Strategic Framework for Assistance to Africa

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Executive Summary

The Strategic Framework for Assistance to Africa (hereafter "the Strategy") lays out the strategic framework for the International Development Association's (IDA) work over the next several years. Primarily an internal document to help IDA define core priorities and future directions for its work in Africa, its goal is to provide strategic direction rather than a rigid template. The Strategy is not an entirely new framework but instead grows out of IDA's evolving response to developments within the region, changes in the enabling environment for official development assistance (ODA), and lessons of experience. The Strategy evolved over the past year, as a result of extensive consultation with Africa Region staff, other Bank staff, external advisers, clients, partners, and representatives of civil society in the Region.

Making headway against African poverty represents IDA's single most important and visible challenge. "Can Africa Claim the 21st Century?" set out four pillars for IDA's current strategy for Africa: reducing conflict and improving governance; investing in people; increasing economic growth and enhancing competitiveness; and improving aid effectiveness. The Strategy seeks to clarify IDA's role within these four pillars, consolidate recent changes, and chart future priorities.

The Strategy identifies 12 substantive lessons that are taken into account: fighting poverty is the goal; economic growth is necessary; development is multifaceted; diversity demands flexibility; ownership is the key to sustainability; the global environment matters; capacity remains a critical constraint; human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS) is more than a health issue; gender and sustainability are development issues; states need to work together; shocks are the norm; and Africa's concentration of developmental challenges is unique.

The Strategy also identifies six operational lessons that are critical if this ambitious agenda is to be realized within the evolving global context: be selective; work better with partners; move toward programmatic support; devise and scale up innovative approaches; define and monitor results and evaluate performance; and streamline business processes.

Based on these lessons, the Strategy asks two central questions: What are the core areas for IDA's engagement in Africa, given its comparative advantage? How should it work, given this agenda and the new approach toward development assistance? In defining IDA's comparative advantage, the Strategy considers IDA's central strengths: its multilateralism, its global experience and expertise, and its financial resources.

Pillar One: Improving Governance and Reducing Conflict.

IDA will continue to build on the postconflict and low-income countries under stress (LICUS) models. IDA will work to strengthen demand for good governance by working with clients to enhance accountability and budget and financial management, disseminate information, and improve the quality of statistics. IDA will also scale up support for capacity building now, but more strategic thinking and innovation in this area are required to sustain progress in the medium and long term.

Pillar Two: Investing in People.

IDA will emphasize strengthening service delivery systems to enable the effective use of resources from diverse sources. IDA will also support decentralized service provision and empowerment through community-driven development (CDD) approaches and scale up successful programs. IDA will work with clients to help build integrated systems for social protection and risk mitigation. Lastly, IDA will provide strategic leadership and advocacy in a few selected areas, such as HIV/AIDS and Education for All (EFA).

Pillar Three: Increasing Growth and Enhancing Competitiveness.

IDA will work with clients to improve investment climates and boost trade and exports. IDA will encourage the incorporation of regional, gender, and rural issues into country assistance strategies (CASs). IDA will support major investments in water, energy, and transportation and will work in an integrated manner with the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA) to promote private sector development and increase access to private finance. There are opportunities here to support and collaborate with the New Partnership for Africa's Development (NEPAD).

Pillar Four: Implementing the Emerging Partnership Model.

Centering on the poverty reduction strategy paper (PRSP) process and anchored in the Comprehensive Development Framework (CDF) principles, the Emerging Partnership Model emphasizes more effective partnerships based on client ownership, dependable financial flows to governments, coordinated donors and harmonized processes, and links to results. Under the model, all donor support would be aligned with national budget cycles and would include an annual PRSP review. The model uses a client typology based on the IDA performance ratings and aligns IDA's forms of support to match client absorptive and management capacity. Programs will evolve flexibly with the improving capacity and track record of clients and will provide incentives to move along the continuum. The highest performing clients would be candidates for poverty reduction support credits (PRSCs), which are segmented by sector and whose annual tranches would vary on the basis of performance.

Moving to Results-Based Assistance.

The Strategy proposes three levels of measurement: IDA's own activities in policy dialogue, programs, and partnerships; final country outcomes; and an intermediate set of indicators that

measure policy and program effectiveness. The Strategy proposes to further the results agenda by pushing toward result-based CASs and mainstreaming statistical capacity as a core sector. The Strategy also sets benchmarks relating to each of the four pillars for monitoring the success of its own implementation.

Moving Forward.

The next step is to align IDA operations with these priorities by using the Strategy to assist the discussions of CASs and regional assistance strategies (RASs) and the implementation of training and communications to ensure the successful implementation of the Strategy. This document will be disseminated widely, including to Bank staff, clients, other partners, and the media and general public.

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