

# ROADMAP FOR THE ADVANCED IDA20 REPLENISHMENT

1. The proposed process for Advanced IDA20 replenishment is to start with a launch meeting on April 14-15, 2021 and end with a pledging session in December 13-14, 2021. In between, two meetings are planned, tentatively set for June 23-24 and another for October 20-21. (In the event of a virtual meeting, an additional day may need to be added.) The IDA20 Board of Governors (BoG) resolution is expected to be approved by March/April 2022, following the traditional timeline for IDA replenishments. The IDA20 commitment period will start on July 1, 2022. IDA20 effectiveness, by which 60 percent of donors’ Instrument of Commitment (IoC) are received, will be targeted to be reached in March 2023. The tentative schedule and the roadmap for discussing and reaching an agreement on the IDA20 policy and financing package is outlined in Figure 1.

**Figure 1: Timeline for Advanced IDA20**



2. A number of papers will be prepared for discussion at the April meeting. To adequately inform the IDA20 launch, the review of IDA19 implementation will present the demand for IDA financing in FY22 and propose the adjustments required for IDA19 financing (volumes and terms, and reallocations due to advancing of IDA20) as well as the resulting carryover of IDA19 financing to IDA20. To maintain continuity of the Performance and Policy Actions (PPA) implementation across IDA cycles, an adjustment to set aside mechanism under the Sustainable Development Finance Policy (SDFP) will be proposed for consideration. Following up on previous discussions on balance sheet optimization options, a paper on Balance Sheet Optimization will also be prepared

to discuss how balance sheet optimization measures can potentially be integrated into the IDA20 financing framework. Finally, a paper will present how IDA is uniquely positioned to support IDA clients to get back on track, by accelerating recovery and building back better and greener, including a proposal for the IDA20 over-arching theme, special themes and cross-cutting issues.

3. **The IDA19 Mid-term Review (MTR) papers** will be discussed over several meetings between the Spring and Fall to inform the IDA20 replenishment discussions. The MTR commitments include, *inter alia*, the second-stage analysis on solutions that would benefit IDA countries in accessing local currency financing while preserving IDA's long-term financial sustainability, IDA capital adequacy framework review, a review of the structural gap in the reported Partner burden shares, including drivers of the increase in recent replenishments and options to address the issue, and a review of the first year implementation of SDFP.