

THE WORLD BANK (WB)

Support to NEPAD

Period of Report: 2003-2004

Areas of support for NEPAD

African Peer Review Mechanism

The Bank has had discussions with the APRM Secretariat about materials that could be useful in carrying out the exercise, and will be providing to NEPAD the Bank's CPIA (Country Performance Institutional Assessment) ratings, subject to the country's request and on a confidential basis. Recently, other non-confidential information has been provided.

Multi-country infrastructure programme

The Bank has collaborated with the African Development Bank and other partners, in the preparation of NEPAD's Infrastructure Plan. As part of its Regional Programme pipeline of \$200-300 million annually, the Bank is actively involved in project preparation or financing for at least half of the "Top 20" prioritized projects under the Plan. The Bank is supporting the Southern Africa Gas Project and has funded the Western Africa Power Pool and the first stage of the Southern Africa Power Pool. As a sign of the Bank's growing emphasis on regional program support, its Africa Regional Department recently upgraded the position of Focal Point for Regional Programmes to the level of Director.

Regional Economic Communities (RECs)

In working with Africa's RECs, the Bank has also supported harmonization and prioritization with NEPAD's agenda, including helping to build capacity to implement NEPAD programmes.

Agriculture

The Bank has been involved in the development of the CAADP (Comprehensive African Agricultural Development Plan). Consultations on the CAADP were recently held, and the Bank is now following up on requests for support in: (a) science and technology, (b) improving land management practices and soil fertility, and (c) improving water control and management, including small and large scale irrigation.

The Bank has been involved with NEPAD to implement the MAPP (Multi-Country Agricultural Productivity Programme), which aims to double research and development on agriculture in Africa.

Environment

The World Bank is providing significant support to the NEPAD Secretariat in support of the preparation and implementation of the NEPAD Environmental Action Plan. The Bank is providing financing in support of the following 3 activities:

- Civil society consultations

The Bank will join IUCN in co-sponsoring and facilitating civil society participation in the development and implementation of the environmental action plan. The activity will provide civil society with access to support funds and information necessary for engaging in the NEPAD process, promote increased participation of the civil society in the NEPAD process, and raise awareness of

the key decision makers of the policy issues related to environment and poverty.

- Technical support to NEPAD Secretariat on environment

To strengthen the capacity of the NEPAD Secretariat to develop and implement the action plan, the Bank is providing support for national and international experts on specific technical issues. These will be determined by NEPAD as the need arises, but likely areas include forestry, marine ecosystems and fisheries, climate change, toxic chemicals, and the other sub-sector themes that need to be strengthened in the action plan.

- Workshop on poverty and environment

At the request of UNEP and the NEPAD Secretariat, the Bank financed a workshop on poverty and environment issues in Mali in January 2003 that drew heavily on recent analytical work completed by the Bank (including the *Africa Region Environment Strategy, The Environment and the MDGs, and Linking Poverty Reduction and Environmental Management*). It focused on the following:

- a) Considering different approaches to address complex linkages of the poverty-environment nexus;
- b) Agreeing on the most suitable approach to be adopted in the NEPAD framework;
- c) Developing ideas for priority regional and sub-regional interventions, including investment projects, technical assistance, capacity building, policy reform, and research;
- d) identifying synergies with interventions proposed under other sub-themes of the action plan; and
- e) finalising an action plan to link poverty reduction and environmental management in Africa.

In addition, the Bank is working closely with NEPAD on 2 of their priority investment areas - (i) the Africa Stockpiles Programme, designed to clean up obsolete agro-chemicals throughout the Region, and (ii) the Integrated Tourism Development in Southern Africa; promoting coordination and coherence in support of NEPAD priorities; supporting the simplification and harmonization of planning, disbursement and reporting procedures as a means of enhancing support for NEPAD.

NEPAD is a member of the Strategic Partnership with Africa (chaired by the Bank), whose objectives are consistent with and supportive of NEPAD priorities: (i) increased alignment of budget support, and of support for sector programmes, with PRSP/national processes; (ii) harmonization and simplification of requirements in order to reduce the transaction cost burden on countries; and (iii) monitoring and peer pressure in the area of donor resources to promote higher aid levels for performing countries, greater predictability of aid usage, which are supportive of country-owned strategies.

World Bank's financial commitment to NEPAD

- a) Individual African member states: over \$3 billion per year;
- b) Regional NEPAD programmes: approximately \$250-350 million per year;
- c) NEPAD Secretariat: in-kind contribution in the form of time spent by World Bank staff providing technical assistance.