

**Djibouti, Ethiopia, Uganda,
and Intergovernmental Authority on Development**

Development Response to Displacement Impacts Project in the Horn of Africa

May 31, 2016

Chair Summary*

The Executive Directors approved Credits in the amounts of SDR 14.5 million (US\$20 million equivalent) to the Republic of Djibouti; SDR 71 million (US\$100 million equivalent) to the Federal Democratic Republic of Ethiopia; and SDR 35.5 million (US\$50 million equivalent) to the Republic of Uganda; and a regional grant in the amount of SDR 3.6 million (US\$5 million equivalent) to the Intergovernmental Authority on Development (IGAD), all for the Development Response to Displacement Impacts Project (DRDIP) in the Horn of Africa (IDA/R2016-0090) on terms and conditions set out in the President's Memorandum.

Directors acknowledged that accommodating displaced people imposes costs on already marginal communities with limited resources in host countries, and failure to assist such communities could lead to further frictions, tension and conflict. Directors therefore supported the operation which is the Bank's first inter-regional project covering MNA and AFR Regions. It aims to improve access to basic social services, expand economic opportunities, and enhance environmental management for both host and refugee communities in the targeted areas of Djibouti, Ethiopia and Uganda. They noted that the project was critical for lessening the human and economic impacts of conflict and violence, reconstructing and rehabilitating critical socio-economic infrastructure, and containing regional spillovers of conflict through investments in communities hosting refugees.

Directors underscored that leadership and ownership at the national and local levels were important for successful implementation. They welcomed the clear distinction made between the development approach towards displacement that the Bank adopted as opposed to the humanitarian role of the UNHCR. Directors encouraged efforts to harness the benefits of complementarity between the WBG, UN partners, humanitarian agencies, and other Multilateral Development Banks, particularly the African Development Bank. They emphasized that cooperation would help address gaps in service delivery, avoid duplication of functions, and ensure effective use of resources.

Directors noted the challenging elements and high risk of the project, and commended the project's innovative design, with a focus on assisting governments to build long-term resilience and self-reliance of communities affected by displacement. They welcomed the emphasis placed on citizen participation and social accountability aspects, and called on the Bank to incorporate lessons learnt going forward and to more actively help in the development of a conducive legal and policy framework for refugees.

Finally, Directors encouraged the Bank to consider assistance beyond stimulating economic and social integration of mixed migrants into hosting countries. They urged the Bank to consider doing more analytical work on the root causes of displacements, on operations, partnerships, and financing solutions.

*This summary is not an approved record.