



Monday April 26, 2021

Virtual Format

MEETING MINUTES

1. Update on World Bank approval processes for the 2021 Incentive Program Development Policy Grant.

- **World Bank** provided an update to the IPWG on approval processes for the 2021 Incentive Program Development Policy Grant. World Bank noted:
 - The Concept Review process led to minor changes to operational design, that do not have a significant impact on the reform program, including: i) Minor adjustments to results indicators; and ii) Tranche Release Conditions relating to the approval of the DAB less reduction plan and the 'super scale' phase-out plan being removed from the matrix but retained as policy commitments in the Letter of Development Policy.
 - World Bank Decision Review is scheduled for 4th May. The Decision Review version of the Program Document was circulated in advance of the IPWG meeting.
 - Board consideration of the operation is scheduled for 24 May, with Board submission due on May 27th.
- **Ministry of Finance** reported that Government is on track to completing all three Prior Actions by the required completion date (end-April).

While the World Bank has limited scope to make further adjustments to the program at this stage, ARTF partner comments would be welcome on the draft Program Document up to May 4th.

2. Discussion regarding flexibility options for the 2021 Incentive Program

- **World Bank** proposed the introduction of some flexibility into the design of the 2021 Incentive Program given the extent of current political and security uncertainties. World Bank circulated a short note proposing an approach to providing such flexibility in advance of the meeting. Under this approach, Tranche Release Conditions could be adjusted through the year by consensus of government, ARTF partners, and the World Bank, if completion of pre-defined policy actions becomes impossible for reasons beyond the control of the executive branch of government.
- **IPWG members** supported the idea of introducing some flexibility to adjust Tranche Release Conditions throughout the year, but noted the importance of: i) establishing a clear and pre-determined process through which any adjustments could be considered; ii) establishing clear criteria under which adjustments would be considered; and iii) establishing a defined and limited scope for any adjustment to avoid major ad hoc changes in program objectives and design.

- **World Bank** noted that proposed flexibilities would be used in the context of technical constraints to the completion of a sub-set of policy actions rather than to pursue a major reconfiguration of program design. In the context of major political or security disruptions that led to a fundamental readjustment of the reform program, a more appropriate option would be to cancel the operation and design a replacement emergency program.

The World Bank will report back to the IPWG with a more elaborated proposal for introducing limited flexibilities. This will include a clear proposed process, criteria for allowing flexibility, and defined scope to any program adjustments.

3. Any Other Business

- **IPWG members** expressed interest in reviewing the agreed three-year reform matrix to inform early thinking regarding future year IP-DPGs.
- **IPWG members** expressed interest in hearing from government how reform implementation would be monitored and supported throughout the year to minimize risks of slippage.

World Bank will present a draft three-year reform program to the next IPWG meeting. World Bank will invite government to present at the next IPWG on implementation progress to date and implementation support and coordination arrangements.