IDA21 Strategic Directions and Updates on Better Bank

The South Asia region had two forums on the IDA21 Strategic Directions and Updates on the Better Bank. The first was held on June 10 and the second on June 17th. The first forum (SAR1) convened participants from Afghanistan, Bangladesh, Maldives, Pakistan and Sri Lanka. The second one covered Nepal and India.

The aim of the SAR1 forum was to apprise civil societies about the proposed IDA21 strategic directions and obtain feedback and any input from them to inform IDA’s policy dialogue, as well as update them on the progress the Bank is making in its evolution towards a better bank. To this end, the IDA Manager for Strategy and Operations Mr. Enrique Blanco Armas made a presentation on the proposed IDA21 Strategic Directions, while Mr. Ed Mountfield, Vice President for Operations Policy and Country Services presented on the Better Bank. These presentations were the basis for the forum conversation.

The World Bank Country Director for Bangladesh and Bhutan Mr. Abdoulaye Seck hosted the event and gave opening remarks. The IDA Borrower Representative from Bangladesh Mr. Muhammad Rezaul Karim representing client countries in the South Asia region in IDA21 Replenishment Meetings made remarks in the opening session. The IDA Deputy for Pakistan Tauqir Shah gave closing remarks. The event was moderated by Mr. Mosharraf Zaidi, founder and CEO of Tabadlab. At the end of all interventions, a youth representative—Zaheer Abbas of the Youth Policy Forum in Bangladesh—who was the rapporteur of the event, provided a report highlighting key suggestions from the participants.

This readout provides feedback from participants organized under the proposed IDA21 focus areas of People, Planet, Prosperity, Infrastructure and Digitalization, and under the proposed lenses of More and better jobs; Gender; Fragility; and Private investments. It also captures feedback on the better bank.

Following are the inputs made:

Focus Areas

People:

- Invest more resources in women for more transformative impact.
- Take a holistic view of in investing in people, e.g. a housing project should also address other livelihood issues such as water and sanitation.
• Social Safety Net programs should also focus on graduation to permanently take people out of poverty. Can the bank use its knowledge engine on this.

PLANET:
• Focus on preparedness since many other donors are addressing response.
• Engage local government institutions to better address resilience and preparedness. These institutions also have a better handle on inclusion of women and youth in climate issues.
• Need better integration of relevant analytical and policy tools that drive risk-informed actions such as country climate development reports.

INFRASTRUCTURE:
• Energy infrastructure, primarily at this moment due to the climate crisis should be about accelerating the energy transition and providing sustainable energy as well as energy access to vulnerable communities.

DIGITALIZATION:
• Addressing the digital divide in terms gender, small and large businesses, and urban-remote areas, should be a priority, considering internet connectivity, required infrastructure, building digital skills, access to actual hardware.
• Digital ID programs and supporting required systems globally, plus digital data protection regimes.
• Look into the readiness of our countries in terms of not only embracing AI and emerging technologies, but also opportunities and innovation, and the harms of these technologies.
• E-governance needs to be first.

LENSES

More and Better Jobs: more robust policies and strategies from the World Bank Group in terms of working with the private sector more directly for job creation

Gender:
• Digital divide from a gender perspective - address societal and cultural hindrances of women's and gender minorities' access to technologies and internet.
• Policy framework for gender equality or eradicating gender discrimination.
• Suggest having gender not as a cross-cutting issue but a main issue.

Private investments:
• Endorse engaging the private sector.
• Private sector is looking to fill the gap in industrial decarbonization. Will de-risking as well as credit risk guarantees be extended to earlier stage projects?

Better Bank - Issues Raised
• Welcome the concept of the livable planet and incorporating it in better bank priorities.
• Safeguard policies of the Bank — are they being reviewed or reformed in any way in the push to be a Better Bank?
• Project timeframes — can the Bank improve decision making timeframe from project conceptualization to implementation. It takes a lot of time.
• **Crisis financing** — Increase resources to IDA’s crisis relevant financing mechanisms such as the crisis response window and ensuring financing levels are better informed by evidence-based analysis of risk and vulnerability.

• **E-governance way to go for a better bank** — useful to rationalize projects and address gaps and disconnects between projects.

• **Redress mechanisms**: Will the Bank reform provide simpler and more easily accessible redress mechanisms to people that feel that they’ve been negatively affected by World Bank projects and policies?

• **Earmarking funds** — Confirm that countries decide their priorities and there is no earmarking of funds determined by the Bank.

• **Loan repayments** — is the better bank considering that citizens are the ones who pay back loans taken by client countries?

• **Engaging various stakeholders** — has the Bank consulted other donors and agencies in developing the IDA21 framework? NGOs and local civil society organizations should be at the forefront when developing any projects.

*Bank management provided overall response to various issues raised.*