



MINUTES
ARTF Incentive Program Working Group Meeting
14th January 2021

Agenda item #1: Update on 2020 Incentive Program

- **World Bank** noted that US\$180 million was disbursed in December, taking total disbursement against the 2020 Incentive Program to US\$380 million. This followed successful completion and verification of all 2020 Policy Actions.
 - Issues regarding the **sharing of financial sector data were successfully resolved** after useful discussions with the DAB Governor. A range of up-to-date data financial sector data was shared with the World Bank team. Combined with the recent IMF assessment, this allowed the World Bank to complete the assessment of the adequacy of the macroeconomic framework and authorize disbursement. The World Bank has made additional arrangements with DAB for regular sharing of critical information in future, while also responding to DAB's concerns over data security.
 - The issue relating to the **relocation of the PPP unit to the AOP remains unresolved**, and we are therefore not yet disbursing the US\$20 million associated with the PIM regulations policy action. The World Bank team is continuing this dialogue, with several discussions held with the Ministry of Finance, Administrative Office of the President, and International Monetary Fund during December. The World Bank is working closely with the IMF to prepare a note for Government outlining a possible solution that would expand the role of AOP and leverage its coordination and leadership capacities, while also protecting the role of the Ministry of Finance in safeguarding against fiscal risks. It remains unclear whether this solution could be achievable under the current legal framework, or how any inconsistencies would be resolved. The World Bank will report to the IPWG on any progress.

Agenda item #2: Preparation of 2021 Incentive Program DPG

- **World Bank** circulated an initial draft list of possible policy actions and shared a brief presentation on: i) proposed structure and goals of the operation; and ii) criteria for filtering possible policy actions. The draft list of policy actions and presentation are attached.
- **IPWG members** expressed broad support for the proposed structure, goals, and filters.
- **Ministry of Finance** noted the need for quick finalization of the program of reforms to give sufficient time for implementation. Ministry of Finance also noted that they are preparing their own list of possible reforms for inclusion in the program that will be shared next week.
- **IPWG members** all agreed:
 - Development of a reform matrix should be informed by clearly specified objectives and a clear intervention logic. The results framework should be developed in parallel with the selection of supported reforms;
 - Full Government ownership of any reforms included in the matrix is vital;
 - Reforms should be sustainable, support simplification of processes, and avoid imposing an unrealistic capacity burden on Government;



- Continued progress with revenue generation measures is crucial;
- Anti-corruption, gender, and climate considerations should continue to be mainstreamed across the program of reforms.
- **Germany** noted the need to ensure continued progress against O&M expenditure management, noting the criticality of this agenda to sustainment of development gains.
- **World Bank** outlined next steps with the preparation process:
 - The target date for finalization of the policy matrix is end-January / early February;
 - The World Bank will present initial policy actions and proposed design to the ARTF Gender Working Group next week;
 - Partners are invited to submit any additional idea for policy actions by January 20th;
 - The next IPWG meeting will be scheduled for the week of 25th January, with a draft matrix circulated prior to the meeting.

Agenda item #3: Update on Evaluation of the Recurrent Cost Window

- **World Bank** noted that an internal review meeting for the Evaluation Report has been scheduled. IPWG partners are invited to submit any comments for incorporation into the review process by 22nd January.

Attachments:

- Draft longlist of policy actions
- Presentation on program design, goals, and filters

All attachments are available in the shared folder.