



AFRICA
GROUP I CONSTITUENCY



EXECUTIVE DIRECTOR'S STATEMENT TO THE CONSTITUENCY

Dr. Floribert Ngaruko
Executive Director,
AFRICA GROUP I CONSTITUENCY

01. MATTERS ARISING FROM 26TH STATUTORY MEETING
02. GLOBAL ECONOMIC PERFORMANCE AND PROSPECTS
03. SELECTED POLICY ISSUES AND UPDATES
04. IMPLEMENTATION OF THE MEDIUM-TERM OFFICE STRATEGY
05. CONSTITUENCY ENGAGEMENTS



Outline of Presentation





WELCOME AND OPENING REMARKS



HONORABLE
AWOW DANIEL CHUANG

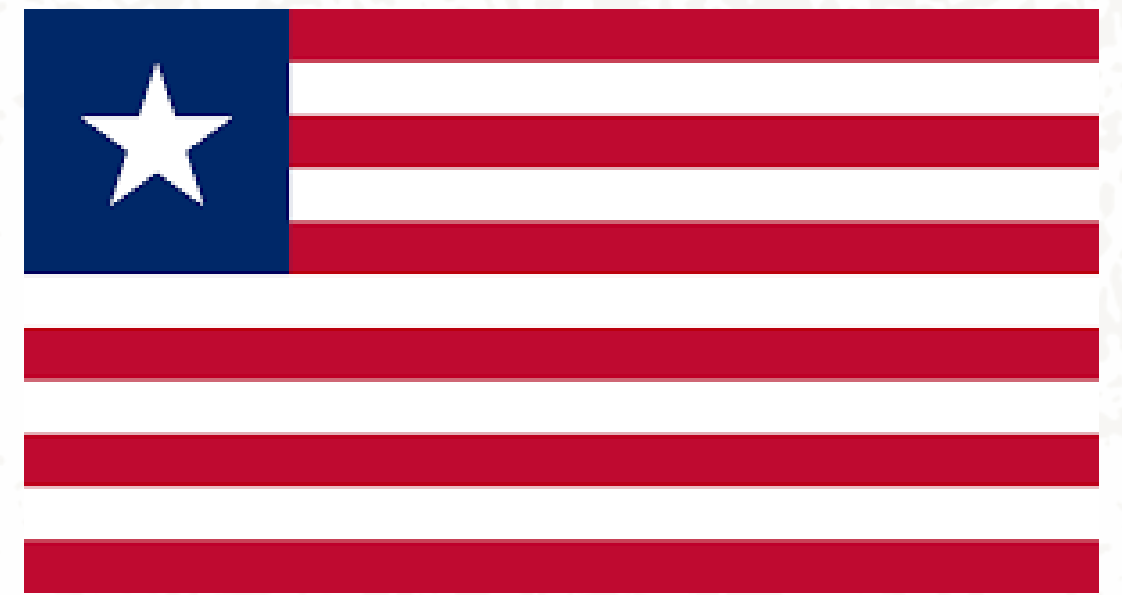
Governor for the Republic of
South Sudan





HONORABLE
BOIMA S. KAMARA

Governor for the Republic of
Liberia



HONORABLE
SIMPLEX CHITHYOLA BANDA

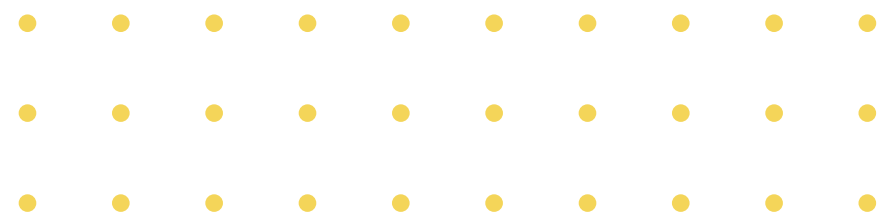
Governor for the Republic of
Malawi





HONORABLE
BETCHANI H. M. TCHERENI

*Alternate Governor for the
Republic of Malawi*





MATTERS ARISING
FROM 26TH
CONSTITUENCY
MEETING



MATTERS ARISING FROM THE 26th CONTITUENCY MEETING



ANNUAL MEETINGS
2023 | مراکش | Marrakech
WORLD BANK GROUP
INTERNATIONAL MONETARY FUND

Funding for Energy Access:

- The WBG launched the ASCENT program to provide sustainable energy and job opportunities for 20 countries in Africa.
- Plans are underway to extend this program's reach to additional African countries.

Climate Change and IDA21 Negotiations:

- Climate Resilient Debt Clauses (CRDC) to support liquidity issues
- OED will use IDA21 negotiations to advocate for support to address debt management and liquidity challenges

Debt -for -Nature Swap:

- The WBG is assisting countries in establishing regulatory frameworks for debt -for -nature swaps.
- This initiative aims to benefit 15 countries that will generate revenue through the sale of carbon credits through forest conservation.

MATTERS ARISING FROM THE 26th CONSTITUENCY MEETING



ANNUAL MEETINGS
2023 | **مراكش** | **Marrakech**
WORLD BANK GROUP
INTERNATIONAL MONETARY FUND

WBG Response to IDA FCV Countries:

- WBG has policies for lending to conflict affected countries, adhering to Operational and Bank Policy (OP/BP 7.30).

Disbursement Challenges:

- Reforms introduced through the WBG Evolution Roadmap aim to enhance project execution efficiency
- However, engagement from countries is crucial for successful disbursement.

IFC Support to Women -led SMEs:

- IFC's Banking on Women (BOW) initiative has invested over US\$4.2 billion in supporting women-led SMEs globally, including those in the constituency.
- Collaboration with Proparco focuses on promoting food security and SME in agriculture.



GLOBAL ECONOMIC DEVELOPMENTS & PROSPECTS



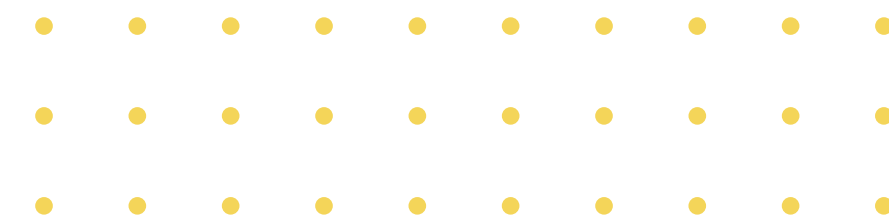


DEBT ISSUE

- EMDEs' debt is at an **all-time high**
- External debt of IDA -eligible countries **more than doubled**
- Debt servicing costs in the 24 poorest countries are expected to **increase by up to 39% in 2023 and 2024 alone.**

GLOBAL GROWTH

- In 2023 , the global economy grew by **2.6%**
- In 2024 , global economy projected to grow by **2.4%**
- In 2025 , global economic growth is forecasted at **2.7%**



SUB-SAHARAN AFRICA'S ECONOMIC PERFORMANCE

SSA's economic growth in
2023 estimated at 2.9%

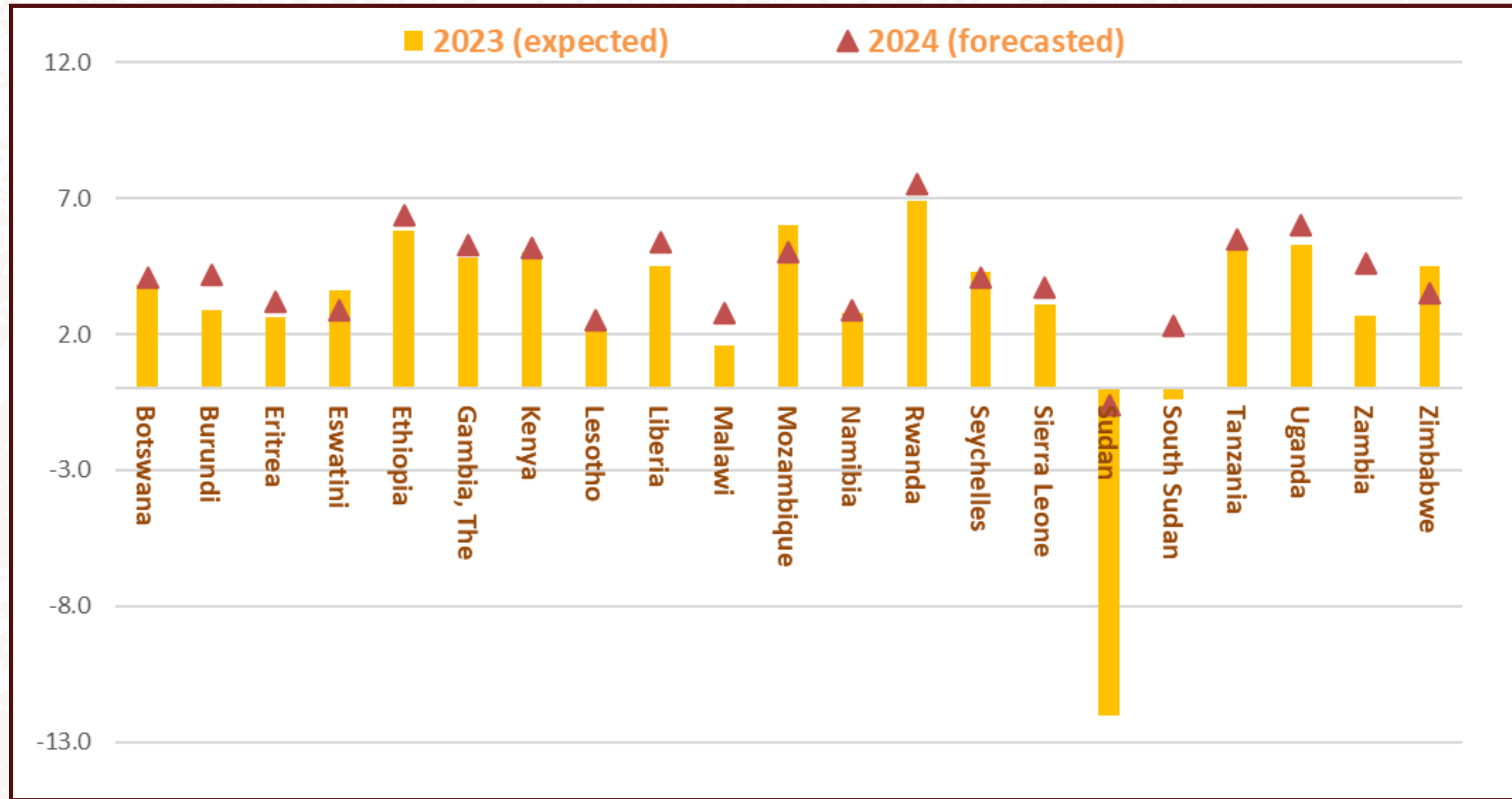
SSA economy still impacted
by global issues such as low
demand, high financing cost



60% of LICs in SSA are at risk
of/in debt distress

458K
People use this
product

REAL GDP GROWTH FOR AFRICA GROUP 1 CONSTITUENCY COUNTRIES (%)



Note: Data for Somalia is unavailable as per the World Bank's Economic Prospects Report



SELECTED POLICY ISSUES & UPDATES



WORLD BANK EVOLUTION

FRAMEWORK FOR FINANCIAL INCENTIVES

- Encourage donors to contribute to IBRD's financial capacity
- Includes options for donors to direct contributions to 8 global challenges
- Incentivize clients to invest more through concessionality and volume

CRISIS PREPAREDNESS AND RESPONSE TOOLKIT

- Establishment of Rapid Response Option (RRO)
- Enhancing the Catastrophe Deferred Drawdown Option (Cat DDO)

CLIMATE RESILIENT DEBT CLAUSE

- Scope has been broadened to strengthen the Crisis Preparedness and Response Toolkit

CORPORATE SCORECARD

- Scorecard approved to serve as a management and monitoring tool for FY24-30

FRAGILITY, CONFLICT AND VIOLENCE STRATEGY



Improved focus on conflict
prevention

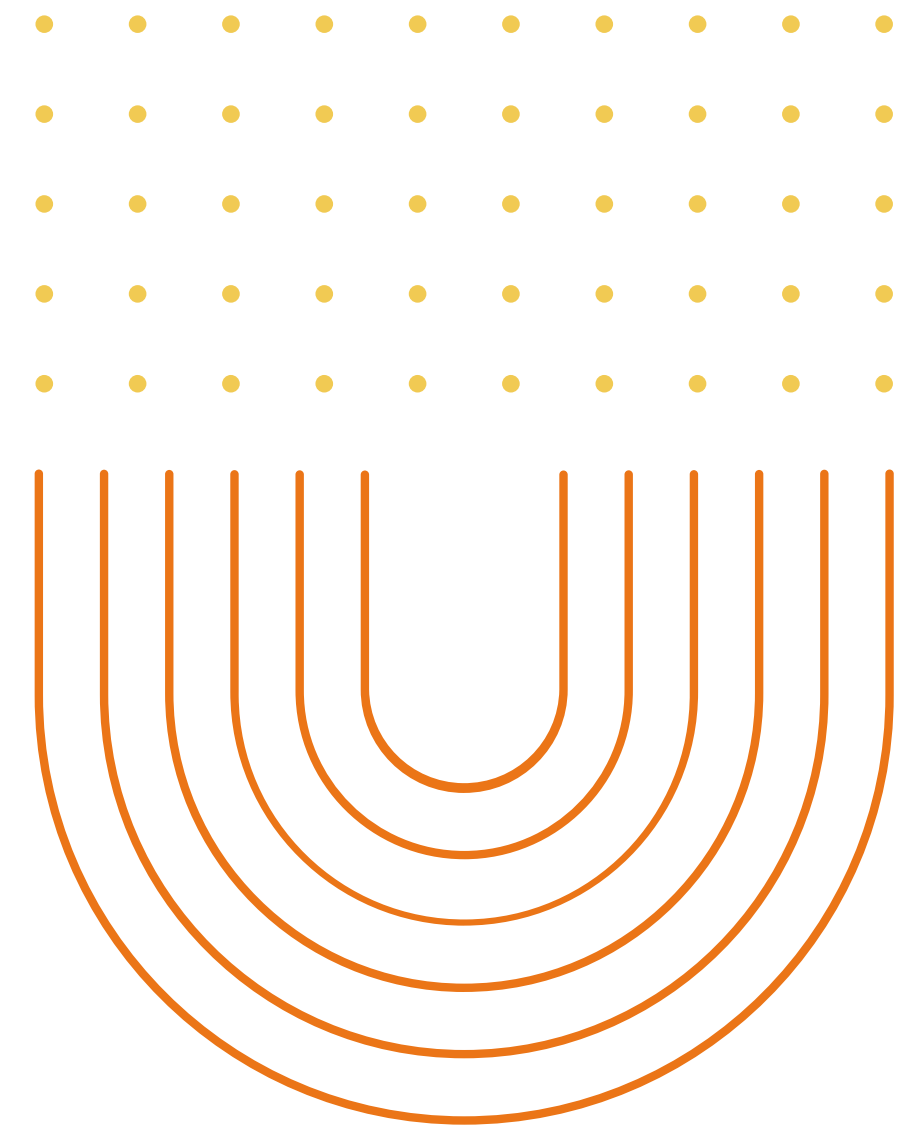


Identified need for early
response and greater shock
adaptability



COP28
UAE

- WB is working to establish and host a Financial Intermediary Fund for the Loss and Damage Fund
- Pledges to the fund has reached US\$ 661 million.



CLIMATE FORUM
(COP28)

SEXUAL ORIENTATION AND GENDER IDENTITY

Discussions aim to strengthen the integration of Sexual Orientation and Gender Identity issues in projects and programs supported by IDA

Please share views on the topic to help us engage effectively during Board discussions



OTHER UPDATES FROM INTERIM REPORT

- DEBT SITUATION IN SSA

- GLOBAL FOOD SECURITY SITUATION AND
WBG RESPONSE

- WORLD BANK POLICY IN DEALING WITH
DE FACTO GOVERNMENTS

- IMPROVING WB'S FRAMEWORK ON
GLOBAL POVERTY MONITORING

- AFRICAN REGIONAL AND CONTINENTAL
INTEGRATION



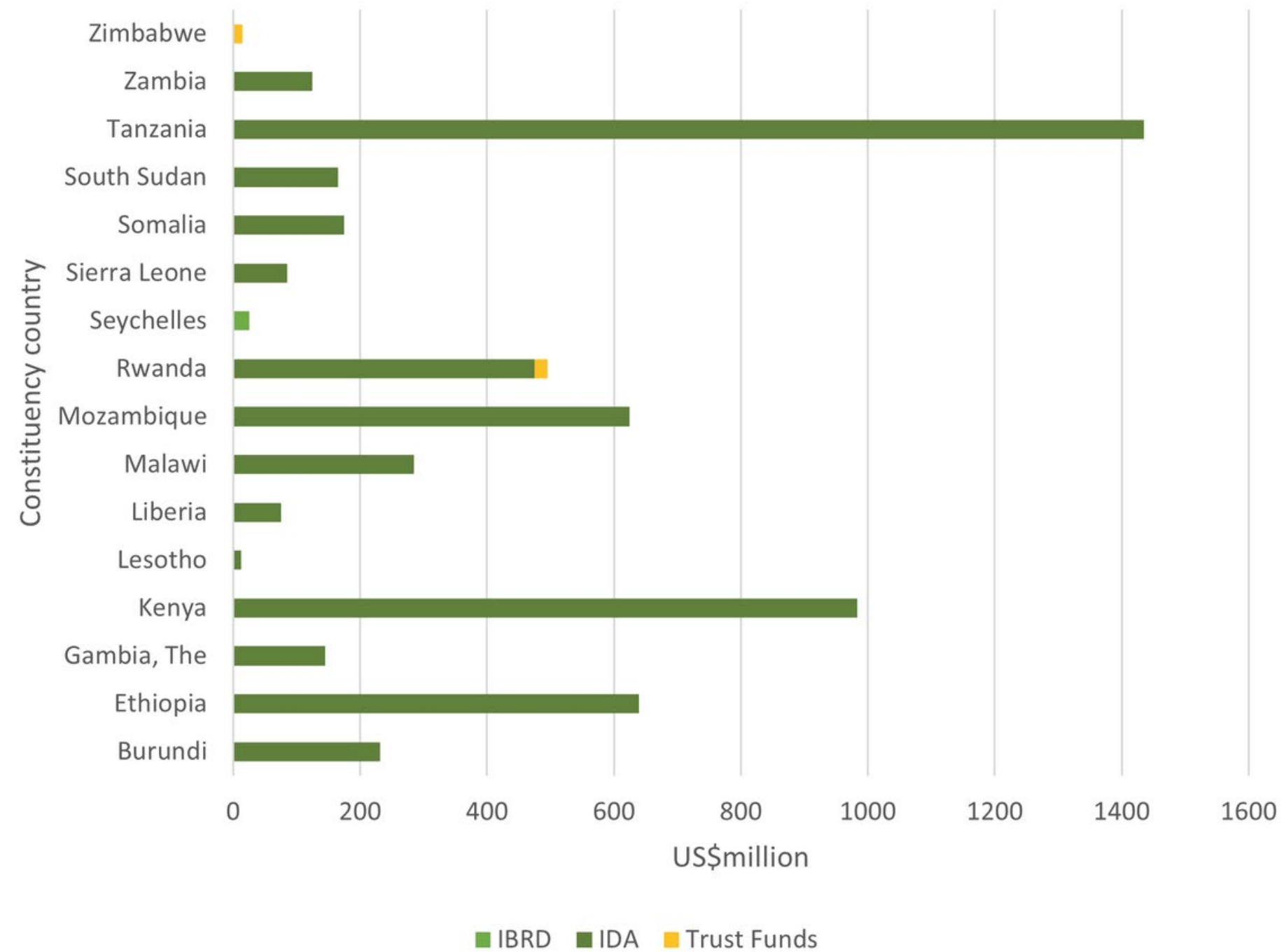


IMPLEMENTATION OF THE MEDIUM- TERM OFFICE STRATEGY



MOBILIZING FINANCIAL RESOURCES

IDA/IBRD/Trust Fund commitments to 16 Constituency countries in the first eight months of the fiscal year, was US\$ 5.46 billion for 42 operations



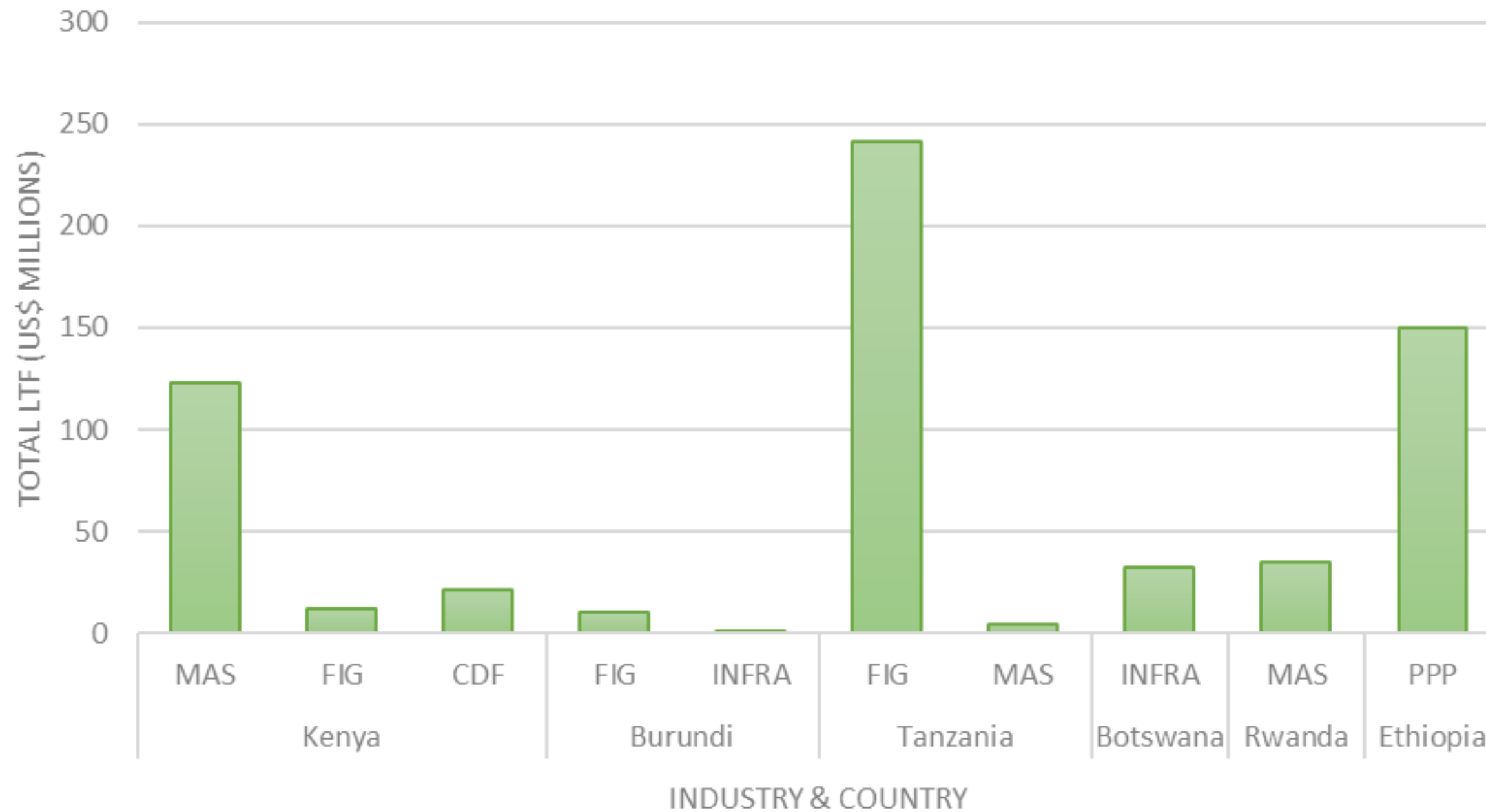
MOBILIZING FINANCIAL RESOURCES

IDA20 MID-TERM REVIEW, TANZANIA

- Meeting agreed to protect IDA's financing capacity of US\$30 billion for FY24 and FY25
- IDA's Small Island Economies Exception extended to include non -island small states - Eswatini eligible
- Agreement on moratorium on hardening of financing terms for IDA countries in good standing – Somalia is eligible

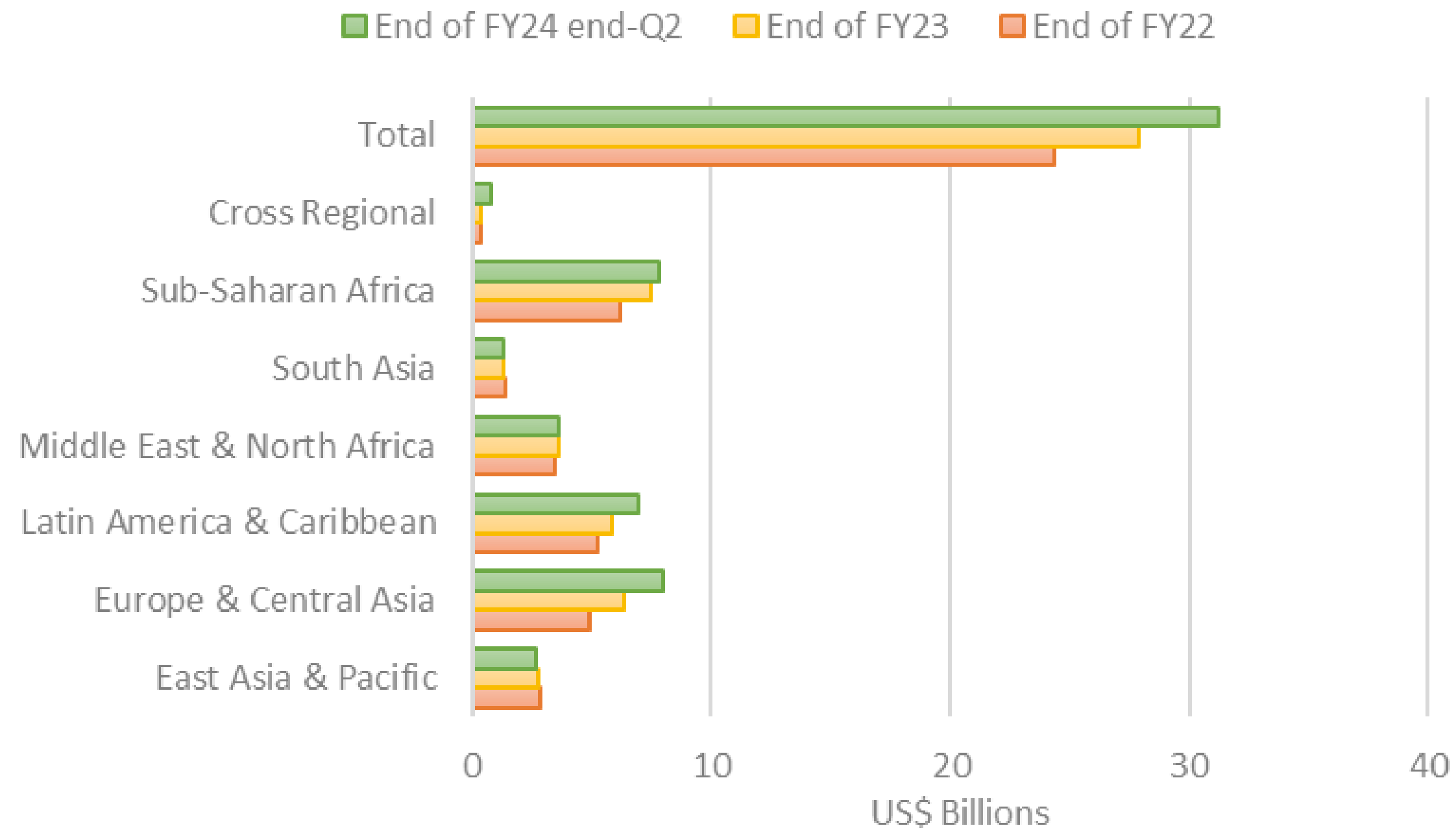
SUPPORTING PRIVATE SECTOR DEVELOPMENT

During the first half of FY24, IFC commitments in Constituency countries reached US\$629.4 million, 5.6% more than recorded for FY23.



SUPPORTING PRIVATE SECTOR DEVELOPMENT

For MIGA, gross outstanding exposure at end -Q2 FY24 remains well diversified and Sub-Saharan Africa (SSA) is the second largest exposure



ENHANCING ENGAGEMENT WITH CONSTITUENCY COUNTRIES

3RD MIDDLE-INCOME
COUNTRIES (MICS)
FORUM

AMBASSADOR'S
LUNCH

APPOINTMENT OF AN
IDA CO-CHAIR FROM THE
CONSTITUENCY

IDA BORROWERS'
REPRESENTATIVES
NOMINATION



CONSTITUENCY ENGAGEMENTS



ED'S VISITS TO CONSTITUENCY COUNTRIES



Republic of Seychelles



Kingdom of Lesotho



Federal Republic of Somalia



Federal Democratic Republic of Ethiopia



CONCLUDING REMARKS



QUESTIONS FOR DISCUSSION

1. What are your views on IDA's proposal to strengthen the integration of Sexual Orientation and Gender Identity issues in projects and programs supported by IDA?
2. What strategies or initiatives are Governors considering to advocate for a robust IDA21 Replenishment in the upcoming Summit in Nairobi?





THANK YOU

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