Chairperson’s Report
Programming Committee of the Board of Executive Directors
Country Strategy with Guyana
(document GN-2503-1)

1. The Programming Committee met on 29 January 2009 to consider Management’s proposed Country Strategy with Guyana for the period 2008-2012, the first strategy prepared under the new Country Strategy Guidelines to be considered by the Board.

2. Directors commented extensively in praise of the Strategy document, welcoming in particular its sound analytical basis, strategic targeting, and effective approach to donor coordination.

3. Areas of concern touched on during discussion included the composition of the pipeline proposed for Guyana and prospects for the use of country systems in that country.

4. With respect to the pipeline, several Directors commended Management on the close correlation between pipeline projects and Strategy objectives. Others, however, suggested that the Strategy’s strong emphasis on infrastructure was not adequately reflected in the attached pipeline. In response, Management described work and plans to build on the Bank’s strong existing transportation and energy portfolios with new project development, in some cases with good potential for private-sector participation.

5. With respect to country systems, some chairs applauded Management’s progress toward their use in Guyana, including plans to delegate financial management controls to national authorities. One chair, however, suggested a need for continued institutional strengthening as a prerequisite for such delegation.

6. A major unknown for this as well as other Country Strategies—particularly in view of the current financial crisis—concerns the allocation and future volume of FSO resources, pending decisions on a new allocation framework to be considered by Governors at the Annual Meeting. Directors welcomed Management’s clear assurances that a new framework proposal will be distributed to Directors by 17 February.

7. Another issue raised by Directors in this connection concerns prospects and timing for the use of new member contributions from China to increase the availability of concessional resources.

8. It should be noted finally that the baseline scenario originally included in the strategy had assumed prior agreement on new FSO allocations. Given the fact that such agreement has not yet been reached, Management has now revised the document to reflect what is in place under the current framework. I have reviewed the revised document to confirm that the necessary changes have been made.

9. With that revision, and based on the broad support expressed by Directors during our meeting, I recommend that the Board approve the Country Strategy with Guyana as proposed in document GN-2503-1.