

SLOVAK REPUBLIC & IDA

Working together to end extreme poverty

For 26 years since its independence, the Slovak Republic has been a valued and consistent partner of the International Development Association (IDA), the concessional lending institution of the World Bank Group. The Slovak Republic has provided engaged leadership in IDA through policy advice and financial support, in support of the World Bank Group's twin goals of ending extreme poverty and boosting shared prosperity around the globe.

IDA is one of the largest and most effective platforms for fighting extreme poverty in the world's poorest countries. As part of the World Bank Group, IDA can leverage a global base of development expertise and combine it with significant financial resources, in the form of concessional loans and grants, for the countries most in need. Membership in IDA enables the Slovak Republic to amplify the impact not only of its own development resources, but also its valuable knowledge and capabilities as we work together to invest in people, overcome barriers to development, and help grow economies.

The World Bank Group recognizes the Slovak Republic as a committed financial contributor and a steadfast partner in translating the 2030 Sustainable Development Goals (SDGs) into country-led actions and results. The Slovak Republic's support enriches IDA's work in areas such as boosting countries' adaptation and resilience to climate change; mobilizing private sector finance and investment in challenging environments; and building accountable institutions and good governance systems, especially in the area of public financial management.

The Slovak Republic's continued commitment to IDA is a testament to the notion that an investment in the future of the poorest countries is an investment in the future prosperity of all.

IDA AT-A-GLANCE



Focus on Extreme Poverty

500 million people or 2/3 of global extreme poor live in the world's **76 poorest countries that IDA supports.**



Provide Critical Resources

\$75 billion commitment window for IDA18 to scale up development investments.



Lead on Global Challenges

As part of the World Bank Group, **IDA brings global reach, partnerships, and expertise** across all sectors and regions.



Promote Sustainable Development

Since IDA's inception **35 countries have graduated** and no longer rely on IDA support. Many now help to finance IDA.



Value For Money

Every \$1 in total donor contributions **translates to about \$3** of financing support for IDA18.



Transparent and Accountable

Top rankings in:

2018 Quality of Official Development Assistance
(Center for Global Development)

2018 Aid Transparency Index
(Publish What You Fund)

WHAT IDA OFFERS THE SLOVAK REPUBLIC

IDA has the mandate, cross-sector knowledge, and resources to respond to complex global challenges with an exclusive focus on the world's poorest countries. Among the unique advantages IDA offers the Slovak Republic are:

» **Lead on global challenges.** IDA's global presence and leading role on key issues such as climate change, gender equality, private sector development, and conflict and fragility—including the development approach to forced displacement, migration, and refugees—enables the Slovak Republic to shape the development agenda and respond to global challenges. In our increasingly interconnected world, IDA has an impact far beyond the countries it directly supports through its investments.

» **Offer exceptional value for money.** Every \$1 in total donor contributions to IDA18 translates into about \$3 in financing support to development projects. IDA's hybrid financing model blends total donor contributions with IDA's internal resources and funds raised through capital markets. This innovation, made possible by sustained strong partner contributions, unlocks billions of dollars in additional resources for IDA countries—one of the most concrete efforts in support of the Addis Ababa Action Agenda to maximize financing for development.

» **Deliver results and improve aid effectiveness.** Performance and results have long been central pillars of the way IDA operates. IDA Deputies

were instrumental in helping IDA become the first multilateral institution to establish a Results Measurement System to strengthen its results focus. As a recognized world leader on openness and accountability, IDA's results and data are available to the public online. In addition, the 2018 Aid Transparency Index again placed IDA in its highest category—ranking it among the most transparent development institutions.

» **Foster international collaboration.** As a global convener, IDA engages countries in dialogue and fosters collaboration on cross-cutting development issues. IDA's reach as part of the World Bank Group enables it to gather best practices and lessons learned from projects in all sectors and regions and to share this knowledge with other development banks, institutions, and stakeholders. As an active participant in the IDA process, the Slovak Republic is an important partner in this effort.

» **Promote long-term sustainable growth.** Helping countries build self-reliant institutions and capacities is a priority for IDA. Since its inception, 35 countries no longer rely on IDA support, and many have gone on to help finance IDA. Securing sustainable development and enduring



global change is one of the best uses of Slovak official development assistance.

» **Deliver aid resources**

effectively at scale. IDA responds to shareholder ambitions to scale up their financial resources to help countries achieve the SDGs and, by managing and allocating IDA resources to ensure their fullest use for IDA clients, does so cost-effectively. In 2018, an assessment by the Center for Global Development named IDA one of the international community's top performing providers of development assistance.

» **Focus efforts in places**

where poverty is concentrated.

Approximately 2/3 of the global extreme poor—almost 500 million people—live in the 76 poorest countries. IDA focuses resources on places where extreme poverty is concentrated. IDA18 is on track to commit \$45 billion in resources to Sub-Saharan Africa, and has doubled support to address fragility, conflict, and violence to more than \$14 billion, along with more than \$2 billion in support for refugees and their host communities.

» **Develop and implement**

innovative solutions. IDA meets the development ambitions of partners and clients alike by leveraging global

expertise and expanding the frontier of development solutions. The IDA18 Private Sector Window, for example, is mobilizing private sector investment in the most challenging environments, while new partnerships between IDA and civil society, the private sector, humanitarian actors, and others are expanding the reach of IDA's resources even further.

» **Leverage Slovak expertise.**

IDA leverages not only financial resources from donor countries, but also the knowledge and experience of their public and private sector experts to help implement the operations it supports. Slovak companies and Civil Society Organizations have acquired valuable experiences during periods of economic and social transformation. IDA can channel this experience to contribute to the development needs of IDA countries. In addition, the Slovak Republic's strong support to initiatives around governance and public financial management (PFM)—especially its support for the Public Expenditure and Financial Accounting program, and a global online course about its own PFM experience developed in partnership with the World Bank and launched in 2018—provides a strong model for other countries on completing successful PFM reforms in times of country transition.

IDA Supports the Slovak Republic's Development Priorities

With its strong focus on poverty reduction and transformational economic growth, jobs and private sector development, climate change and climate-smart agriculture, and digital development, IDA aligns closely with the Slovak Republic's development priorities.

» **Jobs and Economic**

Transformation. IDA supports investments to spur the economic transformations that help create quality jobs, increase opportunity, and reduce poverty. Supporting structural transformations to promote private sector-driven economic growth, improving

connectivity, and raising productivity remain high priorities for expanding the quantity and quality of jobs. In parallel, IDA supports the investments in human capital that help to ensure people have the education, health, and skills to seize economic opportunities brought by technological progress.

» **Private Sector Development.**

IDA enables private sector investments in client countries and strengthens the foundations for resilient economies and markets by facilitating business climate reforms, building robust financial systems, and expanding access to finance for the poor. Through its joint work with the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA)—the institutions of the World Bank Group focused on the private sector—IDA18's Private Sector Window (PSW) is leveraging \$2.5 billion of IDA's resources to mitigate risk and mobilize private investment in the poorest and most fragile IDA countries.

» **Climate Change and Resilience.**

IDA prioritizes tackling climate change and is active in helping IDA countries implement their Nationally Determined Contributions. Over fiscal years 2018–19, IDA has increased its support to help countries adapt to the effects of climate change (\$7.8 billion total) and to mitigate its effects (\$5.9 billion total). With the need for climate-informed development ever more apparent, IDA integrates resilience and disaster preparedness across its work, including by screening all approved IDA operations for climate and disaster risks. From investing in infrastructure and systems that can better withstand shocks, to managing environments and coastal erosion, to responding quickly with resources after crises hit, IDA advances solutions for low-carbon and resilient development.

» **Climate-Smart Agriculture.**

The agriculture sector is crucial to economic growth, raising incomes, and improving food security for IDA countries. IDA's multisector approach helps countries strengthen climate resilience, build reliable infrastructure, develop agribusiness, and improve value chains, as well as assists farmers in adopting

more productive practices. Over fiscal years 2018–19, IDA supported more than 4.4 million farmers in adopting better agriculture technology.

» **Digital Development.** IDA helps countries leverage the opportunities and address the challenges brought by rapid digital innovation. Recent operations have integrated the use of big data, mobile phones, and other smart systems to deliver critical development assistance. Further progress will require enhancing digital connectivity and entrepreneurship in client countries, particularly in Africa and the Middle East. IDA's support for the infrastructure and skills development needed for productive digital economies will help people and markets seize greater economic opportunities.

» **Education.** Ensuring that all children are educated is critical for them to fulfill their potential in a changing global economy. IDA works with countries to make progress toward universal primary education and to close the enrollment and completion gaps between girls and boys. Between 2011–19, more than 13.7 million teachers were recruited or trained with IDA support.

» **Developing Health Systems.**

IDA mobilizes resources in the health sector to ensure that all people have access to quality, affordable health services. IDA's support ranges from building stronger health systems and service delivery capacity, to working with governments to prepare for pandemics and other health emergencies. Over IDA18's first two years, support for improved service delivery helped more than 172 million people receive essential health, nutrition, and population services.

» **Youth.** Youth face unemployment rates more than twice the overall levels in IDA countries. IDA has invested heavily in youth employment programs over a long



period, facilitating entrepreneurship, skills development, and the growth of micro, small, and medium enterprises that are important for generating opportunities for youth. IDA also supports research, pilot programs, and evaluations to innovate and improve on approaches for addressing challenges facing youth.

» **Governance.** Effective governance systems are essential to reduce poverty. IDA brings a commitment for long-term engagements with countries and stakeholders to establish capable, accountable, and inclusive governance in IDA countries. Through institution-building, mobilizing resources necessary for delivering services, and promoting transparency and accountability.

IDA's support helps to channel public resources to the poor and to create sound institutions that build trust in citizens and sustain development progress.

» **Progress toward the SDGs.**

IDA plays a key role in the global development landscape, with the IDA18 framework representing one of the international community's most concrete responses to the Sustainable Development Goals (SDGs). With a \$75 billion envelope, ambitious policy commitments, and innovative instruments, IDA18 plays a vital role in achieving the SDGs. In this effort, IDA builds on the complementary strengths of its partners, including the United Nations.

IDA19: TEN YEARS TO 2030 – GROWTH, PEOPLE, AND RESILIENCE

The world has made great strides in raising incomes and living standards over the past 30 years, but more than 700 million people still live in extreme poverty—two-thirds of these people now live in IDA countries, with a third of those living in Fragile and Conflict-affected Situations (FCS). **By 2030, the extreme poverty rate in IDA countries could remain as high as 24 percent**—equivalent to more than 500 million people, 87 percent of them living in Sub-Saharan Africa and about half in FCS.

On top of poverty, confronting the urgent development challenges and issues of global concern—from fragility, conflict, and forced displacement, to climate change, pollution, and pandemics—will require collective and sustained action. **These challenges require an urgent response from the world.**

IDA supports the critical development investments that help bring stability, security, opportunity, growth, and prosperity—for all countries. **An investment in the future of the poorest countries through IDA is an investment in the future prosperity of all.**

Working with its development partners, **IDA has introduced a comprehensive package of policy and financing proposals for IDA19**—the next three-year IDA cycle covering July 1, 2020–June 30, 2023.

Reflecting the heightened ambition of IDA's partners, IDA19 advances the policy commitments set under the five Special Themes from IDA18: **Jobs and Economic Transformation; Governance and Institutions; Gender; Climate Change; and Fragility, Conflict, and Violence.**

The IDA19 policy package will seek to maintain momentum and secure development gains, while also incorporating important cross-cutting issues: **addressing debt vulnerabilities; capitalizing on opportunities from digital technology; investing in people and building human capital; and promoting inclusion of people with disabilities.**

IDA19 will also include **a significant scale up of the regional program, as well as a further increase in resources to countries facing fragility, conflict, and violence.** And IDA will continue to optimize its balance sheets to remain **one of the most cost-effective vehicles for making development impacts**, by continuing to leverage its equity—blending donor contributions with internal resources and funds raised through capital markets—to unlock billions of dollars in additional resources for IDA countries.

We are grateful to our partners for the trust you have placed in IDA's ability to deliver development impact, and **we look forward to working with you on concluding and delivering a strong IDA19 replenishment.**



IDA & SLOVAK REPUBLIC DELIVER RESULTS

As a committed donor to IDA, the Slovak Republic has helped IDA deliver the following overall results during fiscal years 2018-19 (July 2017–June 2019):

4.4 million farmers
adopted improved agriculture technology

19.2 million people
received access to better sanitation facilities

35.0 million people
covered by social safety net programs

22.8 million people
provided with new or improved
electricity service

24.1 million people
received access to better water sources

5.8 million teachers
recruited and/or trained

73.6 million children
were immunized

15.5 million people
benefited from job-focused interventions

172.3 million people
received essential health, nutrition, and
population services

12,356 kilometers
of roads constructed or fixed

\$13.34 billion
in private investments mobilized by
the World Bank Group in IDA countries

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IDA PROJECT AND RESULTS EXAMPLES

COUNTRY	RESULTS
Development Area	
Afghanistan Jobs & Skills Training	More than 39,000 people benefited from a project to develop job skills and increase incomes for graduates of technical and vocational schools from 2013 to 2018.
Benin Economic Transformation / Agriculture	More than 235,000 beneficiaries, almost half of whom are female, have benefited from a project to help restore and improve the productivity of selected agricultural value chains, including rice, cashews, and pineapple, from 2012–18.
Bosnia and Herzegovina Resilient Infrastructure	From 2014–18, more than 804,000 people in flood affected areas benefited from emergency assistance, including agricultural goods and rehabilitated infrastructure. The rehabilitation focused on “building back better” to ensure investments supported more resilient infrastructure.
Burkina Faso Economic Transformation / Agriculture	Between 2006–17, more than 385,000 people—30% of whom were women—benefited from support to improve key agricultural value chains. 66% of beneficiaries increased their income by at least 50%, while agricultural exports for international markets grew from 17,500 tons to 275,000 tons.
Burundi Economic Transformation / Agriculture	Building on the success of a pilot project to improve the sustainable management of more than 4,400 hectares of land used to grow coffee, to the benefit of more than 18,700 people, IDA is supporting the restoration and management of 90,000 hectares, with an expected 80,000 people to benefit.
Cambodia Private Sector Development / Financial Markets	By leveraging the IDA18 Private Sector Window, IFC helped to issue a local-currency bond to support lending to rural SMEs—facilitating 60% more microloans than would be possible without the PSW’s funds—and which will encourage the development of Cambodia’s local debt-capital market.
Côte d’Ivoire Digital Infrastructure / Agriculture	Through upgrades to digital infrastructure and equipment, IDA is helping to modernize the country’s agriculture sector—benefiting more than 6 million smallholder farmers with timely hydromet, market, and value chain information to help them make better informed decisions.
Ethiopia Private Sector Development / Women Entrepreneurs	Since 2012, IDA has helped to address key constraints for growth-oriented women entrepreneurs, supporting over 10,000 women with loans and business training.
Kenya Safety Nets / Digitalization	In 2018, 4.5 million people—of whom 2.3 million were women—benefited from Kenya’s national safety net program for the poor and vulnerable in 2018, up from 1.7 million in 2013. During the same period, 1.2 million people benefited from a cash transfer program with 100% electronic payments, up from 114,384 in 2013.
Kosovo Climate / Energy Efficiency	From 2014–18, Kosovo reduced 1,043 tons of fossil fuel used for heating public buildings and saved 264.8 MWh of energy consumption. During the same time, 7,472 people benefited through energy efficiency and renewable energy investments, which prevented 4,699 metric tons CO2 from entering atmosphere.
Mozambique Climate / Biodiversity	From 2014–18, 1,728 jobs were created in conservation tourism benefiting 68,875 people, of whom 34% were women. During the same period, two million hectares of land were brought under biodiversity protection, and US\$4.5 million in income derived from tourism was returned to communities.
Nigeria Private Sector Development / Energy	Through a 5-year electrification project, IDA is supporting the development of solar mini-grid projects by the private sector, serving at least 300,000 households and 30,000 local enterprises in close to 10,000 communities.
Vietnam Health / Universal Health Coverage	By providing premium subsidies in 13 provinces, IDA contributed to increasing health insurance coverage for the near-poor from 3.5% in 2013 to 100% in 2017, and total health insurance coverage nationwide across all income groups from 75% in 2013 to 86% in 2017.
Zambia Climate Change / Resilience	Strengthened community-driven development has enabled more than 306,000 individuals from vulnerable communities to make better informed decisions on the choice of climate-resilient livelihoods between 2013–18.

