About IDA

• The International Development Association (IDA) is the arm of the World Bank that helps the world’s low-income countries fight poverty by providing financing, knowledge, and policy advice.
• IDA is a key platform for the Bank’s mission to create a world free of poverty on a livable planet.
• IDA works in 75 countries in Africa, East Asia, South Asia, Europe & Central Asia, Latin America & Caribbean, and Middle East & North Africa.
• Since its establishment in 1960, IDA has provided about $533 billion for investments in 115 countries.
• IDA lends money on concessional terms. IDA credits have a zero or very low interest charge and repayments are stretched over 30 to 40 years.
• More than half of active IDA countries receive all, or half, of their IDA resources on grant terms, which carry no repayments at all. Grants are targeted to low-income countries at higher risk of debt distress.
• IDA helps countries on a sustainable path toward funding their own development. Since IDA’s inception, 36 IDA countries no longer rely on IDA support, and many have gone on to become IDA donors, including China, Chile, India, South Korea, and Turkey.

Resources

• About IDA
• Replenishments
• IDA20 Policy Commitments
• Results: IDA at Work
• IDA20 MTR website

About the IDA20 Mid-Term Review (MTR)

• IDA donor partners, representatives from borrower countries, and World Bank management come together ordinarily every three years to determine IDA policies and replenish IDA funds. The replenishment consists of contributions from IDA donors, the World Bank Group, and, until recently in 2018, financing raised from the capital markets.
• Since its founding in 1960, IDA has had 20 replenishment cycles. The current one is the 20th (IDA20) covering the period July 1, 2022 – June 30, 2025. Halfway through each IDA financing cycle there is a mid-term review (MTR), which is an opportunity to take stock of the cycle’s progress and to plan the path ahead.
• IDA20 is a $93 billion package that was made possible by donor contributions from more than 50 high- and middle-income countries totaling $23.5 billion. In IDA20, every $1 in donor contributions turns to about $4 of support to client countries.
• IDA20 was designed to help low-income countries restore their development trajectory towards the 2030 development agenda, recover stronger from the COVID-19 crisis, and respond to other multiple crises in the post-COVID world. IDA20’s overarching theme is therefore Building Back Better from the Crisis: Towards a Green, Resilient and Inclusive Future. This is being done through policy commitments covering five special themes – Human Capital, Climate, Gender, Jobs & Economic Transformation, and Fragility, Conflict & Violence, and four cross-cutting issues – debt, governance, technology, and crisis preparedness.
• The IDA20 Mid-Term Review (MTR) is an assessment of midway progress on the delivery of IDA20’s policy and financial commitments.
• Discussions at the meeting are mostly technical informed by various delivery reviews and technical papers. Agenda items will include IDA results, financing issues, partnerships, prospects for graduation from being an IDA country, and early thinking on IDA21 strategic priorities.
• The MTR meeting is attended by IDA donor representatives (referred to as IDA Deputies), borrower representatives, and World Bank management. While the 3-day meetings are closed, the opening session on December 6 will be livestreamed on World Bank Live at 8.30am (local time).
• The early thinking on IDA21 at the MTR kick-starts what will be a year of negotiations for IDA21. Throughout 2024 there will be negotiation meetings culminating in a pledging session in December 2024 at which point the IDA21 replenishment envelop will be announced. The World Bank will also engage various partners around the world such as civil societies, the private sector, and other multilateral organizations as it works to make IDA21 the largest replenishment of all time. This would help IDA countries take more strides in their journey towards ending poverty and making the planet livable for their people.
IDA in Africa and Tanzania

- IDA is a key development partner for Africa, supporting countries realize their development goals through their own country plans.
- In the fiscal year ending June 30, 2023, IDA commitments totaled $35.1 billion, of which $7.3 billion in grants. The Africa region received 75 percent ($25.8 billion) of the total commitments.
- Tanzania became a member of IDA in 1962. It is currently one of the ten largest recipients of IDA.
- So far under IDA20, commitments to Tanzania amount to $2.14 billion.
- Over the years, IDA has supported Tanzania in various areas of equitable and sustainable growth, energy, transport, education, health, social protection, water, urban resilience, housing, ICT, and governance.
- In July 2020 Tanzania became a lower-middle-income country and IDA will continue partnering with Tanzania as it addresses priorities of its development agenda to further improve its economic status.
- Examples of IDA-supported projects in Tanzania:
  - In Zanzibar, an IDA-funded electricity access project will help 400,000 people get reliable and efficient electricity services and increase renewable energy generation in the archipelago.
  - Through the Secondary Education Quality Improvement Project, Government has increased secondary education enrollment (Forms 1 – 6) by 41 percent in the last 5 years and enrolled 3,333 former dropouts of secondary education in Alternative Education Pathways program.

Did You Know?

- IDA is at the heart of delivering the World Bank’s mission of a world free of poverty on a livable planet. With this mission, the Bank is becoming even more ambitious in addressing global challenges, including with high priority on the poorest countries as articulated by its president.
- In a fractured geopolitical landscape, IDA embodies effective multilateral development funding. With 57 donor and 75 recipient countries in IDA20, our platform enables middle- and high-income donor governments to pool funding to support low-income countries. Our country-based model prioritizes national development without earmarking funding, marrying country priorities with regional and global needs.
- We combine innovative financing with cutting-edge knowledge to maximize impact. Every IDA donor dollar translates into nearly $4 for poor countries. IDA’s highly concessional financing is complemented by our deep pool of expert knowledge, with on-the-ground presence in the countries where we operate. IDA is a transparent, cost-effective platform that delivers results.
- IDA is becoming simpler, better, and faster. As part of the World Bank’s Evolution process, IDA reforms will enhance operations and outputs for our clients. We are strengthening our partnerships with multilateral and bilateral agencies, national institutions, the private sector, and civil society to maximize the impact of leveraged finance and co-financing.
- IDA is transformational. With the global convening power of the World Bank, an innovative financial model, and a vast depth of knowledge gained from years of collaborating with partner governments, we have an unmatched capability to support the world’s poorest countries. Our efforts catalyze national development: since 1960, 36 IDA countries have graduated from IDA recipient with some becoming donors.
- Climate action is development in action. Climate change threatens poor countries with extreme weather events that endanger lives and livelihoods. Promoting clean energy, climate-smart agriculture, and other sustainable practices reduces planet-heating emissions, boosts productivity, creates jobs, and minimizes waste. The World Bank is the largest source of global climate finance, and IDA’s concessional financing supports national development, helps countries chart a clean-energy future, and builds resilience.
- As we turn to face the future, IDA21 must be the largest replenishment to date, with donor commitments matching global ambition. IDA is building on emerging economic opportunities to meet unprecedented development challenges that will accelerate in the years ahead. The World Bank is transforming its operations, and IDA is scaling up financing while streamlining its processes. Yet these efforts can only go so far: given the extent of global needs, donors need to progressively increase their contributions to IDA.
- The spirit of partnership is at the core of IDA’s success. We have seen how partnerships with UN agencies have helped IDA deliver in fragile and conflict situations such as Afghanistan and Yemen. Together, we have delivered results that have improved millions of lives trapped in conflict, giving them hope in very desperate circumstances. Partnerships will continue to be key not only to IDA, but the whole World Bank.

Resources

- IDA in Tanzania
- IDA Impact in Africa

Contacts

Meriem Gray: mgray@worldbank.org
Loy Nabeta: lnabeta@worldbank.org