



IDA15

**Key Financial Variables and
Updated IDA15 Financing Framework**

**International Development Association
Resource Mobilization (FRM)**

October 2007

ABBREVIATIONS AND ACRONYMS

FY	Fiscal Year
HIPC	Heavily Indebted Poor Country
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IFC	International Finance Corporation
MDRI	Multilateral Debt Relief Initiative
SDR	Special Drawing Right

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EXECUTIVE SUMMARY

1. This note provides Deputies with information on a number of key financial variables in the context of donors' financing pledges for IDA15. The note also updates the proposed financing framework for IDA15.
2. **Effective Foreign Exchange Reference Rates.** At the first IDA15 meeting in Paris, Deputies agreed to use the daily average foreign exchange rates over the six-month period from April 1 – September 30, 2007 for purposes of converting national currency contributions to IDA15 into SDR equivalent amounts. The note provides these exchange rates.
3. **Contributions for Debt Relief Financing.** As was the case in IDA14, it is proposed that donor contributions to finance IDA's HIPC-related costs in IDA15 would be based on IDA13 burden shares. Encashment would occur in three equal annual installments. The same procedures would apply for donor contributions to finance arrears clearance costs in IDA15. For both financing items, donors are requested to scale up their burden shares so as to eliminate the structural financing gap (9.2 percent). Donor contributions to cover the MDRI costs during the IDA15 disbursement period (FY09-19) would be provided and accounted for in line with the established procedures under the MDRI replenishment.
4. **Regular Donor Contributions.** It is proposed that regular donor contributions in IDA15 be encashed over the customary 9-year standard schedule, as has been the case in prior IDA replenishments. This would generate a small acceleration benefit of about SDR 300 million when compared with the expected IDA15 disbursement profile. This benefit would lead to corresponding reductions in the structural financing gap and the total target volume of donors' regular contributions. As in prior replenishments, donors could choose to accelerate the encashment of their IDA15 contributions. This would generate either contribution credits that increase the funds available for commitment, or encashment discounts that reduce the cost to the respective donors. The discount rate proposed for accelerated donor encashments in IDA15 is 4.0 percent p.a.
5. **Updated IDA15 Financing Framework.** Contributions from IBRD and IFC in support of IDA15 are expected to increase to USD 3.5 billion, subject to availability of net income and annual Board approvals by each institution. This amount is USD 2.0 billion higher than the transfer amount assumed in the original IDA15 financing framework. The total proposed IDA15 envelope increases therefore to SDR 27.8 billion, an increase of 27 percent over the original volume of IDA14 commitment authority. The updated financing framework also reflects a net decrease of IDA's estimated debt relief costs by SDR 201 million, resulting in a corresponding increase of available internal resources.

KEY FINANCIAL VARIABLES AND UPDATED IDA15 FINANCING FRAMEWORK

I. Introduction

1. This note provides Deputies with information on a number of key financial variables in the context of donors' financing pledges for IDA15. The note also updates the proposed financing framework for IDA15.
2. Section II of the note provides the following information: (i) the effective foreign exchange reference rates for converting donors' national currency commitments to IDA15 into SDR equivalent amounts; (ii) the burden shares and standard encashment schedule for donor contributions to IDA15; (iii) illustrative alternative schedules for accelerated encashment of donor contributions, with corresponding encashment discounts and contribution credits; and (iv) information on the applicable discount rate for accelerated donor encashment in IDA15. Approval is sought from Deputies regarding the standard encashment profile for IDA15 and the discount rate for accelerated donor encashment.
3. Section III provides the updated IDA15 financing framework. This updated framework takes into account recent discussions of the Executive Directors of IBRD and IFC about undertakings concerning IBRD and IFC net income transfers in support of IDA15. The updated financing framework also reflects the latest available estimates for IDA's cost of providing debt relief under the HIPC Initiative and the Multilateral Debt Relief Initiative (MDRI).

II. Key Financial Variables for IDA15

4. **Effective Foreign Exchange Reference Rates.** At the first IDA15 meeting in Paris, Deputies agreed to use the daily average foreign exchange rates over the six-month period from April 1 – September 30, 2007 for purposes of converting national currency contributions to IDA15 into SDR equivalent amounts. Deputies also agreed that donor countries with domestic inflation rates exceeding 10 percent over the 3-year period 2004-2006 would denominate their IDA15 contributions in SDR. Annex Table A shows the average foreign exchange rates during the agreed reference period, and it identifies those donors that would denominate their IDA15 contributions in SDR.
5. As in current practice, donors will pay their contributions in SDR, a component currency of the SDR basket, or in another freely convertible currency that IDA may exchange as required for its operations. To maintain the value of donors' IDA15 contributions in SDR equivalent terms, IDA hedges the foreign currency exposures resulting from donor contributions not provided in SDR. To allow for an effective hedge, donors would need to specify the currency of denomination of their IDA15 contributions at the time of conclusion of the IDA15 discussions. This provides IDA with the necessary certainty as to the currency of donors' encashments. As in past replenishments, IDA will

hedge the foreign currency exposure following adoption of the replenishment Resolution by IDA's Board of Governors, which is expected to occur during the third or fourth quarter of fiscal year 2008.

6. **Burden Shares and Standard Encashment Schedule.** For IDA15, donors would provide regular contributions as well as additional contributions to cover IDA's cost of debt relief, composed of HIPC-related contributions, financing for arrears clearance operations, and contributions to finance MDRI costs of IDA. Over time donors have chosen to use slightly different previous burden shares as the agreed basis for the financing of various replenishment components. Broadly speaking donors have chosen to finance HIPC-related costs at the IDA13 burden shares while creating a related but distinct burden sharing scheme for the first two years of MDRI financing. When deciding on their regular IDA contributions, donors have according to a long standing tradition taken the regular burden shares of the preceding replenishment. No major deviations from past practice are proposed for IDA15, though donors will need to address the various structural gaps that arise from applying the different burden sharing frameworks.

7. HIPC Contributions. In IDA14, donors agreed to use their IDA13 burden shares to finance HIPC-related costs. This left a structural financing gap of 9.2 percent. To help lower the structural financing gap, twelve donors agreed to scale-up their IDA13 burden shares. The remaining financing gap in HIPC contributions was closed through an additional contribution from Norway in October 2005. Donors discussed in Maputo that IDA13 burden shares would apply again for financing HIPC-related costs in IDA15.¹ Donors are requested to scale up their IDA13 shares so as to eliminate the structural financing gap in HIPC financing for IDA15.

8. Under the current donor compensation arrangement for the HIPC Initiative, financing contributions to cover IDA's HIPC-related costs are encashed in equal annual amounts over the three years of the replenishment. For IDA15, the same procedure would apply. Therefore, HIPC contributions would be encashed in three equal installments over the 3-year commitment period of IDA15 (i.e. fiscal years 2009 through 2011).

9. Financing of Arrears Clearance. In Maputo, donors recognized the strong linkage between arrears clearance and the provision of debt relief under the HIPC Initiative since successful arrears clearance is a prerequisite for reaching the HIPC decision point. For this reason, it is suggested that donors' IDA13 burden shares would also be used to calculate individual donor financing of arrears clearance operations in IDA15. Donors are requested to scale up their burden shares so as to eliminate the structural gap for financing of arrears clearance costs.

10. The actual timing of specific arrears clearance operations over the IDA15 commitment period is uncertain and depends on individual country circumstances. It is nonetheless suggested that contributions to finance arrears clearance operations be

¹ See para. 47 in the discussion paper issued for the second IDA15 meeting in Maputo: "IDA15 Financing Framework", June 2007.

encashed in equal annual amounts over the 3-year commitment period of IDA15.² This would mirror the economic link between arrears clearance and HIPC debt relief. As importantly it would not overburden encashment administration and maintain the predictability of donors' encashment profiles.,

11. MDRI Contributions. Under the initial MDRI replenishment, donors also agreed to apply their IDA13 burden shares to finance IDA's forgone reflows due to the MDRI. Over the first two years of MDRI financing (FY07-08), a number of donors used customized burden shares, broadly modeled on their IDA13 ones. For the IDA15 disbursement period (FY09-19), even with all donors delivering on their financial pledges at the agreed MDRI burden shares, a structural financing gap of 8.0 percent remains. Over the entire 40-year financing period of the MDRI, the structural financing gap is SDR 2.0 billion. As proposed for HIPC-related costs, donors are requested to consider scaling up their MDRI burden shares proportionally to eliminate the structural financing gap over the IDA15 disbursement period (FY09-19).

12. For encashment of MDRI contributions, donor contributions would continue to be encashed consistent with the annual payment schedule (normally in January of each year starting from FY07 through FY44) attached to donors' Instruments of Commitments for the MDRI. These annual payment schedules will be updated in conjunction with the IDA15 replenishment.³ As in current practice, donor contributions for the MDRI will be encashed separately from IDA15 contributions.

13. Regular Donor Contributions. In IDA14, the actual amount of regular contributions that donors provide to IDA equals 88.45 percent of the total target amount that formed the basis for burden sharing during the IDA14 negotiations. This leaves a structural financing gap of 18.55 percent. For IDA15, if donors choose to use the same regular burden shares as in IDA14, the same structural financing gap would arise. In Maputo, donors discussed several options to reduce this structural financing gap.⁴ These options included increasing individual donor burden shares vs. IDA14; additional funding from new donors to IDA15; recalibrating or normalizing all donor burden shares so that they add up to 100 percent; and accelerating encashment of donor contributions without encashment discounts. This latter approach is discussed in the following paragraphs.

14. In past replenishments, regular donor contributions were encashed in line with the expected time profile of disbursements of credits and grants expected to be approved during the commitment period. This practice ensures that donor contributions are drawn down by IDA on an "as-needed" basis. To determine the expected disbursement profile during IDA15, management made the following assumptions:

² For commitment authority purposes, donor contributions to finance arrears clearance would become available for commitment upon actual clearance of individual country arrears.

³ Refer to the updated MDRI Table 1, which is contained in the companion paper for the fourth IDA15 meeting in Dublin: "MDRI – Second Update on Debt Relief Costs and Donor Financing, as of September 30, 2007", October 2007.

⁴ See para. 44 in "IDA15 Financing Framework", June 2007.

- Donor contributions are expected to be committed by IDA evenly over the 3-year IDA15 commitment period;
- Commitments for development policy operations are assumed to account for 25 percent of total IDA15 commitments; and
- Disbursements on investment projects and on development policy operations would follow the historical disbursement pattern observed over the past 10 years.

**Table 1: Estimated Encashment Schedule for IDA15 vs. IDA14/IDA13
(Percent of Total Contributions)**

Fiscal Year	11-year profile				9-year profile			
	IDA15 Regular	HIPC	Arrears Clearance	Weighted Current Profile	IDA14/13 Regular	HIPC	Arrears Clearance	Weighted Standard Profile
2009	3.0	33.0	33.0	6.8	3.0	33.0	33.0	6.8
2010	8.0	33.0	33.0	11.1	10.0	33.0	33.0	12.9
2011	12.5	34.0	34.0	15.2	16.0	34.0	34.0	18.3
2012	14.5			12.7	18.0			15.7
2013	14.0			12.2	16.0			14.0
2014	13.5			11.8	13.0			11.4
2015	12.0			10.5	10.0			8.7
2016	9.5			8.3	8.0			7.0
2017	7.0			6.1	6.0			5.2
2018	4.5			3.9				
2019	1.5			1.4				
Total	100	100	100	100.0	100	100	100	100.0
Discount rate				4.0%				4.0%
NPV equivalent				82.40				84.05
% of face value								
Credit								2.01%

15. The resulting disbursement profile and associated encashment schedule for regular donor contributions in IDA15 suggests a slightly slower profile than the encashment profile for regular contributions used for IDA14 and IDA13 (see [Table 1](#)). While both profiles start at the same level of disbursement in year 1, the updated profile disburses somewhat slower in years 2 through 5, followed by faster disbursement in years 6 through 10. As a result, the IDA15 profile extends over a total of 11 years. These adjustments are mainly due to two factors: (i) the somewhat lower assumed share of fast disbursing development policy operations,⁵ which leads to a slower overall average disbursement profile in the initial five years; and (ii) the increasing share of regional investment projects, which often involve a longer implementation period given their complex institutional arrangements. It is worth noting, however, that despite these projected trends, IDA's

⁵ The share for policy-based commitments of 25 percent assumed for IDA15 compares with a share of 30 percent assumed for IDA14 and IDA13. Over the past 10 years (FY98-07), the actual average share of IDA's policy-based commitments was 23 percent, with a median of 24 percent. This share peaked in FY02 when it reached 30 percent; in FY07, policy-based commitments accounted for 22 percent. In view of the historical range observed, a share of 25 percent has been assumed for the IDA15 period.

overall disbursement ratios have been increasing significantly over the past four replenishments, as also shown in a companion note.⁶

16. Composite Encashment Profile for IDA15. Adding the 3-year encashment profiles for HIPC contributions and arrears clearance contributions to the new profile for regular donor contributions results in a weighted encashment profile for IDA15 that extends over a total 11 years, as shown in Table 1. However, there are benefits of retaining the established 9-year encashment period for donor encashments in IDA15. First, donors are familiar with the 9-year period and have adapted their internal procedures and payment systems to this schedule, which has been used during several past IDA replenishments.

17. Moreover, the 9-year encashment schedule would provide IDA with a small amount of additional liquidity. This liquidity could generate additional investment income until the time it was needed for disbursement. This income could be used to reduce the structural financing gap in donor contributions, lowering slightly the total volume of regular donor contributions required. Assuming a volume of regular IDA15 donor contributions, net of the structural financing gap, of SDR 14.8 billion, the additional investment income that could be generated using the 9-year standard encashment schedule would be 2.01 percentage points of SDR 14.8 billion or about SDR 300 million. This investment income would lower the structural financing gap in donors' total target contributions, including the structural financing gap, by 1.67 percentage points when compared with the 11-year weighted encashment schedule shown in Table 1.

18. In view of these benefits, management recommends that donors adopt the 9-year weighted profile shown in Table 1 as the standard encashment schedule for IDA15.⁷

19. **Accelerated Encashment Schedules**. In past replenishments, donors have been given the option of providing their contributions in cash 'up-front', provided that the present value of the accelerated encashment schedule is at least equal to that of the standard schedule. In IDA12 and IDA13, the additional resources provided through acceleration of donor encashments were used to partially offset the structural financing gap. In IDA14, many donors used the additional resources from accelerated encashment as a *credit* item, either to increase their own regular burden share, to cover a share of their costs under the MDRI replenishment, or to lower the overall structural financing gap in the replenishment. In either case, donors received additional subscription votes on account of the additional resources provided to IDA from accelerated encashment. Other donors that used accelerated encashment chose to benefit from a *discount* on the total amount to be provided.

20. Such contribution credits or encashment discounts would also be available in IDA15. Table 2 shows the suggested 9-year standard encashment profile for IDA15 and provides three options for accelerated donor encashment. For example, a donor would receive a contribution credit of 10.01 percent if the entire contribution is encashed over three years.

⁶ "IDA Commitments and Disbursements, FY95-07", September 2007.

⁷ Individual donors could nevertheless opt to use an 11-year schedule, provided that the present value of their encashments will be equivalent to that under the standard 9-year schedule.

This credit could be used to increase the donor's regular burden share in IDA15, or it could be applied towards lowering the overall structural financing gap of the replenishment without attribution to the individual donor. Alternatively, the donor could benefit from an encashment discount of 9.10 percent on the actual amounts paid to IDA over three years. As in current practice, donors providing additional resources through accelerated encashment would receive additional subscription votes.

**Table 2: Standard and Accelerated Encashment Schedules for IDA15
(Percent of Total Contributions)**

Fiscal Year	Standard Schedule	Accelerated Schedules		
		Over 3 years	Over 4 years	Over 6 years
	(1)	(2)	(3)	(4)
2009	6.8	33.0	25.0	5.4
2010	12.9	33.0	25.0	13.1
2011	18.3	34.0	25.0	22.0
2012	15.7		25.0	24.5
2013	14.0			23.4
2014	11.4			11.6
2015	8.7			
2016	7.0			
2017	5.2			
Total	100.0	100	100	100
Discount rate	4.0%	4.0%	4.0%	4.0%
NPV equivalent	84.05	92.47	90.75	86.21
% of face value				
Credit = (Col 2-Col 1)/ Col 1		10.01%	7.97%	2.56%
Discount = (Col 2-Col 1)/ Col 2		9.10%	7.38%	2.50%

21. **Discount Rate for Accelerated Donor Encashments.** The amounts receivable by IDA under the regular encashment schedule and an accelerated schedule should be identical in present value terms. This ensures that all donors will contribute to IDA15 at their agreed level. The financial equivalency is achieved if the projected liquidity investment return to be generated by IDA on accelerated donor balances is applied as the discount rate for the present value calculations. As in past replenishments, for reasons of simplicity and transparency, it is recommended to use a single, SDR-based discount rate that would apply for donor contributions in all currencies.

22. In IDA14, the discount rate for accelerated donor encashment was 3.5 percent per annum. This rate reflected the expected SDR-based investment return of IDA's portfolio of liquid assets over the 9-year encashment horizon of IDA14, based on forward interest rates observed in capital markets at the time. Since setting the discount rate for IDA14, interest rates have been increasing across the four SDR-constituent currencies. At present, the SDR-based investment return of IDA's liquid assets is estimated at 4.0 percent per annum over the suggested 9-year standard encashment period for IDA15. It is therefore

proposed to set the discount rate for accelerated donor encashments in IDA15 at 4.0 percent p.a.

23. **Deputies are asked to consider and approve the following recommendations:**

- To adopt the 9-year standard encashment profile for IDA15 shown in Table 2; and
- To set the discount rate for accelerated encashment of donor contributions in IDA15 at 4.0 percent p.a.

III. Updated IDA15 Financing Framework

24. At the second IDA15 meeting in Maputo in June 2007, Deputies reviewed the proposed financing framework for IDA15.⁸ Subsequent to this meeting, several elements of the IDA15 financing framework have been adjusted. The updated proposed IDA15 financing framework is shown in Table 3.

**Table 3: Updated IDA15 Financing Framework
(SDR billion)**

Sources of Funds	IDA14 (post-MDRI) SDR billion	IDA15 (proposed) SDR billion	% Change
IDA15 Donor Contributions, including HIPC & Arrears Clearance (available, net of structural financing gap)	12.1	16.9	40%
Donor Financing for MDRI	<u>2.6</u>	<u>4.1</u>	60%
<i>Subtotal Donors</i>	<i>14.7</i>	<i>21.1</i>	<i>44%</i>
Internal Resources	6.1	4.1	-32%
IBRD Transfers	<u>1.1</u>	<u>1.1</u>	
Total IDA Replenishment (with original IBRD transfers)	21.9	26.3	20%
Additional World Bank Group Transfers assumed	<u>0.0</u>	<u>1.5</u>	
Total IDA Replenishment (including add'l WBG transfers)	21.9	27.8	27%
<i>Memo item: Total World Bank Group Transfers</i>	<i>1.1</i>	<i>2.6</i>	<i>130%</i>

25. **Contributions from the World Bank Group.** In their respective meetings on September 27, 2007, the Executive Directors of the IBRD and the Board of Directors of IFC made specific undertakings concerning IBRD and IFC transfers from net income in support of IDA15. Both institutions undertook to provide a combined total amount of USD 3.5 billion in support of IDA15, subject to availability of net income and annual Board approvals by each institution. It is expected that each institution would provide half of the total contribution amount.

⁸ See "IDA15 Financing Framework", June 2007.

26. These World Bank Group contributions would be drawn down up-front in each year, following annual Board approvals of IBRD⁹ and IFC¹⁰, rather than over the standard 9-year encashment schedule for donors. This accelerated encashment would lead to additional investment income for IDA, thereby generating a total value of USD 3.9 billion (SDR 2.6 billion) of committable resources for IDA15. This compares with USD 1.6 billion (SDR 1.1 billion) of IBRD transfers in the original IDA15 financing framework. The additional contribution of SDR 1.5 billion from the World Bank Group would increase the total size of the IDA15 replenishment to SDR 27.8 billion. This would represent an increase of 27 percent over the original volume of commitment authority in IDA14 of SDR 21.9 billion (see Table 3). In USD equivalent terms, the total volume of IDA15 commitment authority would be USD 42.3 billion, at the IDA15 foreign exchange reference rates.

27. **Updated Costs of Debt Relief.** Estimates for IDA's forgone reflows due to the provision of debt relief under the HIPC Initiative and the MDRI have been updated as of September 30, 2007.¹¹ The resulting revised donor financing requirements have been reflected in the updated financing framework. On a consolidated basis, HIPC and MDRI compensation requirements for IDA15 have decreased by SDR 201 million compared to prior estimates as of December 31, 2006. The net decrease of SDR 201 million resulted from a decrease in HIPC costs of SDR 265 million offset by an increase in MDRI costs of SDR 64 million. These changes are driven primarily by the revision of projected decision and completion point dates for a number of HIPC countries, the exclusion of debt relief estimates for Kyrgyz Republic, and the application of the IDA15 foreign exchange reference rates, which reflect the depreciation of the US dollar vs. the SDR basket over the past 18 months. Therefore, the volume of available internal resources for IDA15 increases by the same amount, to SDR 4.1 billion.

28. **Donor Encashments Over 9 Years.** As proposed in Section II, donors would use a standard encashment schedule over 9 years for IDA15. This would lead to an acceleration benefit of about SDR 300 million in the proposed replenishment scenario. As a result, the volume of required donor contributions would be reduced by that amount. In total, donors would provide actual contributions of SDR 16.9 billion for the IDA15 replenishment, including contributions for HIPC costs and for financing of arrears clearance operations. This would be complemented by additional, firm financing commitments of SDR 4.2

⁹ The expected IBRD transfers of USD 1.75 billion for IDA15 would be supported by IBRD net income in fiscal years 2008-2010, resulting in three annual transfers of about USD 580 million each, to be received by IDA during the second quarter of fiscal years 2009-2011, respectively.

¹⁰ The expected IFC transfers of USD 1.75 billion for IDA15 would be supported by IFC net income over four fiscal years, 2007-2010. IFC's Board of Directors has authorized a designation of USD 500 million from fiscal year 2007 net income, which is expected to be transferred to IDA at the beginning of the IDA15 period, during the first quarter of fiscal year 2009. The remaining IFC transfers of USD 1.25 billion would be designated from IFC net income in fiscal years 2008-2010. Of this amount, USD 450 million is expected to be received by IDA during the second quarter of fiscal year 2009, USD 400 million in fiscal year 2010, and USD 400 million in fiscal year 2011.

¹¹ "MDRI – Second Update on Debt Relief Costs and Donor Financing, as of September 30, 2007", October 2007.

billion for the MDRI replenishment. See Annex Tables B and C for further details on the breakdown of donor contributions for IDA15.

Annex Table A: IDA15 Foreign Exchange Reference Rates
(Average Daily Exchange Rates vs. SDR, April 1 – September 30, 2007)

Donors	Currency	IDA15 Average Rate v/s SDR	IDA14 Average Rate v/s SDR
Australia	AUD	1.81991	2.05508
Barbados	BBD	3.03371	2.91294
Brazil	BRL	2.97991	4.40788
Canada	CAD	1.63750	1.95219
China	CNY	11.61688	c/
Croatia	HRK	8.22241	c/
Cyprus	CYP	0.65419	c/
Czech Republic	CZK	31.52395	38.42273
Denmark	DKK	8.35145	8.97486
Egypt	EGP	8.65345	c/
Estonia	EEK	17.54583	c/
Euro Countries a/	EUR	1.12141	1.20662
High Inflation Countries b/	SDR	1.00000	1.00000
Hungary	HUF	280.44415	302.12551
Iceland	ISK	96.79557	105.73084
Israel	ILS	6.31071	6.62949
Japan	JPY	181.86553	160.49845
Korea	KRW	1415.52621	1694.90614
Latvia	LVL	0.78371	c/
Lithuania	LTL	3.87222	c/
Malaysia	MYR	5.25582	c/
Mexico	MXN	16.65788	16.70260
New Zealand	NZD	2.05859	2.28505
Norway	NOK	8.99285	10.05411
Poland	PLN	4.26020	5.50617
Singapore	SGD	2.31928	d/
South Africa	ZAR	10.84388	9.48079
Sweden	SEK	10.38816	11.04887
Switzerland	CHF	1.84671	d/
Turkey	TRY	2.00564	e/
United Kingdom	GBP	0.76152	0.80761
United States	USD	1.52448	1.46365

a/ Austria, Belgium, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Slovak Republic, Slovenia and Spain.

b/ For IDA15: Kuwait, Russia, Saudi Arabia.

c/ Potential new donors.

d/ Pledged in USD for IDA14.

e/ Pledged in SDR for IDA14.

Annex Table B: Updated IDA15 Financing Framework (SDR million)

	Lower Scenario SDR million	Proposed Scenario SDR million	Higher Scenario SDR million
Total IDA Replenishment (including add'l WBG transfers)	25,661	27,774	29,966
<i>Increase vs. IDA14 (SDR 21,916 million)</i>	<i>17%</i>	<i>27%</i>	<i>37%</i>
Additional World Bank Group Transfers assumed	1,475	1,475	1,475
Total IDA Replenishment (with original IBRD transfers)	24,186	26,299	28,491
<i>of which:</i>			
Internal Resources	4,132	4,132	4,132
IBRD Transfers	1,083	1,083	1,083
Donor Financing for MDRI	4,148	4,148	4,148
IDA15 Donor Contributions	14,823	16,936	19,128
<i>of which:</i>			
Regular contributions (net of structural gap)	12,695	14,808	17,000
<i>Donor contributions paid over 9 years</i>	<i>12,440</i>	<i>14,510</i>	<i>16,658</i>
<i>Acceleration benefit from 9-year schedule</i>	<i>255</i>	<i>298</i>	<i>342</i>
Donor HIPC contributions	1,221	1,221	1,221
Donor financing of arrears clearance operations	907	907	907
Memo item: IDA15 Regular donor contributions			
Total target volume for burden sharing, i.e. 100%	15,273	17,815	20,452
<i>Net available amount of resources required, i.e. 81.45% after structural financing gap of 18.55%</i>	<i>12,440</i>	<i>14,510</i>	<i>16,658</i>

Annex Table C: Updated IDA15 Financing Framework (USD equivalent billion)

	Lower Scenario USD billion	Proposed Scenario USD billion	Higher Scenario USD billion
Total IDA Replenishment (including add'l WBG transfers)	39.1	42.3	45.7
Additional World Bank Group Transfers assumed	2.2	2.2	2.2
Total IDA Replenishment (with original IBRD transfers)	36.9	40.1	43.4
<i>of which:</i>			
Internal Resources	6.3	6.3	6.3
IBRD Transfers	1.7	1.7	1.7
Donor Financing for MDRI	6.3	6.3	6.3
IDA15 Donor Contributions	22.6	25.8	29.2
<i>of which:</i>			
Regular contributions (net of structural gap)	19.4	22.6	25.9
<i>Donor contributions paid over 9 years</i>	<i>19.0</i>	<i>22.1</i>	<i>25.4</i>
<i>Acceleration benefit from 9-year schedule</i>	<i>0.4</i>	<i>0.5</i>	<i>0.5</i>
Donor HIPC contributions	1.9	1.9	1.9
Donor financing of arrears clearance operations	1.4	1.4	1.4
Memo item: IDA15 Regular donor contributions			
Total target volume for burden sharing, i.e. 100%	23.3	27.2	31.2
<i>Net available amount of resources required, i.e. 81.45% after structural financing gap of 18.55%</i>	<i>19.0</i>	<i>22.1</i>	<i>25.4</i>