

**MIDDLE EAST AND NORTH AFRICA (MENA) TRANSITION FUND
UNDER THE DEAUVILLE PARTNERSHIP
WITH THE ARAB COUNTRIES IN TRANSITION
REQUEST FOR ENGAGEMENT BY THE WORLD BANK**

CHAIR'S SUMMING UP*

Meeting of the Executive Directors

September 25, 2012

Executive Directors approved the proposal for the World Bank's establishment of the MENA Transition Fund under the Deauville Partnership as a Financial Intermediary Fund on the terms and conditions set out in the President's Memorandum (R2012-0183).

Directors welcomed the alignment between the Transition Fund's objectives and priorities of the Bank and recipient governments in the region and overall mandate of the Bank. They supported the Fund's focus on sustainable growth, inclusive development and job creation, and competitiveness and trade integration, and regional focus. They underlined that collaboration between countries and development partners could possibly be expanded should other transition and donor countries in the region join the Deauville Partnership.

Directors expressed support for the Bank's multiple roles in establishing and managing the Transition Fund including in trusteeship and financial management. The Fund would complement other multilateral and bilateral initiatives by providing grants to help strengthen governance and social and economic institutions. It will ensure further collaboration and complementarity with development partners in the region. Directors called for a strong results framework for the Fund to support the transformation currently underway in several countries in the region. Directors appreciated that the Bank's support and assistance will be undertaken on a full-cost reimbursement basis. They also noted that mechanisms have been put in place to ensure internal separation of functions, and to manage risks.

Directors look forward to regular updates on progress.

*This summary is not an approved record.