Above: Burkina Faso. A boy rides his bicycle in Tiwega 1, an IDP camp in Kaya, in the Centre-Nord region of Burkina Faso, which hosts 2240 displaced persons who fled insecurity in northern cities of Dablo and Foubè, near the Sahel region. Photo: UNOCHA/Michele Cattani.

IDA21: Making Development Finance Work for Communities affected by Fragility, Conflict, and Violence

October 2024

Introduction

The World Bank's International Development Association (IDA) is one of the most critical tools at the Bank's disposal in its mission to end extreme poverty on a livable planet. This makes the upcoming 21st replenishment of IDA more than just a chance to mobilize funds — it's a critical opportunity to reshape how development finance works for the communities that need it most and meet this renewed ambition.

Unlike the large stable settings such as China, India, and South Korea that IDA so effectively supported in the past, the new geography of extreme poverty is increasingly concentrated in crisis-affected communities facing a toxic combination of constrained governments, protracted conflict and climate vulnerability. By 2030, 60% of people living in extreme poverty will be in countries affected by fragility, conflict and violence (FCV), according to the Bank's own projections. Solving the challenges in these crisis-affected communities is no longer peripheral to the World Bank's mandate — it is central to its goal of ending extreme poverty on a livable planet.

Today, one-quarter of the world's extremely poor live in just 14 conflict-affected Least Developed Countries (LDCs), representing around 7% of the global population. Ten of these 14 countries experience control by de facto authorities (DFAs) at either the national or subnational level, posing further challenges to efforts to address extreme poverty and climate change. The International Rescue Committee's (IRC) humanitarian mandate to support crisis-affected communities has increasingly led us into these environments, and we deliver vital programs — including in health, education and livelihoods — in 10 of these 14 countries. In IRC's experience working in and with these communities, we have seen an overwhelming concentration of humanitarian crises driven by such factors as the rise in violent coups, exposure to climate risk and an increase in public debt coinciding with declining international support.

The development, climate and humanitarian finance systems designed to support these communities are disconnected from one another, often inaccessible to communities in need and insufficient in scale to address the growing challenges. While countries in Africa face interest rates up to 12 times higher than those in Europe and North America, Official Development Assistance (ODA) to developing countries is dropping for the second year in a row. Countries like Sudan are trapped in debt distress, leaving governments with few resources to spend on essential public services.

The New Geography of Extreme Poverty

The 14 conflict-affected LDCs representing the new geography of extreme poverty are: Afghanistan, Burkina Faso, Central African Republic, Democratic Republic of the Congo, Ethiopia, Haiti, Mali, Mozambique, Myanmar, Niger, Somalia, South Sudan, Sudan, and Yemen. These countries are all IDA recipients.

IDA is one of the few lifelines available to conflict-affected LDCs and is increasingly called on to fill the gap left by other development and climate funds. But IDA investments are lagging due to low-risk thresholds and a government-first delivery model that can't always reach marginalized populations. IRC's assessment of the Bank's performance — including via IDA — in these crises identified disruptions in programs linked to an overreliance on stretched or absent governments for delivery, insecurity and the rise of de facto authorities as barriers to effectively reaching marginalized communities. These gaps in IDA's approach risk leaving millions behind, in danger of slipping deeper into poverty, hunger and instability.

The Bank's leadership has rightfully acknowledged the need to better support FCV communities and IDA's important role in that effort. Making FCV a crosscutting "lens" of IDA21 demonstrates that commitment. The Bank's attempts to navigate de facto authorities and partner with non-governmental organizations (NGOs) to reach these communities in places like Afghanistan and South Sudan will prove valuable as it charts a new approach designed with the new geography of extreme poverty in mind.

As highlighted in the UN's Summit of the Future Outcome Document, a robust and impactful IDA21 replenishment is crucial. The other half of the battle is ensuring that IDA can deliver in all contexts, including where state capacity is stretched or non-existent and where DFAs are present. This will require clear policy ambitions, goals for partnerships, financing mechanisms and risk mapping.

Four actions can help the World Bank and shareholders maximize IDA's potential in the new geography of extreme poverty:

1. A robust IDA replenishment

Commit to a robust IDA21 replenishment by pledging contributions that exceed the IDA20 amount in real terms,[i] and preserve access to grants and highly concessional loans for conflict-affected LDCs.

2. An FCV-inclusive IDA21 — policy framework and partnerships

Drive progress on FCV, gender equality and refugee inclusion and ensure that the growing number of communities impacted by conflict, violence and unconstitutional transfers of power are not left behind. Expand on the Bank's commitment to diversify delivery partnerships in FCV countries to more effectively reach marginalized communities.

3. People-centered financing in the new geography of extreme poverty

Establish reforms to improve IDA performance and delivery in FCV contexts, including via expanded eligibility to the FCV Envelope and improved political risk mapping to inform qualitative assessments.

4. Sustaining engagement in contexts under the control of de facto authorities

Integrate assessments of the potential disruption of budget support that could result from DFAs in IDA countries, and set out appropriate adaptation measures that IDA could deploy, including switching to NGO or U.N. partnerships to continue critical projects in appropriate areas of service delivery, such as healthcare, education and gender-based violence (GBV) prevention and response

Without IDA resources and reforms, we are at risk of worsening the imbalances between rich and poor communities, as well as between stable and crisis-affected communities. This two-tiered world will have repercussions that will be felt far beyond the borders of those countries experiencing conflict and crisis. This is not just about boosting development finance nor pushing the Bank's finance toward humanitarian interventions — it's about ensuring that no community is left behind and the World Bank remains relevant in a world where the most extreme challenges are concentrated in countries affected by FCV.

1. A robust IDA replenishment: A critical source of finance for the new geography of extreme poverty

The countries at the intersection of extreme poverty and conflict continue to suffer the effects of the “polycrisis” caused by the COVID-19 pandemic, recurring climate shocks, global inflation and mounting debt. However, aid flowing to these countries is insufficient. Worryingly, in 2023, wealthy donors on average spent almost as much on aid for hosting refugees domestically as on bilateral aid targeting LDCs. Globally, over the last decade, ODA has grown by 60%, but ODA to LDCs specifically has increased by only 6%.

With crises increasingly protracted and development donors retreating from countries where the authorities have gained power through a coup or where de facto authorities are in control of a significant swath of territory within a country, humanitarian actors are being left to deliver essential services in place of stretched, under-resourced or absent national governments.

IDA provides one of the few sources of finance available to conflict-affected and climate-vulnerable countries. Both client and donor countries consider IDA an effective source of development finance.

First, IDA is a value-for-money choice for donors, with each US dollar leveraging approximately USD 3.5 for recipient countries thanks to IDA’s hybrid financing model. This has allowed IDA to increase its resources far beyond donor contributions. Second, IDA is a lifeline for indebted LDCs with limited or no access to private investments, capital market borrowing and other World Bank loans[ii] due to their lack of creditworthiness and high-risk, volatile markets. It provides client countries with grants and zero- or low-interest credits (loans) and a 30- to 50-year repayment period. This is critical to avoiding spiraling debt. In 2023, USD 200 billion was taken out of developing countries to go toward private creditors in interest and net repayments. It is also a key source of climate finance for conflict-affected LDCs, with almost one-quarter of all IDA climate commitments targeting conflict-affected LDCs between 2020 and 2022[iii] – a stark illustration of the countries’ disproportionate climate vulnerability and finance needs. Third, IDA delivers results: 82% of IDA projects independently evaluated achieved a satisfactory or better rating in 2022 (up from 68% in 2012).

RECOMMENDATIONS

1. Donors should **commit to a robust IDA21 replenishment by pledging contributions that exceed the IDA20 amount in real terms**.[iv] An ambitious replenishment is in line with calls by African leaders and governors to aim for a USD 120 billion target and with the Independent Experts Group’s (IEG) recommendation to triple the size of IDA by 2030.[v]

2. The World Bank and shareholders should **prioritize providing grants and highly concessional loans** to conflict-affected LDCs.[VI]

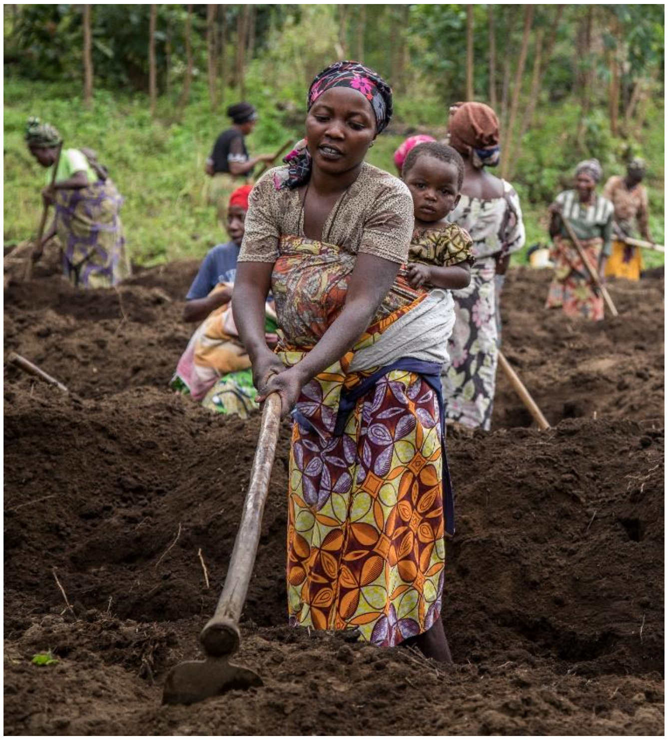
2. An FCV inclusive IDA21 — policy framework and partnerships

2.a. Policy commitments prioritizing FCV

Ensuring that IDA is well-funded is only part of the equation. It needs to come with agreement on a strong policy package that prioritizes addressing FCV as fundamental — not peripheral — to fulfilling the Bank's new mission.

The proposed policy package for IDA21 helpfully categorizes FCV as a cross-cutting priority (or a "lens") alongside Gender Equality, More and Better Jobs and Private Investments that applies across five focus areas: People, Planet, Prosperity, Digitalization, and Infrastructure. Both Focus Areas and Lenses include specific policy commitments to drive IDA's implementation.

The FCV policy commitment should define how partners including NGOs and CSOs will be operationalized as important delivery partners and included in addressing FCV drivers and resilience building as part of the development of country partnerships.



Above: In DRC, members of the IRC-supported community-based organization Tupendane cultivate the land in 2018 following insecurity caused by conflict between DRC armed forces and the M23 rebels. Photo: Kellie Ryan for the IRC.

The FCV lens would also be improved by including an additional policy commitment to strengthen national systems delivery in FCV countries that would support the continuity of vital services, including through operationalizing partnerships with NGOs in a direct delivery, hybrid (joint delivery) or advisory capacity.

RECOMMENDATIONS

1. IDA21 should include a **policy commitment to strengthening national systems providing essential services** such as health, education and GBV prevention and response in FCV countries.

2. To ensure that the FCV lens is comprehensively applied, the Bank should **ensure that all IDA interventions in FCV countries — including those with DFAs — are rooted in the specifics of each context**, support conflict-sensitivity and climate adaptation and address deep-rooted drivers of FCV. In addition, interventions should be designed with the needs of women and girls and other marginalized groups in mind, including those who are displaced or living beyond government access.

Above: In Ethiopia, Zainab Bare is a Somali refugee living in Helowyn camp, where she helps run services that raise awareness about women's rights and safe spaces as part of the Women Steering Committee. Photo: Martha Tadesse for the IRC.

2.b. Overcoming barriers to gender equality in FCV settings

The recently adopted WBG Gender Strategy 2024-2030 reflects the Bank's growing ambition to advance gender equality and a recognition that it is a prerequisite for ending poverty on a livable planet. The next step is to define, via clear gender equality policy commitments, how IDA objectives will fulfill gender equality and progress will be measured, while also setting a bar for the quality of its interventions, especially in FCV settings where women and girls suffer compounding forms of discrimination and marginalization.

Considering the crisis-related barriers to sexual and reproductive health in FCV countries, the heightened risk of GBV in these settings, and the specific constraints on displaced women's economic empowerment including limited access to childcare and early childhood development, the IDA policy framework would be strengthened by integrating specific gender policy commitments in these areas for FCV countries.

Since fragility and conflict affect women and girls differently and disproportionately in ways that threaten their lives and livelihoods, IDA interventions in FCV settings need to incorporate feminist approaches that will course-correct the gendered impact of the crisis. Overcoming pervasive gender inequality requires strong partnerships with women-led organizations (WLOs) to enable them to spearhead the design and delivery of services.

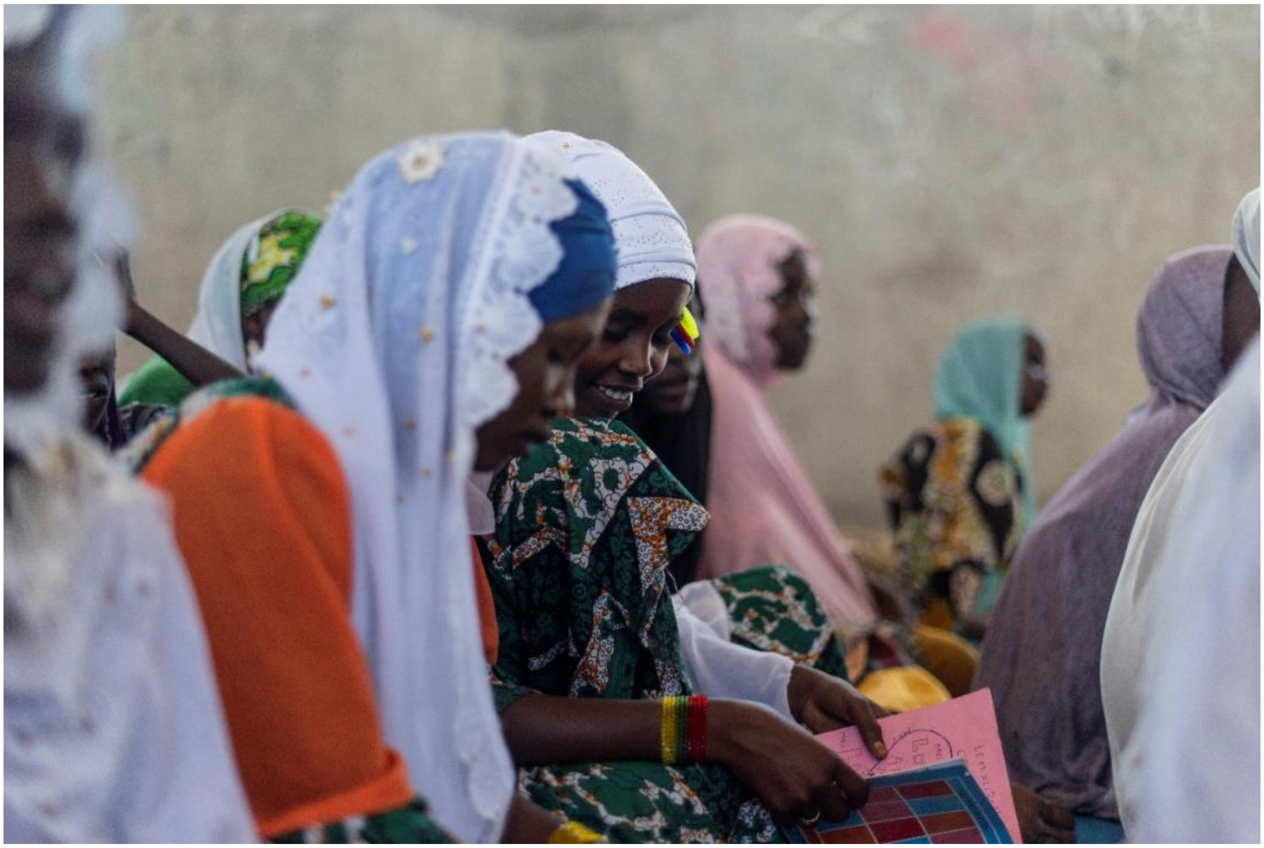
RECOMMENDATIONS

1. Building on the IDA20 policy commitments, **the GBV policy commitment should include a subtarget to expand investments in GBV response and prevention systems in IDA countries**, and especially in FCV countries where GBV is often more acute. The gender equality policy commitment should drive IDA investments in FCV countries to strengthen sexual and reproductive health services, as well as GBV prevention and response interventions following a survivor-centered approach.

2. The IDA21 policy framework should include a specific **childcare services policy commitment** to increase access to quality and affordable childcare as well as early childhood development in FCV countries.

3. A policy commitment on women's economic empowerment should ensure crisis affected, marginalized and displaced women are supported to access economic opportunities, including by working with WLOs, local community groups and institutions to support women and girls in FCV countries.

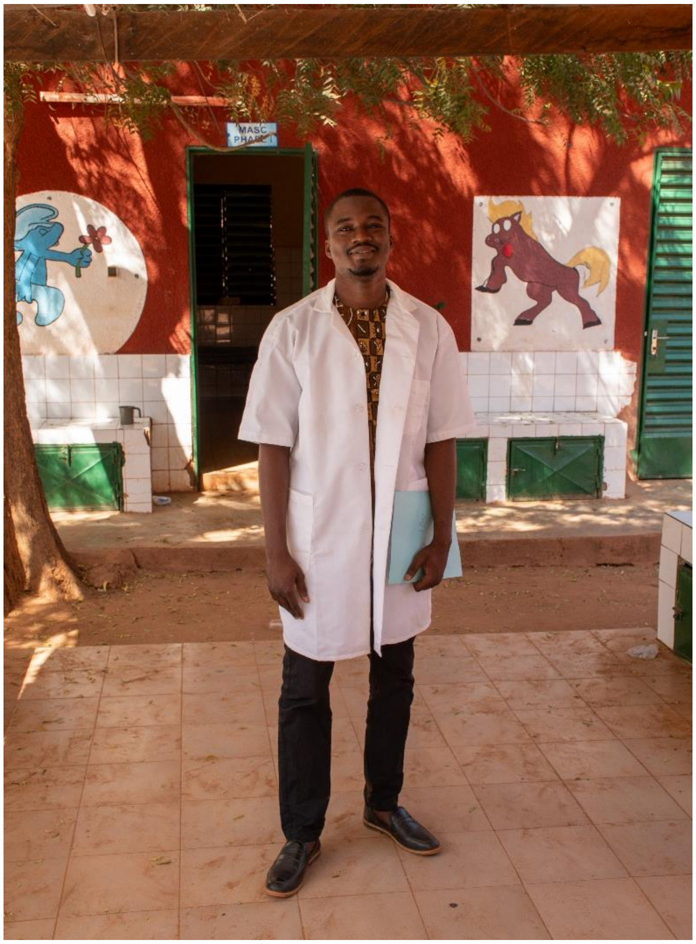
4. The Planet policy commitments **should integrate explicit targets for gender-responsive climate policies, programs and financing in FCV countries**. Inclusive and effective climate finance and action rely on gender-transformative interventions and women-led adaptation initiatives. This includes adopting climate resilience approaches through schools to stem the learning crisis.



Above: In Burkina Faso, Wallet Azede Ylimanata, a refugee from Mali, in her garden. Wallet received agricultural support from the IRC. Photo: Sibiri Sawadogo for the IRC.

2.c Partnerships for delivery in the new geography of extreme poverty

An FCV-inclusive IDA relies on a diversity of stakeholders and partners. In crisis settings, these partnerships can help the Bank remain engaged during spikes in insecurity or coups. The Bank acknowledges that Fragile and Conflict-Affected Situations (FCS) constitute a significant share of IDA clients currently experiencing the highest ratio of undisbursed balances as a share of their active portfolio and that pausing disbursements has negatively impacted implementation of development programs in these settings. It notes that enhanced flexibility can help improve IDA's delivery in FCV-affected situations and that third-party implementation (TPI) has allowed the Bank to maintain service delivery to conflict-affected populations. The policy framework would benefit from clearly acknowledging this added value and defining steps to operationalize partnerships.



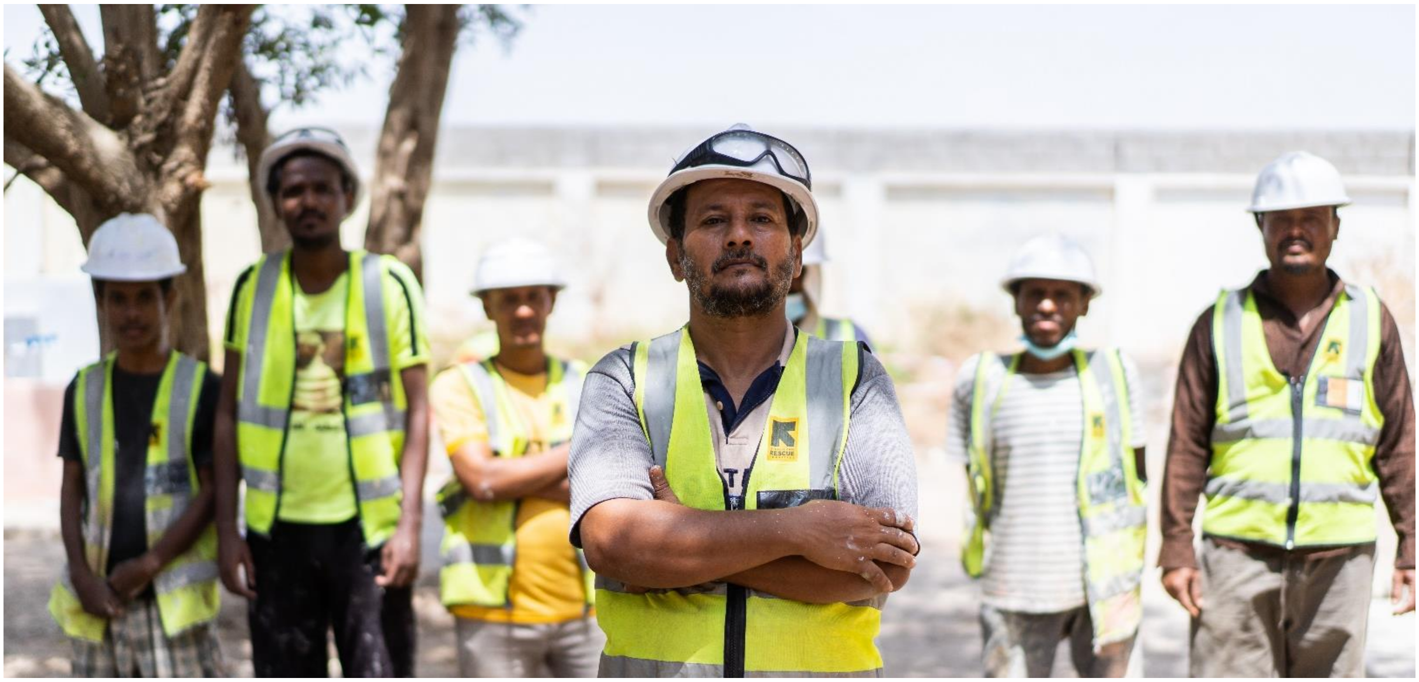
Above: In Burkina Faso, Dr. Tao Faïcal manages the clinical activities and quality of care at the Séguénéga medical center, where IRC rehabilitated the pediatric department, patient rooms, consultation room, and drilled a new borehole. Photo: Sibiri Sawadogo for the IRC.

The IDA21 negotiation process is a chance to scale and systematize a flexible and diverse approach to partnerships in FCV settings and build on the Bank's experience in working with U.N. agencies and NGOs. Doing so will help ensure inclusive, impactful and context-appropriate IDA programming. By working with NGOs that include women- or refugee-led organizations, the Bank can ensure that project design is informed by the views of communities, particularly those most marginalized, even in the most challenging settings. Better use of partnerships and will help the Bank implement the commitments in its FCV Strategy and Evolution Roadmap.

RECOMMENDATIONS

1. Shareholders and Bank leadership **should mainstream TPI and NGO partnerships across IDA**. Expanded partnerships have the potential to bolster the Bank's efforts to remain engaged in FCV settings where continued support to a national government is limited or not feasible and contribute to strengthening service delivery systems in more stable FCV contexts.

2. The World Bank should conduct **a systematic analysis of TPI and partnerships** in FCV settings. A public stock-taking of these partnerships would help identify best practices and recommendations for improving future partnerships. Such an analysis would support the Bank and client countries in developing a clearer understanding of different partnership models that could be deployed in FCV countries, ranging from direct funding and hybrid implementation in program delivery to advisory roles and technical assistance with governments and the Bank.



Above: In Yemen, labor team members pose after a day of work for IRC Cash for Work project in a rehabilitated school in Abyan, part of a project that reached 8,514 people, and provided multipurpose cash assistance. Photo: Gabreez-Saleh Hayyan for the IRC.

3. People-centered financing in the new geography of extreme poverty

In addition to an ambitious replenishment, clear policy commitments and expanded partnerships, the World Bank and shareholders should leverage the IDA21 negotiations to strengthen financing mechanisms and related allocation decisions that can drive funding to conflict-affected LDCs.

The FCV Envelope is one such mechanism. It was established in 2020 under IDA19 to incentivize FCV countries to adapt projects that address the drivers of crises and conflict. In return, IDA provided additional resources via this mechanism to countries for conflict prevention and resilience activities.

From IDA19 to IDA20 (the current IDA cycle), this FCV Envelope has hovered at about 10% of the total IDA replenishment; meanwhile, the needs and poverty levels in FCV countries are skyrocketing. IDA21 is an opportunity to reinforce this much-needed financing mechanism to reflect these realities by retaining 10% as a minimum threshold.

Under IDA20, the FCV Envelope includes three allocations that serve as additional resources available to IDA countries: the **Prevention and Resilience Allocation (PRA)**, supporting countries at highest risk of falling into high-intensity conflict or large-scale violence; the **Remaining Engaged During Conflict Allocation (RECA)**, enabling IDA to operate in countries experiencing high-intensity conflict and with extremely limited government capacity; and the **Turn Around Allocation (TAA)**, helping countries transition out of conflict and fragility and build resilience. So far, RECA remains an underutilized tool, as it has supported only two FCV countries: South Sudan and Yemen. However, it is particularly relevant for conflict-affected LDCs and, particularly, DFA contexts given its aims to preserve basic service delivery and institution capacity-building during conflict. It has also facilitated the Bank's partnerships with U.N. agencies and INGOs, including via direct financing.

The Bank has proposed expanding the FCV Envelope eligibility criteria to include a qualitative assessment — measuring such factors as conflict spreading nationally or regionally and reduced government control over areas of the country — in addition to quantitative criteria, such as the number of people killed, to allow a wider uptake.[vii] By including an analysis of the likelihood of DFAs gaining power at national or subnational levels in the qualitative assessments, the Bank could better anticipate disruptions to IDA financing, making additional resources available and planning to more swiftly pivot to directly financing NGOs and other relevant partners as needed in the event of a coup or a scenario in which a DFA takes control of a subnational region.

The World Bank's own Partnership Charter recognizes the comparative advantages offered by NGOs and CSOs. Including a qualitative assessment of these advantages and available partners in contexts with limited government capacity and under DFA's control would enable the Bank to assess options to maintain service delivery and reach the most marginalized communities via these partners. Expanding partnerships where a comparative advantage is identified requires more simplified processes.

To ensure that IDA21 financing mechanisms continue to support conflict-affected LDCs and other FCV countries, the World Bank leadership and shareholders should expand the FCV Envelope's eligibility by bolstering its quantitative criteria with qualitative analyses and allocate robust resources via such tried-and-tested mechanism to address an increasing range of crises.

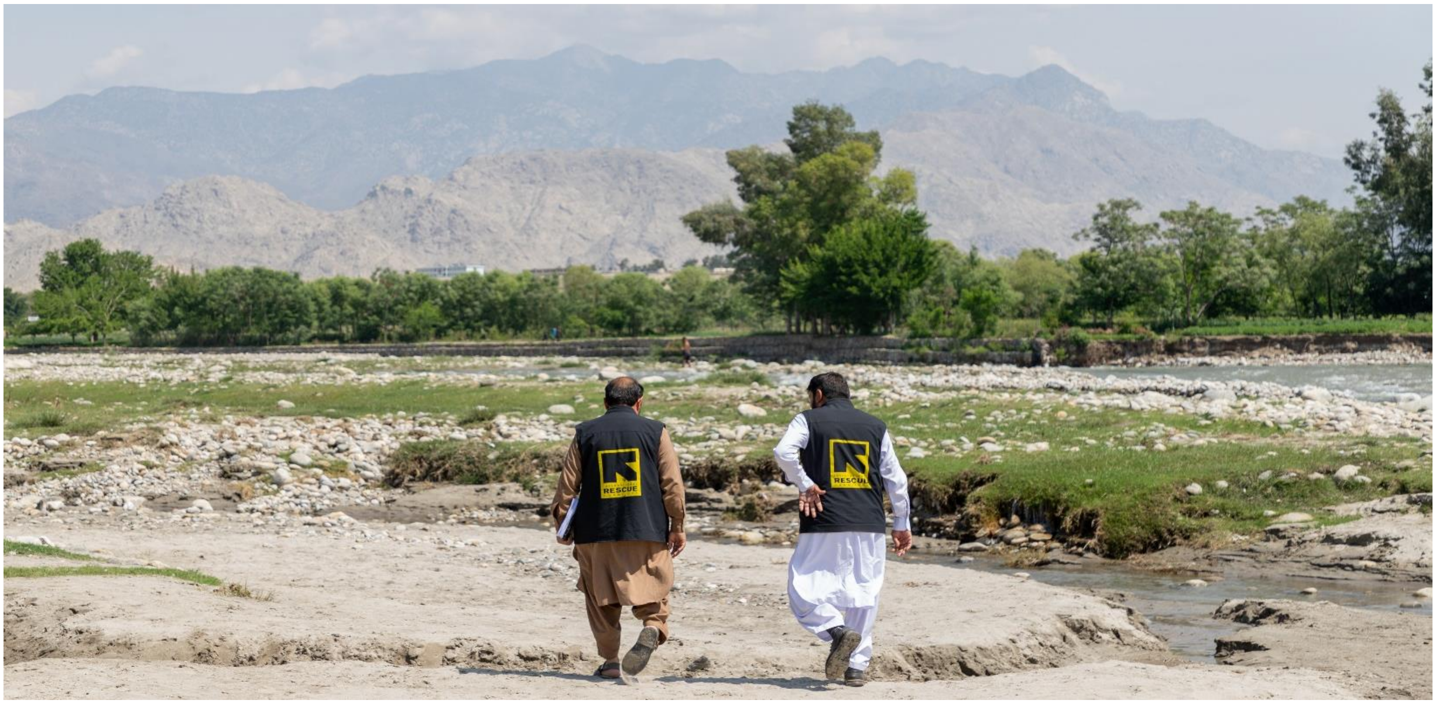
Beyond the FCV Envelope, another key financing mechanism for conflict-affected LDCs is the Window for Host Communities and Refugees (WHR) that supported better access to services and jobs for host communities and refugees, accelerating policy reforms in some refugee-hosting countries with an average of 45% of commitments (equivalent to more than USD 1 billion) allocated to conflict-affected LDCs between fiscal years 2020 and 2023.[viii] The WHR has allowed IDA countries to improve essential services for host communities and refugees and accelerate policy reforms in some refugee-hosting countries. For example, in Ethiopia, WHR projects enabled thousands of refugees to access work permits. It is important that IDA21 retains the focus and action on forced displacement and refugee inclusion in IDA countries and avoid any risk of dilution; ring-fencing IDA financing for projects and policy reforms benefiting hosts and refugees would help.

RECOMMENDATIONS

1. **Expand proposed qualitative assessments of the evolving FCV situations to include the likelihood of DFAs taking power** and the availability of non-government delivery partners with a comparative advantage in preserving service delivery. These assessments should inform the FCV Envelope's eligibility criteria as well as other IDA diagnostic tools and support the Bank's swifter shift to third-party implementation in contexts with limited government capacity and under DFA control.

2. Shareholders and Bank leadership should **adequately finance the FCV Envelope in IDA21** by allocating a minimum of 10% of the overall IDA replenishment, broadly in line with the level of its share of IDA20.

3. Bank leadership and shareholders should **ring-fence at least USD 2.4 billion — equivalent to the WHR allocation in IDA20 — within IDA21** to maintain a dedicated budget to support displaced and host communities. These resources should be linked to policy reforms and interventions that advance social cohesion and refugee inclusion.



Above: In Afghanistan, IRC staff in walk towards flood-damaged areas in Laghman province. Photo: Mahab Azizi for the IRC.

4. Sustaining IDA engagement in countries and territories under de facto authority control

The number of countries in which the authorities have gained power through a coup and are estranged from the donor community or de facto authorities are in control of a significant swath of territory to the exclusion of state services and control has increased six-fold (from seven to 42) over the last 20 years. IRC analysis shows that 10 of the 14 conflict-affected LDCs contain at least one — and sometimes both — of these forms of de facto authority (DFA) control.

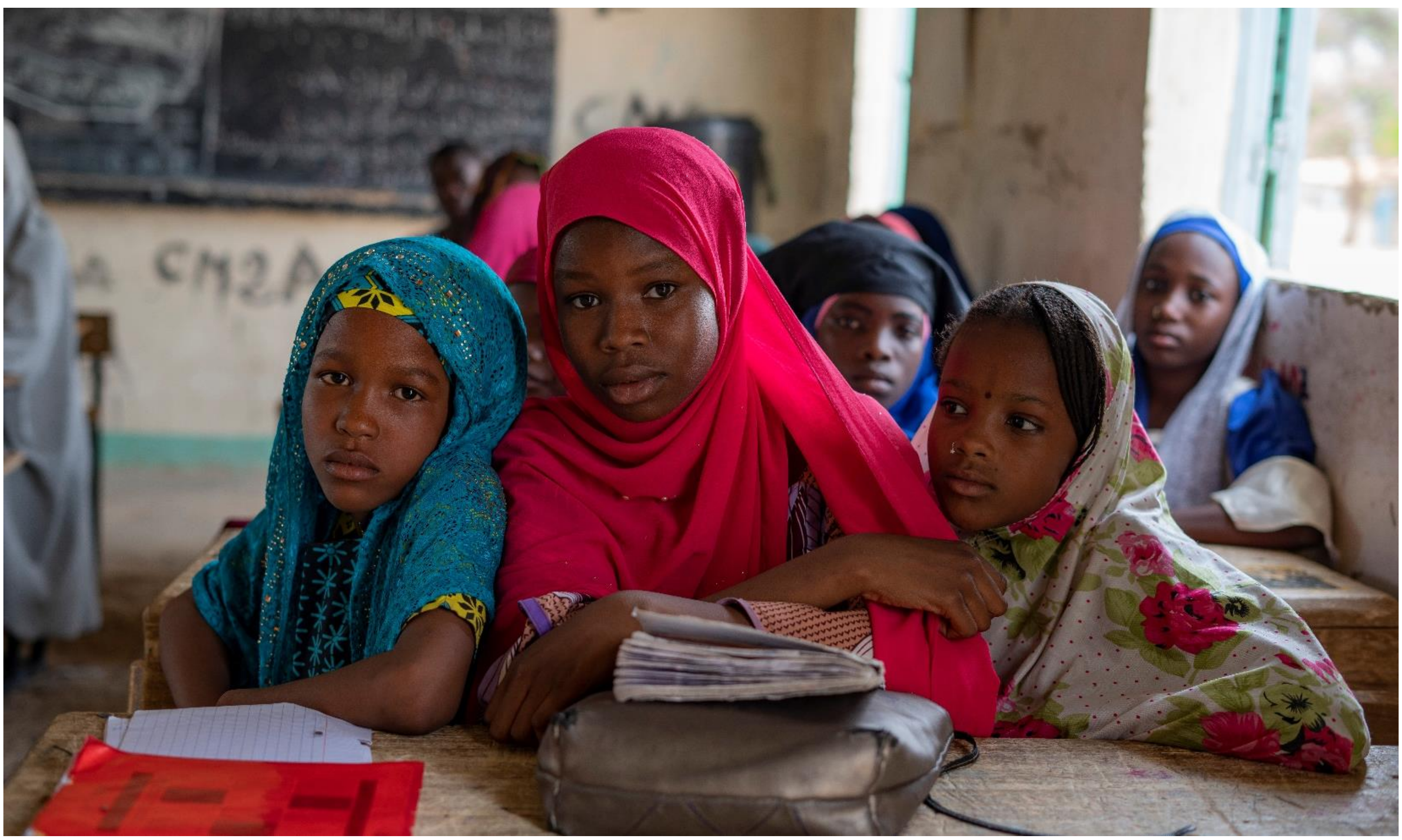
Half of these 10 countries are among the top 25% of countries suffering from extreme poverty,[ix] and all are in the top 25% of countries most vulnerable to the impacts of the climate crisis. They are also home to 116.5 million people in need of assistance — nearly a third of the global total.[x] The IRC is currently operational in nine of these countries.[xi] IRC analysis also shows that already-vulnerable civilians bear the brunt of rising violence often associated with changes to DFA control. For example, following the coup in Burkina Faso, conflict fatalities rose 190%, humanitarian needs rose 31% and internal displacement increased by 21%.

IDA's current financing and operating models risk leaving populations living in DFA countries, including those experiencing coups, without access to essential services. For example, Bank Operational Policies (OP) 7.30 and 2.30 define practice around the suspension of IDA financing following coups and its resumption under certain conditions, such as commitments to holding elections. When such decisions are made, it is civilians — not the new authorities — who suffer. Pauses or reductions in funding risk leaving people without access to essential IDA-supported services such as healthcare, education and social protection, with potentially serious ramifications for populations already facing the reality of extreme poverty, climate change, conflict and humanitarian emergencies.

The gravity of such decisions is illustrated by the Taliban's unconstitutional return to power in Afghanistan and the coups in Burkina Faso, Mali and Niger, where IDA is the largest or second-largest source of international funding.[xii] IRC and Development Initiatives analysis[xiii] of funding in these contexts reveals a mixed and unpredictable pattern in IDA and donor support, including extended suspensions.

- In **Afghanistan**, following the Taliban's return to power in August 2021, the Bank froze all ongoing IDA-funded projects. Although the Bank carefully restarted engagement in Afghanistan through the Afghanistan Resilience Trust Fund (ARTF), IDA was not utilized for over two years, despite Afghanistan's collapsing economy. The disruption of support to basic services contributed to skyrocketing humanitarian needs nationwide.

- In **Niger**, after the July 2023 coup, all IDA funding was suspended and remained so for nine months. Active IDA projects were worth over USD 420 million[xiv] in sectors including education and public-sector management. In Niger, an estimated 40% of government expenditure had been funded by international partners, including through IDA budget support. Shortly after the new Nigerien DFA took power, the authorities announced a 40% cut to government expenditure. However, the impacts of the suspension were not limited to public services: IDA-funded climate adaptation and mitigation projects accounted for more than half of all international climate finance funding for Niger, resulting in major reductions for a country on the front line of the climate crisis. This year the country faced the worst floods in its history, with 1 million people affected.



Above: Students at an IRC Tutoring Programme in Niger which offers 3000 low-capacity students (selected in collaboration with school headmasters and teachers) tutoring classes two times a week. Photo: Mamadou Diop

In other contexts, IDA disbursements were swiftly resumed at similar levels within three months, including in contexts where some bilateral donors have not resumed budget support at the same level:

- In **Burkina Faso**, IDA disbursements were suspended in January 2022 following the coup and resumed again in May 2022. Four months later, following the country's second coup in September, the Bank reduced disbursements for one month, suspended for the following month, then resumed at normal disbursement levels.

- In **Mali**, IDA disbursements were paused twice: for two months in August 2020 and three months in May 2021, following each coup.

While this analysis focuses specifically on coups or DFA control of a full territory, DFA control of a subregion of a country poses a further challenge to the Bank. In such contexts, Bank-supported state services are often unable to reach populations due to lack of access for, or acceptance of, state ministries or staff, again leaving civilians without access to basic support. Burkina Faso illustrates how local populations can be doubly impacted. While the coup saw overall reductions in funding, as outlined above, 40% of Burkinabe people live in areas controlled by DFAs, outside of government control and, therefore, beyond Bank-funded state services.

These trends have major implications for the ability of the Bank, donors and NGOs to deliver effective and consistent efforts to reduce extreme poverty and meet humanitarian needs. Unlocking the challenge of maintaining IDA's footprint in settings where governments are stretched or absent, or in areas under the control of DFAs will be key towards meeting the Bank's new mission. Without predictability around IDA disbursement, compounded by unpredictable funding reductions by bi-lateral donors, the effectiveness of planning and coordination is undermined. Furthermore, the absence of systematic agreements for alternative delivery mechanisms, such as TPI or partnerships, means that when IDA support to state authorities is suspended or Bank supported services are unable to operate, civilians suffer.

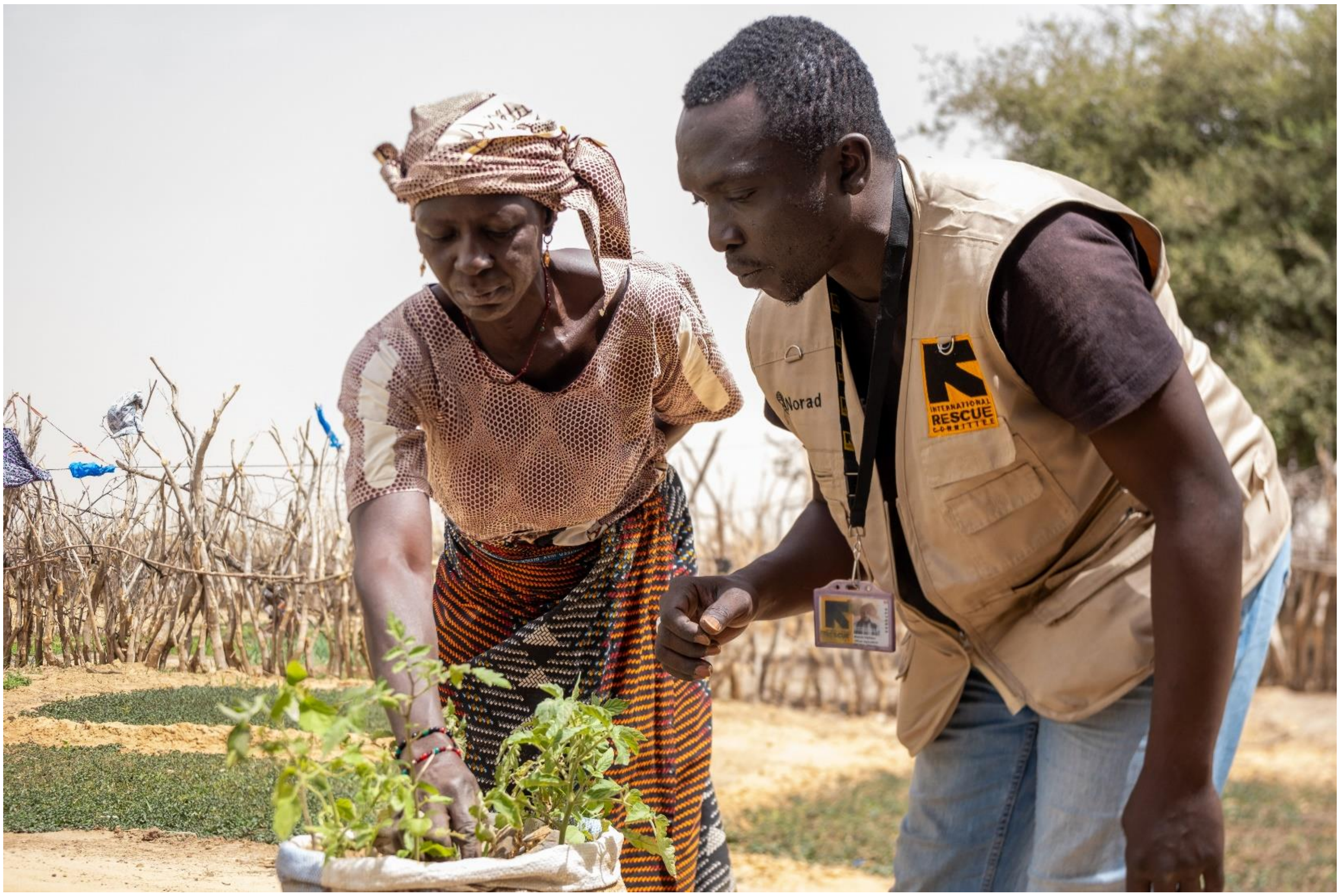
RECOMMENDATIONS

1. Both the Bank and key Bank stakeholders should **build internal protocols for political risk mapping across IDA countries** to assess and predict where unconstitutional transfers of power and the establishment of DFAs could interrupt IDA funding for basic services. Qualitative triggers for the potential disruption of budget support should be set out and appropriate alternative delivery mechanisms established — including temporary NGO or UN partnerships — to enable where necessary the continuation of critical service delivery in sectors such as healthcare, education and GBV prevention and response. These triggers and analyses need to be integrated into the proposed FCV Envelope qualitative assessments as well as other diagnostic tools that apply across IDA implementation.

2. **Establish a forum for the transparent communication of IDA disbursement suspension and resumption** to delivery partners at country level and assess the impact on the provision of basic services. Such planning should include consultation with other donors engaging in DFA contexts to ensure synergy and continuity of support where possible and efforts to maintain consistency of programming across the humanitarian-development-peace nexus.

Conclusion

The IDA21 replenishment is a critical moment for Bank leadership and stakeholders to secure investment and operationalize the financing and operating model reforms to ensure that IDA delivers for communities in the new geography of extreme poverty. This requires ambitious donor contributions, agreement on an FCV-inclusive policy framework and operationalizing the expansion of partnerships with NGOs and CSOs to maximize IDA impacts in conflict-affected LDCs. These are fundamental steps that recognize IDA's centrality in accomplishing the new World Bank mission to end extreme poverty on a livable planet and enable the Bank to better reach marginalized groups affected by crises with impactful interventions at scale.



Above: Integrated, Adaptive and Climate-smart Response to Food Insecurity & Malnutrition in 5 communes of Nara, Mali.
Photo: Vianey Afangbedji for the IRC.

Endnotes

[i] In IDA20, donors pledged USD 23.5 billion. Thanks to IDA's hybrid model and transfers from other arms of the World Bank, the IDA20 replenishment amounted to USD 93 billion.

[ii] Including loans from the International Bank for Reconstruction and Development (IBRD).

[iii] IRC calculation from Development Initiatives' World Bank project list with climate coefficients for conflict-affected LDCs between 2020 and 2022. https://devinit.org/blog/opening-up-world-bank-climate-finance-data/

[iv] Donors pledged USD 23.5 billion for the IDA20 replenishment.

[v] See also CGD, The Case for Greater Ambition, highlighting scenarios for tripling the IDA budget from the IDA20 baseline.

[vi] Of the 14 conflict-affected countries, seven only receive IDA grants (Afghanistan, Central African Republic, Ethiopia, Haiti, Mozambique, South Sudan and Sudan). Another six countries are eligible for highly concessional loans (Burkina Faso, Democratic Republic of Congo, Mali, Niger, Somalia, Yemen).

[vii] IDA21 Policy Package, The Lenses Paper.

[viii] IRC analysis of World Bank financing data: FY18-23 IDA Commitments by Country and Windows, available at: https://ida.worldbank.org/en/ida-financing. The IRC analyzed WHR commitments to conflict-affected LDCs between fiscal years 2020 and 2023.

[ix] Burkina Faso, CAR, Haiti, Niger, and Yemen are all among the top 25% of countries the World Bank assesses as having the highest percentages of their population living in extreme poverty.

[x] People in need across these 10 countries (Afghanistan, Burkina Faso, Central African Republic, Haiti, Mali, Myanmar, Niger, Somalia, Sudan and Yemen) total 116.5 million — or 32% of the global total of 362 million.

[xi] The IRC is not operational in Haiti.

[xii] In 2022, IDA was the largest source of international funding for Burkina Faso through the year of its coups and the second-largest for Mali (with US funding just USD 1M higher) even in the years after its coups. In Niger, IDA disbursements had grown from USD 97M in 2015 to USD 732M in 2022 (the year prior to Niger's coup), making it by a substantial margin Niger's largest source of international funding prior to the coup. (Based on Development Initiatives and IRC analysis.)

[xiii] Based on Development Initiatives and IRC analysis using data from OECD Creditor Reporting System (CRS), OECD Climate-Related Development Finance, and the World Bank API.

[xiv] i.e., the USD 191M Niger Public Sector Management for Resilience and Service Delivery Program and the USD 230M Niger Learning Improvement for Results in Education Project.

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The International Rescue Committee (IRC) helps people whose lives have been shattered by conflict and disaster to survive, recover and rebuild.

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