



**IDA19:
IMPLEMENTATION OF POLICY COMMITMENTS
AND RESULTS UPDATE**

Development Finance Corporate IDA and IBRD (DFCII)

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ACRONYMS AND ABBREVIATIONS

Fiscal Year (FY) = July 1 to June 30
Calendar Year (CY) = January 1 to December 31

COVID-19	Coronavirus Disease 2019	MDBs	Multilateral Development Banks
DRM	Domestic Resource Mobilization	M&E	Monitoring and Evaluation
ESF	Environmental and Social Framework	NDC	Nationally Determined Contributions
FCS	Fragile and Conflict-affected Situations	PPA	Policy Performance Action
FCV	Fragility Conflict and Violence	RMS	Results Measurement System
GBV	Gender-Based Violence	RRA	Risk and Resilience Assessment
GDP	Gross Domestic Product	SDFP	Sustainable Development Finance Policy
GHG	Greenhouse Gas	SDGs	Sustainable Development Goals
HCI	Human Capital Index	MSME	Micro, Small and Medium-sized Enterprise
IDA	International Development Association	WBG	World Bank Group
IMF	International Monetary Fund	WHO	World Health Organization
JET	Jobs and Economic Transformation	WHR	Window for Host Communities and Refugees
MAC DSA	Debt Sustainability Analysis for Market-Access Countries		

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EXECUTIVE SUMMARY

i. **The International Development Association (IDA) has delivered a swift, targeted, and agile response of unprecedented scale to the global COVID-19 crisis, while accelerating progress on longer-term commitments and supporting robust development results in IDA countries.** The magnitude of the COVID-19 crisis is unprecedented in the history of IDA, but despite the challenges and constraints of working amidst a global pandemic and combined with rapidly growing financing needs in IDA countries, IDA has successfully mobilized massive support for its clients while staying on track to deliver on longer-term development priorities and accelerating progress in meeting a number of policy commitments. The ambitious IDA19 agenda has been critical in guiding support to IDA countries, and while starting IDA19 farther from the agreed goals and in a much more challenging environment, IDA has risen to the occasion and helped save lives while continuing to deliver on longer-term priorities.

ii. **All IDA19 policy commitments are on track to be delivered within the original three-year timeframe, and the majority of targets are expected to be achieved or even exceeded one year earlier than originally planned, by end-FY22.** This is notwithstanding the challenges the COVID-19 crisis has presented in delivering them, including by impeding ongoing program implementation, diverting resources away from pre-planned activities to the COVID-19 response, and in some cases adversely reshaping baseline conditions. At the same time, IDA's response has been firmly anchored in the IDA19 policy agenda. A number of COVID-19 related operations enhance the delivery of IDA19 policy commitments, and IDA is largely on track to deliver on the ambitious agenda agreed in Stockholm shortly before the first COVID-19 cases were detected.

iii. **As expected, the implications of COVID-19 as well as the decision to shorten the IDA19 implementation period by one year will have an impact on the delivery of the IDA19 policy commitments and results framework, but the work that has started in IDA19 will continue beyond FY22.** Good progress has been made on implementation of the agreed IDA19 policy package, and there continues to be strong client demand for IDA19 resources with convergence on key focus areas within the IDA19 Special Themes and Cross-Cutting Issues. Even so, shifts in client demand and the shortened IDA19 period will necessitate some adjustments to the original three-year targets (see Table ES.1), but the progress made in IDA19 will provide a solid foundation for further accelerating progress on these priority areas in IDA20.

Table ES. 1. Expected Delivery of IDA19 Policy Commitments

IDA19 Special Themes	Number of IDA19 Policy Commitments	Possible to meet or exceed three-year target by FY22	Target adjusted due to COVID-19 related portfolio shifts and shorter IDA19 cycle
 Jobs and Economic Transformation	13	10	3
 Gender and Development	6	4	2
 Climate Change	7	5	2
 Fragility, Conflict and Violence	6	3	3
 Governance and Institutions	12	8	4

iv. **IDA has supported important development results in IDA countries, but COVID-19 has had devastating impacts, client priorities have shifted toward emergency response operations, and much remain to be done.** Indicators on IDA-supported results are showing encouraging progress with four indicators likely to exceed expected three-year targets, and eight indicators on track despite the pandemic and reprioritization of IDA portfolios. Even so, IDA countries have experienced major setbacks in their progress toward the World Bank Group Twin Goals and the 2030 agenda, and reprioritization of portfolios has meant that some IDA operations have been delayed. As a result, six indicators in the IDA19 Results Measurement System (RMS) that are tracking results in sectors hit hard by the COVID-19 crisis (infrastructure, agriculture) have made less progress than originally expected. Targets for these indicators will be adjusted in the context of the COVID-19 pandemic and the compressed IDA19 implementation cycle but will maintain a high level of ambition. Preliminary results on organizational effectiveness tracked by RMS Tier 3 indicators are overall positive, especially those measuring M&E quality of IDA-financed operations and the proactivity index (see Table ES.2). While the crisis has created several new challenges, IDA has cushioned the severity of the impacts of the COVID-19 crisis and laid a strong foundation for a green, resilient, and inclusive recovery.

Table ES. 2. Expected delivery of IDA19 RMS Indicators

Tier / Indicator Category	Number of Indicators (with targets) ⁱ	No target adjustment	On track but target adjusted proportionally to shorter IDA19 cycle	Target adjusted due to COVID-related portfolio shifts and shorter IDA19 cycle
Tier 2: IDA-supported Development Results				
<i>Growth</i>	7	1	2	4
<i>Human Capital</i>	6	1	4	1
<i>Resilience and Sustainability</i>	2	1	-	1
<i>Institutional Capacity</i>	3	1	2	-
Tier 3: IDA Organizational & Operational Effectiveness				
<i>Development Outcome Ratings</i>	4	4	-	-
<i>Performance & Quality</i>	4	4	-	-
<i>Operational Eff. & Responsiveness</i>	4	4	-	-
<i>Financial & Budget Sustainability</i>	1	1	-	-
<i>IDA Special Themes & Cross-Cutting Issues</i>	7	6	1	-

ⁱ Two indicators in Tier 2 and six indicators in Tier 3 have no targets/performance standards established for IDA19.

I. INTRODUCTION

1. **The first year of the nineteenth replenishment of the International Development Association (IDA19) has coincided with an unprecedented global crisis.** The COVID-19 pandemic has brought illness and death on a catastrophic scale and has devastated the global economy, pushing an estimated 150 million additional people into extreme poverty, including 55 to 63 million in IDA countries. The pandemic has compounded the major challenges that developing countries were already facing. At the same time, the development progress made prior to the COVID-19 pandemic, supported by successive IDA cycles, has cushioned the severity of the impacts. The task for IDA is to ensure that current reversals in development gains do not reach a level where they become irrecoverable, losing several decades of progress.

2. **An unprecedented global crisis requires an unprecedented response.** From the onset of the COVID-19 crisis, the World Bank Group (WBG) has been leading Multilateral Development Banks (MDBs) in supporting IDA countries to respond to the pandemic. Of the total financing of US\$160 billion that the WBG is making available for the period April 2020-June 2021, US\$50 billion is IDA resources on grant and highly concessional terms for exceptional crisis support to be used by June 2021.¹ This financing has been used to support activities that responded effectively to the COVID-19 emergency, but that were not foreseen at the time that the IDA19 policy commitments and results framework were agreed: activities such as COVID-19 testing, strengthening health systems, expanding social safety nets, vaccine readiness assessments, and providing support to firms experiencing a temporary loss of their markets. These activities were necessary and appropriate for IDA countries to undertake and for IDA to support, though it meant that some IDA19 resources were diverted from activities that more directly supported achievement of policy commitments and priorities monitored in the Results Measurement System (RMS).

3. **IDA Deputies and Borrower Representatives recognize the urgent need to continue to boost financing to IDA clients as they respond to and recover from the crisis.** On February 8, 2021, IDA Deputies and Borrower Representatives reached consensus on increasing financial support to IDA countries in FY22 and FY23. The decision means that the IDA20 replenishment will be advanced by one year, which will enable frontloading of IDA19 resources from FY23 to FY22 and truncating the IDA19 implementation period from three to two years. This also means that the timetable for delivering the IDA19 policy agenda will be compressed. In light of this situation, Management has committed to undertaking an analysis of IDA19 implementation and presenting a proposal for necessary adjustments to the IDA19 results framework for consideration by IDA Deputies and Borrower Representatives.

4. **This paper takes stock of implementation progress on the IDA19 policy commitments and indicators under the RMS and proposes adjustments to some targets considering the decision to shorten the IDA19 period from three to two years.** This paper has two sections; the first section reviews the implementation status of IDA19 Special Themes and Cross-Cutting Issues, and the second part provides an assessment of the early results achieved in IDA19. Based on this analysis, the paper proposes some adjustments to targets for policy commitments and result indicators considering the compressed IDA19 timeframe.

¹ For a more comprehensive summary of IDA's COVID-19 response and financial support to IDA countries, please see World Bank, "*IDA19 Implementation and Adjustments*" (Washington, D.C.: World Bank Group, 2021).

II. IDA19 SPECIAL THEMES AND CROSS-CUTTING AREAS

A. IDA19 Special Themes and Policy Commitments

5. **Responding to the unfolding COVID-19 crisis in IDA countries, IDA has stepped up its support to accelerate implementation across all IDA19 Special Themes and Cross-Cutting Issues, with the majority of the policy commitments projected to be met or even exceeded by the end of the second year of IDA19 (FY22).** The Special Themes and Cross-Cutting Issues have been critical in guiding IDA support to countries' response to and recovery from the COVID-19 crisis,² and the 44 IDA19 policy commitments have helped to ensure a clear line of sight to longer term development priorities, which will be critical as IDA countries build the foundation for a strong and durable recovery. Good progress has been recorded across all Special Themes during the first eight months of IDA19 (July 2020 through February 2021), and the original targets for the majority of policy commitments are projected to be met or exceeded by the end of FY22 (June 30, 2022). Some of these policy commitments involve ensuring that a specified share of new IDA operations addresses specific priorities or demonstrates certain quality, while other policy commitments have numerical targets, where Management expects to achieve or even exceed targets within the shortened IDA19 timeframe. This in itself represents a significant achievement, and reflects the relevance of the IDA19 policy agenda, the resolve by client countries to make progress in these key areas, and Management's commitment to accelerate progress on the agreed policy commitments despite the challenges presented by the COVID-19 crisis.

6. **Management assesses that all the policy commitments would be on track to be achieved during the three-year timeframe, but considering the compressed IDA19 timeframe some adjustments will be needed.** In some instances, Management's efforts to accelerate progress on the policy commitments have been challenged by travel restrictions, shifts in client priorities, and redirection of resources to finance emergency responses to COVID-19. This is the case for certain policy commitments related to investments in infrastructure and agriculture, where there has been some reprioritization of countries' IDA pipelines toward COVID-19 support and to address the food crisis, which has resulted in the postponement of projects in other sectors.³ There are also some policy commitments, where there has been good progress on developing project pipelines, but where this will not materialize in Board-approved investments before FY22 and FY23. In such cases, and especially for those measuring absolute progress on specific projects, it may not be possible to reach the original three-year target within two years. This notwithstanding, Management remains ambitious and steadfastly committed to continue making progress on these critical priorities and, building on the work that has started in IDA19, to ensure that sustainable results are achieved beyond the current IDA cycle. Below is a summary of implementation progress to date, and Annex 1 includes an overview of all IDA19 policy commitments and proposed adjustments.

² IDA19 builds on the transformational IDA18 agenda, including the strong progress made under its five Special Themes of Jobs and Economic Transformation; Gender and Development; Climate Change; Fragility, Conflict and Violence; and Governance and Institutions. The IDA19 policy package further expands IDA's reach by incorporating four Cross-Cutting Issues: debt, technology, human capital, and disability inclusion.

³ See World Bank, *"The Financing Needs in IDA Countries"* (Washington, D.C.: World Bank Group, 2020).

i. Jobs and Economic Transformation

7. **All policy commitments under the Jobs and Economic Transformation (JET) Special Theme are progressing well, and Management expects that the three-year targets can be met by end-FY22 for ten out of 13 policy commitments.** Despite the difficulties posed by COVID-19, good progress has been made on the policy commitments related to supporting the private sector and jobs, as well as positioning countries for economic transformation in the recovery phase, including through incorporating digital services into Micro, Small and Medium Enterprises (MSME) operations, promoting regional markets and developing regional value chains, and modernizing regional infrastructure. For instance, in West Africa, through the first regional Development Policy Operation, IDA is supporting six countries to increase energy security, reduce vulnerability to international oil price fluctuations and reduce the fiscal burden of the electricity sector through increased energy trade.⁴ A JET focus has been embedded in all IDA country programs approved in IDA19, and analysis of migration as a facilitator of JET has increased. For example, the recent Rwanda Poverty Assessment contains an analysis of the role of internal migration on jobs outcomes, which is expected to inform WBG country programming.⁵

8. **The JET theme has taken on renewed importance in light of the COVID-19 crisis as the economic downturn continues to reduce consumer demand, introduce production disruptions, affect jobs, and impact incomes.** A significant part of IDA's emergency response has been to 'keep the lights on' to help businesses and firms remain open and maintain their payroll, including through emergency support to MSMEs in Kyrgyzstan, Lao PDR, and Cabo Verde.⁶ In response to COVID-19, IDA is also stepping up support to strengthen the capabilities of workers, particularly given interruptions in schooling and in work, to create better jobs for more people. With women and girls hit particularly hard due to the sectors in which they work and the disproportionate share of care responsibilities within the household, projects are seeking additional ways to support women's economic empowerment and to ensure recovery plans address existing gender gaps. For instance, to improve skills and employability toward more and higher-quality jobs, IDA is supporting market-relevant skills development programs in Cameroon with a focus on girls.⁷

9. **While there has been strong progress on all JET commitments, the expected targets for some policy commitments will need adjustment considering implications of the COVID-19 crisis and the shortening of IDA19.** The proposed adjustments are mainly due to the compressed IDA19 timeframe, but there have also been shifts in client demand such as for the commitment on agribusiness, where the COVID-19 related food security responses and the locust

⁴ West Africa Regional Energy Trade Development Policy Financing Program (P171225) in Burkina Faso, Cote d'Ivoire, Guinea, Liberia, Mali, and Sierra Leone.

⁵ See World Bank, "*Bolstering Poverty Reduction in Rwanda: A Poverty Assessment*" (Washington, D.C.: World Bank Group, 2020)

⁶ Emergency Support for MSMEs Project (P174028), Micro, Small, and Medium Enterprise Access to Finance Emergency Support and Recovery Project (P174169), Cabo Verde Access to Finance for Micro, Small and Medium Enterprises AF (P174898).

⁷ Cameroun Secondary Education and Skills Development Project (P170561).

infestation has meant some redirection of financing toward immediate food needs.⁸ In light of this, Management proposes the following adjustments to expected targets:

- a. **Commitment on agribusiness:** *Adjust expected target from 66 percent to 58 percent.*
- b. **Commitment on broadband penetration:** *Adjust expected target from 25 to 18 countries.*
- c. **Commitment on skills and employability:** *Adjust expected target from 15 to 10 countries, including eight of those among the 30 countries with lowest Human Capital Index (HCI) scores.*

10. **The COVID-19 crisis has caused economic havoc in IDA countries, and connecting people to markets and investments in enabling sectors will be essential to a robust and resilient recovery.** Additional support is likely to be needed to support reforms, with some countries proactively seeking to re-examine their insolvency regimes, and others looking at loosening some restrictions on foreign investment. Several IDA countries are seeking to increase support to finance private sector activities, and further assistance in unwinding some of these positions may also be needed. This will include support through the Private Sector Window, which will continue to drive the JET agenda by mobilizing private capital and seizing opportunities for private investments in the toughest markets. While initial fears of significantly disrupted value chains have largely been assuaged, some reassessment of regional production strategies is underway. This could open new opportunities for low-income countries, if indeed they can provide an enabling environment for such investments. The crisis is also underscoring the importance of the digital agenda, enabling more economic activities to be done safely. Supporting more firms to adopt digital solutions is an important way to help with recovery to realize longer-term productivity gains.

ii. Gender and Development

11. **Management expects to meet the original three-year targets for four of the six policy commitments under the Gender and Development Special Theme, while adjusting the targets for two commitments considering that FY23 operations pipeline will no longer count against IDA19.** All commitments housed in IDA19's Gender and Development Special Theme have taken on added urgency in light of the pandemic and its consequences, and delivery of commitments on employment opportunities for women in infrastructure, digital access and entrepreneurship, land operations, and preventing and responding to gender-based violence (GBV) are on track to be met by FY22.

12. **Gender gaps are widening because of the COVID-19 pandemic; gains in women's and girls' accumulation of human capital, economic empowerment, and voice and agency achieved over past decades are at risk of reversing.** Many service sector jobs that have been hit hard by the pandemic are disproportionately occupied by women, while women in IDA countries are also overrepresented in informal jobs without social protection. Sharply increasing care burdens have pushed many out of the labor market. Adolescent pregnancies may be increasing with school closures and reduced access to contraceptives. Furthermore, patriarchal norms,

⁸ See World Bank, "Responding to the Emerging Food Security Crisis" (Washington, D.C.: World Bank Group, 2020).

economic uncertainty and stress combined with confinement measures and disruptions in services have triggered disturbing increases in domestic partner violence, highlighting the importance of interventions addressing violence against women.

13. Shifts in client priorities and demand because of COVID-19, combined with the shortened IDA19 timeframe, has implications for the delivery of two policy commitments under the Gender and Development Special Theme. For the first policy commitment under the Gender Special Theme, Management expects to be able to meet the original rate of operations launched (five per year) to empower women through increased access to quality reproductive, adolescent, and primary health care in ten of the 30 lowest-HCI countries by FY22 – instead of 15 over the original three-year IDA19 cycle. For the policy commitment on digital skills development, Management expects to be able to deliver at least 50 percent of IDA19 financing operations to support women’s access to higher productivity jobs, including online work, adjusted from 60 percent following a review of the projects in the FY23 pipeline, which will no longer count toward IDA19. Management proposes the following:

- a. **Commitment on women’s empowerment through access to quality reproductive, adolescent, and primary health care:** *Revise target from 15 to 10 low HCI countries.*
- b. **Commitment on digital skills development in support of women’s higher productivity jobs, including online work:** *Revise target from 60 percent to 50 percent.*

14. The IDA19 policy commitments under the Gender and Development Special Theme will remain priority areas for the COVID-19 recovery process. As IDA countries invest to recover and to build back inclusive economies that are more resilient to future shocks, women’s return to economic activity will be key. IDA will continue to assist countries realize significant opportunities by closing gender gaps in human endowments, jobs, assets, and in voice and agency – including strengthening access to, and quality of, services aimed at preventing and responding to GBV.

iii. Climate Change

15. Management has scaled up ambition on the Climate Change Special Theme, having stretched its co-benefit target from 30 to 35 percent on average over the next five years, at a time when COVID-19 has changed the context for delivering the IDA19 climate change policy commitments. The need to support national climate action in IDA countries is even higher, yet more complex, considering the impact of the COVID-19 crisis. As of March 2021, Climate Co-Benefits in IDA19 are at 31 percent with 70 percent of total climate finance for adaptation and 30 percent for climate mitigation. Demand for support to adaptive social protection to reduce the risks of climate shocks has also increased, as weather-related impacts have not abated, and Management expects to exceed the original three-year target of 25 percent despite the truncated IDA19 period and reach 35 percent on average over the next five years. The policy commitments on implementing and updating national climate-related action plans, known as Nationally Determined Contributions (NDCs), and enhancing disaster resilience of infrastructure developments are on track to meet the original three-year target by end-FY22.

16. **Climate change and climate-related shocks disproportionately affect the poorest and most vulnerable and pose a major threat to sustainable economic development and poverty reduction in IDA countries.** Of the 132 million people at risk of falling into poverty due to climate change by 2030, 80 percent (or 106 million) are in IDA countries. Without urgent action to address climate change, IDA countries risk erasing decades of hard-earned development gains. Climate impacts have also emerged as a potent driver of internal migration. The COVID-19 crisis has compounded the impacts of climate change and demonstrated the urgent need to strengthen preparedness and boost resilience to future shocks, climate-related or otherwise. The pandemic's massive economic and social costs have reemphasized the importance of protecting ecosystems and strengthening crisis preparedness to minimize catastrophic outcomes.

17. **Client demand during the COVID-19 emergency response has shifted toward projects immediately focusing on human development and economic recovery, with less emphasis on infrastructure and sustainable development investments that often include more climate-specific investments.** The need to address urgent priorities means that IDA countries have not been able to invest as much in climate mitigation and adaptation actions or longer-term green growth planning. In particular, the three-year targets for renewables and battery storage, which were already very ambitious before the crisis, will be difficult to meet with current constraints related to COVID-19 and due to the shortened IDA19 period. Similarly, the commitment on biodiversity is dependent on the development of National Biodiversity Strategies and Action Plans, which requires alignment with the post-2020 Biodiversity Framework to be approved during the Convention on Biological Diversity COP15 in Kunming. A more accurate country pipeline will be finalized after the COP meeting now expected in late 2021, and while IDA will continue to support countries in this area, the delay of the COP15 meeting may impact the likelihood of supporting 15 countries within the shortened IDA19 period. Due to the changed context and resulting shifts in client demand, Management proposes the following adjustments:

- a. **Commitment on climate-related results indicator:** *Adjust expected target from 100 percent to 90 percent.*
- b. **Commitment on renewable energy and battery storage:** *Adjust expected target for renewable energy from 10GW to 5GW and the target for battery storage from 5GWh to 2GWh.*

18. **Building on early lessons from IDA19, including those emerging from the COVID-19 response, IDA can scale up investments that boost climate resilience.** There are mutually reinforcing benefits to pandemic recovery and climate action, for example, community and nature-based solutions can rapidly create large numbers of jobs through MSMEs. As outlined in IDA countries' NDCs, such investments often entail community-based green infrastructure development and reinforcement such as landscape and watershed management and restoration, ecosystem restoration and sustainable management of forests and marine resources, and decentralized energy solutions. Human capital investments also build individuals' resilience, diversify livelihoods, and provide the basis for climate adaptation. Education and skills programs are supporting the development of skills and competencies for a green and inclusive economy, while cash transfers can enable difficult reforms of fossil fuel or utility subsidies as part of a just transition to clean energy. These initiatives can generate long-term benefits such as reduced water usage or flood damage, while lowering carbon emissions and protecting biodiversity.

iv. Fragility, Conflict and Violence

19. **Good progress has been made on the six policy commitments on FCV, and while all are generally on track to meet the originally agreed targets, some will need adjustments considering the compressed timeframe.** In line with the FCV Strategy, the methodology for Risk and Resilience Assessments (RRAs) has been updated and was launched in early 2021, and all Country Partnership Frameworks and Country Engagement Notes approved in IDA countries characterized as Fragile and Conflict-affected Situations (FCS) have been preceded by an RRA. There has also been strong progress on developing regional programs aiming to mitigate fragility and security risks, especially in the Sahel.⁹ A systematic review of refugee policy and institutional environments in countries accessing the Window for Host Communities and Refugees is on track to be delivered as part of the IDA19 Mid-Term Review process.

20. **The FCV Special Theme has proven highly relevant in the COVID-19 context as the pandemic and its secondary impacts have intensified existing FCV risks, exacerbated drivers of fragility and threatened to reverse hard-won development gains.** In IDA FCS, the crisis is putting pressure on economies and on already weak health systems and other basic public services. It is expected that 18 to 29 million more people in IDA FCS could fall into extreme poverty as a result of COVID-19. Conflict is also a key driver of forced displacement, which in turn is putting additional pressure on already vulnerable communities. In this context, the financing mechanisms and commitments under the FCV Special Theme have become even more pertinent, including addressing FCV drivers and sources of resilience in country programs; expanding the use of digital solutions; and addressing gender and disability constraints in health, education, and social protection programs.

21. **Whereas the original targets for all the policy commitments are achievable in three years, three policy commitments will require adjustments.** The proposed adjustments to the three policy commitments are related to the shortened IDA19 implementation period, including the implications for building, and delivering a strong pipeline of projects:

- a. **Commitment on gender and disability in social sector service delivery:** *Adjust expected target from 20 to 10 countries.*
- b. **Commitment on field-appropriate digital tools:** *Adjust expected target from 50 to 33 percent (i.e., 16 to 11 countries).*
- c. **Commitment on deploying staff to IDA FCS and nearby locations:** *Adjust expected target from 150 to 100.*

22. **Creating jobs and economic opportunities in IDA FCS will continue to be key, considering the links with peacebuilding, stability, and social cohesion.** In IDA FCS, community-driven development programs have proved to empower local communities and can support prevention in polarized settings, help local governments to deliver services, and build resilience and confidence in local institutions. Education and skills development, which are key components of inclusive growth, will also be critical to building back better, ensuring that the most

⁹ The Sahel RRA is finalized and directly informing the preparation of operations in the Sahel. RRAs for the Horn of Africa and the Lake Chad are also under preparation.

marginalized in communities in the poorest FCS are not left further behind. The linkages between climate, conflict, and forced displacement are particularly evident in some FCV settings, such as in the Sahel. IDA will continue to address client demand in these areas as part of the ongoing efforts to address drivers of FCV and build resilient communities.

v. Governance and Institutions

23. The implementation of policy commitments under the Governance and Institutions Special Theme is generally on track, and majority can be delivered in the two-year timeframe. A number of policy commitments, including those related to debt management, human capital financing, and pandemic preparedness, have become even more pertinent in the current climate and have benefited from the repurposing of country portfolios as part of the COVID-19 emergency response. As a result, Management expects to exceed the target for the policy commitment on implementing pandemic preparedness plans from 25 to 35.

24. COVID-19 has reinforced the importance of investing in Governance and Institutions across sectors and operations. Addressing debt vulnerabilities, investing in human capital, and strengthening pandemic preparedness have been key focus areas of IDA's COVID-19 emergency response. Several operations under the Governance and Institutions Special Theme have demonstrated adaptability to respond to the crisis¹⁰ or support complex political transitions, for instance by helping the new government of Sudan on macroeconomic and fiscal questions¹¹ or by providing evidence-based advice to the government of Zimbabwe on increasing the cost effectiveness of public services delivery.¹² Others have catalyzed new technology solutions to reduce bureaucracy and enhance operational efficiency, such as in Pakistan where IDA is supporting the Government to leverage Artificial Intelligence and Machine Learning to strengthen procurement.¹³ Innovations are also being pursued at the regional level to bridge the gap between governance and stability. The COVID-19 pandemic has also highlighted a need for business continuity in data production, while spurring demand for multi-modal solutions that produce closer to real-time information on the impacts of the crisis and the effectiveness of policy measures.

25. There are some policy commitments that will need to have targets adjusted considering the COVID-19 crisis and the compressed IDA19 timeframe. For instance, the policy commitment on Domestic Resource Mobilization (DRM) remains critical, and there is more than 30 ongoing or planned activities, but due to challenges faced by IDA countries in tax collection as the pandemic negatively impacts economic activity, it will not be possible to meet the target of an 'unweighted average increase in tax-to-GDP ratios of one percentage point' in all IDA countries with tax revenues persistently below 15 percent of GDP. For the commitment on e-procurement and data analytics, 14 activities are ongoing or in the pipeline, but there has been a slowdown in rollout due to travel restrictions, and while financing will be available, it may take more time before this will manifest itself in actual implementation of e-procurement systems in all

¹⁰ See for example Chad Digitalization of Revenue Administrations and COVID-19 Response Project (P164529), Enhancing Government Effectiveness for Improved Public Services in Cote d'Ivoire (P164302), and Mali Deployment of State Resources for Better Service Delivery (P164561).

¹¹ Sudan Macroeconomic and Fiscal Support (P173360).

¹² Zimbabwe Public Sector Management, PFM, and Service Delivery (P169910).

countries. Similarly, for the policy commitment on quality infrastructure investments, Management expects to support 20 countries to identify key constraints, but it may prove difficult to adopt relevant policies or regulations by FY22. While no adjustments are proposed for these three policy commitments, other policy commitments under the Governance and Institutions Special Theme will need to have their targets adjusted as the IDA19 implementation period is reduced from three to two years:

- a. **Commitment on GovTech solutions:** *Adjust expected target from 12 to 8.*
- b. **Commitment on illicit financial flows:** *Adjust expected target of five IFF assessments to two and the target for policy support from 20 to 12.*
- c. **Commitment on e-Procurement and procurement data analytics:** *Adjust expected target from 50 percent to 35 percent.*
- d. **Commitment on multi-stakeholder platforms:** *Adjust expected target from 50 percent to 40 percent.*

26. **IDA is stepping up support for the recovery and resilience of institutions to deal with future development challenges across sectors.** Areas such as DRM and debt management remain critical to safeguard long-term fiscal and debt sustainability. Multi-stakeholder engagements, sustainable human capital investments, and infrastructure governance can also help build more inclusive, prosperous, and sustainable economies. Investments in pandemic preparedness and business continuity will increase society's resilience to future shocks, while support to more robust data, GovTech and public sector modernization (including public financial management and e-procurement) can enhance efficiency in the delivery of essential public services. Finally, there are also opportunities to build stronger synergies with other Special Themes and further mainstream support across operations.

B. IDA19 Cross-Cutting Issues

27. **The introduction of debt, human capital, disability inclusion, and technology as Cross-Cutting Issues in the IDA19 policy package has helped to boost attention to these topics and strengthen inter-linkages across Special Themes.** The four Cross-Cutting Issues remain important elements of countries' long-term development goals, and their importance has been further underscored by the COVID-19 pandemic. Specific policy actions needed to make progress in these areas are mainstreamed in policy commitments across the five Special Themes and complimented by a series of other programmatic and policy measures aimed at institutionalizing efforts and sustaining progress.

i. Debt

28. **IDA has scaled up support to client countries to strengthen debt management and transparency, as the pandemic has accentuated public debt vulnerabilities and heightened the risk of debt distress in many countries.** The comprehensive toolkit introduced in IDA19 to support countries to reduce their debt vulnerabilities has been complementary and reinforcing to donors' efforts under the Debt Service Suspension Initiative. The IDA19 debt toolkit includes interrelated policy commitments covering debt management and transparency, domestic resource

mobilization, and infrastructure governance; as well as the implementation of the Sustainable Development Finance Policy (SDFP) that supports countries with concrete and monitorable Performance and Policy Actions (PPAs) to help reduce debt vulnerabilities.

29. Implementation of the IDA19 policy commitments on debt has contributed to addressing shortcomings in debt management and transparency. There has been strong client demand for improving debt management and transparency to contain debt vulnerabilities emerging from widening fiscal deficits and lower tax collections, and these commitments may retain their targets, which constitutes a noticeable achievement considering the shortened IDA19 cycle.

30. The progress on the policy commitments has been complemented by implementation of the two pillars of the SDFP.¹⁴ PPAs, other operational engagements, and capacity building, including anchored in the implementation of the joint World Bank/IMF Multipronged Approach to Address Debt Vulnerabilities,¹⁵ have been critical to help countries build capacity and tackle debt vulnerability issues related to debt transparency, debt management, and fiscal sustainability. Out of 74 IDA countries, 55 are required to prepare and implement PPAs in FY21.¹⁶ Of the 48 countries with approved PPAs as of March 2021, 75 percent have at least one PPA on debt transparency, 83 percent at least one on debt management, and 52 percent at least one PPA on fiscal sustainability. In addition, 60 percent of these countries' PPAs include a non-concessional borrowing ceiling. The implementation of PPAs has been supported through capacity building and training efforts, including on fiscal risk management and debt transparency. The recent published debt reporting heatmap provides an overview of debt reporting across IDA countries.¹⁷ In parallel, through the Program for Creditor Outreach, there has been good progress on enhancing coordination and dialogue on the SDFP with the International Monetary Fund and other MDBs and aligning implementation of SDFP with policies of other creditors. Examples include dialogue on set-asides, the transition from the Non-Concessional Borrowing Policy, grant/credit mix, and Non-Concessional Borrowing ceilings.

ii. Human Capital

31. Progress on implementing the seven policy commitments related to human capital is generally strong, with two commitments likely to exceed the three-year IDA19 target by FY22. The policy commitments relating to GBV prevention, women's empowerment, the sustainability of human capital financing, and skills and employability are either on track to meet the three-year target in two years or proposed to undergo a proportional adjustment to the shorter IDA19 cycle, considering that some human capital investments have been redirected to address immediate COVID-19 response measures. The commitments on adaptive social protection and pandemic preparedness plan will not only achieve the three-year target in two years but are even

¹⁴ See also World Bank “*Sustainable Development Finance Policy of the International Development Association: FY21 Board Update (English)*” (Washington, D.C. : World Bank Group 2021).

¹⁵ <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/351311607717096586/update-on-the-joint-world-bank-imf-multipronged-approach-to-address-debt-vulnerabilities>.

¹⁶ Based on an analysis of debt vulnerabilities under the LIC DSF as of May 31, 2020. Out of the 55 countries, five countries are covered by the Debt Sustainability Analysis for Market-Access Countries (MAC DSA) framework.

¹⁷ <https://www.worldbank.org/en/topic/debt/brief/debt-transparency-report>.

likely to exceed the agreed targets. Delivery of the commitment on social service delivery in IDA FCS to take into account the differential constraints faced by different genders and persons with disabilities has faced delays.

32. Demand for human capital investments has surged during IDA19 and is expected to remain high. IDA has committed US\$1.8 billion toward the health response to COVID-19 in IDA countries complemented by investments of US\$4.0 billion in social protection and US\$950 million in education between April 2020 and February 2021. IDA is also helping to provide affordable and fair access to vaccines for IDA countries, and as of March 2021, Afghanistan, Bangladesh, Cabo Verde, Ethiopia, Nepal, and Tajikistan have been approved to finance the acquisition and deployment of vaccines totaling US\$855 million in coordination with GAVI and COVAX.¹⁸ To ensure this mammoth effort yield enduring benefits, there has been an increasing demand for IDA resources to support resilient health systems with a focus on universal health coverage, pandemic preparedness, and sustainable health financing. IDA is also supporting the development of digital platforms for teaching and remote learning, and in Afghanistan, the second Skills Development Project (P132742) supports the Technical Vocational Education and Training Authority in ensuring continuity of learning through using a variety of distance learning channels (TV, radio, flash drives, and provision of devices) tailored to Afghanistan’s economic, geographic and security context. Social safety net operations have been scaled up rapidly in many countries – such as Bangladesh, Ethiopia, Nigeria, Sao Tome and Principe, Comoros, Maldives, Fiji , and Yemen – as part of the COVID-19 response.¹⁹ IDA has also financed the provision of essential cash transfers to Sudanese families affected by economic reforms and short-term shocks associated with the political transition.²⁰ Overall, there continue to be significant opportunities to invest in human capital and social protection systems to strengthen resilience and empower communities, especially for the most vulnerable communities facing FCV challenges. Special attention will be needed to reverse learning losses caused by COVID-19 induced school closures with a particular focus on getting girls back in school to prevent re-emergence of a learning gap between girls and boys.

iii. Disability Inclusion

33. The introduction of disability inclusion as an IDA19 Cross-Cutting Issue is helping to address the needs of persons with disabilities more systematically in IDA operations, and implementation of policy commitments that address disability inclusion is largely on track. Several guidance notes to inform operations across sectors have been finalized, a cross-practice monitoring committee has been established, and technical support is being provided to task teams and client counterparts. Most of the disability-related policy commitments are likely to be met if the three-year targets are adjusted for the two-year implementation timeframe, with several operations already approved and under implementation. For instance, under the JET Special

¹⁸ In addition, Mongolia has also been approved to finance acquisition and deployment of vaccines totaling US\$51 million using exceptional IDA allocation

¹⁹ Ethiopia Urban Productive Safety Net and Jobs Project (P169943), Strengthen Ethiopia’s Adaptive Safety Net (P169943), Sao Tome and Principe Social Protection and Skills Development Project Additional Financing (P174539), Comoros Second Additional Financing for Social Safety Nets (P174866), Fiji Social Protection COVID-19 Response and System Development Project (P175206), and Maldives Additional Financing for COVID-19 Emergency Income Support Project (P175542).

²⁰ Sudan Family Support Project (P173521).

Theme, a new IDA-financed operation in Nigeria will expand access to digital skills and entrepreneurship programs for youth with emphasis on ensuring access for students with disabilities in schools and innovation hubs and developing curricula adapted for students with disabilities.²¹ Challenges include specifying measurable disability inclusion measures in relation to some indicators, limited technical experience and staffing depth, and limited bandwidth to address these issues as originally envisaged in the context of the impacts of the COVID-19 pandemic. That said, only eight months into IDA19, there is already a solid foundation for a more structured and systematic effort to further advance the disability inclusion prerogative, and Management has stepped up support to ensure that a strong pipeline of projects, informed by disability-inclusive designs, is being developed as part of the commitment to mainstream this relatively new and important approach across operations.

34. The implementation of the IDA19 policy commitments is complemented by other key initiatives, most notably the new Environmental and Social Framework (ESF) and the Ten Commitments on Disability Inclusive Development,²² which were announced at the Global Disability Summit held in London in 2018. The new ESF includes strong provisions designed to safeguard that interests of persons with disabilities are protected and included in operations, by requiring IDA clients to look specifically at disability as part of social assessments. Similarly, the Ten Commitments announced at the Global Disability Summit has prompted Bank teams to assess active and pipeline projects for disability inclusion and develop action plans to improve disability inclusion in their sectors. The lack of adequate appropriate data has been a key barrier in the inclusion of persons with disabilities in development interventions, but work is underway to strengthen the collection and analysis of disability disaggregated data in household surveys.

iv. Technology

35. The pandemic has further underscored the value of broadband penetration and digital platforms in enabling remote work, distance learning, service delivery, and economic activities, and there has been good progress on all technology related IDA19 policy commitments. All operations on digital skills development approved in IDA19 support women's access to higher productivity jobs, and implementation of commitments on women's increased usage of digital services and field-appropriate digital tools are on track, although the target for the latter will need to be revised due to the combined effect of a truncated IDA19 period and the time required to build a strong pipeline. IDA has stepped up to support distance learning, such as in Nigeria, where the IDA-supported EdoBEST@Home program delivers remote learning through interactive radio lessons, digital self-study activity packets, and lesson plans for parents distributed via WhatsApp. The COVID-19 crisis has made e-procurement even more important due to an increased reliance on digital technology to reinforce administrative services – twenty-eight activities are either ongoing or in the pipeline – although there has been a slowdown in rollout due to travel restrictions.

36. One area where client demand has been particularly strong is digital financial payments and digital entrepreneurship. Digitalization of social assistance and payments has

²¹ Edo Basic Education Sector and Skills Transformation Operation (P169921).

²² <https://worldbankgroup.sharepoint.com/sites/wbsites/disability-inclusive-development/Pages/10-Commitments-05282019-165424.aspx>.

become the cornerstone of the COVID-19 response, as digital payments provide a safe and quick way to distribute social assistance during the pandemic. Meanwhile, with many people in IDA countries still lacking reliable and affordable access to digital services, there is both an infrastructure deficit as well as technical support needed to enable more firms and workers to adopt digital technologies. This is the case in Malawi, where IDA is providing financing to increase broadband penetration and access to affordable, high quality internet services for government, businesses and citizens, thereby the strengthening the government's capacity to deliver digital public services.²³ IDA19 is also supporting ambitious digital inclusion and acceleration initiatives in Niger, Haiti, and Cabo Verde²⁴. There are 97 active IDA operations ongoing under the Digital Economy for Africa initiative to undertake key reforms and public investments in areas such as digital infrastructure, public digital platforms, digital financial services, and digital entrepreneurship. This pace of progress is likely to continue, with longer run productivity gains and implications for shifting skills needs.

37. Client demand for digital solutions and related capacity building has also increased alongside demand for remote monitoring and supervision. The rolling out of Geo-Enabling Initiative for Monitoring and Supervision has shown that investing in real-time monitoring systems and related transparency does not only enhance ‘ex-post’ insights and decision making, but also have an important impact ‘ex ante’, i.e., on the behavior of contractors and other stakeholders involved in projects through improved accountability.

III. IDA19 RESULTS

38. Just eight months into the IDA19 period, IDA has made tangible progress across a wide range of indicators captured in the IDA19 RMS, with many indicators on track for the initial three-year cycle and some exceeding initial expectations. This has been achieved through strong delivery to respond to unprecedented circumstances, maintaining a sharp focus on policy commitments and results targets. Many indicators are on track for the initial three-year cycle, with some of them exceeding initial expectations. This attests to the scale of IDA’s response to the crisis and to the decisive way in which clients have used IDA resources to protect hard-earned gains. While other targets still show steady progress, some indicators illustrate the areas that require sustained efforts beyond IDA19. Looking ahead, IDA will continue to offer continuity, agility, and adaptation to the new context, so that the unfinished development agendas from the pre-COVID world are a conduit to better development outcomes after it.

39. IDA19 is not only delivering on the agreed development priorities, but is also providing solutions to new challenges brought by the pandemic, yet these results are not captured in the RMS. IDA-financed COVID-19 response operations are starting to show tangible results, particularly in support of Pillar 1 of the WBG approach – *Saving Lives*.²⁵ From February

²³ Digital Malawi Program Phase I: Malawi Digital Foundations Project (P160533).

²⁴ Digital Cabo Verde Project (P171099), Haiti Digital Acceleration Project (P171976), and Niger: Smart Villages for rural growth and digital inclusion (P167543).

²⁵ The WBG’s COVID-19 crisis response is anchored in four pillars: Saving Lives; Protecting Poor and Vulnerable People; Ensuring Sustainable Business Growth and Job; and Strengthening Policies, Institutions and Investments for Rebuilding Better.

2020 through January 2021, IDA19 financing supported 40 countries in establishing designated laboratories with COVID-19 diagnostic equipment and test kits, with the number of such laboratories quintupling from 65 to 405 across 28 countries. IDA19 financed operations in Sub-Saharan Africa supported 212 laboratories, primarily in Eastern and Southern Africa, where gaps for testing COVID-19 were significant. Other areas showing strong early results include digital development to ensuring the continuity of public services, electrification of health facilities and upgrading of sanitary protocols in transport and other sectors. Stories of early results across pillars show how IDA's support has been instrumental to address both short- and long-term challenges and select IDA COVID-19 response operations with early results achieved across the four pillars are highlighted in Annex 3. As the pandemic and its impact continue to unfold, it is becoming clear that what were initially exceptional interventions may become more common in IDA countries in the years to come.

40. **Although it is still too early to have a definitive picture, some operations seem to be progressing at a slower pace given the physical restrictions and portfolio reprioritizations to respond to the crisis.** While IDA redoubled efforts to support countries' COVID-19 response, including the unfolding food crisis and the immediate health and education needs, the reprioritization of portfolios by IDA clients has left gaps in IDA financing available to support some of these longer-term development priorities, particularly in the infrastructure sectors (energy, transport) and agriculture.²⁶ This is compounded by mobility restrictions caused by the pandemic as well as the back-loaded cycle of most infrastructure projects, which tend to deliver results closer to completion. It may therefore be appropriate to revisit the expected trajectory of these Tier 2 indicators to factor-in the additional time that may be required to fully deliver the agreed results.

41. **Progress across IDA operations has been made possible by the swift adaptation of IDA's operational and organizational systems.** Indicators tracking the performance of IDA's portfolio, the quality and timeliness of projects delivered to clients, and operational efficiency and responsiveness have remained stable, reflecting IDA's ability to adapt to and address unforeseen events, such as natural disasters and pandemics and its flexibility to quickly respond to changing circumstances. Despite the challenges, there has even been some minor, but noticeable improvements for some measures tracking IDA's portfolio quality such as IEG's ratings on the quality of M&E in IDA-financed operations reflecting the important efforts have been made to strengthen project quality and promote more robust M&E practices, including a stronger focus on intervention logic, results frameworks, results indicators, and M&E.

A. IDA19 Results Measurement System

i. Tier 1: IDA Countries' Progress

42. **Tier 1 indicators, which track long-term development outcomes, including progress toward the WBG Twin Goals and the 2030 agenda, as well as the broader context of countries in which IDA operates, are expected to be negatively impacted by the crisis.** Development progress and institutional strengthening made prior to the COVID-19 pandemic have helped to cushion the severity of the impacts. World Bank projections²⁷ show that the number of extreme

²⁶ See World Bank, "*The Financing Needs in IDA Countries*" (Washington, D.C.: World Bank Group, 2020).

²⁷ <https://www.worldbank.org/en/topic/poverty/brief/projected-poverty-impacts-of-COVID-19>.

poor living in IDA countries is expected to increase by between 32 to 46 million in 2020 due to the pandemic, with the vast majority in sub-Saharan Africa. The pandemic has also exacerbated gender inequalities; slowed progress on ensuring basic infrastructure for all; and adversely affected labor markets and workers' incomes, especially across IDA countries where the informal sector accounts for over 70 percent of workers. The crisis has put pressure on already weak health systems in IDA countries, resulting in widespread disruptions in healthcare delivery and an estimated 1.4 million additional under-5 deaths expected in IDA countries by 2020.²⁸ On the other hand, significant progress made over the last two decades in IDA countries' access to safe water and sanitation services have likely mitigated the damage from the pandemic. Also, the crisis has strengthened the role of digitalization globally, in particular in Africa, expanding rapidly in healthcare, financial services and education.²⁹ While access to digital infrastructure and connectivity in IDA countries remains severely limited, the number of secure internet servers (per 1 million people) is increasing sharply,³⁰ and IDA countries have the potential to seize opportunities created by the crisis toward digital transformation.

ii. Tier 2: IDA-Supported Results

43. **Preliminary estimates from the first eight months of FY21 indicate that there is progress in IDA19 Tier 2 indicators in key development areas.** This reflects IDA's sustained engagement in support of client countries long-term efforts toward expanding access to financial services, social assistance to poor and vulnerable individuals, education, access to internet services, statistical capacity building support for the implementation of household surveys, and jobs-supporting interventions supported by IDA. Tier 2 indicators have been grouped into two categories based on progress reported to date and the likelihood of achieving the expected performance standards.

44. **The first category of indicators includes fourteen that have achieved substantial progress during the first eight months of IDA19. Of these fourteen, twelve have expected values, and implementation progress for these twelve is on track to meet these expected values within the three-year period originally envisioned.** This category includes the following indicators:

- a. **Four indicators that have already or will exceed their original three-year ranges of expected results one year earlier, by end-FY22.** These include first, *beneficiaries of social safety nets*, with about 35 million beneficiaries already reached surpassing the IDA19 end-of-cycle target. This exemplifies the transition of IDA toward Pillar 2 of the WBG's COVID-19 response (*protecting poor and vulnerable people*) to bolster social protection systems to help the poor and vulnerable cope with the pandemic and associated socio-economic shocks. IDA has also supported clients in building adaptive and holistic social

²⁸ Projections calculated by UNICEF based on Timothy Robertson et al., May 2020. 'Early estimates of the indirect effects of the COVID-19 pandemic on maternal and child mortality in low-income and middle-income countries: a modelling study.' The Lancet Global Health, May 12, 2020. See also: DOI: [https://doi.org/10.1016/S2214-109X\(20\)30229-1](https://doi.org/10.1016/S2214-109X(20)30229-1).

²⁹ AUC/OECD (2021), Africa's Development Dynamics 2021: Digital Transformation for Quality Jobs, AUC, Addis Ababa/OECD Publishing, Paris, <https://doi.org/10.1787/0a5c9314-en>.

³⁰ World Bank Open Data: <https://data.worldbank.org/indicator/IT.NET.SECR.P6?locations=XI>.

protection systems to enhance resilience against future crises, which is a core objective under Pillar 4 of the WBG's COVID-19 response (*strengthening policies, institutions, and investments for rebuilding better*). Notable results were also reported for the *number of people who have been reached with financial services* (#5), by reaching more than three million beneficiaries, mostly driven by projects that contribute to increase insurance coverage for families and individuals expanding options for managing risks and avoid becoming destitute and falling into poverty when they suffer a loss, such as Bangladesh's Insurance Sector Development Project. Furthermore, 45 IDA countries have received *support in institutionalizing disaster risk reduction as a national priority* (#17) in key areas of engagement including support toward national policy and legal frameworks, dedicated and adequate resources, community participation, and national multi-sectoral platforms for disaster risk reduction. Finally, the number of IDA countries that have met the standards for publishing annual and timely debt reports (#18), which currently stands at 20 as a result of IDA's scaled-up support to debt transparency, including through PPAs under the SDFP.

- b. **Eight additional indicators that are on track to meet their expected values over the regular three-year IDA cycle, i.e., by end-FY23, such that their full achievement will bridge into the advanced IDA20 period;** for these indicators, the IDA19 targets will be adjusted proportionally to reflect the shortened IDA19 implementation period. These indicators include *area provided with new/improved irrigation or drainage services* (#2); *number of people who were provided with enhanced access to broadband internet* (#8); *large-scale assessments completed at primary or secondary level* (#11); *people provided with access to improved water sources* (#12); *people provided with access to improved sanitation services* (#13); *people provided with improved urban living conditions* (#14); *IDA countries that were provided statistical capacity building support for the implementation of household surveys* (#19); and *use of field-appropriate digital tools for collection and analysis of geo-tagged data* (#20). Given their strong progress to date, sustained by robust pipelines, expected values at the end of IDA19 remain at par with the original delivery expectations after two years of implementation, that is two-thirds of the three-year target. The remainder of the commitment can be carried over to IDA20.
 - c. **Two indicators that have made steady progress supporting important development results, but for which expected values were not assigned for the IDA 19 cycle.** The first indicator is on *beneficiaries of job interventions* (#6), where results reported so far for FY21 have been significant, mainly driven by beneficiaries reached with financial services – a sub-indicator contributing to the total aggregate through a few large projects in late implementation stages. The second indicator without an expected value, *net Greenhouse Gas (GHG) emissions* (#16), is reporting preliminary data subject to GHG accounting only for operations in the energy and extractives sector. However, reported results are likely to increase substantially during the upcoming months when operations being implemented in other sectors and subject to GHG accounting under the corporate mandate are also included (i.e., Transport and ICT, Environment and Natural Resources, Social, Urban, Rural and Resilience, Water, and Agriculture).
45. **The second category includes six indicators tracking results in development areas that have made less progress than originally expected, because they pertain to sectors that have**

been hit particularly hard by the COVID-19 crisis; these indicators will need adjustment of their original targets to reflect the fact that their achievement will take longer than foreseen at the beginning of IDA19. Five of these indicators measure progress on key infrastructure sectors (e.g., energy and transport), where operations have been significantly delayed or even cancelled as a result of a pandemic-related shift in client priorities, travel restrictions, supply/materials disruptions, and/or limited labor availability. These factors, combined with the increased preparation time and considerable funding requirements of typical infrastructure operations, has pushed expected results to outer years. Another indicator within this category is the indicator tracking *farmers adopting improved practices of technologies (#1)*: for this, more time is required to meet the target as a result of the need to reallocate resources in the previously-planned agriculture portfolio to address immediate food security needs induced by the crisis. Even when the expected performance standards at the end of the shortened IDA19 will be lower, these values remain ambitious as the crisis remains unsolved and client priorities continue to evolve.

46. **Country decisions to redesign operations in the IDA portfolio and pipeline, primarily in infrastructure, to enable a robust response to the COVID-19 pandemic were appropriate decisions and have achieved significant results, yet many of these results are not captured by the RMS.** Projects in digital development have been adapted to COVID-19 response to focus on ensuring the continuity of public services to safeguard the welfare of populations, including connecting schools and health facilities and supporting digital health and remote learning/working. In energy operations, project teams have introduced new interventions to support the electrification of health facilities as well as to address the governance and financial sustainability of utilities, which is being negatively affected by the ongoing crisis and in many countries has large fiscal implications. In transport, IDA-financed projects are supporting emergency health and security protocols to permit the sanitary use of transport services under the pandemic, and prioritizing investments with the potential to create direct and indirect jobs and stimulate economic recovery.

47. **IDA's health response to the pandemic aims not only to expand key pandemic-related health services (including to acquire and deploy COVID-19 vaccines) but also to continue to support the strengthening of national health systems.** This is part of a gradual shift over the past few IDA cycles in the IDA-supported health portfolio away from direct financing of basic health services toward supporting the strengthening of national health systems. As part of this reprioritization, the Tier 2 indicator tracking *essential health, nutrition, and population services (#10)* has achieved modest results to date, particularly the sub-indicators reporting results on child immunization and births attended by trained professionals. Meanwhile, the shift toward systems strengthening will enable IDA countries over time to deliver more robust health care services through their own systems, and to anchor vertical funds that are made available to their health sectors. Progress made through this shift is difficult to quantify and is therefore not adequately captured in the RMS.

iii. Tier 3: IDA Organizational and Operational Effectiveness³¹

48. **During the past year, IDA has demonstrated its ability to adapt and quickly respond to changing circumstances, and its capacity to conduct business in a difficult operational environment while maintaining high performance standards.** IDA has also adjusted to new ways to conduct business, being flexible in reallocating resources to address emerging needs, leveraging its decentralized staff force, and overcoming operational constraints on areas such as travel, data collection and project supervision. The crisis has provided valuable lessons for IDA on improving agility, efficiency and effectiveness, and the application of these lessons for the future of work can further enhance IDA's value for money. Despite the significant operational challenges, IDA has stepped up its support to clients while maintaining its commitment to selectivity, quality, transparency, and innovation.

49. **Progress on Tier 3 indicators, which tracks IDA's organizational and operational effectiveness are generally on track despite the pandemic and the challenging operating environment.** Indicators tracking IDA's development outcome ratings of IPFs, performance and quality, operational efficiency and financial sustainability have remained stable or have continued to meet and, in some cases, even exceed performance standards. Despite the operational challenges due to the crisis, some key measures tracking IDA performance and portfolio quality have noticeably improved (e.g., M&E quality of IDA-financed operations, proactivity index) compared with the results reported at the end of the IDA18 cycle.

50. **Performance standards established for most Tier 3 indicators will remain unchanged.** All performance standards for outcome ratings, performance and quality, operational efficiency and responsiveness, financial and budget sustainability, and for most measures tracking key priorities under IDA19 Special Themes will be maintained. The only adjustment needed will be for the indicator measuring the *number of countries supported by IDA to take IFF-related actions (#25)*. The indicator is linked with the policy commitment under the Governance and Institutions Special Theme, and despite some progress, implementation of this policy commitment has been affected by the emergency response to COVID-19 and the significant logistical challenges as discussed above. New proposed target for this RMS indicator is consistent with the adjustments proposed for the policy commitment.

³¹ Tier 3 indicators of the IDA19 RMS report on measures tracking the performance of the IDA's portfolio, the quality and timeliness of projects delivered to clients, IDA's operational efficiency, the results orientation of operations, client and beneficiary feedback, financial sustainability, and the implementation of some priorities under IDA Special Themes.

IV. CONCLUSION AND ISSUES FOR CONSIDERATION

51. **Management is committed to deliver on the ambitions of the IDA19 policy agenda; strong progress is being made on all the policy commitments and important results have been achieved during the first eight months of IDA19, including through IDA support to countries' COVID-19 responses.** The IDA19 financing and policy framework has proven to be fit-for-purpose in responding to the COVID-19 crisis, and across all IDA19 Special Themes, robust progress has been made during the first eight months of IDA19.


52. **Management assesses that the original three-year targets for the majority of IDA19 policy commitments will either be met or even be exceeded despite the impacts of COVID-19 and the shortened IDA19 period.** Similarly, strong results from IDA's support have been recorded – both from COVID-19 operations and from operations supporting longer-term development priorities – and indicators tracking IDA's organization and operational effectiveness are generally on track despite the crisis and the challenging operating environment.

53. **As expected, the implications of COVID-19 – including travel restrictions and re-prioritization of IDA countries' investment pipeline – as well as the truncated IDA19 implementation period will have an impact on the policy commitments and the IDA19 results framework, but the work that has started in IDA19 will continue beyond FY22.** Targets for some policy commitments, while mostly achievable over a three-year period, will require some adjustments considering COVID-19 related portfolio shifts and the shortened IDA19 implementation period. Similarly, preliminary results tracked under the RMS framework indicate that some IDA operations, notably those related to infrastructure and agriculture, will possibly not meet the original three-year performance standards.

54. **In light of the analysis of implementation progress presented in this paper, Management recommends that IDA Deputies and Borrower Representatives:**

- *Endorse the proposed adjustments to the IDA19 policy commitments and the IDA19 results framework considering the shortened IDA19 implementation period and the implications of the COVID-19 pandemic on IDA operations.*

Annex 1. Update on IDA19 Policy Commitments and Proposed Adjustments

 JOBS AND ECONOMIC TRANSFORMATION			
Policy commitment	Target	Status	Proposed adjustments
<p>1. The World Bank Group (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, which will be country specific and could include sectors such as agribusiness, manufacturing, and others. Proposed WBG actions will be grounded in diagnostics, such as the Country Private Sector Diagnostics findings and jobs diagnostics and selected in agreement with country authorities.</p>	10-15	Possible to meet original three-year target by FY22. In light of the compressed timetable for IDA19, the number of interventions is likely to meet the lower end of the target range.	No proposed adjustments.
<p>2. At least 66 percent of agriculture and agribusiness projects in IDA countries include support for participation in value chains with high potential for growth and jobs creation, through connecting producers to markets, technical assistance for meeting international standards and regulations, adoption of modern technology, supporting logistics and reducing trade costs.</p>	66 percent	Delivery to date has been slightly more modest, as the COVID-19 related food security operations combined with the locust responses has shifted some of the portfolio to meet immediate food needs.	Adjust expected target from 66 percent to 58 percent.



JOBS AND ECONOMIC TRANSFORMATION

Policy commitment	Target	Status	Proposed adjustments
<p>3. IDA will support at least 15 IDA countries to develop their primary and secondary cities through an integrated package of support to deliver sustainable, inclusive and productive cities with a focus on JET, including through climate-smart development, strengthening urban land management, and development of enabling infrastructure for job creation.</p>	<p>15</p>	<p>On track, with five projects already approved and/or being implemented. Due to some shifts in client demand as a result of COVID-19, it may not be possible to fully meet the agreed three-year target by FY22. This notwithstanding, no adjustments are proposed.</p>	<p>No proposed adjustments</p>
<p>4. IDA will support 10 IDA countries in the development and modernization of regional infrastructure (e.g., power, transportation) and cross-border policy reforms with high potential for export promotion, increased productivity, and labor mobility.</p>	<p>10</p>	<p>Possible to meet original three-year target by FY22. Management has increased support to address remote preparation challenges, slowdown, or shortages of supply/consultant support during implementation, especially when it comes to delivering and/or constructing critical infrastructure.</p>	<p>No proposed adjustments.</p>
<p>5. To help close the digital infrastructure gap, IDA will support 25 IDA countries to double their broadband penetration (16 on the African continent), including eight in landlocked countries, by 2023.</p>	<p>25</p>	<p>On track to meet original target, with three projects delivered and a healthy pipeline. However, due to the shortened IDA19 timeframe, the expected target needs to be revised.</p>	<p>Adjust expected target proportionally from 25 to 18 countries, and proportional adjustment of projects in Africa and landlocked countries.</p>



JOBS AND ECONOMIC TRANSFORMATION

Policy commitment	Target	Status	Proposed adjustments
6. The International Finance Corporation (IFC) will aim to increase the share of its commitments in FCS-IDA17 & LIC-IDA17 countries, ³² reaching 10-15 percent of its own-account commitments on average during the IDA19 cycle. Such commitment is conditional on the approval of the IFC's resolutions for the capital increase and on having a significant portion of the new shares offered to shareholders being subscribed to.	10-15 percent	Possible to meet original three-year target by FY22. There have been some challenges to connect with private sector actors in IDA countries, and particularly in IDA FCS, due to travel restrictions and limited connectivity. The share of commitments in FCS-IDA17 & LIC-IDA17 countries during the IDA19 period is expected be in the lower range of the target.	No proposed adjustments.
7. 50 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.	50 percent	Possible to meet original three-year target by FY22. Implementation remains on track despite the COVID-19 crisis and digital components are being included in more projects. This also offers additional opportunities to address some of the constraints facing persons with disabilities. The gender inclusion dimension remains strong.	No proposed adjustments.
8. IDA will support at least 15 IDA countries, including at least 12 of those among the 30 with the lowest	15	On track to meet original target, but adjustments to the original target are needed considering the shortened IDA19 timeframe. Implementation has	Adjust expected target proportionally to 10 countries, including 8 of

³² LIC-IDA17: Countries that are classified as low-income countries (LIC) as of July 1, 2016 (GNI per capita ≤US\$1,025 in 2015). FCS-IDA17: The subset of IDA17-eligible countries that are also on the FY19 FCS list. See Annex 4 of IFC Strategy and Business Outlook Update (FY20-FY22) for more details.




JOBS AND ECONOMIC TRANSFORMATION


Policy commitment	Target	Status	Proposed adjustments
Human Capital Index (HCI), 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.		been affected by COVID-19, but demand for programs and policies to improve employability is expected to pick up as IDA countries enter the recovery phase.	those among the 30 with lowest HCI scores.
9. IDA will embed a JET focus in all IDA country programs and the design of operations as appropriate, informed by diagnostics such as Systematic Country Diagnostics (SCDs) and CPSDs, and reflected in all new IDA Country Partnership Frameworks (CPF) and Performance and Learning Reviews (PLRs), including enhanced use of JET results indicators. Where relevant, IDA country programs and design of operations will be informed by migration diagnostics.	100 percent	Possible to meet original three-year target by FY22. All CPFs in IDA19 includes a JET focus.	No proposed adjustments.
10. Under country government leadership, IDA will actively participate in country platforms to collaborate and coordinate with partners and stakeholders (including Multilateral Development Banks,	10	Six IDA countries have reported that they are advancing on their country platforms. Management is exploring the interest of additional countries to consider implementing country platforms – or reporting on any emerging one. Given varied priorities and in light of the COVID-	No proposed adjustments.



JOBS AND ECONOMIC TRANSFORMATION

Policy commitment	Target	Status	Proposed adjustments
development finance institutions, bilaterals, and the private sector, etc.) in at least 10 IDA countries toward developing a coherent vision, and a set of actions for JET, and mobilization of private finance.		19 crisis, the country platforms may have areas of focus beyond JET, but all include elements relevant for JET and economic recovery from the crisis.	
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.	100 percent	Possible to meet original three-year target by FY22.	No proposed adjustments.
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 Private Sector Window investments. Where feasible, jobs reporting will be disaggregated by the poorest quintile, gender, FCS, disability, and youth.	20	Possible to meet original three-year target by FY22. With a shortened IDA19 period, fewer projects will be operational for long enough to have measurable impact. The condensed timeline means more will be done as modeling exercises, and Management proposes to use a similar methodology in multiple countries, and possibly more than one methodology for the same project to allow for comparisons and document how well different modeling approaches work. This offers the opportunity to learn more about a narrower range of tools.	No proposed adjustments.
13. IDA will work with regional institutions on capacity building and skills in addition to establishing	3	Possible to meet original three-year target by FY22.	No proposed adjustments.

 JOBS AND ECONOMIC TRANSFORMATION			
Policy commitment	Target	Status	Proposed adjustments
strategic partnerships with at least three Regional Economic Communities to promote regional markets and develop regional value chains.			

 GENDER AND DEVELOPMENT			
Policy commitment	Target	Status	Proposed adjustments
1. IDA19 financing operations will support women’s empowerment, including through increased access to quality reproductive, adolescent, and primary health care in at least 15 of the 30 countries with the lowest HCI.	15	Original target could have been met in three years, even if the diversion of resources for the emergency health response to COVID-19 makes it challenging to support women’s empowerment through health services. However, combined with the shortened IDA19 cycle, a proportional adjustment of the original target is proposed.	Adjust expected target from 15 to 10 countries.
2. At least 60 percent of IDA19 financing operations for digital skills development will support women’s access to higher productivity jobs, including online work.	60 percent	Management estimates that a realistic, and still ambitious, target is that half of IDA19 operations on digital skills development will contribute to this commitment, as some operations scheduled for delivery in FY23 will not be counted against IDA19.	Adjust expected target from 60 percent to 50 percent.



GENDER AND DEVELOPMENT

Policy commitment	Target	Status	Proposed adjustments
3. At least 30 percent of IDA19 infrastructure operations (transport, energy, and water) will include actions to create employment opportunities for women in medium and high skilled jobs in these sectors.	30 percent	Possible to meet original three-year target by FY22. Fifty percent of qualifying operations comply.	No proposed adjustments.
4. All IDA19 financing operations for Digital Development will support women’s increased access to and usage of digital services.	100 percent	Possible to meet original three-year target by FY22. Three projects are currently under preparation.	No proposed adjustments.
5. At least 50 percent of IDA19 operations with land activities in (i) land administration, (ii) post-disaster reconstruction and resilient recovery, and (iii) urban development will include specific actions to strengthen women’s land rights.	50 percent	Possible to meet original three-year target by FY22. Fifty percent operations currently meet the criteria.	No proposed adjustments.
6. Support at least five IDA countries to invest in GBV prevention and response, delivering safe, quality, inclusive health care and other services through health systems, and five countries to implement GBV prevention and response protocols as part of safe and inclusive schools.	10	Possible to meet original three-year target by FY22. There are 9 approved operations. GDR identified 5 in Health including (Zambia for which GBV activities still TBC) and 4 in HNP. These are yet to be confirmed by the GP leads	No proposed adjustments.




CLIMATE CHANGE


Policy commitment	Target	Status	Proposed adjustments
<p>1. IDA’s climate co-benefits share of total commitments will increase to at least 30 percent on average over FY21-23, and at least half of these co-benefits support adaptation actions.</p>	<p>30 percent</p>	<p>Possible to meet original three-year target by FY22. IDA FY21 climate co-benefits (year-to-date) are at 32 percent (with 69 percent of total climate finance for adaptation and 31 percent for climate mitigation). IDA FY21 climate co-benefits (projected year-end) are at 31 percent (54 percent dedicated to adaptation and 46 percent mitigation).</p>	<p>No proposed adjustments.</p>
<p>2. All IDA operations with more than 20 percent of climate co-benefits will incorporate at least one climate-related results indicator to increase the focus on climate outcomes.</p>	<p>100 percent</p>	<p>Twenty-five percent of 132 IDA operations approved by the Board in FY21 have more than 20 percent climate co-benefits. Of these, 91 percent include at least one climate-related results indicator. Data from FY21 compliance tracking, particularly for COVID-19 operations, demonstrates that it is not possible for all operations to measure climate results, even in the case of operations with more than 20 percent climate co-benefits.</p>	<p>Adjust expected target from 100 percent to 90 percent</p>
<p>3. Develop new resilience metrics designed to give increased incentives for more effective climate adaptation actions, including through enhanced disaster resilience of infrastructure developments, and pilot them in 20 IDA operations.</p>	<p>20</p>	<p>Possible to meet original three-year target by FY22.</p>	<p>No proposed adjustments.</p>




CLIMATE CHANGE

Policy commitment	Target	Status	Proposed adjustments
4. Support at least 25 IDA countries to reduce the risks of climate shocks on poverty and human capital outcomes by supporting programs that incorporate Adaptive Social Protection (ASP) into national systems or reduce climate threats to health.	25	Possible to meet original three-year target by FY22. Travel restrictions have a moderate impact on the FY21 lending, but implementation is underway in 20 countries, and there is demand for additional operations.	Increase expected target from 25 to 35 countries.
5. Support at least 15 IDA countries to systematically implement and update national climate-related action plans including Nationally Determined Contributions (NDCs), in cooperation with the NDC Partnership; for all IDA countries where appropriate, set climate-related or NDC-based objectives and/or results indicators in the CPFs.	15/ 100 percent	Possible to meet original three-year target by FY22. Support to NDC implementation is underway in more than 20 IDA countries. All Board-presented CPFs in IDA19 have included a climate-related or NDC-based objective and/or results indicator	No proposed adjustments.
6. Support at least 15 IDA countries to implement and/or update their National Biodiversity Strategies and Action Plans (NBSAPs) covering terrestrial and marine biodiversity or similar national action plans through new IDA-supported activities during IDA19.	15	A long list of countries has been identified whose NBSAPs update/implementation could be supported. However, given the COVID-19 related delays in convening for COP15, a country pipeline will be defined after the COP meeting now expected in late 2021. It is likely that delivery will be slightly below the agreed target.	No proposed adjustments.

 CLIMATE CHANGE			
Policy commitment	Target	Status	Proposed adjustments
<p>7. Facilitate further penetration of renewable energy in IDA countries in the context of energy access, affordability and security, by mobilizing concessional climate finance and public and private investments for five gigawatt hours (GWh) of battery storage, and providing direct, indirect, and enabling policy support for generation, integration, and for enabling infrastructure for at least ten gigawatts (GW) of renewable energy in IDA countries. This support would cover all kinds of on-grid, off-grid and distributed renewable energy.</p>	<p>10GW/ 5GWh</p>	<p>Possible to meet original three-year target by FY22. Pipeline for FY21 remains unchanged, but there may be some adjustments in FY22 due to shifts in client priorities in light of COVID-19.</p>	<p>Adjust expected target for renewable energy from 10GW to 5GW and the target for battery storage from 5GWh to 2GWh.</p>


 Fragility, Conflict and Violence			
Policy commitment	Target	Status	Proposed adjustments
<p>1. All CPFs, Country Engagement Notes (CENs) and PLRs in IDA FCS will outline how the WBG program, in collaboration with relevant partners, addresses FCV drivers and sources of resilience, based on</p>	<p>100 percent</p>	<p>Possible to meet original three-year target by FY22. The new RRA methodology has been launched. The first qualitative review of the PC will take place in Q1 FY22 and will cover all CPFs/CENs/PLRs finalized during FY21.</p>	<p>No proposed adjustments.</p>

 Fragility, Conflict and Violence			
Policy commitment	Target	Status	Proposed adjustments
<p>diagnostics such as Risk and Resilience Assessments (RRAs) or other FCV assessments. Each RRA/fragility assessment will analyze FCV drivers and sources of resilience and contain operationally relevant recommendations.</p>			
<p>2. Develop and implement at least three regional programs (including in the Sahel, Lake Chad region, and the Horn of Africa), which are informed by regional RRAs and focus on mitigating key fragility and security risks to promote engagement at the security-development nexus.</p>	3	<p>Possible to meet original three-year target by FY22. The Sahel RRA is finalized and is informing preparation of operations in the region. RRAs for the Horn of Africa and Lake Chad are under preparation. The pipeline of regional programs in Africa for FY21-22 is prioritizing operations in the three sub-regions.</p>	No proposed adjustments.
<p>3. At least 20 IDA FCS country portfolios will support improvements in social sector service delivery (i.e., health, education and social protection), with a focus on addressing the differential constraints faced by men and women, boys and girls, and by people with disabilities.</p>	20	<p>One country portfolio has been confirmed as meeting the commitment and another five will potentially meet the commitment. Technical guidance on addressing differential constraints faced by people with disabilities is being developed. Meanwhile, building a pipeline of projects that address the differential constraints faced by people with disabilities takes time, especially in FCS. The target would have been achievable in three years, but not in two.</p>	Adjust expected target from 20 to 10.




Fragility, Conflict and Violence

Policy commitment	Target	Status	Proposed adjustments
<p>4. By the IDA19 Mid-Term Review, conduct a systematic review of refugee policy and institutional environments in countries eligible for the Window for Host Communities and Refugees since their initial eligibility, to inform further support for the creation of socio-economic development opportunities for refugee and host communities in these countries.</p>	<p>14</p>	<p>Possible to be delivered for IDA19 MTR. A new Refugee Policy Review Framework has been developed and will be used for the systematic review. The review of policy changes will cover IDA18 and also offer a baseline for later assessments of IDA19 progress.</p>	<p>No proposed adjustments.</p>
<p>5. Support building client capacity in 50 percent of IDA FCS countries to use field-appropriate digital tools for collection and analysis of geo-tagged data; and apply this technology to enhance project implementation and coordination.</p>	<p>50 percent</p>	<p>Support to client capacity has been provided in seven IDA FCS countries. Meeting the target of 50 percent will mean supporting 16 IDA FCS countries with an active portfolio. To account for truncated IDA19 period and considering the time it takes to build a pipeline, it is proposed to reduce the target.</p>	<p>Adjust expected target from 50 percent to 33 percent.</p>
<p>6. Operationalize the FCV Envelope to provide enhanced and tailored support to IDA FCS. Also, IDA will deploy at least 150 more GE+ staff, including extended term consultants, to IDA FCS locations and nearby locations to serve IDA FCS.</p>	<p>150</p>	<p>As of end-December 2020, despite the challenges posed by COVID-19, there were 683 Bank GE+ Open/Term/ETC staff working in IDA FCS (as per the FY21 list) and nearby locations against a baseline of 650, i.e., a net footprint increase of 33 staff. Proposed adjustment equivalent to the one-year reduction to meet the target, i.e. a decrease from 150 to 100. As of March 2021, seven countries had established eligibility and been granted access to the FCV Envelope allocations.</p>	<p>Adjust expected target from 150 to 100.</p>


 Governance and Institutions			
Policy commitment	Target	Status	Proposed adjustments
1. Support at least 25 IDA countries to implement an integrated and programmatic approach to enhance debt transparency through increased coverage of public debt in Debt Sustainability Analysis and/or supporting debt transparency reforms, including requirements for debt reporting to increase transparency. ³³	25	Possible to meet original three-year target by FY22. Activities are planned or ongoing in 15 countries and demand is strong also in relation to the DSSI. There are currently no significant obstacles for engagement or delivery.	No proposed adjustments.
2. Support at least 25 IDA countries to bolster fiscal risk assessments and debt management capacity through a scale-up of fiscal risks monitoring and/or implementation of debt management strategies. ³⁴	25	Possible to meet original three-year target by FY22. Technical assistance on fiscal risk assessment and debt management remains in high demand, and activities are currently ongoing or underway in 15 countries.	No proposed adjustments.
3. Support the implementation of country programs which support the efforts of those IDA countries with tax revenues persistently below 15 percent of GDP to achieve an unweighted average increase in tax-	32	Thirty-three activities are ongoing or in the pipeline, but sustainably raising tax-to-GDP ratios is a slow process. An increase of one percentage point over a three-year IDA cycle was already ambitious before the pandemic. Due to the economic impacts of COVID-19, tax-to-GDP	No proposed adjustments,

³³ Support to this commitment will draw from a suite of instruments, including lending operations, diagnostics, and technical assistance.

³⁴ The actions under Policy Commitments 1 and 2 will focus mainly on moderate and high-risk countries, consistent with the focus of the SDFP. These actions could also help prevent deterioration in the risk of debt distress, including sharp (or rapid) deteriorations from low to high risk as observed in some cases.

 Governance and Institutions			
Policy commitment	Target	Status	Proposed adjustments
to-GDP ratios of one percentage point over the three-year IDA cycle, as part of collective efforts with partners.		ratios have dropped in IDA countries, and shortening the IDA19 timeframe puts this objective under further pressure. In light of this, it is highly likely that target as currently formulated will not be met.	
4. Support at least 20 countries to identify the governance constraints to the development, financing, and delivery of quality infrastructure investments, with particular attention to project preparation, procurement, environmental and social considerations, and integrity, to inform the adoption of policies and/or regulations for enhanced infrastructure governance in a majority of these. ³⁵	20	<p>Possible to meet three-year target on identifying governance constraints by FY22. There are currently 15 operations in various stages of development, and the pipeline is strong.</p> <p>Meanwhile, affecting regulatory changes will be challenging considering the natural lag from diagnostic to policy action, the impact of COVID-19 on governments' capacity, and the reduced implementation timeframe of IDA19. It is therefore likely that identification of governance constraints will not inform actual adoption of policies and/or regulations in <i>majority</i> of 20 IDA countries by FY22.</p>	No proposed adjustment.
5. Support at least 15 IDA countries with the lowest HCI to improve sustainability of human capital financing, including a focus on reaching universal health coverage and good learning outcomes for all, through: (i) improving the efficiency	15	Five countries have met the criteria, and support is planned for another 10. Some COVID-19 operations have been accompanied by structural measures to improve the systems' efficiency and sustainability of human capital financing in the long run, but there have also been some delays on in-depth work on long-term human capital	No proposed adjustments.

³⁵ Focus to be on countries identified with CPIA rating at 3 or less for Indicator 16 on Transparency, Accountability and Corruption. There are currently 55 IDA countries in this pool. 39 IDA countries remained below the 15 percent Tax-to-GDP threshold as of 2018. The commitment will target 32 among these through a new country-specific approach.

 Governance and Institutions			
Policy commitment	Target	Status	Proposed adjustments
of public expenditures, and (ii) more effectively aligning expenditures with domestic financing and external resources in a sustainable manner.		financing due to the focus on the pandemic response.	
6. Support at least 12 IDA countries to adopt universally accessible ³⁶ GovTech solutions. ³⁷	12	Twelve activities are ongoing or in the pipeline. Despite growing demand for GovTech, the shortened IDA19 implementation timeframe along with mission travel restrictions will reduce the number of countries that can be supported to meet the target.	Adjust expected target from 12 to eight.
7. Support at least 25 IDA countries to implement pandemic preparedness plans through interventions (including strengthening institutional capacity, technical assistance, lending, and investment).	25	The COVID-19 pandemic has increased demand, and the original target is likely to be exceeded even during the two-year implementation period. Eight countries have met the criteria and 20 are in the FY21-22 pipeline.	Increase expected target from 25 to 35 countries.
8. Support at least five countries to conduct comprehensive Illicit Financial Flows (IFF) assessments and prepare action plans. Also	5	Four IFF assessments are ongoing or planned, and 22 activities to support policy action are ongoing or planned. However, travel restrictions caused by COVID-19 combined with the shortened IDA19	Adjust expected target of five IFF assessments to two and adjust expected target for policy support from 20 to 12.

³⁶ ‘Universally accessible’ means that GovTech services are designed so that they can be accessed, understood, and used by all people, regardless of disability, age, use of assistive devices, location or means of Internet access. It applies to hardware and software.

³⁷ GovTech solutions include hardware, software, applications, and other technology to improve access and quality of public services; facilitate citizen engagement (CivicTech); and improve core government operations. These include enabling analog complements to strengthen institutions for GovTech implementation, including devising related strategies, building capacity, passing related laws on e-government, data access and use; and developing regulatory frameworks to facilitate interoperability.



Governance and Institutions

Policy commitment	Target	Status	Proposed adjustments
support at least 20 IDA countries to take IFF-related policy actions, such as increasing access to and awareness of beneficial ownership information and/or adopting automatic exchange of information to reduce tax evasion.		timeframe will necessitate adjusting the original targets.	
9. Support at least 50 percent of IDA countries to implement e-procurement systems and conduct detailed procurement data analytics, in order to increase efficiency of public spending and mitigate corruption risks.	50 percent	The COVID-19 crisis has made e-procurement even more important due to an increased reliance on digital technology to reinforce administrative services. Twenty-eight activities are ongoing or in the pipeline, but there has been a slowdown in rollout due to travel restrictions. Given the long-term nature of systemic eGP reforms, it is likely that IDA financial support will not manifest in fully concluded activities in 50 percent of IDA countries by FY22. The target would have been achievable in three years, but not in two. It may be considered to continue support for these activities in the next IDA cycle to ensure continuity.	Adjust expected target from 50 percent to 35 percent
10. Support at least 50 percent of IDA countries to establish and strengthen platforms for engaging with multiple stakeholders, including women as well as vulnerable groups, in policy making and implementation to enhance public participation, accountability and responsiveness.	50 percent	Two operations are currently in the pipeline. Multi-stakeholder engagement faces several practical implications, as in-person consultations have been constrained due to the pandemic. Reliance on online and other virtual engagements limit participation to those with internet access and digital literacy.	Adjust expected target from 50 percent to 40 percent.



Governance and Institutions

Policy commitment	Target	Status	Proposed adjustments
11. Support at least 95 percent of IDA FCSs (with active portfolios) to establish and/or strengthen core government functions to address FCV drivers. ³⁸	95 percent	Possible to meet original three-year target by FY22. Many activities are expected to be delivered toward the end of the two-year IDA19 timeframe.	No proposed adjustments.
12. Support 30 IDA countries, including those with ongoing statistical operations, ³⁹ to support institutions and build capacity to reduce gaps in the availability of core data for evidence-based policy making, including disaggregation by sex and disability. ⁴⁰	30	Possible to meet original three-year target by FY22. Target represents a net increase of 14. Ten operations have been approved and there is a healthy pipeline.	No proposed adjustments.

³⁸ Core government functions refers to: (i) public revenue and expenditure management; (ii) decentralization and service delivery; (iii) government employment and public administration; and (iv) the rule of law.

³⁹ This commitment would target 25 percent out of 51 IDA countries without ongoing statistical operations.

⁴⁰ Data disaggregation by sex and disability in the Data for Policy (D4P) package will be performed where it is appropriate, which corresponds to contexts where household survey data is amenable to disaggregation, specifically for data collected at the individual level. The D4P package will also continue promoting the production of sex and disability disaggregated statistics in countries where this is already available.

Annex 2. Update on IDA19 Results Measurement System and Proposed Adjustments

A. Tier 1: Long-Term Development Outcomes

1. Data for Tier 1 indicators, which report on the long-term development outcomes achieved by IDA countries and the broader context in which IDA operates, are not yet available. Progress against Tier 1 indicators is not attributed to IDA's interventions but illustrate the larger development context of IDA countries. As such, results reported in Tier 1 rely on data from databases which are managed by the World Bank (e.g., World Development Indicators database, Global FINDEX, PovcalNet, and the Women, Development and the Law database), and from external development partners (e.g., World Health Organization, International Monetary Fund, United Nations International Children's Emergency Fund, and Food and Agriculture Organization).

B. Tier 2: Development Results in Countries Supported by IDA Operations

No.	Indicator	Results Achieved (July 2020- February 2021)	Original Expected Range/Value (FY21-FY23)	Adjusted Expected Range/Value (FY21-FY22)
	Growth			
1	Farmers adopting improved agricultural technology (No. of people in million)	1.02 million	5-6 million	2.75 - 3.30 million
2	Area provided with new/improved irrigation or drainage services (ha)	316,144 ha	1.0-2.0 million ha	0.825 - 1.045 million ha
3	People provided with new or improved electricity service (No. people in million)	4.3 million	35-50 million	15 - 25 million
4	Generation capacity of renewable energy (GW)	1 GW	10 GW	4-6 GW
5	Beneficiaries reached with financial services (No. people in million)	3.5 million	3-4 million (o/w 95% individuals, 5% businesses)	No Change
6	Beneficiaries in IDA countries of job-focused interventions (No. people in million)	8.5 million	Monitored	Monitored
7	Number of people with enhanced access to transportation services (No. people in million)	3 million	90-105 million	45-50 million
8	Number of people provided with enhanced access to broadband internet (No. of people in million)	20 million	50-60 million	35-40 million
	Human Capital			
9	Beneficiaries of social safety net programs (No. of people in million)	35 million	30-40 million	30-50 million
10	People who have received essential health, nutrition, and population services (No. of people in million)	53.2 million	220-370 million	113-220 million
	(i) Children immunized (million)	8.7 million	(i) 85-140 million	30-75 million

No.	Indicator	Results Achieved (July 2020- February 2021)	Original Expected Range/Value (FY21-FY23)	Adjusted Expected Range/Value (FY21-FY22)
	(ii) Women and children who have received basic nutrition services (million)	38.3 million	(ii)100-150 million	75-125 million
	(iii) Number of deliveries attended by skilled health personnel (million)	6.2 million	(iii) 35-80 million	8-20 million
11	Number of large-scale assessments completed at primary or secondary level (Number of assessments)	9 assessments	30-40 assessments	20-30 assessments
12	People provided with access to improved water sources (No. of people in million)	2.9 million	25-35 million	12-23 million
13	People provided with access to improved sanitation services (No. of people in million)	1.4 million	15-20 million	7-13 million
14	People provided with improved urban living conditions (No. of people of million)	5.7 million	10-15 million	10-12 million
	Resilience and Sustainability			
15	Projected energy or fuel savings (Megajoules)	Not available	5.5e9 MJ – 6e9 MJ	2.0 - 2.5e9 MJ
16	Net GHG emissions (tCO ₂ eq / year)	-295,326 tCO ₂ eq / year	Monitored	Monitored
17	Countries supported toward institutionalizing disaster risk reduction as a national priority with IDA support (No. of countries)	45 countries	30-40 countries	30-45 countries
	Institutional Capacity			
18	Number of IDA countries publishing annual and timely debt reports (No. of countries)	20 countries	30-35 countries	No Change
19	Number of IDA countries that were provided statistical capacity building support by the WBG for the implementation of household surveys (No. of countries)	50 countries	>60 countries	55 countries
20	Number of IDA FCS supported in building capacity to use field-appropriate digital tools for collection and analysis of geo-tagged data, and apply this technology to enhance project implementation and coordination (No. of countries) (FCV PC#5)	7 countries	16 countries	11 countries

C. Tier 3: Operational and organizational effectiveness of IDA

No.	Indicator	Unit of Measure	Reported Results (July 2020-February 2021)	Original Expected Range/Value (FY21-FY23)	Adjusted Expected Range/Value (FY21-FY22)
	Development Outcome Ratings				
1	Satisfactory outcomes of IDA Country Partnership Frameworks	%, IEG rating (4-year rolling)	54% ¹	70% (4-year rolling)	No Change

No.	Indicator	Unit of Measure	Reported Results (July 2020-February 2021)	Original Expected Range/Value (FY21-FY23)	Adjusted Expected Range/Value (FY21-FY22)
2	Satisfactory outcomes of IDA operations:				No Change
	i) as a share of commitments	%, IEG ratings (3-year rolling)	81% ²	80% (3-year rolling)	No Change
	ii) as share of operations	%, IEG ratings (3-year rolling)	77% ²	75% (3-year rolling)	No Change
3	Client feedback in IDA countries on WBG effectiveness and impact on results	Average rating scale: 1-10	No update available	7 (Annual)	No Change
4	Client feedback in IDA countries on WBG knowledge	Average rating scale: 1-10	No update available	7 (Annual)	No Change
Performance and Quality					
5	Satisfactory Bank performance in IDA-financed operations				
	i) overall	%, IEG Ratings	84.1%	80%	No Change
	ii) at entry		74.2%	Monitored	No Change
	iii) during supervision		85.4%	Monitored	No Change
6	Quality of M&E in IDA-financed operations	%, IEG ratings (3-year rolling)	49.6%	60%	No Change
7	Advisory Services and Analytics objectives accomplished	%, Client ratings	91%	80%	No Change
8	Projects with beneficiary feedback indicator at design	%	98% ⁴¹	100 (Annual)	No Change
Operational Efficiency and Responsiveness					
9	Disbursement ratio	%	10.3%	20 (Annual)	No Change
10	Proactivity Index	%	83%	80%	No Change
11	Client feedback on WBG on responsiveness and staff accessibility	Average rating scale: 1-10	No update available	7	No Change
12	Client feedback on WBG on collaboration with other donors	Average rating scale: 1-10	No update available	8	No Change
Financial Sustainability and Budget Sustainability					
13	IDA Budget Anchor	US\$ millions	No update available	<=100	No Change
14	Bank budget to Portfolio Volume Ratio (per US\$ billion under supervision)	US\$ millions	No update available	Monitored	No Change
15	Average cost of IDA supervision projects (implementation support)	US\$ thousand	No update available	Monitored	No Change

⁴¹ Data as of end of Q1 FY21

No.	Indicator	Unit of Measure	Reported Results (July 2020-February 2021)	Original Expected Range/Value (FY21-FY23)	Adjusted Expected Range/Value (FY21-FY22)
Implementation of IDA Special Themes and Cross-Cutting Issues					
Jobs and Economic Transformation					
16	Share of IDA19 CPFs which reflect at least one of the following four key principles underpinning economic transformation: - Sectoral productivity - Value chain expansion - Increased productive capital stock or investment in energy, transport, manufacturing or services - Export sector output/value added; trade facilitation	%	100%	100%	No Change
17	Total private mobilization of WBG-supported operations/transactions in IDA countries. - Direct mobilization (US\$ billion) - Indirect mobilization (US\$ billion)	US\$ billions	Direct: US\$0.4 B Indirect: US\$0.6 B	Monitored	No Change
Gender and Development					
18	Percentage of IDA-supported projects that demonstrate a results chain by linking gender gaps identified in analysis to specific actions that are tracked in the results framework (%)	%	79%	60%	No Change
19	Number of IDA-supported operations that address and respond to gender-based violence (GBV) (number)	Number	13	Monitored	No Change
Climate Change					
20	Share of climate co-benefits over total commitments in IDA-supported operations (%)	%	32%	30%	No Change
21	Share of adaptation co-benefits over total climate co-benefits in IDA-supported operations (%)	%	69%	50%	No Change
22	IDA financing commitments with disaster risk management co-benefits (US\$ billion)	(US\$ billions)	1.2 billion	3-5 billion	No Change
Fragility, Conflict and Violence (FCV)					
23	Facetime Index in FCS	Index	No update available	Monitored	No Change
Governance and Institutions					
24	Number of IDA countries with the lowest Human Capital Index supported to improve the sustainability of human capital financing (as per G&I PC#5)	Number	5 countries	15 countries	No change

No.	Indicator	Unit of Measure	Reported Results (July 2020-February 2021)	Original Expected Range/Value (FY21-FY23)	Adjusted Expected Range/Value (FY21-FY22)
25	Number of countries supported by IDA to take IFF-related actions (as per G&I PC#8)	Number	0	20 countries	12 countries
	Disability				
26	Share of IDA IPF operations that applied the concept of universal access at design (% of approved IDA IPF in FY).	%	9.3% ³	Monitored	No Change

¹ Analysis based on 4 CLRs available for FY21 up to February 23, 2021.

² Percentage of closed IDA projects reviewed by IEG (FY17-FY19 exits) rated Moderately Satisfactory, Satisfactory, or Highly Satisfactory.

³ Corresponds to 69 out of 742 IDA IPFs (of these 75 percent are active projects, and 25 percent currently in pipeline).

Annex 3. Examples of IDA-Supported COVID-19 Response Operations

1. **IDA, consistent with the WBG COVID-19 Crisis Response Approach Paper,**⁴² has redoubled efforts to address the needs of the world's poorest countries as they respond to the **COVID-19 pandemic.** The WBG's COVID-19 crisis response anchors in four pillars: Pillar 1 - *Saving Lives*; Pillar 2 - *Protecting Poor and Vulnerable People*; Pillar 3 - *Ensuring Sustainable Business Growth and Job Creation*; and Pillar 4 - *Strengthening Policies, Institutions and Investments for Rebuilding Better*. Over three quarters (between FY20 Q4 and FY21 Q2), the WBG delivered US\$32.5 billion in financial support for the COVID-19 crisis response, with IDA accounting for 43 percent (US\$14 billion) of total commitments. IDA operations were directed as follows: US\$2.4 billion (17 percent) for Pillar 1, US\$5.1 billion (36 percent) for Pillar 2, US\$1.3 billion (9 percent) for Pillar 3, and US\$5.3 billion (38 percent) for Pillar 4. Below is a summary of some of the early results from IDA supported COVID-19 operations.

A. Pillar 1: Saving Lives

2. **IDA has supported client countries' capacity on testing, containment, and treatment of the virus, along with awareness-raising and sensitization campaigns.** IDA contributed to strengthening national systems for public health preparedness. Operations often also included cash transfers and other psychosocial support to vulnerable populations. Examples of Pillar 1 operations include:

- a. ***Ethiopia - COVID-19 Emergency Response and Health Systems Preparedness Project:*** The project supporting the Government develop counter measures to lessen the devastating effects of COVID-19. National capacity of confirmatory testing has been developed since early February 2020, with approximately 69 functional labs with COVID-19 testing capacity across all regions and more than 1.1 million tests conducted by September. Three hundred and thirty-two isolation, 50 quarantine and 64 treatment centers were established to provide these services, with daily testing capacity increasing to an average of 20,000. Toll-free call centers are now operating 24 hours a day, seven days a week at the national and subnational levels, with an average of 8,000-10,000 calls being responded to daily. Health screening of passengers for COVID-19 at international airports and designated ground crossings has been underway since January 24, 2020. Currently, there are 27 active passenger screening points in the country.
- b. ***Ghana - COVID-19 Emergency Preparedness and Response Project:*** The project was designed to help strengthen Ghana's National Laboratories by providing robust systems for the early detection of COVID-19 cases while providing real time disease surveillance and reporting systems of outbreaks. A system of laboratories has been expanded from two to sixteen with streamlined digital solutions for timely case detection, diagnosis, and reporting, and has helped perform more than 925,000 tests. Through the strengthened surveillance system, 1,340 surveillance officers were trained. Case management capacity has been reinforced with 21 treatment centers in 10 regions. The timely support for the inter-ministerial coordination committee enabled policymakers to develop policies and legislative instruments and to enforce public health measures to contain the virus. A call center and COVID-19

⁴² See World Bank, "World Bank Group COVID-19 Crisis Response Approach Paper: Saving Lives, Scaling-up Impact and Getting Back on Track" (Washington, D.C.: World Bank Group, 2020).

information centers were established in all the 16 regions. As a result, a recent survey showed that 97 percent of citizens were aware of COVID-19, 70 percent knew the symptoms, and 83 percent reported to have sufficient information about it. To date, over 20,000 people with disability received psychosocial support, wheelchairs, and protected gears to prevent the infection.

- c. ***Lao PDR - COVID-19 Response Project.*** The project has contributed to building the country's readiness and response capacity for COVID-19 through delivering emergency medical equipment and supplies across all 18 provinces and enhanced clinical and technical capacity of health professionals at all levels. 497 health staff have been trained in infection prevention and control per MOH-approved protocols, and 1062 staff trained in safe water sanitation and hand hygiene, cleaning, and disinfection to enhance preparedness and response capacity at health facilities. To prevent disruption of essential health service delivery, the project through the PEF grant procured the essential vaccines for routine immunization to provide enough quantities of vaccines for 112,400 children for MR for both 2020 and 2021, and 82,033 children for Pentavalent, and 27,300 girls for HPV vaccines in 2021.
- d. ***Tajikistan - Emergency COVID-19 Project.*** This was one of the first approved operations in the Europe and Central Asia region supporting the Government's health and social response to the COVID-19 pandemic. To date, over US\$9 million has been disbursed and approximately US\$6 million has supported the procurement of critical medical equipment, personal protective equipment (PPE), and refurbishment of intensive care units completed in eight hospitals. In addition, approximately US\$3 million in cash transfers were made to ensure adequate nutrition for households with children under the age of three, reaching between 170,000-210,000 people. Tajikistan's high rates of childhood malnutrition make it susceptible to the economic shocks of COVID-19 and these cash transfers to vulnerable households with young children are helping to protect the country's investments in human capital.

3. **IDA's support has been also been instrumental for FCS and Small States to respond quickly to the pandemic.** Key results in these countries include enhanced capacity of laboratories and healthcare facilities with testing and medical supplies, equipment, and trained staff.

- a. ***Kosovo - Emergency COVID-19 Project.*** The project is addressing the emergency health and social needs of the population. To date, approximately US\$34 million in social assistance has been paid to nearly 283,000 people, helping to weather the economic hardships resulting from COVID-19. On the health side, nearly US\$10 million in contracts have been signed for critical goods, equipment, and medicines under the project. In addition, US\$4 million has been reallocated via restructuring to support procurement of medical equipment and supplies, medical beds, and PPEs under the ongoing Kosovo Health Project.
- b. ***Yemen - COVID-19 Response Project.*** The project was designed to help the country respond and mitigate the risks associated with the COVID-19 outbreak, limiting the possible extent of the spread of the disease in the country. Up to now, six central public health laboratories have been equipped with COVID-19 diagnostic equipment, test kits and reagents, and 37 isolation units were established in 22 governorates and over 39,000 polymerase chain reaction diagnostic tests, 10,000 ribonucleic acid isolation kits and other laboratory accessories were

provided. Seven hundred and seventy healthcare staff were trained in infection prevention and control as per WHO protocols, and about 1,700 governorate and district rapid response team staff were trained.

- c. ***Djibouti - COVID-19 Response Project.*** The project is supporting the implementation of Djibouti's Preparedness Plan for COVID-19. So far, more than 112,000 suspected cases of COVID-19 have been reported and investigated based on national guidelines. Hundred percent of acute healthcare facilities now has triage capacity. Together with the *Toward Zero Stunting in Djibouti Project*, more than US\$8.5 million worth of medicines, supplies, consumables and equipment has been procured, including more than US\$250,000 worth of PPE, vital sign monitors, electric beds, echocardiogram machines, mobile respirators, polymerase chain reaction machines and portable x-ray machines.
- d. ***Saint Lucia's Victoria Hospital.*** IDA played a critical role in improving health infrastructure in the facility which was successfully refurbished to serve as a respiratory hospital for COVID-19 patients, adding available beds in specially designed isolation units. Select hospitals were also retrofitted to improve water capacity and over 500 water tanks were provided to farmers, agencies, and the elderly, through community-based organizations.
- e. ***Samoa - COVID-19 Emergency Response Project.*** Due to the absence of the COVID-19 cases in the country, activities supported by the project have been mostly focused on prevention and building health system resilience. The project has been financing procurement of PPEs/medical equipment/medical supplies/lab testing kits through a contract with UNOPS, which was signed shortly after the project effectiveness, and items purchased under the contract have been delivered to the country. Trainings for health workers have been conducted on priority areas of COVID-19 response, including: (i) case detection, management and treatment (383 total workers trained), (ii) infection prevention and control (662 total trained); (iii) medical care waste management (378 total trained); (iv) risk communication and community health promotion; and (v) laboratory biosafety standard and regulation. For medium-long term country resilience strengthening, the IDA-financed project, with co-financing from New Zealand, has started the work to build a public health laboratory in Samoa, which will be the first public health laboratory among Pacific Island countries.

B. Pillar 2 - Protecting Poor and Vulnerable People

4. **IDA interventions in support of Pillar 2, such as cash transfers, helped cushion the impact of income losses, while remote learning tools mitigated human capital losses.** IDA has helped countries protect poor and vulnerable households and communities from the economic and social shocks of the crisis, restore human capital, and promote equity and inclusion in the recovery.

- a. In ***Bangladesh, the Cash Transfer Modernization Project*** helped respond to the economic impacts of COVID-19. As of August 2020, US\$166 million has been disbursed to more than 4.4 million beneficiaries under the project's Contingent Emergency Response Component (CERC) to co-finance ongoing cash transfers for poor elderly, widows, and disabled persons. These cash transfers were expedited due to the COVID-19 crisis to ensure vulnerable groups had cash on hand to weather the negative economic impacts.

- b. ***Tonga - Supporting Recovery After Dual Shocks DPO.*** In response to two major shocks to the country's economy – COVID-19 and Category 4 Tropical Cyclone Harold – the project is supporting an economic and social stimulus package that includes social welfare payments to more than 4,400 elderly Tongans and more than 1,000 people living with disabilities, and financial support for secondary school students to stay in school (over 5,800 female students and over 6,300 male students). The operation also supports businesses to retain their workers through wage subsidies for more than 5,300 workers from over 670 businesses that have been hit by the dual crises. This is the first scheme of its kind to be implemented in Tonga and one of only a few such instruments in the Pacific. The Government has also provided financial support to more than 2,100 formal and informal businesses (over 600 formal and over 1,500 informal), including for example, urgent assistance for businesses in the tourism industry.

5. In the education sector, IDA is helping countries mitigate learning loss, protect the most vulnerable and strengthen education systems to withstand the crisis and be resilient to future crises.

- a. In ***Sierra Leone***, IDA supported the initial implementation of the Government's COVID-19 education response. Just one week after schools were closed in March 2020, the Government was able to provide the Radio Teaching Program as a distance education alternative, reaching about 1.4 million children, half of which were girls. The Ministry of Basic and Senior Secondary Education adapted the school safety protocols and psychosocial support guidelines developed during Ebola to keep children and teachers safe. These documents have been distributed to all 11,000 primary and secondary schools and about 22,000 teachers were trained on their use. To maintain the minimum hygiene standards for COVID-19 prevention, all primary and secondary schools have been equipped with hygiene and safety products such as face masks, soaps, buckets, and infrared thermometers. The Government implemented communications and sensitization campaigns about COVID-19 spread and prevention, gender-responsive actions, and back-to-school.
- b. ***Afghanistan - Second Skills Development Project.*** The project was restructured to mobilize funding, technical assistance, and procurement support for the "Alternative Learning Plan" to ensure learning continuity and undertake needed remediation in response to serious disruptions caused by COVID-19 crisis. Progress over the last six months include the development and deployment of the web-portal, distribution of digital learning resources such as prioritized chapter notes, remediation efforts to catch up on missed learning time, and fast-tracking of the development of a longer term digital learning resource platform. As Afghanistan's TVET Authority adapts to the ongoing crisis and focuses on printing and digitization of self-study guides and final preparations for video recorded lessons in priority trades, IDA is continuing technical support to roll out and scale up these immediate and longer term distance learning activities and systems.
- c. In ***Saint Vincent and the Grenadines***, IDA is helping 13,000 students and 2,000 teachers to adapt to schooling during the COVID-19 lockdown, when the Government had to close the 231 educational institutions. The World Bank worked with Government to develop a COVID-19 Action Plan to guide the safe re-opening of schools. School safety assessment and disaster plans were also revised to ensure that schooling could resume as soon as possible after an emergency.

6. **IDA’s response to COVID-19-induced food insecurity primarily focused on urgent short-term measures, though a large share of IDA’s support has continued to focus on medium- and longer-term investments in resilience to address the underlying drivers of food insecurity and building back better.** IDA is providing support to food insecurity “hotspots” – geographical areas at greatest risk of food insecurity crises.

- a. In **Haiti**, in April 2020, the CERC for the ongoing *Resilient Productive Landscapes in Haiti Project* was activated to provide US\$9.5 million to support food security during the pandemic by safeguarding the next two cropping seasons. This has so far supported more than 16,000 agricultural households, reaching more than 80,800 beneficiaries in the Nippes and South regions, and provided farming and technical support for more than 11,300 hectares of cropland. The initiative also includes communications campaigns to promote social distancing and sanitation measures during implementation.
- b. Similarly, the *Livestock Dairy Development Project in Bangladesh* activated a CERC to provide, among other things, cash transfers to 620,000 small-scale vulnerable dairy and poultry farming households.

C. **Pillar 3 - Ensuring Sustainable Business Growth and Job Creation**

7. **IDA’s support on Pillar 3 is showing promising early results, particularly in its support to small and medium enterprises that have been hit hard by the pandemic.** The objective of the WBG’s economic response is to promote sustainable business growth and job creation by assisting countries to help firms survive the initial crisis shock, restructure, and become more resilient in the recovery.

- a. **St. Lucia:** The social protection system is insufficient in St Lucia and small businesses have limited access to financing. To avoid long-term impacts on the poor and the vulnerable, the *COVID-19 Response, Recovery and Resilience Development Policy Credit* assisted with subsistence allowance to the formal sector. Regulations were approved to provide subsistence allowance to formal workers negatively impacted by the crisis. Percentage of formal workers that received income support due to job loss reached 80 percent by end of 2020, of which 55 percent were female. The project is also supporting liquidity and business continuity for enterprises through a fifty percent allowable deduction of income tax on interest income earned from lending to MSME by licensed commercial banks for purposes of determining their corporate income tax liability for income years 2020 to 2022; and a partial waiver of commercial property tax for landlords who extend moratorium or rent reductions to their tenants.
- b. **Kosovo - Financial Sector Strengthening Project.** The project was designed to improve access to finance for micro, small and medium sized enterprises (MSMEs) by strengthening the financial and technical capacity of the Kosovo Credit Guarantee Fund (KCGF), which has been playing a key role in the government’s efforts to support the domestic private sector weather the impact of COVID-19. To provide the needed liquidity to KCGF, the government requested the World Bank to change the terms of the project and increase its disbursement ceiling. The Bank agreed to a one major “bullet” disbursement of EUR21.4 million, which was made in December 2020, allowing KCGF to quickly implement the government’s support program for MSMEs. By end January, KCGF had already allocated EUR 12 million undersigned guarantee

agreements with 8 domestic banks and received the first set of applications from the banks for 112 loans to 94 MSMEs. During January and February 2021, EUR 4.57 million of guarantees were issued by the domestic banks. The fast injection of capital from the project has allowed KCGF to respond rapidly to a surge in demand due to COVID from a lesser-served and higher risk segment of businesses.

- c. The *Sierra Leone Agro-Processing Competitiveness Project* provided emergency support to agro-processing Small and Medium Enterprises (SMEs) halted by the pandemic. It helped ensure business continuity, resilience, safeguard jobs, incomes, and livelihoods. Twenty-five agro-processing SMEs, of which 13 are women-owned and women-led, received targeted grants totaling US\$1.3 million to ensure business continuity and resilience in the face of the pandemic shock. Two hundred and ten staff members of these SMEs were retained together with hundreds of part-time and casual laborers, and raw material supply relationships with over 10,000 smallholder farmers and over 500 low-income retailers were maintained.
- d. *Grenada*: Although infections and mortality have been broadly controlled in Grenada, the health system is under pressure and being threatened by the pandemic. The socio-economic impacts of the crises on Grenada are unprecedented, with tourism almost completely halted. The *Grenada COVID-19 Crisis Response and Fiscal Management Development Policy Credit* not only helped the Government prevent the spread of the virus, with support for adopting public health regulations, but prepared the economy for a more resilient re-opening and recovery. Among the measures taken were the adoption of new public health regulations that govern the national response to COVID-19 and appropriate health protocols to support a safe reopening of the economy. The Government also approved a temporary unemployment benefit program through the National Insurance Scheme to cushion the effect on workers who have been laid off as a direct result of the pandemic; and temporarily suspended the two percent increase in National Insurance Scheme contributions that had been introduced in January 2020 to reduce labor cost to firms and increase disposable income for workers.

D. Pillar 4 - Strengthening Policies, Institutions and Investments for Rebuilding Better

8. **For IDA countries, building back better means delivering on immediate responses in the relief and restructuring stages while maintaining a line of sight to long-term goals with greener, more inclusive, and resilient recovery strategies.** IDA has been supporting clients to pursue green, inclusive, and resilient solutions during the crisis and before it. ASAs have shown results that have informed interventions to support BBB.

- a. *The Dominica COVID-19 Response and Recovery Fiscal Policy Technical Assistance* supported the Ministry of Finance in strengthening its fiscal response to the COVID-19 pandemic, while continuing to lay the foundation for a sustainable fiscal path over the medium and long term. The project helped prepare a Cabinet decision committing to the development of a Fiscal Risk and Responsibility Framework responding to COVID-19 and is now helping to develop a workplan and timeline for preparation and approval of the framework by Cabinet and Parliament prior to May 2021.
- b. From the onset of the COVID-19 pandemic, the IDA team has focused significant efforts on providing support to the Government of the *Kyrgyz Republic* and the State Tax Service to respond to the crisis. Recommendations of the advisory support focused on prioritizing time

bound tax administration measures, use of “administrative” relief rather than legal changes in tax rates and introduction of targeted rather than across-the-board tax relief. Specific recommendations were also provided on proposed recalculation of the tax based on a patent, revision of tax contract obligations, implementation of a Value Added Tax refund mechanism for certain industries, exemptions for payment of property tax, and development of e-commerce. Under the redesign of business processes, the project transformed eight existing paper-based tax certificates for taxpayers into e-services.

- c. ***In Senegal***, in response to the impact of COVID-19 the authorities rolled out several measures, targeting the hardest hit sectors. For example, the Budget Law 2021 provided support to companies most affected by this crisis – those operating in the tourism sector. Government allowed companies in the sector exemption from provisions of the General Tax Code and will thus not to seek payment of Value Added Tax. In addition, government exempted such companies from the remittance of taxes on the salaries of their employees, corporation tax, flat-rate minimum tax, local economic contribution, land contribution of built properties, land contribution of unbuilt properties and lump sum contribution to the employer's expense. The Bank is supporting the government to improve the Medium-Term Revenue Strategy implementation matrix to ensure effects of COVID -19 are factored in.

- d. In ***Grenada***, extensive efforts have gone into utilizing state of the art technology to improve risk-informed decision making. For example, a real-time hydrometeorological monitoring system has been deployed across the island that will improve the data collection required for assessing climate change impacts; enhance the ability to issue more accurate flood warnings; and boost agricultural productivity through providing data vital for managing droughts. In collaboration with the UK Hydrographic Office, an aerial LiDAR (laser guided remote sensing) and Orthophotography survey has also been completed for Grenada; the surrounding waters, and historical aerial imagery, dating back to the 1940s, has been digitized and georeferenced. The resulting data will be critical in informing Grenada’s long-term development planning and will also allow for the investigation of the impacts of environmental and land use changes over the last 80 years.