ANNEX 2. IDA20 POLICY COMMITMENTS

Crisis Preparedness



Governance and Institutions





Technology

| | HUMAN CAPITAL | | |
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| Cross-Cutting Issue | Objective | Policy Commitment | |
| Ť | Boosting COVID-19 vaccination rollout and strengthening pandemic preparedness | 1. Support all IDA countries to strengthen health security and advance inclusive health systems and universal health coverage, including (i) containing the COVID-19 pandemic, through vaccine rollout, preventive measures, testing, treatment and care, and (ii) strengthening pandemic preparedness, including prevention, detection and response. | |
| | Investing in children's early years | 2. To promote child development, restore and expand access to quality early years services, including maternal and nutrition services, in at least 30 IDA countries, of which 15 countries are among those IDA countries with the lowest HCI. ^a a The lowest HCI countries refer to the 30 IDA countries with the lowest Human Capital Index (HCI) | |
| | Supporting core social service delivery systems | 3. To address gaps exacerbated by the COVID-19 crisis, in at least 40 IDA countries, of which 10 are FCS, support access to core, quality, inclusive social services focused on: (i) social protection systems with a particular focus on vulnerable and underserved informal workers, and/or (ii) students' return to school and accelerated recovery of learning losses, with a special focus on addressing constraints faced by girls, and/or (iii) children's immunizations. | |
| ⊕ | Expanding adaptive social protection and building resilience to shocks | 4. To ensure inclusive and effective response against shocks and crises, especially among the poorest and most vulnerable, support at least 20 IDA countries' resilience by building adaptive social protection systems, including the use of digital technologies. | |
| | Addressing learning poverty | 5. To fill critical learning gaps and ensure improvements in learning outcomes, support at least 20 IDA countries, of which 10 are among those IDA countries with the lowest HCI, to reduce learning poverty by (i) measuring learning, with sex disaggregation and (ii) implementing core elements of the literacy policy package (e.g. effective literacy instruction, structured lesson plans, adequate reading materials for all children). | |
| ₽• | Expanding access to core services for persons with disabilities | 6. To promote inclusive societies, support at least 18 IDA countries to meet the needs of persons with disabilities by implementing the principles of non-discrimination, inclusion, and universal access as per the Environmental and Social Framework, through projects in education, health, social protection, water, urban, digital development and/or transport. | |
| † | Supporting prevention of and preparedness for future pandemics | 7. To strengthen health security by improving pandemic preparedness and prevention at the nexus of human, animal, and ecosystem health, including zoonotic diseases and anti-microbial resistance, support at least 20 IDA countries to mainstream One Health approaches. | |
| <u></u> | Leveraging adequate, efficient financing for human capital | 8. To strengthen public finance for human capital investments, support IDA operations in at least 20 IDA countries, of which eight are among those IDA countries with the lowest HCI through policy or administrative reforms impacting (i) the availability of resources, and/or (ii) the efficiency of expenditure management and/or (iii) the results-orientation of human capital investments. | |

| CLIMATE CHANGE | | |
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| Cross-Cutting Issue | Objective | Policy Commitment |
| | Increase Climate Co-benefits | 1. IDA's Climate Co-Benefits share of total commitments will increase to 35 percent, on average over FY23-FY25, with at least 50 percent for adaptation. For IDA PSW operations, Climate Co-Benefits will increase to 35 percent of IFC and/or MIGA own account commitments under such operations, on average. |
| | Aligning all IDA operations with the Paris Agreement | 2. Starting in FY24, all new World Bank IDA20 operations will align with the Paris Agreement. By the end of IDA20, all new IDA PSW real sector operations will be Paris aligned. Support will be provided to at least 30 countries to develop Country Climate and Development Reports and at least 50 countries to develop, update and/or implement Nationally Determined Contributions or Long-Term Strategies. |
| | Transitioning key systems for adaptation and mitigation | 3. Support at least 50 countries (including at least 20 FCS) to develop inclusive climate policies and increase investment in climate adaptation and mitigation in at least one key transition system (i.e., agriculture, food, water and land; cities; transportation; and/or manufacturing), including community-led climate investments in at least 15 countries. |
| | Sustainable energy for all | 4. Facilitate development of low-carbon energy sector development strategies and policies in at least 20 countries (including at least 8 FCS) and development of battery storage in at least 15 countries (including at least 10 FCS); provide direct, indirect, and enabling policy support for at least 10 gigawatts (GW) of renewable energy (including at least 1 GW in FCS). The support would cover on-grid, off-grid, and distributed renewable energy. |
| | Scaling-up green financing | 5. Support at least 20 countries (including at least 5 FCS) to revise their financial regulatory frameworks to manage climate and environmental risks and to mobilize private capital for a low-carbon and resilient economy. |
| | Enhancing biodiversity and ecosystem services | 6. Implement nature-based solutions, including landscape, seascape and watershed restoration and management or forest restoration and sustainable forest management, in at least 20 countries to support biodiversity and ecosystem services. |
| | Strengthening management of fresh water, coastal and marine ecosystems | 7. Support at least 25 countries to implement integrated and sustainable management of freshwater, coastal and marine ecosystems, including by addressing marine plastic pollution. |
| Ť | Increasing crisis preparedness and response | 8. Support at least 25 countries (including at least 10 FCS) facing natural hazards and food crises to improve their crisis preparedness and response capacity by strengthening related institutional and planning frameworks and/or physical infrastructure. This support should include improving climate data and information services (such as hydromet and early warning systems) in at least 10 countries. |

| FRAGILITY, CONFLICT AND VIOLENCE | | |
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| Cross-Cutting Issue | Objective | Policy Commitment |
| | Operationalizing the FCV Strategy through better tailored country engagement | 1. Reinforce implementation of the WBG FCV Strategy, by ensuring that all country engagement products ^a in IDA FCS demonstrate how the WBG program, in collaboration with relevant partners, help address FCV drivers and sources of resilience, based on FCV diagnostics and FCV sensitive portfolio analysis undertaken in Risk and Resilience Assessments (RRAs) or other FCV assessments. An FCV lens will continue to be integrated into relevant joint World Bank-IFC Country Private Sector Diagnostics in IDA FCS. **Country engagement products include Country Partnership Frameworks (CPFs), Country Engagement Notes (CENs) and Performance and Learning Reviews (PLRs). |
| | Leveraging outcomes for both refugee and host communities | 2. Work with government counterparts and other partners to ensure that, by the end of IDA 20, at least 60 percent of the countries eligible for the Window for Host Communities and Refugees (WHR) will have implemented significant policy reforms related to the WHR purposes, as identified through the Refugee Policy Review Framework. |
| <u></u> | Strengthening core governance institutions | 3. Support 40 percent of IDA countries in FCS (with active portfolios) to establish and/or strengthen core government functions that facilitate effective, inclusive, and responsive public services, enhance transparency and accountability, and promote resilience and trust, including by partnering with key national and international stakeholders. |
| † | Addressing transboundary drivers of FCV and recovering from crisis | 4. Implement regional initiatives in the Sahel, Lake Chad, the Horn of Africa, and Central Asia to help address transboundary drivers of FCV, support transboundary resilience, and / or strengthen regional crisis risk preparedness and mitigation together with key relevant partners. IFC will commit to leverage its local presence to scale up upstream and advisory service activities in these areas, leading to enhanced private sector opportunities. |

| GENDER AND DEVELOPMENT | | |
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| Cross-Cutting Issue | Objective | Policy Commitment |
| | Investing in women's empowerment | 1. Support women's empowerment, through restoring and expanding access to quality and affordable sexual and reproductive, adolescent, and maternal health services, in at least 30 IDA countries, of which 15 countries with the lowest HCI. |
| | Scaling up productive economic inclusion | 2. Incorporate specific productive economic inclusion components (e.g., producer cooperatives/associations, digital finance/savings and service delivery, entrepreneurship support, social care services, regulatory frameworks, and/or links to market support) for women in at least 35 IDA social protection/jobs, agriculture, urban, and/or community development projects. |
| | Expanding childcare | 3. Support at least 15 IDA countries to expand access to quality, affordable childcare, especially for low-income parents. |
| | Supporting medium and high skilled employment opportunities for women | 4. At least 35 percent of IDA20 infrastructure operations (transport, energy, and water) will include actions to create employment opportunities for women in medium and high skilled jobs in these sectors. |
| ₽ | Closing the gap in digital technology | 5. At least 30 IDA20 operations in digital development, financial inclusion, and agriculture will increase women's access to and usage of digital technology to close gender gaps in access and usage. |
| | Strengthening women's land rights | 6. At least 70 percent of IDA20 operations with land activities in (i) land administration, (ii) post-disaster reconstruction and resilient recovery, and (iii) urban development will include specific actions to strengthen women's land rights. |
| | Increasing support to prevention of and response to Gender-based Violence (GBV) | 7. Support at least 10 IDA countries to strengthen national policy frameworks for prevention and response to GBV, and in at least 15 IDA countries, of which five are FCS, support GBV related services in health systems, and implement GBV prevention and response protocols as part of safe and inclusive educational institutions. |
| <u>î</u> | Implementing fiscal policy and budget systems to close gender gaps | 8. Support at least 10 IDA countries to make their fiscal policy and budget systems more inclusive and gender responsive by, for example, budget reforms, removing discriminatory provisions from tax legislation and/or monitoring the effectiveness of public spending, including where appropriate through fiscal incidence analysis for equality policies. |

| JOBS AND ECONOMIC TRANSFORMATION | | |
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| Cross-Cutting Issue | Objective | Policy Commitment |
| + | Supporting resilient financial systems for recovery | 1. Strengthen the resilience, inclusion and depth of the financial system in 15 IDA countries, including five FCS, based on FSAP or similar financial sector analytics to support a robust and inclusive recovery. |
| | Leveraging One WBG to increase private investments | 2. In the context of IDA PSW operations involving IFC, IFC will aim to increase the share of its commitments in FCS-IDA17 & LIC-IDA17 countries, reaching 12-17 percent of Own-Account commitments on average during the IDA20 cycle, with an intent to reach an Own-Account annual commitment of 14-17 percent in the last fiscal year of IDA20. Consistent with this aim, targeted platforms and programmatic approaches for IDA PSW-eligible countries will be supported to develop and encourage scalable initiatives across sectors in these countries, including those targeted to support small and medium-sized enterprises, for trade finance purposes, in support of gender, and for climate friendly investments focused on mitigation and adaptation. |
| | Delivering quality infrastructure investments in countries with governance challenges | 3. Support at least 20 countries, of which 10 have a score of 3.0 or less on Country Policy and Institutional Assessment Dimension 16 covering transparency, accountability and corruption, to identify the governance constraints to the development, financing, and delivery of quality infrastructure investments, with particular attention to resilience, climate and environment, and regulatory practices, transparency and integrity, to inform the adoption of policies and/or regulations for enhanced infrastructure governance in a majority of these. These will be undertaken through Infrastructure Sector Assessments Programs and standalone governance assessments that support improved delivery of quality infrastructure services. |
| | Creating better jobs and sustainable, inclusive economic transformation in high potential sectors | 4. Support interventions to address market failures and remove constraints in sectors with high potential for the private sector to drive sustainable and inclusive economic transformation and create better jobs, or where women and youth disproportionately work, in 20 IDA countries, of which five are FCS, including through upstream activities and informed by data and private sector development diagnostics such as the joint IFC-WB Country Private Sector Diagnostics, and selected in agreement with country authorities. |
| | Boosting agriculture productivity, value chains and food security | 5. Improve agricultural productivity, including through the promotion of climate-smart agriculture, and strengthen sustainable agri-business value chains with high potential for growth and better jobs addressing modernization and food and nutrition security in 15 IDA countries, including five FCS, in ways that are inclusive, expanding training for agricultural workers to access these better jobs, and encouraging private sector opportunities. |
| ψ | Expanding broadband access and usage for jobs of the future | 6. To close the connectivity gap, IDA will support 17 IDA countries, including those which will benefit from IFC's support under the IDA PSW to develop digital infrastructure, to increase inclusive, secure and affordable access to and usage of broadband connectivity, among which are six landlocked countries, four Small States and nine FCS. |
| ή | Positioning more firms for recovery, including through the adoption of digital technology | 7. Support programs in 15 IDA countries, to strengthen private sector recovery and transformation that are well targeted, inclusive of SMEs and support the adoption of digital technologies, with monitoring to capture distributional impacts and effectiveness. To support this, IFC will increase its support to digital infrastructure, with consideration of cyber security and related issues, and its venture capital work in IDA and FCS countries. |
| Î | Boosting institutional capacity to improve data for policy decision-making | 8. Support 34 IDA countries including those with ongoing statistical operations (i) to strengthen institutions and build capacity to reduce gaps in the availability of core data for evidence-based policy making, including disaggregation by sex and disability where appropriate; and (ii) to increase resilience of statistical systems, including through investments in digital technology and high-frequency monitoring capabilities. |

| CRISIS PREPAREDNESS | | |
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| Cross-Cutting Issue | Objective | Policy Commitment |
| † | Strengthening crisis preparedness | 1. WBG country programs in all IDA countries will provide technical and financial support to strengthen crisis preparedness. Such support will be informed by appropriate crisis preparedness assessments such as the Crisis Preparedness Gap Analysis (CPGA) and/or other relevant diagnostic tools. |

| GOVERNANCE AND INSTITUTIONS | | |
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| Cross-Cutting Issue | Objective | Policy Commitment |
| | Increasing debt transparency and fiscal sustainability | Support 50 IDA countries in publishing comprehensive public and publicly guaranteed debt reports or fiscal risk statements. |
| Î | Improving domestic resource mobilization | 2. Support 15 IDA countries to bolster their domestic resource mobilization capacity through equitable (fair and progressive) revenue policies (as verified using fiscal incidence analysis or other methods) toward achieving a tax-GDP ratio of at least 15 percent in the medium term. ^a a Revenue policies include tax administrative policies, including those that seek to improve and introduce new tax compliance measures. The concept of equitable DRM has two dimensions: (1) fairness (taxpayer with similar income or property should be treated similarly); and (2) progressivity (contribution according to taxpayers' ability to pay). |
| fin in | Enabling digital government services | 3. Support at least 15 IDA countries to adopt universally accessible GovTech policies, regulations or solutions to enable secure digital government services. |
| <u></u> | Combatting illicit financial flows | 4. Support at least five countries to conduct comprehensive Illicit Financial Flows (IFF) assessments and prepare action plans. Also support at least 20 IDA countries to undertake policy actions that tackle corruption, money laundering, and/or tax evasion to reduce IFF, such as strengthening public accountability mechanisms, increasing access to and awareness of beneficial ownership information, and/or adopting automatic exchange of information to reduce tax evasion. |