

**International Bank for Reconstruction and Development
International Finance Corporation
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M2000-20
IDA/M2000-20

**Minutes of a Meeting of the Executive Directors
of the Bank and IDA held in the Board Room
on Thursday, April 20, 2000 at 11:50 a.m.**

1. There were present:

CHAIRMAN:

Sven Sandstrom, Managing Director

EXECUTIVE DIRECTORS AND ALTERNATES ACTING AS EXECUTIVE DIRECTORS:

| | |
|----------------------------------|-------------------------------------|
| G. Abraham (Alternate) | M. Myochin (Temporary Alternate) |
| A. Al-Mofadhi (Alternate) | I. Niemi |
| M. Amr (Alternate) | M. Nikitsenka (Temporary Alternate) |
| L. Arnal (Temporary Alternate) | F. Passacantando |
| E. Biskup (Alternate) | J. Pesme (Alternate) |
| K. Davidse (Temporary Alternate) | J. Piercy |
| F. Ferrer | P. Samuel (Temporary Alternate) |
| P. Gomes (Alternate) | J. Sinclair (Temporary Alternate) |
| I. Haque | B.P. Singh |
| L. Holden (Alternate) | W. Wan Abdullah (Alternate) |
| B. Lvin (Temporary Alternate) | M. Wickstead (Alternate) |
| M. Meyer | Zhu Xian |

ALTERNATES NOT ACTING AS EXECUTIVE DIRECTORS:

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| S. Ahmed | H. Cordeiro |
| H. Chen | J. Hylewski |

OFFICERS AND STAFF PARTICIPATING:

- | | |
|---|-----------------------------------|
| C. Fall, Vice President and Secretary | J. Arulpragasam, AFTM1 |
| M. Ahmed, Vice President, PRM | G. Prennushi, PRMPO |
| J. Kassum, Vice President, EAP | M. Selowsky, ECAVP |
| C. Madavo, Vice President, AFR | J. Zutt, AFCO2 |
| N. Shafik, Vice President, PSIVP | H. Bredenkamp, IMF |
| W. Paatii Ofosu-Amaah, Chief Counsel, LEGAF | A. Elson, IMF |
| K. Mason, Director, PRMGE | S. Gupta, IMF |
| J. Schweitzer, Director, EAPVP | S. Akthar, Asian Development Bank |
| M. Walton, Director, PRMPO | H. Denton, Corporate Secretariat |
| I. Aleem, EASFS | |

Minutes of Previous Meetings

2. The Executive Directors approved the minutes of the meetings held on March 7, 2000 (M2000-12[IDA/M2000-12]) and March 16, 2000 (M2000-13[IDA/M2000-13]).

Poverty Reduction and the World Bank: Progress in Fiscal 1999

3. The Executive Directors discussed the reports entitled "Poverty Reduction and the World Bank: Progress in Fiscal 1999"(R2000-41 dated March 30, 2000) and "Poverty Reduction and the World Bank: Progress in Fiscal 1999 - Implementation Note"(R2000-41/1 dated April 13, 2000) and approved the The Chairman summarized the discussion as follows:

The draft progress report will be revised to reflect your comments, it will be published, and it will be posted on our website. Internally, the report will be made available to staff, but we will also disaggregate the material into discrete topics to make it more readily useable for specific purposes.

With regard to further work, there are clearly a number of themes on which to focus:

The most important and urgent one is the gender issue. A concept note is under preparation for a CODE Sub-committee review, to be followed by a sector strategy paper. We are going to engage staff and the networks in this effort to ensure that it is mainstreamed and owned upfront, and not only as part of a Board meeting follow-up.

In addition, we need to intensify the work being done in the context of the WDR on inequality, decentralization, and institutional governance issues. We will take a look at whether further steps are needed.

We also should take another look at the Program of Targeted Interventions (PTI). A move away from the PTI would have to be balanced with a much improved poverty focus in the CASs and the Sector Strategy Papers. This is a tradeoff that we need to consider, in consultation with IDA Deputies and other stakeholders.

The next major event in terms of poverty discussions will be the World Development Report (WDR). There is clearly already some debate underway – we have had a prelude to that today – but I hope that we will have arrived at a consensus on the approach and the messages by the time of the Board discussion. Beyond the WDR, there is the Bank Poverty strategy update. That work is starting, and will run in parallel with the work on the WDR. We will discuss this strategy update with you in the Fall.

In light of the discussion today, I think we should also take another look at the Annual Poverty Progress Report itself and how it is structured. Several Executive Directors have suggested that it should be more of an apex report in which we pull together all strands of poverty work being done in the Bank. This would simplify the production of the paper as well as serve to focus the discussion on what the apex picture looks like. Another suggestion made today was that the Annual Poverty Progress Report should be discussed in a Board seminar, rather than in a traditional formal Board meeting. We should all give this some thought.

With regard to the structure of the Report, perhaps one approach would be to start with an overview of the global picture, including a status report on where we all stand in terms of achieving the International Development Goals. We could then specifically look at what the Bank is doing, organized along the lines of CDF themes and progress on CASs and SSPs. This would, *inter alia*, describe progress in enhancing the poverty focus of these instruments. As suggested, we would also draw fully on the lessons and findings from OED's work.

We should also consider incorporating more directly the country client perspective in the Annual Poverty Progress Report, drawing on the PRSPs. The three themes around which PRSPs are organized are simple and appealing: (1) understanding poverty; (2) actions to reduce poverty; and (3) tracking the outcomes and monitoring the results. We recognize that each of the PRSPs will be different, but they will all deal with these three themes, which could be reflected, in the Annual Progress Report.

If we follow this approach, we would have the global perspective, the Bank perspective through its country and sector instruments, and the country perspective by way of the PRSPs.

Credit to Mongolia - Financial Sector Adjustment Credit

4. The Executive Directors considered the President's Report and Recommendation (IDA/R2000-36 dated March 30, 2000) and approved the credit to Mongolia for a Financial Sector Adjustment credit in the amount of SDR 24.0 million (US\$32.0 million equivalent) on the payment terms and other terms and conditions set out in the President's Report.

Credit to Mozambique - Flood Emergency Recovery Credit

5. The Executive Directors considered the President's Memorandum and Recommendation (IDA/R2000-47 dated April 10, 2000) and approved the credit to the Republic of Mozambique for a Flood Emergency Recovery credit in the amount of SDR 22.4 million (US\$30.0 million equivalent) on the payment terms and other terms and conditions set out in the President's Memorandum.

Credit to Yemen - Civil Service Modernization Project

6. The Executive Directors approved the credit to the Republic of Yemen for a Civil Service Modernization Project in the amount of SDR 22.4 million (US\$30.0 million equivalent) on the payment terms and other terms and conditions set out in the President's Memorandum (IDA/R2000-38 dated April 3, 2000).

Oral Briefing on Uganda

7. Mr. Adams, Country Director for Uganda, briefed the Board on the Uganda HIPC.

Outcome of Spring Meetings

8. The Chairman stated that the President was communicating his appreciation to the participants of the Spring Meetings, including a joint letter with the acting Managing Director of the Fund, expressing particular appreciation to the U.S. authorities, and he wished to extend his appreciation to the Executive Directors and their staffs, the meetings Secretariat and the Bank and Fund staff involved in the meetings.

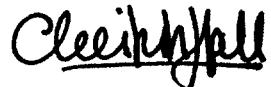
Date of Next Meeting

9. It was agreed to hold a meeting of the Executive Directors of the Bank and IDA on Tuesday, April 25, 2000.

Adjournment

10. The meeting recessed at 1:15 p.m., reconvened at 2:35 p.m. and adjourned at 6:53 p.m.

Approved by the Executive Directors
on June 13, 2000



Cheikh Ibrahima Fall
Secretary