools to hedge foreign exchange risks. Some Participants stressed the need for IDA21 to foster continuous improvement of debt management and debt sustainability. Regarding the proposed PC to support debt sustainability and transparency in IDA countries at high risk of, or in, debt distress, some Participants questioned whether the PC provided additionality to the Sustainable Development Finance Policy (SDFP) and suggested further sharpening the PC by expanding it to cover debt management and public financial management, as well as countries at moderate and low risk of debt distress. Management noted that the debt PC is a complement to, rather than a substitute for, the SDFP as the proposed PC aims to focus on the provision of hands-on technical assistance and knowledge services that enable more robust performance and policy actions, a broader reform agenda, and effective implementation in IDA countries. Some Participants recommended using the country growth and jobs report diagnostic to help IDA countries identify growth drivers and key industries that have a high potential for growth impact. Some Participants underscored the importance of tracking the progress of all four complementary pillars in the Prosperity Focus Area. Participants asked Management to add a PC focused on governance and institutional strengthening, so as to ensure focus on public financial management and spending. Management will consider this suggestion.

Infrastructure Focus Area

8. **Participants supported prioritizing financing of sustainable and resilient infrastructure in the Infrastructure Focus Area and discussed two proposed PCs.** Some Participants requested the PCs in this Focus Area to apply to all IDA countries. Participants generally welcomed a proposed PC on improving financial and operational performance of electricity utilities, which complements ambitious electricity access targets for Africa. Whilst

acknowledging the importance of a proposed PC on tackling municipal and transport infrastructure and services amidst rapid urbanization, Participants underscored the continued relevance of rural connectivity and increasing installation capacity for clean energy transformation in IDA countries, and a request was made to consider addressing installation capacity in a PC. Participants requested IDA to focus on infrastructure improvements in fragile and conflict-affected states (FCS) and in small island states and discussed the importance of the World Bank's mandatory rated criteria balancing quality and price for all international competitive bidding, particularly in small island states. Participants asked Management to continue prioritizing regional and market integration (including railways, ports, and airports), trade, borrower capacity to implement environmental, social and procurement safeguards, supply chains (with a few referencing critical minerals), clean cooking and clean energy. Participants asked Management to describe how the WBG will mobilize private sector investments and forge partnerships to support infrastructure in IDA21. Participants also discussed issues raised in non-papers, including the importance of emphasizing quality infrastructure in line with the G20 Quality Infrastructure Investments principles, the relationship between infrastructure and the Just Economic Transition, the link between regional integration and jobs, and the need for disaster risk reduction to apply to both natural disasters and climate-induced disasters. Management confirmed it will address these issues in the draft IDA21 Replenishment Report.

Digital Transformation Focus Area

9. **Participants commended the strong focus on Digital Transformation and discussed two proposed PCs.** Some Participants requested that the PCs in this Focus Area should apply to all IDA countries. IDA21's scaled-up approach to respond to intertwined development challenges and close the digital divide can increase efficiency and accountability and enhance access to, and gender equality of, services across most social and economic sectors including education, financial inclusion, agriculture, and adaptive social protection. Participants observed that the proposed PCs on increasing broadband connectivity and building safe and interoperable digital data platforms will build the foundations for and enable digital transformation in most priority areas, with various Participants referencing regional integration, cybersecurity, women empowerment, youth jobs, economic transformation, as well as the climate and resilience agenda. Participants called on the World Bank to ensure that digitalization initiatives are grounded in the principles of openness, transparency, and inclusivity, while being safe and human-centered by design. Some Participants called for more attention to holistic digital transformation, digital government services, regulatory frameworks (including to support data protection and privacy, regional harmonization, and society-wide capacity building) and links to private investment, as well as fundamental digital infrastructure (including broadband, data centers, and digital platforms). Some Participants suggested that a single, narrower, PC could be sufficient. There were questions about how IFC and MIGA's contributions will be integrated and reported given the essential role the private sector has in financing and expanding access. In response to feedback, Management agreed that the draft IDA21 Replenishment Report will further elaborate issues related to digital risks, establishing local digital ecosystems (that is, digital entrepreneurship, locally led innovation and skills) and external partnerships on knowledge and co-investment and will reflect on the channels of technology transfer and adoption.

Gender Lens

10. **Participants welcomed the ambition and strategic objectives of the WBG Gender Strategy 2024-2030 and discussed two proposed PCs for the Gender Lens in IDA21.** Participants discussed that the new Gender Strategy will help integrate gender equality outcomes across the IDA21 policy package, with emphasis on women's and adolescent girls' empowerment through better education, sexual and reproductive health, addressing the burden of care, and more and better jobs for women and youth, and discussed how progress in implementing the Gender Strategy will be reported. Participants asked Management to clarify how the WBG Gender Strategy will support greater ambition in IDA, including with respect to institutional and policy frameworks. Participants welcomed the focus of proposed IDA21 PCs on institutionalizing gender-based violence prevention and response and on investing to scale childcare services and noted the links to supporting women's empowerment. They asked Management to consider applying PCs on these themes to all IDA countries, rather than 25 percent of IDA countries, to signal IDA's ambition on gender equality. Some noted that the two proposed PCs did not seem to be additional to the Gender Strategy expected outcomes and asked for a PC focused on all IDA countries that, for example, aimed at addressing policy and regulatory implementation gaps to drive greater gender equality. More broadly, Participants called for a stronger alignment of the IDA21 policy package with the WBG Gender Strategy and for IDA21 PCs to complement Gender Strategy Outcomes in IDA countries. They noted that they looked forward to seeing the implementation plan and corporate targets for the Gender Strategy to be presented to the Board in the fall of 2024, including how progress on Gender Strategy outcomes will be reported for IDA countries during IDA21. Several Participants asked for a progress report on IDA's support for sexual orientation and gender identity inclusion at the IDA21 MTR, including efforts to facilitate work on related data collection. A few Participants highlighted that IDA's engagement with countries should respect their laws and sovereignty within the bounds of its non-political mandate. Beyond the Gender Lens, some Participants noted the need for gender equality to be strongly integrated in all Focus Areas and other Lenses, with stronger integration needed in People, Planet, Private Investment, and FCV.

Fragility Conflict and Violence Lens

11. **Participants welcomed Management's commitment to keeping Fragility, Conflict and Violence (FCV) at the center of IDA21 and provided feedback on a proposed PC.** Participants acknowledged Management's commitment to flexibility, prevention, and remaining engaged in situations of conflict. They stressed that FCS countries are also vulnerable to climate change and forced displacement, and that poverty is increasingly concentrated in FCS countries. In this light, Participants also referred to the importance of consistently applying fragility as a lens in IDA-programming to ensure conflict-sensitive approaches that foster sustainable peace. Some Participants questioned whether a PC proposing to require all country engagement strategies to integrate strategic objectives that address drivers of FCV and/or sources of resilience sufficiently reflects IDA's ambition. Comments highlighted that financing volumes, staffing, and private sector engagement are also crucial. Some Participants suggested that Management further clarify the World Bank's approach to partnerships – particularly with local actors, as well as the selectivity applied in the FCV Envelope. Some Participants requested Management take action by the IDA21 Mid-term review to introduce an 'FCV Tag' in project documentation, a mapping of partners with action plans for more systematically consulting partners when developing country engagement plans and diagnostic tools in FCV-impacted settings, and a paper on the principles of how the World Bank will move in and out of third-party implementation. Management noted the large degree

of alignment between Participant and Management positions, concurred with the importance of working more upstream and in partnership in situations affected by FCV, noted efforts underway for better operational effectiveness and efficiency for all clients, including IDA FCS countries, and committed to undertake a review of third-party implementation before the next IDA21 Replenishment meeting.

Jobs Lens

12. **Participants welcomed the three pillars of the proposed approach to jobs in IDA21, and agreed with a proposed PC aimed at creating more and better jobs in countries where the working age population represents an above average share of total population, with emphasis on youth and women.** Participants underscored the importance of mainstreaming jobs with links to other IDA21 Focus Areas and Lenses and noted the key role of sustainable economic growth and the private sector in the jobs agenda. Several Participants asked that Management define “better jobs” and inquired about the relationship to “decent jobs” and job creation in the informal sector. Some Participants requested that support to job creation include the broader industrialization agenda (with reference to production), trade and value chains, skill development, and labor supply side interventions, including vocational education. Management outlined the links between the Jobs Lens and other IDA21 Focus Areas and Lenses and clarified that IDA21 will continue to support skills development and vocational training and formalization of employment as part of the People Focus Area. Management also agreed to strengthen the Jobs narrative with reference to sustainable economic growth, including trade and value chains, in the draft IDA21 Replenishment Report.

Private Investment Lens

13. **Participants supported Management’s emphasis on a ‘One WBG’ approach under the Private Investment Lens, affirmed the crucial role of private investment and discussed two proposed PCs.** Participants endorsed a proposed PC to help countries implement regulatory and institutional reforms to address impediments to private investment. Participants stressed the importance of business enabling reforms fostering local business development as well as entrepreneurship and encouraging startups in IDA countries and underscored the need for robust analytics to inform horizontal policies and sector specific interventions. Some Participants called for strengthening links between analytics and investment priorities. Management agreed to articulate the links between diagnostics and investment prioritization more clearly. There was also broad support for a proposed PC to help countries address impediments to the development of domestic capital markets. Some Participants asked how the PC will improve on what is already taking place. In response to requests from some Participants, Management agreed to strengthen the explanation of how the proposed PC complements reporting on indicators that will be tracked by the new Scorecard.

Role of IFC and MIGA in Catalyzing Private Investment in IDA Countries

14. **IFC and MIGA outlined their approaches to stepping up engagement in IDA countries in line with IDA21’s policy package.** Noting the considerable challenges affecting private investment in IDA countries, as illustrated by the 50 percent decline in foreign direct investment to sub-Saharan Africa since 2019, they described how they have adapted their business models through expanded footprint, upstream and advisory engagement, innovative instruments, new approaches and enhanced tools to meet the needs of IDA countries. They provided an overview of increasing financing volumes in IDA countries over the past six years,

as well as the success in building a robust pipeline of impactful projects, including \$1.0 billion of infrastructure investment for FY25 alone. They also previewed the priorities in IDA21, including areas of focus for IDA's Private Sector Window (PSW).

15. Participants underscored the critical role of the private sector in job creation and recognized the role of the PSW in catalyzing private investment in IDA and FCS markets. They called for an increased focus on long-term and real economy projects, working with domestic private sectors, addressing FCV, and greater transparency regarding impact and subsidy levels. Several Participants applauded the innovation under IDA21 to reflect IFC and MIGA's results in the Scorecard. They affirmed their overall support for IDA's role in private sector development, noted the contribution of IDA's Private Sector Window and looked forward to engaging with Management on the way forward for IFC and MIGA's approach in IDA countries, including the PSW, ahead of the next meeting as well as through the forthcoming IDA PSW Paper. Participants pointed out that strengthening the enabling environment for private investments and developing local capital markets is a crucial part of the way forward. Noting that the PSW currently excludes most IDA Blend and IDA Gap regions, including, for example, the flood affected areas of Pakistan, one Participant called for consideration to expand PSW access to these vulnerable markets. A few Participants argued that if additional PSW funding is permitted, it should be available beyond the energy sector for all IDA21 priority areas, including digital, agribusiness and education. Ultimately, Participants stressed that a decision on increasing the size of the PSW is contingent upon increased transparency regarding the PSW's subsidy, impacts, and private capital mobilization as well as stronger governance, including through working as One WBG, and discussions of the wider approach taken by IFC and MIGA in IDA and FCS countries. The discussions should include IFC's plans to meet its 2018 capital increase commitments. They also requested clarity on potential tradeoffs that will influence IFC and MIGA's engagement in IDA and IDA FCS countries, including on a possible renewed net income transfer to IDA.

Management Responses

16. Management appreciated Participants' feedback and will revert with updates to the proposed policy framework in the draft IDA21 Replenishment Report. Management concurred with Participants' comments highlighting the importance of partnerships to IDA, noting the recently established Partnership Charter, the launch of the co-financing platform during the Spring Meetings, with participation by MDBs and bilateral partners, as well as the Knowledge Compact that stresses the need for networks particularly in client countries. Management also took note of comments, including those highlighting institutional reforms, industrialization, regional integration, trade, local capital market development, clean cooking, renewable energy generation, quality of infrastructure, cybersecurity, digital infrastructure, need for greater ambition on adaptation, working as One WBG in all areas including Jobs and Private Investment, and comments on IFC/MIGA's role in IDA countries, including on the PSW. At the same time Management emphasized the importance of protecting the country driven development model by not pre-determining a large number of required country actions through the IDA21 PCs. Revisions will balance selectivity and ambition in PCs with client priorities and capacity and the operational simplification agenda. Management also clarified that the proposal to implement PCs in either all or a subset of IDA countries does not imply different prioritization but rather implementation factors specific to each PC. All PCs should be specific, critical to addressing gaps to meet important outcomes as indicated by analytics, and additional to other commitments in the overall policy architecture.

IDA21 RESULTS ARCHITECTURE

17. **Participants appreciated the general structure and people-centric approach of the IDA21 results architecture and expressed support for the proposed approach.** Participants noted the critical importance of managing for results and welcomed the enhanced focus on people and outcome orientation. They also appreciated the development of robust and transparent methodologies for the Scorecard indicators. Some participants suggested linking results indicators to relevant Sustainable Development Goals. Some Participants expressed concern that the aim to report results at scale could disincentivize a focus on Small States. Management clarified that the country level disaggregation of Scorecard results will help ensure continued focus on Small States and Small Island Developing States (SIDS). Several Participants emphasized the need to support countries to build capacity on data collection and statistics. Management agreed with this suggestion. Some Participants welcomed the unprecedented disaggregation available through the new Scorecard. Some Participants suggested improving the approach for disaggregation of disability data. They acknowledged data limitations and the value of universal access principles but asked if Management could support data collection efforts for better disaggregation. There was a suggestion to include non-agricultural sector value added as a percentage of GDP and the annual growth rate of real GDP per capita as indicators relevant to the macroeconomic performance of IDA countries. Some Participants requested clarification on how the Scorecard will drive strategic change across the institution, including establishing benchmarks or targets for indicators, learning what did not work well, and understanding how the Scorecard will cascade down to country programs and staff incentives. Some Participants also requested clearer presentation of the relationship between IDA21 Policy Commitments and Scorecard indicators. Several Participants emphasized interest in the Organizational Effectiveness and Efficiency Dashboard, enquiring about the process for finalizing the dashboard. They asked for the dashboard to present data such as: implementation support (especially for FCV and Small States), percent of WBG funding to FCV countries, rollout of Crisis Preparedness Gap Assessments (CPGA), nature financing, citizen engagement, partnerships, number of operations with a gender equality specific objective or 100 percent focus on gender equality, and climate finance. Management indicated its willingness to continue discussions about the indicators to be included as it advances designs and plans for the Organizational Efficiency and Effectiveness dashboard. Finally, some Participants asked for more transparency around the corporate targets announced at Spring Meetings 2024 on electricity and health services, and requested information on whether additional targets will be announced in the coming months, noting the need to know all targets before the final IDA21 Replenishment meeting. Management shared that a few additional targets are expected, including on the new WBG Gender Strategy, but clarified that targets are not expected for all indicators. Some Participants asked questions about how the results architecture could be operationalized and influence decisions in IDA21. Some asked for greater clarity, especially on how different targets apply and are prioritized at the operational level.

ENGAGING CIVIL SOCIETY

18. **Participants appreciated Management’s update on its robust efforts to engage civil society in the IDA21 process through forums, meetings, discussions, and roundtables.** They welcomed the expansion of IDA Forums to seven regions to invite regional perspectives on IDA priorities. They agreed that the strategic directions of IDA21 align well with many of the priorities identified by civil society representatives in the forums. They offered suggestions for continued outreach, education, and engagement with civil society partners—including

youth—and took note that Management expects to release details of the policy architecture excerpted from the draft Replenishment Report ahead of the fourth IDA21 Replenishment meeting, in line with the enhanced transparency of the IDA21 process.

CONCLUSIONS AND NEXT STEPS

19. **Management committed to refine the presentation of the policy architecture for the draft IDA21 Replenishment Report and to present an updated range of financing architecture scenarios. Both papers will be discussed at the fourth IDA21 Replenishment meeting in October, with the aim of sharpening the description of the strong value proposition offered by IDA21’s holistic approach.** Management appreciated the feedback from Participants’ 22 non-papers and from meeting discussions. The feedback, together with inputs received from the IDA Forums with civil society, will guide Management’s work to develop a draft of the IDA21 Replenishment Report. Management took note of requests to refine the visualizations of IDA21’s policy architecture and contributions to priorities that are now being addressed across multiple Focus Areas and Lenses, such as crisis preparedness and jobs and economic transformation. Management affirmed that PCs play a valuable and complementary role in synthesizing the directional change that the IDA21 policy package will support. In this regard, PCs need to demonstrate additionality, addressing critical constraints to achieving the desired outcomes. Management will adjust the language of some, expand the coverage of others, while continuing to refine the overall narrative to help donors make the best possible case for IDA21. In line with Participants’ requests, Management will also expand the presentation of financing scenarios, including options to increase the share of PBA in the overall allocation of resources, provide further detail on the proposed IDA21 architecture, including the FCV Envelope, GROW, CRW and the PSW, and provide final details of hybrid capital and portfolio guarantees as instruments for IDA21 contributions. In line with Participants’ requests, Management will work to arrange an informal discussion of these topics in September, to support Participants’ preparations for the next formal IDA21 Replenishment meeting at the end of October.