

# THE WORLD BANK

## Support to NEPAD

Period of Report: August 2004 to April 2005

### World Bank support for NEPAD programmes and projects

The Bank's assistance is multi-form, but can broadly be grouped into three main categories: Technical assistance to regional bodies, analytical work to inform policy dialogue on regional integration issues and the preparation of regional programmes and projects, and financial support (lending) to specific regional projects.

- ***Regional Lending Operations.*** The Bank has already approved 11 regional operations over the last four years (three in the financial sector, one for trade facilitation, three on HIV/AIDS, three in the power sector, one for the fight against locusts in West Africa) for an amount totalling US\$ 555 million in IDA credits (of which US\$ 73 million have been disbursed), US\$ 142 million of MIGA guarantee coverage, IBRD Partial Risk Guarantee of US\$ 30 million, IDA Partial Risk Guarantee of US\$ 50 million and IFC Equity Investment of US\$ 10 million (to promote private sector participation in regional infrastructure). Several other operations for the equivalent of approximately US\$ 500 million are being prepared in power sector, in trade and transport area, in agriculture sector, in river basins management and development, in capacity development for Regional Economic Groupings, and in HIV/AIDS sector.
- ***Analytical Work.*** The Bank is engaged in sector work in a number of areas, the most prominent ones being the trade sector – technical work to support the movement towards the establishment of customs union in all sub regions. A strong pipeline of analytical work aimed at building a solid knowledge base of areas where collaborative efforts between neighbouring countries could bring additional impact to national development programs is under development.
- ***Technical Assistance to Regional Institutions and Strategic Support.*** Along with other development partners, the Bank provides technical inputs to the development of programs and assists Regional Economic Communities (RECs) and the NEPAD Secretariat in the preparation of projects. It also provides advisory services (particularly in the area of trade and policy harmonization in different sectors) and helps in strengthening the capacity of regional institutions (ECOWAS, SADC, UEMOA, CEMAC). Senior Bank management regularly participates in major strategic meetings aimed at raising interest for NEPAD and mobilizing resources to finance the NEPAD agenda (G8 Summit, NEPAD Forum in Paris in November 2003 and in Maputo in April 2004, NEPAD Multi-stakeholders Dialogue in October 2004 in South Africa).

Following the creation of a new Department in charge of regional operations, the Bank is looking for ways to step up its support to strengthen RECs capacity to deliver on regional and NEPAD programmes and projects.

### **Collaboration with other UN agencies**

The Bank support to the Comprehensive African Agricultural Development Programme (CAADP) is developed in close cooperation with FAO. It undertook a joint analytical work with FAO and IFAD on trends and opportunities for investment in agricultural water management under the African Agricultural Water Management Initiative (IWMI). Also, the Bank technical assistance and analytical works in the trade sector are coordinated with the United Nations Economic Commission for Africa (UNECA).

### **Institutional support by the World Bank to the NEPAD Secretariat**

- A Directorate for Regional Integration has become the Bank's designated focal point for NEPAD activities.
- The Bank has provided some Institutional Development Fund Grants (IDF) to support NEPAD Secretariat activities including (i) a grant in 2004 in the amount of US\$ 348,000 to finance Public Expenditure Tracking in Agriculture, (ii) a grant in 2003 US\$ 500,000 to finance the "Strengthening implementation of NEPAD Agenda in West Africa", a US\$ 300,000 grant in 2003 to support the implementation of NEPAD environmental action plan. The Bank has been working with the NEPAD Secretariat in launching TerrAfrica – a large partnership on land sustainable management in Africa.

### **Advocacy work by the World Bank in support of African development**

- Senior Bank management participated in Fiscal Year 2005 in major strategic meetings aimed at raising interest for NEPAD and mobilizing resources to finance the NEPAD agenda.
- The Bank participated in the October 2004 NEPAD Multi-stakeholder Dialogue as well as contributed to informing the Commission for Africa in February 2004 to generate increased support for the Group of Eight (G-8) Africa action plan and NEPAD.
- The newly created Directorate for Regional Integration is actively involved in the promotion of donors coordinated support to the implementation of NEPAD programs through collaborative and coordinated efforts in supporting regional economic groupings.