







IDA15 Retrospective Review: Managing Crisis and Building Resilience

The IDA15 Retrospective assesses IDA's performance from July 2008 through June 2011 based on the commitments outlined in the IDA15 Replenishment Agreement. The Retrospective takes a close look at emerging results and notable trends shaping IDA's support for the world's poorest countries.

By the Numbers

Key IDA achievements during IDA15



105 million

Schoolchildren benefited from IDA-financed activities.



People benefited from IDA-financed water supply and sanitation interventions.



The IDA15 Replenishment aimed to scale up IDA's support for the Millennium Development Goals (MDGs) and to reaffirm IDA as a leading channel of multilateral aid for low-income countries. The Replenishment mobilized record expected commitment authority of SDR28.1 billion (US\$42.8 billion). Development gains achieved in the decade prior to IDA15 came under threat early in the Replenishment period with the onset of cumulative crises, from the food and fuel price shocks in 2007 to the 2008 global financial downturn. The international community rallied to support low-income countries to manage crisis impacts and called on IDA to support core spending and to help safeguard hard-won progress.

IDA's core challenge during IDA15 was to fulfill wide-ranging IDA15 commitments while meeting rapidly evolving crisis-related demands linked to the volatile global environment. The strong IDA15 replenishment and IDA's comparative advantages enabled it to provide the largest scale up of support in IDA's history, including the unprecedented launch of the Pilot Crisis Response Window (CRW) endorsed by IDA Deputies at the time of the IDA15 Mid-Term Review.

The IDA15 Retrospective Review covers three main areas: (i) IDA's lending and non-lending program and evolving policy framework; (ii) IDA's country-level effectiveness and results, including IDA's work with fragile countries and IDA's crisis response; and (iii) IDA in the global aid architecture.

IDA's Financing and Policy Framework

Total IDA commitments surged to SDR28.8 billion (US\$44.4 billion) during IDA15 and included SDR923.4 million (US\$1.4 billion) in additional financing from the Pilot CRW. IDA scaled up its support for core development activities as well as crisis response during IDA15 and continued its strong support for Sub-Saharan Africa. Financing for infrastructure and the productive sectors grew to US\$16.7 billion while support to the social sectors also expanded to new levels, with lending for social protection growing to US\$4.2 billion - nearly twice the level of IDA14. IDA's knowledge work remained a vital complement to IDA's financing and included strong investment in knowledge, research and impact evaluation in IDA countries.

Reflecting lessons learned and IDA15 policy commitments, IDA also strengthened its policy framework in important ways. The evolution of IDA's policy framework during IDA15 reflects core priorities associated with linking allocations to performance, promoting debt sustainability, supporting regional integration and fostering country ownership in the context of the countrybased model. Key enhancements to the policy framework included the provision of exceptional support for post-conflict and reengaging countries as well as small island states through the Performance-Based Allocation (PBA) system and the launch of the IDA Regional Grant Pilot Program to promote institution strengthening for more effective implementation of regional integration.









By the Numbers

Key IDA achievements during IDA15



13 million

People benefited from the support of social safety nets.



15,491

Hospitals built or rehabilitated in IDA countries



190,000

Health professionals trained in IDA countries.

IDA's Country-Level Effectiveness and Results

Most IDA countries weathered the global crisis relatively well and country-level outcomes point to improvements across key outcome indicators linked to achievement of the MDGs. Across sectors, IDA made notable contributions towards the achievement of the MDGs – the core IDA15 objective – while supporting countries in crisis response. In the education sector, for example, more than 105 million children benefitted from IDA-financed activities. The reach of IDA-financed water supply and sanitation interventions more than tripled during the IDA15 period to nearly 60 million

Country-level outcomes during IDA15 point to improvements across 14 outcome indicators associated with progress towards the Millennium Development Goals

beneficiaries. IDA-financed operations in the health sector helped to build or rehabilitate some 15,491 hospitals and training over over 190,000 health professionals across IDA countries. From "fixing the institutions that fix the pipes" in the water sector to building health systems, IDA stepped up efforts across sectors to support sustainability and deepen resilience by strengthening institutional capacity in IDA countries.

Nonetheless, progress across countries has been uneven and the long-term impact of the food, fuel and financial crises remains uncertain due to limited data on poverty outcomes since 2008. The food price spike of 2007–08 is estimated to have raised the poverty headcount by 105 million, and that of 2010–11 by 48.6 million people in the short run; they hit urban poor and female-headed households hardest. The

Pilot CRW played an important role in meeting the needs of hard-hit countries and reflects learning by doing at the institutional level. Emerging results point to improved social safety net readiness in several countries. Scaled up support for social safety nets during the IDA15 period has benefited over 13 million safety nets beneficiaries in IDA countries, and recent assessments suggest several countries are now better prepared to confront future crises than in the past.

IDA's engagement in fragile and conflict-affected countries (FCCs) was strengthened during the IDA15 period through enhanced operational support, analytical and policy-related work and partnerships. IDA's support for FCCs has been reinforced by the completion of the World Development Report (WDR) on Conflict, Security and Development during IDA15, and IDA's commitments to FCCs increased to a total of US\$6.6 billion during IDA15. Multi-donor trust funds continue to complement IDA's engagement in FCCs along with ongoing efforts to build strategic partnerships. IDA support for building institutions, including for natural resource management, shows good progress in several FCCs.

The IDA15 Results Measurement System (RMS) and other tools for supervision, performance monitoring and impact evaluation have positioned IDA to identify the extent of progress achieved, along with emerging challenges in performance in IDA15. Country-level outcomes during IDA15 point to improvements across 14 outcome indicators associated with progress towards the MDGs. The focus on results has been reinforced by continued support for statistical capacity building in IDA countries and improved quality of results frameworks in IDA's operations and country strategies. While the quality at entry of projects shows an improving trend, the quality of projects exiting in IDA15 (based on a partial sample of projects approved in earlier replenishments) shows a decline relative to projects exiting during IDA14. IDA is implementing actions to further strengthen quality and monitoring systems.









By the Numbers

Key IDA achievements during IDA15



Rural households in IDA countries were reached with emergency food supply during the food price crises in 2008 & 2010.



Person-days of work generated after the earthquake in Haiti for emergency repairs to 17km of major highway, benefiting over 600,000 people.

IDA in the Global Aid Architecture

The global development finance architecture grew in complexity during IDA15, with increased aid fragmentation and earmarking. In addition, emerging and developing economies are also opening up new access to financing and knowledge for many low-income countries. As a key source of Country Programmable Aid (CPA) for the poorest countries, IDA has continued to play an important role as a platform for the effective delivery of aid during IDA15. IDA's platform role incorporates support for governments' coordination of donor-funded activities and efforts to enhance public sector management and systems for more effective use of overall development resources. IDA's platform role also extends to the delivery of a growing portfolio of multi-bilateral aid or trust funds, largely a result of strong donor preferences for IDA implementation based on institutional capacities and the ability to focus on delivering results.

Lessons Learned and Future Implications

During a period characterized by uncertainty, IDA's platform role encompassed support for global crisis response, sustained focus on achievement of the MDGs and mitigation of the impacts of the increasingly complex aid architecture. Balanced support for managing crisis and building institutions to support long-term development and resilience were central to IDA's engagement with recipient countries and partners during IDA15. Grounded in its multi-sector project portfolios and country-level engagement, IDA was able to quickly align its financing to meet evolving country needs and implementation capacity. In addition, IDA's global reach and deep country knowledge made it a key partner for client countries and other development partners to respond and adapt to exogenous shocks. As the global development finance architecture continued to grow in complexity during IDA15, IDA's provision of non-earmarked CPA and broad strategic partnership engagements with donors remained highly relevant.

IDA's Strengths and Platform Role

Global Level **IDA's Core Strengths Country Level Regional Level** • Financial Resources Leveraging role • Link regional action to Link global issues to • Convening power • Aid Coordination Country Strategies Country Strategies Multi-sectoral knowledge Fill funding gaps • Deliver complex regional • Invest in Global Public base; Policy Advice • Focus on institution projects Goods at country level Global Reach and strengthening/ capacity Scale up support for Take a lead role in tackling **Convening Power** building infrastructure global priorities Act as "First Mover" • Leverage financing in World Bank Group and externally











Notably, the Pilot CRW filled a key gap in the aid architecture for systematic assistance to poor countries facing major exogenous shocks. The experience with crisis response in IDA15 highlighted the need for further work and innovation to help countries prepare for future severe crises. As a result, IDA established a dedicated Crisis Response Window in IDA16 and has continued to strengthen its emergency financing framework for crisis response. The design of the dedicated CRW drew upon lessons learned from the implementation of the Pilot CRW, including the need to ensure better targeting of CRW resources.

Overall, the IDA Replenishment process incorporates important elements of institutional learning and continuous improvement of IDA's policy framework. Pilot initiatives such as the IDA Regional Grant Pilot Program and the Pilot CRW reflect important institutional learning processes and IDA's capacity to test and refine key initiatives. In addition, efforts to further enhance support for FCCs (a special theme in IDA16) build on the lessons and

Balanced support for managing crisis and building institutions to support long-term development and resilience were central to IDA's engagement during IDA15.

progress achieved in previous replenishments. Importantly, IDA has continued to raise the bar on results (IDA16 overarching theme).

Going forward, shifting patterns of global economic growth present new opportunities, challenges and demands for IDA. The increasingly competitive and fragmented environment for development finance will demand strategic adjustments by IDA. IDA will need to continue enhancing its results orientation and ensuring high-quality engagement in areas of comparative advantage, including as a platform for effective aid delivery.

The International Development Association (IDA) is the part of the World Bank that helps the world's poorest countries. Established in 1960, IDA aims to reduce poverty by providing interest-free loans (called "credits") and grants for programs that boost economic growth, reduce inequalities, and improve people's living conditions. www.worldbank.org/ida I www.facebook.com/ida.wbg I www.youtube.com/worldbank

