

CHAIRMAN'S SUMMARY

Meeting of IDA Deputies: IDA13 Mid-Term Review
Washington, D. C.
November 4-5, 2003

1. Deputies of donor countries together with representatives from borrowing countries met in Washington November 4-5 to review progress made in implementing IDA13 recommendations, and broadly concluded that the program was moving forward well. They stressed the importance of private sector-led growth for poverty reduction and noted that the PRSP process was now firmly established, but needed sustained support through harmonized development assistance. On results-based management, they endorsed the work to develop new indicators in the areas of transport and energy, keeping in mind the need to limit the total number of indicators.
2. Deputies and borrower representatives expressed support for IDA's performance-based allocation system and the work program set out to refine it. With respect to greater public disclosure of the performance rating system, they looked to the Board for further discussion and decisions in advance of IDA14, taking account of the diversity of views on the subject.
3. Deputies agreed, pursuant to the IDA13 agreement, that an equitable mechanism to address the impact of IDA13 grants on IDA's financial framework needed to be put in place in advance of IDA14 negotiations. They discussed several approaches and, informed by the discussion, IDA management will refine options and provide updated proposals to Deputies by the first weeks of January 2004.
4. Deputies and borrower representatives reviewed the framework for IDA assistance to Iraq and agreed that, subject to several factors mandated by the operational procedures of the institution, assistance should follow normal rules governing IDA access, lending and repayment in such circumstances.
5. Deputies and borrower representatives urged early completion of the joint Bank-Fund work on debt vulnerability, and encouraged innovation by IDA to develop a menu of instruments to support debt-vulnerable countries. A broader menu of approaches is also relevant to IDA's role in accelerating progress toward the Millennium Development Goals. Participants agreed that trade and growth are the fundamental underpinning for poverty reduction and a stronger development assistance effort. They reviewed the implementation of IDA grants over the short period that these have been available, and found progress to be satisfactory. They pointed to the need to continue to monitor the impact of grants in the future.
6. Participants broadly supported proposals to enhance selectivity in replenishment discussions, and to support borrower representation and consultation, in the IDA14 negotiation process which will begin in spring 2004.

