



breadfortheworld
HAVE FAITH. END HUNGER.

International Development Association (IDA) at the World Bank

How does IDA work?

- IDA makes “concessional loans” to eligible countries, meaning there is either no interest or a very low interest rate, and there is a long repayment period ranging from 25 to 38 years.
- IDA also makes grants to highly vulnerable countries, and provides debt relief (through the Heavily Indebted Poor Countries and Multilateral Debt Relief Initiatives).
- IDA is beginning to provide support for a smooth transition to “graduating” countries: Bolivia, Sri Lanka, and Vietnam are graduating from IDA in 2017.

Why IDA?

IDA provides an efficient channel for Official Development Assistance, where donor resources are pooled together, along with other resources such as repayments, to provide a **stable and substantial source of funding** for basic services in countries with the most need.

The causes and consequences of fragility do not have national borders, and can even have global dimensions. IDA’s increased focus on fragility **will allow the global community to both respond to fragility, conflict, and violence, and to mitigate these risks.**

IDA also takes an integrated approach to development in the countries in which it invests. For example, in recent years, 38 percent of IDA’s commitments were focused on developing the private sector to facilitate **broad, inclusive growth in countries and create resilient economies.**¹

The World Bank has consistently been ranked as one of the most effective development institutions among both multilateral and bilateral donors, **with considerable policy and agenda-setting influence** in developing countries. At a time when donor resources are stretched, it is even more important to make better use of multilateral channels and to continue engaging in multilateral processes.

Towards 2030: Investing in Growth, Resilience, and Opportunity

The next phase of IDA

IDA is poised to make a significant impact in the journey toward the 2030 Agenda, which includes ending hunger, malnutrition, and extreme poverty. 2016 saw the 18th replenishment of IDA, the first since the 2030 Agenda was adopted, and the ambitions of IDA now match the ambitions of the 2030 Agenda.

Over the next three years, IDA will increase its efforts in mitigating fragility, conflict, and violence; supporting jobs and economic transformation; growing gender equality; enabling climate resilient development; and strengthening governance and institutions.

EXPECTED RESULTS OF IDA-18

- 400 million people reached with essential health and nutrition services
- 45 million people receive access to improved water sources
- 4-6 million people reached with financial services
- 11 million women receive skilled childbirth care
- 300 million children receive better education from 9-10 million better trained teachers
- 130-180 million children reached with immunizations
- 30 countries build their statistical capacity for better governance
- An additional 5 gigawatts of renewable energy generation capacity

IDA will also create a new financing window to provide an additional \$2 billion to address the needs of refugees and the communities and countries that host them. By 2030, up to two-thirds of the people who experience hunger could live in fragile states.² IDA's increased focus on fragility and refugees are well-timed and of increasing importance in tackling these urgent and strategic issues.

IDA STORIES

In **Pakistan**, the IDA-supported Sindh Enhancing Response to Reduce Stunting project will provide basic services to improve maternal and child nutrition and water, sanitation, and hygiene; and pilot a conditional cash transfer program. The project aims to contribute to reducing stunting by 1 percentage point each year until 2021.³

In **Burundi**, IDA support enabled small farmers to nearly double their rice yields over 5 years, from 2 ½ tons per hectare in 2010 to 4 tons per hectare in 2015.

In **Myanmar**, IDA supported 1,800 basic infrastructure and services projects from 2013 to 2015, such as improving school facilities and village access roads, benefitting 850,000 people in 1,729 villages.

In **Bangladesh**, IDA conducted a rural livelihood program from 2011 to 2015. As a result, 61 percent of participants increased their incomes by 50 percent, and 48,780 jobs were created for youth.

In **Cambodia**, IDA participated in helping the country recover from Typhoon Ketsana from 2009 to 2014, including providing 91,500 people with access to improved water sources and rehabilitating 615 kilometers of roads.

In **Mozambique**, IDA helped create an enabling environment for business by helping reduce the number of days it takes to obtain a commercial license from 42 days in 2009 to 7 days in 2015.

In **Nicaragua**, IDA supported a project to strengthen property rights by improving land titling and registry services from 2012 to 2015, benefitting nearly 459,000 people (more than half of whom were women). More than 42,000 families have received legal documents for their property.

Find these and similar stories at <http://ida.worldbank.org/abcs>.

Endnotes

¹ https://ida.worldbank.org/sites/default/files/pdfs/ida_private_sector_2016.pdf

² OECD (2015). States of Fragility 2015: Meeting the Post-2015 Ambitions.

³ <http://www.worldbank.org/en/news/press-release/2017/05/26/world-bank-extends-new-support-to-reduce-stunting-in-pakistan>