THE IDA WAY

INTERTWINED INCENTIVES, POLICY COMMITMENTS, AND RESULTS INDICATORS

The International Development Association (IDA) aims to help client countries transform ideas and strategies into high-level development outcomes, improving people’s well-being. There is typically a long pathway to achieving these outcomes, taking years and sometimes decades to put in place the policies and systems that enable people to reach their full potential. Policy commitments, strategically embedded in IDA country programs, and the IDA Results Measurement System (RMS), are each tightly connected to these outcomes at the level of the Sustainable Development Goals (SDGs).

IDEA
Policy commitments in each IDA cycle...
Set a course towards high-level outcomes.
Combine global and local priorities.
Build incrementally over successive cycles.

IMPLEMENTATION
Customized IDA country programs...
Combine lending and non-lending services to accelerate progress along the pathway to outcomes.
Help countries focus their resources on what works through analytics.
Make pivotal investments with concessional finance.
Amplify impact by strengthening institutions.

OUTCOME
The IDA RMS...
Incentivizes and tracks progress towards improved well-being.
Incentivizes country-level actions to accelerate progress.
Measures high level outcomes in IDA countries, intermediate outcomes from IDA support; and organizational effectiveness.
Indicates greater changes taking place in complex contexts.
IDA has increasingly prioritized climate change, progressively stepping up climate action in each successive cycle with a view to supporting countries toward clear development outcomes in the form of a greener, more inclusive, and more resilient future. IDA20 policy commitments prioritize adaptation in addition to ongoing support for mitigation. To track progress towards outcomes, the IDA20 RMS presents the most comprehensive set of climate indicators of any IDA cycle to date.
Results
(2013–2021)

An additional 7.3 million people in remote rural areas (12% increase in electricity access), 90% of them women, now accessing clean and renewable energy.

70 million people gained access to electricity in IDA countries since IDA17 as reported in the RMS.

1.5 million rural households were provided energy-efficient improved cookstoves, and 1,120 solar irrigation pumps were built, benefiting 35,000 farmers.

Coastal infrastructure, including 220km of embankments and nearly 400 multi-purpose cyclone shelters, built and rehabilitated, providing increased protection from storm surges and flooding to 335,000+ people.

37,000 hectares of coastline were protected and an area of 340 hectares afforested using ecologically appropriate species to protect from tidal and storm surges.

More Resilient Development

In 2012, renewable energy made up less than 1 percent of power generation in Bangladesh and the energy sector faced many challenges, including an acute shortage of electricity supply to meet demand, heavy reliance on natural gas for power generation, which itself is in short supply; and inadequate investments in power generation and tariffs to cover costs.

IDA has supported renewable energy options1, including solar home systems, in remote rural areas where grid electricity is not yet economically viable. This included solar mini-grids, solar irrigation pumps, and improved cookstoves that use half the amount of firewood needed by traditional stoves and biogas digesters. Sixty-one non-governmental organizations helped install clean energy products in rural households through micro-credit schemes.

Bangladesh is also extremely vulnerable to climate-related hazards such as cyclones, storm surges, coastal erosion, and sea level rise. Since 2013, IDA has helped Bangladesh adapt to a changing climate2 through a comprehensive approach to improve coastal resilience, mitigating impacts of cyclones and flooding, and improving preparedness and emergency response.

IDA support builds on the IDA16 policy commitments to discuss climate change vulnerabilities in all country strategies. It also ensures all projects in sectors sensitive to climate change are consistent with the country’s mitigation and adaptation strategies.

1 Source: Results Brief – Lighting Up Rural Communities in Bangladesh
2 Source: Results Brief – Building Coastal Resilience to Protect Lives and Livelihoods in Bangladesh
**BLUE ECONOMY**

**Grenada**

Marine and coastal ecosystems provide a wide array of goods and services that contribute to the country’s economy, but the impacts of climate change—such as sea level rise, floods, erosion, and storms—have magnified existing natural and human pressures on the environment. Further, extensive plastic pollution is contributing to contaminated watersheds, coastal areas, and the ocean, posing a threat to ocean biodiversity and tourism development.

With IDA support, Grenada undertook policy and institutional measures to maintain fiscal discipline, underpinned by an IDA18 policy commitment on domestic resource mobilization, and to diversify the economy toward a blue growth model based on sustainable, well-governed use of ocean resources. IDA also supported the government’s measures for better environment and natural resource management, including efforts to integrate coastal zone management and to include environmental sustainability requirements in public procurement.

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**Results**

(2016–2020)

- **20% of marine protected area coverage in 2020** (in relation to the country’s territory), an increase from the baseline of 3% in 2016. This expansion contributed to an indicator in the RMS.
- A ban on polystyrene (Styrofoam) food containers and the phase-out of single-use plastic shopping bags and disposable utencils.
- A Contingency Fund established in 2020 to cover natural disasters.

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1. Source: Results Brief – Transitioning to a Resilient Blue Economy in Grenada.
The water supply in Kosovo is expected to experience increased stress over the next twenty years due to population growth, resource constraints, and increased demands to strengthen the irrigation, mining, and energy sectors. Furthermore, Kosovo’s vulnerability to risks such as floods, droughts, and pollution is rising.

IDA support included multiple interventions to address water security, protect canals and agriculture, and improve rural development. IDA also partnered with Kosovo’s Ministry of Environment and Spatial Planning and the Inter-ministerial Water Council, to provide advisory services and analytical studies on agriculture, energy, environment, irrigation, land management, and water supply and disaster management, resulting in the publication of the Kosovo Water Security Outlook. The report outlined numerous recommendations for the country to strengthen its water security. It also contributed to the initiation of the World Bank’s Fostering and Leveraging Opportunities for Water Security Program (FLOWs) which lays the basis for future strategic storage development and management, improved knowledge of water in the country to deal with droughts and floods, and enhanced dam safety for downstream communities. This support has been buttressed by an IDA19 policy commitment to address governance constraints in infrastructure investments.


Results
(Since 2018)

The government has embarked on a holistic and multi-sectoral programme approach for effective water resources management.

The analysis informed the decision to prepare a national investment plan and a national irrigation investment framework.

Approval of the FLOWs project which is expected to directly benefit approximately 180,000 people through improved water access, directly contributing to over 110 million beneficiaries in IDA countries since IDA17 reported in the RAS indicator on water access.
IDA has responded quickly to the COVID-19 pandemic and stepped up its support to help the world’s poorest countries mitigate the impacts of the crisis, address gaps exacerbated by the emergency, and save lives. IDA20 policy commitments focus on financing and capacity efforts to address the most critical issues, while indicators in the IDA20 RMS, such as the number of vaccine doses administered and beneficiaries of social safety net programs, both track and incentivize progress towards outcomes.
COMPREHENSIVE COVID-19 RESPONSE

Djibouti had its first confirmed case of COVID-19 in March 2020. The government mobilized into action suspending all inbound and outbound international passenger flights, closing schools and universities, and ordering a general lockdown. As elsewhere in the world, these measures resulted in adverse effects to the economy and people, including job losses, a decline in non-labor income, price shocks, the unavailability of basic items, and the disruption of services. Alleviating their impact is vital to preventing poverty from increasing; in 2017, about 2 in 10 Djiboutians lived below the extreme poverty line, and the COVID-19 pandemic is likely to make those classified as “vulnerable” even more susceptible to falling into—or back into—poverty.

The Djibouti COVID Response Project implemented by the Ministry of Health has supported detection, prevention, and control measures across the country. It also strengthened essential health care service delivery, establishing and equipping quarantine sites and treatment centers to effectively manage COVID-19 cases, building laboratory capacity, and training health personnel in infection prevention and control. The project is also supporting behavior change communication, including around social distancing and proper handwashing, and engaging with communities in the most vulnerable areas to raise awareness of barriers to actions against the spread of the coronavirus. Support following an IDA19 policy commitment on modernizing procurement systems helps prepare IDA countries to respond quickly in an emergency setting.

RESULTS

Since March 2020:

- 27,567 households—nearly 156,000 people—received food vouchers, and another 4,888 households—or about 29,000 people—received transfer contributions to the nearly 158 million beneficiaries of social safety nets through IDA programs across all IDA countries in FY21 as reported in the RMS.

- Over 500,000 beneficiaries received quality health care services; more than 90,000 women received two to four prenatal visits.

- 97,000 beneficiaries received improved access to social and economic services, and infrastructure.

- 10,000 beneficiaries accessed electricity through the extension of the main grid to villages.

Source: https://www.worldbank.org/en/topic/djibouti/brief\n
Image: By Angela Buettner/World Bank on Unsplash
The COVID-19 shock has hit Kenya’s economy hard through supply and demand shocks on both the external and domestic fronts and caused activity to slow sharply in 2020 (real gross domestic product is estimated to have contracted by 0.3% in 2020). ØKenya’s economy had been performing well, and the government had recognized that sustaining inclusive growth would depend on making additional critical reforms to open up more economic opportunities in key sectors and expand the role of the private sector to invest. This progress built on a jobs diagnostic supported under an IDA17 policy commitment.

The Kenya Inclusive Growth and Fiscal Management Development Policy Financing (DFP) supported critical reforms to advance the government’s inclusive growth agenda. In addition to strengthening Kenya’s overall economic policy framework, the measures benefited smallholder farmers directly and boosted economic opportunities in rural areas. It also stimulated investment to meet the rapidly growing need for affordable housing in urban areas. Smallholder farmers, who account for the majority of Kenya’s workforce and over half of whom are women, have benefited directly from these measures.

IDA has a strong track record of supporting economic growth and investments that create jobs and boost incomes. The COVID-19 crisis has made the jobs and economic transformation (JET) agenda even more critical. IDA20 JET policy commitments focus on creating jobs and positioning firms for recovery. The IDA RMS indicators track IDA’s efforts to improve technologies and access to transportation, electricity and financial services, and also measure country-level achievements on GDP, youth employment, and value added in non-agricultural sectors.

CREATING JOBS AND OPPORTUNITY
Liberia is still recovering from more than a decade of civil war. The Ebola crisis, and now the global COVID-19 pandemic, have further impeded these efforts. Generating employment for the large population of young people in Liberia—over 70 percent of the population is below the age of 35—is critical to ensuring economic recovery and stability.

A collaboration between IDA and the Swedish International Development Cooperation Agency is empowering poor and vulnerable youth to improve their earning potential. The Youth Opportunities Project (YOP) provides life, agriculture, and business skills training. As many young people in Liberia lack basic numeracy, literacy, and life skills, this training is vital to the country’s economic recovery.

To mitigate the impact of future shocks on the youth population, the project also supported the development of a safety net system. The creation of management information, electronic registration, and payment systems have allowed cash transfers to reach Ebola-affected households and the extreme poor throughout the country. IDA support was jump-started by an IDA17 policy commitment to inform all Country Partnership Frameworks in fragile and conflict-affected States with analysis on fragility and conflict.

Source: Results Brief—Helping Young People Increase their earning potential in Liberia

Results (2016-2020)

15,000 beneficiaries, 50% of whom are women, received skills training.

5,000+ hectares of land across all 15 counties in Liberia cultivated with various food crops as a result of the communal farming initiative, contributing to the tens of millions of beneficiaries of agricultural and rural development support across all IDA countries since IDA17.

Nearly 3,000 young people in urban areas benefited from business skills training and startup grants, more than 500 youths completed apprenticeships in various trades with local businesses and master trainers, contributing to the RMS indicator on beneficiaries of job-focused interventions.

A youth farming group in rural Lofa County benefited from the YOP enabled solar electrification for their small village.
EXPANDED WORKFORCE

Just a fifth of the working population in the Solomon Islands—an estimated 50,000 people—are employed in the formal economy. The rest are engaged in subsistence agriculture with periodic cash incomes. Approximately 7,500 young people leave school to enter the workforce each year, yet only one in every six find paid employment.

Each year many people make their way from rural communities to Solomon’s capital, Honiara, and other urban areas, in search of a job. Women, in particular, are faced with significant obstacles in entering the formal workforce. In response, the IDA-supported Rapid Employment Project engaged young people and women in poor communities in and around Honiara in work and skills training. The project helped to mitigate the risks of renewed conflict, increasing the household incomes of many poor families and providing infrastructure for those living in vulnerable communities. An IDA18 policy commitment helped shape IDA’s support to the Solomon Islands, addressing institutional bottlenecks at the sector level and strengthening community governance structures.

Results

(2010–2016)

13,000 people from vulnerable communities employed in construction of community infrastructure and 785,851 days of work generated, contributing to the RMS indicator on beneficiaries of job-focused interventions.

52% of the people employed were women and 60 percent were between the ages of 16 and 29.

15% of project participants reported finding long-term employment within six months of graduating from the project.

61,500+ community members are benefiting from the infrastructure that has been built and repaired, including 100 kilometers of roads. This contributed to the nearly 9 million people benefiting from enhanced access to transportation services in FY21 as reported in the RMS.