IDA Participations Pilot Program

Chair Summary*

June 22, 2015

The Executive Directors authorized IDA to sell IDA Participations on a pilot basis during the IDA17 period as recommended in paragraph 8 of the President’s Memorandum and subject to the general terms in paragraph 33 of the accompanying paper, for up to twenty (20) Participation Agreements or a total amount of SDR 700 million, whichever occurs first, and to assess IDA Participations pilot during the IDA18 Mid-term Review.

Directors expressed broad support for the proposed pilot program and noted the detailed work has gone into the legal and administrative arrangements among IDA, its clients and Participating Partners resulting in a program that protects IDA’s preferred creditor status and financial sustainability while benefiting IDA recipient countries.

Directors welcomed the inclusion of IDA grants and non-interest bearing standard terms credit within the scope of the program, and appreciated that IDA would remain solely responsible for implementation support and supervision. The possible exclusion of interest-bearing IDA blend terms credits from the pilot was discussed. Directors urged Management to pay attention to Fragile and Conflicted Situations (FCS) and small countries as well as closely monitor the risks identified, and lessons learned. Finally, Directors looked forward to updates on pilot progress and to the review during IDA18 mid-term review.

*This summary is not an approved record.