

MDG Africa Initiative and Aid Predictability

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MDG Africa Initiative: Objectives

1. Identify practical steps and mechanisms for coordinated international MDG efforts in five areas:
 - Health
 - Education
 - Agriculture and food security
 - Infrastructure and trade facilitation
 - National statistical systems
2. Concretize aid commitments and improve aid predictability.
3. Support MDG operationalization at the country level.

Improving Aid Predictability

Inter alia and ad referendum...

- More concerted support for OECD/DAC survey efforts.
- Individualized studies on the impediments to greater predictability and scaling up.
- Work on the design of new financing mechanisms.
- Country- and sectoral-level 'compacts' for predictable medium-term disbursements.

'MDG/Gleneagles' Scenario

- **Proposed work.** Work with African countries to identify:
 - Projects/programmes for MDG achievement that can be implemented with additional external/domestic financing, given policy and capacity constraints;
 - Opportunities for strengthening capacity and accountability systems (e.g. through Results and Resources Partnership);
 - Macroeconomic implications of scaling up public expenditure, MT Debt Strategies, DSA.
- **Output.** Country-specific “MDG/Gleneagles scenario” supported by all multilateral organizations.

Key Features

- **Keep it simple**

- Minimize work load for staff in the field: focus on technical work. Not a coordination mechanism.
- Minimize new analytical work: consolidate already-identified projects/programmes.
- Where possible, do not reopen existing NDS/PRSP, MTEF, budget or sectoral strategies.
- Obtain results by early 2008.

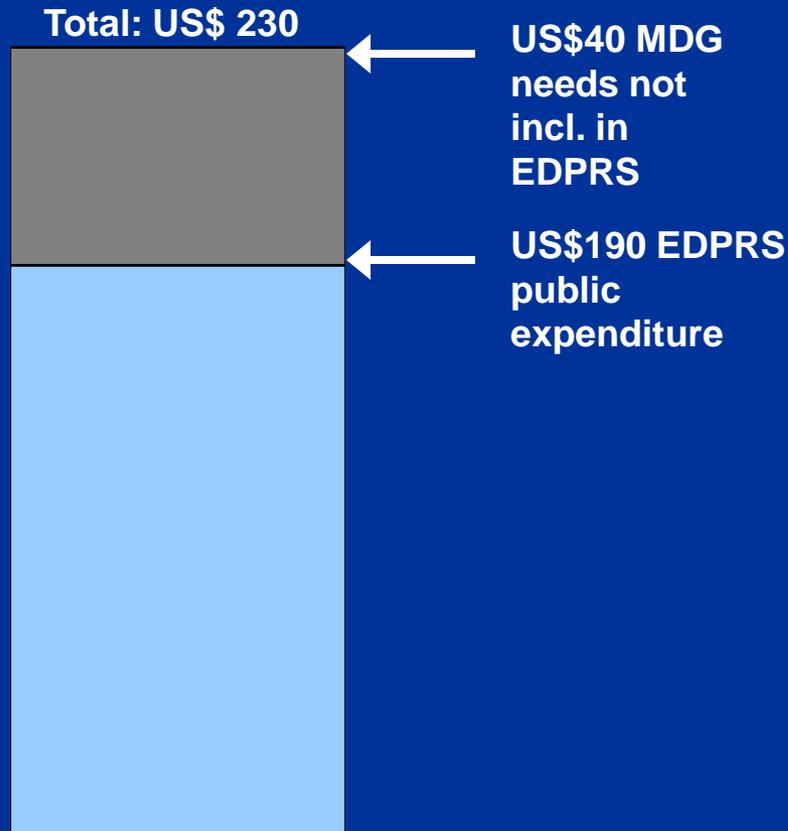
- **Innovation**

- Target ODA of up to average US\$85 per capita/year by 2010 as per Gleneagles commitment.
- Include private financing
- Open source

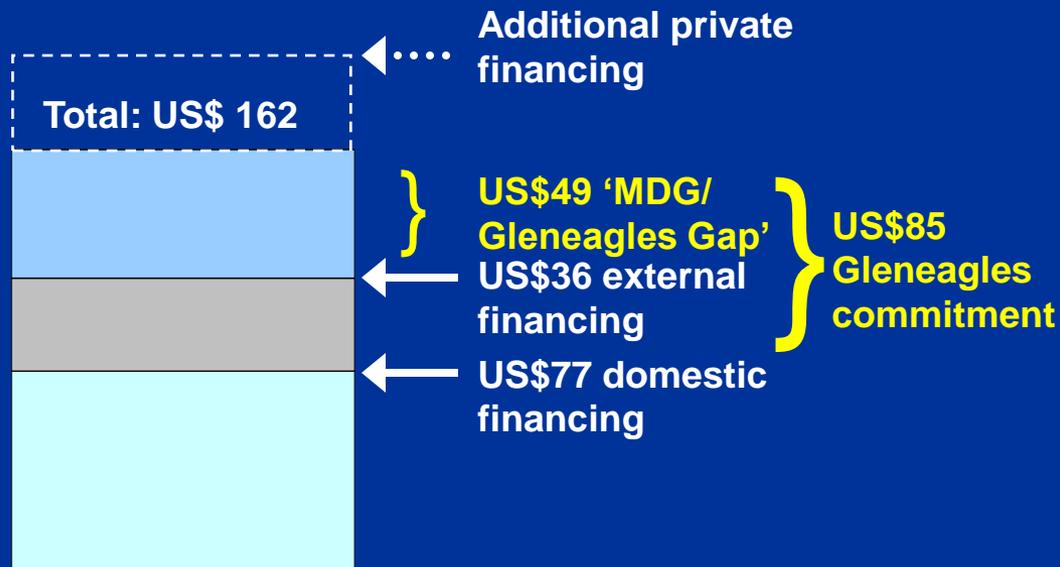
A Possible Example: Rwanda

Analyze projected per capita financing gaps in EDPRS

Expenditure



Financing



A Possible Example: Rwanda

Prepare 'MDG/Gleneagles scenario'

- Identify underfinanced priority sectors in EDPRS, e.g.:
 - Education
 - Health
 - Infrastructure: transportation, energy
- Identify specific underfinanced projects/programs in EDPRS that can be scaled up with additional resources.
- Develop basic 'Gleneagles MTEF', sketch out supporting macroeconomic/framework strategy and debt sustainability analysis.

Progress to Date

Preliminary consultations...

- **With governments.** Initiated by the World Bank and UN Country Teams with host governments have secured broad buy-in.
- **Between WB & UN.** Connected World Bank Country Directors and UN Resident Coordinators to map out country work plan.
- **With development partners.** Outreach to bilaterals to explain initiative and solicit support.

Discussion: Maximizing Value Added

- Increase int'l support for ongoing efforts to increase predictability.
 - Translate global commitments into practical country-level programs.
 - Establish consensus around opportunities for scaling up in a diverse set of countries with specific needs.
 - Use 'MDG/Gleneagles scenarios' to strengthen global advocacy for scaled-up and more predictable aid through G8, FfD, RRP, PD, Accra, et al.
- ⇒ Consolidate untapped opportunities for scaling up into more predictable and ambitious country-level strategies.