Ethiopia: Country Partnership Strategy (CPS) FY13-FY16
and
Transport Sector Project in Support of RPSDP4

Meeting of the Executive Directors

September 25, 2012

Chair’s Summing Up*

Executive Directors discussed the World Bank Group Country Partnership Strategy FY13 - FY16 for Ethiopia (IDA/R2012-0220 [IFC/2012-0294; MIGA/R2012-0055]). Directors were supportive of the structural transformation enshrined in the goals of the Growth and Transformation Plan. Directors noted that to support implementation of the Plan it was important to continue to ensure strong macroeconomic framework, deepen structural reforms and increase private sector participation. Directors were also supportive of the strategic pillars within the CPS for fostering competitiveness and employment and enhancing resilience and reducing vulnerabilities. Directors noted that good governance and state building form the foundation of the CPS, and welcomed the inclusion of gender and climate change as cross-cutting issues. Directors welcomed the strong alignment between the programs of IFC and MIGA and the CPS framework which is informed by development partners’ macroeconomic analysis to support increased private sector participation towards the country’s growth. They encouraged staff to remain attentive to any developments that might be relevant to the World Bank Group’s mandate.

Directors emphasized the importance of continuing the dialogue in helping the Government ensure the effective and consistent application of appropriate social and environmental safeguards and fiduciary oversight and transparency across all their programs. Finally, concerns were expressed on possible resumption of budget support programs in the country.

Summary of Discussion*

Executive Directors approved the Ethiopia Transport Sector Project in Support of RSDP4 in the amount of US$415 million on the payment terms and conditions set out in the President’s Memorandum (IDA/R2012-0217).

Directors recognized the implementation and safeguard risks. However, they were encouraged by the Government’s commitment to the use of technical assistance to enhance capacity in contract and safeguards management as an appropriate measure to address risks. Directors also noted that technical assistance to support a pilot project in road asset management will support long term road investment sustainability.

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*This summary is not an approved record.