

El Salvador**Country Partnership Framework FY16-19****Chair Summary*****June 23, 2015**

Executive Directors discussed the joint IBRD/IFC/MIGA Country Partnership Framework (CPF) (R2015-0105[IFC/R2015-0161,MIGA/R2015-0039]) for El Salvador for FY2016 to FY2019. Directors welcomed the CPF's focus on building and reinforcing the foundations to promote inclusive growth and fostering sustainability and resilience. They noted the alignment of the CPF pillars and objectives to priorities identified through the Systematic Country Diagnostic (SCD) and appreciated the Government's priority of making El Salvador more productive, educated, and safe.

Directors supported the selectivity approach used in the CPF and the focus on the two strategic engagement areas, namely building the foundations of inclusive growth and fostering sustainability and resilience. In particular, Directors noted the strong collaboration among the World Bank Group entities to address key challenges, including cycles of low growth, violence, low levels of savings and investment, and dependence on remittances. Directors appreciated the flexibility in program design to help enhance responsiveness to emerging priorities, taking into account implementation capacity and comparative advantage. They urged improvements to the business environment and a larger role for IFC and MIGA to boost private investment, noting the potential to leverage the large Salvadoran diaspora. Directors recognized that some constraints facing El Salvador were shared by other countries in the region, noting the need for regional integration and accelerated economic activity and investment throughout the region.

Directors noted the programs that are of high priority to the Government, and recognized that program implementation can help strengthen the cooperation and coordination among development partners. Directors emphasized the need to build capacity for safer communities to foster economic development and the goals of the CPF. They also encouraged attention to social factors that impact secondary education completion rates, noting the important links among education, jobs, and livelihoods. Directors also called for greater analysis on how to increase the share of remittances devoted to investment. Finally, they urged continued strong collaboration among the WBG, Government, and stakeholders in supporting ownership and decision-making and close supervision of WBG-supported activities.

*This summary is not an approved record.