

**ISLAMIC REPUBLIC OF MAURITANIA: THIRD POVERTY REDUCTION
STRATEGY PAPER****AND JOINT STAFF ADVISORY NOTE****CHAIR'S SUMMING UP*****Meeting of Executive Directors****August 4, 2011**

The Executive Directors discussed the Third Poverty Reduction Strategy Paper (PRSP) for 2011 – 2015 prepared by the Government of the Islamic Republic of Mauritania and the Joint IDA-IMF Staff Advisory Note (IDA/SecM2011-0477).

Directors commended the Authorities for preparing the third PRSP that draws on the lessons learned from the first and second PRSPs, and includes extensive feedback from the consultative process undertaken with stakeholders and other development partners. They encouraged the authorities to continue their efforts to keep the PRSP process an inclusive and consultative one throughout its implementation. Directors particularly welcomed the candid and sobering assessment of the weak implementation of previous PRSPs and the authorities' commitment and efforts to learn from the past by strengthening the monitoring and evaluation aspects of the strategy. In this regard, they highlighted the urgent need to improve the statistical capacity to collect and analyze data to successfully follow up the activities and correctly capture the impacts of the third PRSP's related actions.

Directors expressed broad support for the strategy, its focus on inclusive growth, agriculture, rural development, private sector, governance and improvement in service delivery and social protection. They acknowledged the country's prudent macroeconomic framework and continued commitment, noting that the economy has resumed solid growth. However, Directors urged the authorities to carefully manage the natural resource sector to ensure that it contributes effectively to the achievement of the third PRSP's objectives. Directors also noted the central role of public finance management in achieving the strategy's objectives and highlighted the need to improve efficiency of budget allocation and adopt a more transparent and process-based budgetary execution.

On private sector development, Directors emphasized the need to improve the investment climate and labor market conditions critical for economic growth. In this context, several Directors urged IFC and MIGA to play a critical role in increasing private investment in the country.

Directors noted the mixed outcome regarding the MDGs and highlighted the need to increase efforts to accelerate progress particularly in health and education. The need to pay greater attention to gender inequality, security, and adaptation to climate change was also highlighted. Directors also emphasized the need to focus on unemployment and job security.

Finally, Directors urged greater donor coordination with the Government taking the lead which would promote greater country ownership and reduce transaction costs. The need for the Bank to use its convening power to mobilize additional financial support was also stressed.

*This summary is not an approved record.