

CHAIRMAN'S SUMMARY
Fourth IDA15 Meeting
Dublin, Ireland
12-13 November, 2007

1. Deputies of donor countries, joined by representatives of borrower countries and observers from other multilateral banks and agencies, met in Dublin, Ireland for the fourth meeting of the Fifteenth Replenishment of IDA resources (IDA15). Mr. Eddie Sullivan, Secretary General, Public Service Management and Development at the Department of Finance opened the meeting and welcomed participants to Dublin. Participants thanked the Government of Ireland for their generous hospitality and welcomed observers from Argentina, China and Croatia.
2. Participants welcomed IDA's progress in implementing the Paris Declaration on Aid Effectiveness while noting that significant challenges remain. They requested IDA to set high standards for itself and take the lead in harmonization and alignment in line with its role as a platform for development assistance. The meeting endorsed the measures proposed in the paper to strengthen IDA's contribution to harmonization and alignment. In particular, participants supported measures to reduce the number of parallel Project Implementation Units (PIUs) and endorsed the proposal to make integrated project management the default option in new operations. The meeting further endorsed proposals to: review IDA's performance on predictability of disbursements; update CAS good practice guidance; continue participation in division of labor exercises at the country-level; and make further efforts to engage with non-traditional partners, including by facilitating "South-South" cooperation. They requested that, in time for the next meeting in Berlin, Management update the matrix of actions for harmonization and alignment that was presented at the IDA14 Mid-Term Review with the recommendations from the IDA15 papers on harmonization and alignment and results. They also urged the development of a World Bank Action Plan for Harmonization and Alignment for country-level effectiveness in preparation for the High Level Forum on Aid Effectiveness to be held in Accra in September 2008.
3. Recognizing the centrality of country ownership, participants underscored the importance of robust country systems and a continued focus on capacity building. In this context, they welcomed progress under the Good Practice Principles on conditionality in development policy operations (DPOs), looked forward to the upcoming Board discussion on conditionality in DPOs and requested that progress be reviewed again before the IDA15 Mid-Term Review. Participants noted progress on analytical work carried out jointly with other partners, and encouraged Management to strengthen the preparation of country and sector strategies and improve the conduct of poverty and social impact assessments (PSIAs). Participants looked forward to the revised good practice note on these assessments, to be posted on the World Bank website in January 2008, and welcomed plans to review the disclosure policy.
4. Decentralization was seen as critical to IDA's platform role and to advance progress on harmonization and alignment. Management committed to addressing this important issue by reviewing, *inter alia*, appropriate skills mix, staff incentives, costs and benefits with special attention to fragile states. It was also recognized that this work would need to address increased delegation and devolution of authority to country offices. Management will also explore the possibility of developing numerical targets for the IDA15 period. Management agreed, as a first step, to provide baseline

figures as part of the World Bank Action Plan for Harmonization and Alignment for country-level effectiveness and to report back on the overall exercise and the resulting operational and policy recommendations at the IDA15 Mid-Term Review.

5. Participants discussed the role of the Results Measurement System in strengthening the focus on results at the country-level as well as in IDA programs and projects. They recognized that while significant progress was made, there is still scope for improvements, especially in closing the statistical gaps in IDA countries, particularly in Sub-Saharan Africa. They encouraged Management to continue strengthening and monitoring statistical capacity in line with partner country priorities during IDA15, including measurement of country statistical capacity ratings, development of a data standards system to help IDA countries track their progress in statistical capacity building, and collaboration with a group of donors to strengthen statistical capacity in priority countries. Further, there was unanimous support for Management's proposal to further improve the Results Management System as described in the paper. Participants noted the value of the concrete country, sector and project level results contained in [IDA at Work](#) website in explaining the role of IDA to their various constituencies. Management will report on the progress and implementation of the results agenda at the IDA15 Mid-Term Review.

6. Participants endorsed the goal of closer IDA and IFC collaboration in support of private sector development in low income countries and welcomed ongoing efforts to enhance this collaboration. However, there was consensus that the specific proposal on IDA lending without sovereign guarantee will not be included in the IDA15 Deputies' report, due to the strong reservations expressed by most participants. They urged Management to continue to pursue, with the IDA and IFC Boards, further options to increase the IFC-IDA collaboration and to inform deputies of progress.

7. There was broad recognition that climate change has gained impetus and urgency as a development issue and that the poorest countries and communities are likely to suffer most from the impact of climate change. There was agreement that IDA's work on climate change should be closely linked to and be consistent with its core poverty reduction and economic growth mandate. Participants recognized that the main priority in IDA countries would be adaptation to the adverse effects of climate change, supplemented by selective mitigation actions, such as expanding access to clean energy and improved forest and land management. They urged IDA to use its multi-sectoral approach to mainstream climate actions into country strategies in line with national priorities. Management's commitment to continue coordinating climate change actions with other development partners, especially the GEF, was welcomed. Some participants underlined the need to clarify in the near future the respective roles of IDA and GEF in climate change through these organizations' governance processes. Management agreed to report to the Deputies on the progress and implementation of the climate change agenda at the IDA15 Mid-Term Review.

8. Participants recognized IDA's platform role, its performance and results-orientation as well as significant country needs, improving growth performance and increasing absorptive capacity. In that light, most participants expressed strong support for the updated financing scenario presented by Management for the IDA15 replenishment which includes the proposed additional World Bank Group transfers. This scenario will be used as the reference point for donor pledges.

9. Participants discussed the updated cost estimates for IDA's debt relief provided under the HIPC Initiative and the MDRI. There was broad agreement to use a 9-year standard encashment schedule¹ for IDA15 and to utilize a discount rate of 4.0 percent per year for accelerated encashment of donor contributions in IDA15. Several participants agreed to use scaled up burden shares to cover the structural financing gap in debt relief compensation, while urging all donors to deliver on their MDRI commitments. Management will continue to analyze the structural gap in future replenishments.

10. Management thanked participants for their comments on the IDA15 Replenishment Report and outlined the process going forward. A revised report will be sent to the Deputies by November 20th. In addition to the draft report which was posted on the Bank's external website on November 6th, updated sections on topics discussed in Dublin will be posted for comments by civil society organizations. It was agreed that the revised draft addressing comments received by November 30th will be circulated to participants by December 5th.

11. The fifth meeting will be held in Berlin, Germany on December 13-14, 2007.

¹ Individual donors could nevertheless opt to use an 11-year schedule, provided that the present value of their encashments will be equivalent to that under the standard 9-year schedule.