

Montenegro
World Bank
Topic A

1. Sri Lanka is seeking a loan from the World Bank to improve economic conditions in Sri Lanka. It is clear that Sri Lanka's economy is at one of its lowest points in history and continues to decline rapidly. For instance, in 2018, Sri Lanka had \$6.9 billion in foreign exchange reserves, however today their savings are nearly at zero. Sri Lanka needs significant assistance specifically in the aspects of medical resources, agriculture, access to fuel, and humanitarian aid. Sri Lanka requests a loan of \$5 billion dollars from the International Bank for Reconstruction and Development and is seeking the following to be considered:
2. Providing Humanitarian Assistance in the form of medical and health services (\$100 million)
 - a. Majority of Sri Lankan families have to allocate 75% of their income for food causing them to not have enough money to pay for medicines
 - b. Giving 50% of funds to working with The Sri Lanka Red Cross to provide lifesaving medical supplies, including medicines and adequate medical care
 - c. Devoting 50% of funds to partnering with Heart to Heart International, a United States NGO, to provide needed medications, such as antibiotics, to Sri Lankan families.
3. Increase productivity in agriculture. Understanding that 30 percent of Sri Lankans are employed in agriculture and that 56,000 kids suffer from malnutrition, aims to provide money for farming with the goal to increase crop production, help increase exports and to provide food internally to help reduce and eventually eliminate the trade deficit. Due to weather and a previous government ban on chemical fertilizers in the last harvest season food production was 40 to 50 % lower than the previous year.
 - a. Provide \$700 million for fertilizer
 - i. Realizing that rice is Sri Lanka's primary crop that feeds Sri Lankans internally, devote \$400 million to fertilizer for rice production
 1. Increase rice production
 2. There are two seasons for farming so if the World Bank provides this financial aid now, this funding would help provide for cultivation during the minor season (30% of harvesting for the year), where planting is done from April to May and provide for the second planting period as well, which is from October to November (providing 70% of the needed rice)
 - ii. Devote the rest of fertilizer funds (\$300 million) to tea production, Sri Lanka's biggest export, having brought in \$1 billion a year prior to the fertilizer ban
 1. Increase tea production
 - b. Invest in growing higher value cash crops like fruits, flowers, and other exports (\$200 million)
 - i. Increase productivity and ensure sustainable growth.
 - ii. Consider increasing mechanization.
 - iii. Gain more money when exporting these items to other countries

1. Grow what is in high demand in other countries
 - iv. Remaining commodities from cash crops can be sold at local markets
 - v. Crucial contributor to food security
4. Provide \$4 billion for fuel to provide approximately 8 months of fuel (based on estimates that monthly fuel needs costs about 500 million)
 - a. Most of the fuel in Sri Lanka is imported and since Sri Lanka does not have enough money to buy from other countries, this has resulted in a lack of fuel for cooking, transportation, etc.,
 - b. Money for electricity and fuel will help with tourism, a big source of income previously, since the current lack of transportation and electricity has hampered tourist desire to visit Sri Lanka
5. Repayment Schedule
 - a. Sri Lanka will have 7 years to repay this loan, with no interest being charged the first 6 months and increasing to 2% after that time, for the remainder of the loan period.
 - b. Monthly repayments will be made to the International Bank for Reconstruction and Development (IBRD). Given the current economic crisis in Sri Lanka, repayments will not be required to begin until 10 months from the issuance of this loan.
6. General Conditions
 - a. Once the repayment period begins, if Sri Lanka misses 3 payments in a row, the World Bank will revoke the loan in part, taking 60% back.
 - b. The \$4 billion for fuel will be distributed in two installments. The first \$2 billion will be paid out immediately following acceptance of this loan. The second \$2 billion will be distributed four months after the approval of this loan.
 - c. If rice production does not increase by 10% in 2023 from the 2021/2022 production numbers, then the loan's interest rate will increase by 1%.
 - d. If tea exports do not increase by 5% in 2023, from the 2022 figures, then the loan interest rate will increase by 1%.

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Topic B

1. Haiti is seeking a loan to create financial resilience in Haiti. Following President Jovenel Moïse's assassination in 2021 and then getting hit with a 7.2 earthquake just a month later, Haiti's infrastructure was destroyed and the country fell into chaos. Currently, around half the population (approximately 4.7 million people) is facing food insecurity, there were over 900 recorded deaths due to gang violence just in the first six months of this year, and many more issues persist. Therefore, Haiti is requesting a \$5 billion loan from the International Development Association to address the following issues:
2. Combating Food Insecurity by continuing to work with the World Food Programme (\$100 million)
 - a. The World Food Program had to put its school feeding program on hold after food worth around \$5 million dollars was looted from their warehouses in Haiti.
 - b. Expanding upon the plan for a nationally owned school feeding program made by the Haitian government by making this plan a reality
 - i. Specifically bridging the gap and providing food for kids who cannot attend school due to gang violence
 - c. Positioning stocks of food in pre-set location in case of an emergency
 - i. Could be in another country, someplace safe and accessible
 - d. Adopting WFP's Assistance for Assets (FFA) program that meets immediate food needs through cash assistance
 - e. Fund the World Bank's Emergency Resilient Agriculture for Food Security Project that will stimulate the agricultural sector, create productive infrastructure, and give technical support to promote access to nutritious food
3. Providing clean water and better sanitation facilities to citizens by partnering with Hope for Haiti and adopting their WASH plan (\$80 million)
 - a. Building public health infrastructure, such as latrines and hand washing stations, in the most needed areas
 - b. Introducing public health lessons into schools, such as education on hand washing, basic hygiene, and how to prevent water borne diseases
 - c. Increase water access by identifying water access needs and then digging wells and repairing existing water systems to meet these needs
4. Tackling the root of, as well as stopping existing, gang violence (\$120 million)
 - a. Provide basic education to Haitian youth to prevent these children/teens from joining gangs in the first place
 - b. Give money to United Nations Support Mission In Haiti (UNMIH) to stabilize the government and fund a separate police force
 - i. Train a sufficient police force to push the gangs out of the capital, and tear down the roadblocks that prevent humanitarian aid from entering.
 - c. Prevent ammunition from entering Haiti
 - i. Providing monetary incentives for existing gang members to give up their weapons (similar to the United States's buy back program where gun owners can sell their guns to the government without fear of prosecution)
 1. This will help the government take back control of the streets

5. Infrastructure strong enough to withstand current and future natural disasters (\$3 billion)
 - a. Working with the World Food Programme (WFP), which works on lessening the effects of natural disasters through risk reduction activities such as watershed management and rehabilitation of infrastructure and canal irrigation
 - b. Rebuilding roads and creating road connectivity after the 7.2 earthquake by funding the Haiti Rural Accessibility & Resilience Project
 - c. Funding the UNOPS project on the construction of new roads and bridges that will improve access for people to their homes and to the main cities
 - i. Making roads and bridges accessible even in heavy rain
 - ii. Ensuring the community access to public services (many could not go to the hospital, school, etc. because of closed roads)
 - iii. Creating safer evacuation routes for people in case of natural disasters
 - iv. Citizens (including women) affected by Hurricane Matthew were hired to work on this project, giving them an income as well as letting them serve their community and build safer futures for themselves and their families
 - d. Provide more funds to the Emergency Resilient Agriculture for Food Security Project that improves infrastructure and creates temporary employment opportunities
6. Stabilizing Government (\$1 billion)
 - a. Providing funds for holding safe and secure elections. Currently, it is so unstable in Haiti that presidential elections are unable to be held. A stable government is critical if Haiti is to improve their situation.
 - i. Money needed for security at voting sites
 - ii. Hiring, educating, and providing safety measures for people to help run the elections
 - iii. Educating citizens on presidential candidates and how/where to vote
7. Medical Aid (\$100 million)
 - a. Funding the World Bank's AF Strengthening Primary Health Care and Surveillance in Haiti project to increase the use of primary health services, strengthening the health delivery component, providing vaccines for transmittable diseases, and more
 - b. Giving funds to United Nations Office for Project Services (UNOP) to continue running the three community hospitals they have built
 - i. Hospitals are built using sustainable materials in case of natural disaster
 - ii. UNOP provides medical training to make sure the country can maintain and run these facilities in the future
 - iii. The hospitals have handled 8,000 consultations, 150 cesarean-sections and 400 hospitalizations each month
 - iv. UNOP has procured 40 ambulances and made an ambulance repair garage to keep the vehicles well-maintained
8. Education (\$100 million)
 - a. Giving funds to the UNOPS and other organizations that work to rebuild schools destroyed by natural disasters and making the schools designed to withstand earthquakes and hurricanes

- i. The UNOPS and Congregation of the Sisters of Saint Anne helped to rebuild a school in one of Port-au-Prince's poorest neighborhoods, Fort National, after it was destroyed in the 2010 Earthquake
9. Building resilience to natural hazards through technology (\$500 million)
 - a. Investing in the EU- funded ChEESE (or the Centre of Excellence for Exascale in Solid Earth) project that uses supercomputing to accurately forecast natural disaster scenarios so that the government and Haitian citizens can better prepare for the effects of natural disasters
 - i. Keeping a supply of food and water in case of emergency
 - ii. Being able to move people out of high risk areas before disaster strikes
 - iii. Establish rules, roles, and responsibilities (including having funding planned ahead of time) in each region when preparing for a natural disaster
 - b. Creating fast tracked disaster relief efforts using drones and robots
 - i. Drones and robots can be used to locate survivors of natural disasters and transmit information to emergency rescue teams
 - ii. The drones and robots can also be used to distribute humanitarian aid quickly and safely
 - c. Funding the TERA (Trilogy Emergency Relief Application) system, which is an SMS text system that provides two way communication between aid agencies and people affected by natural disasters
 - i. This technology has been used ever since the 2010 Earthquake in Haiti
10. Repayment Schedule
 - a. Haiti will have 20 years to repay this loan, with a 0% interest rate
 - b. Repayments will begin within 12 months of the issuance of this loan to the International Development Association
11. General Conditions
 - a. Haiti will have 12 months to begin each of the above projects. If a particular project has not begun at that time, the loan amount allocated for that category will be revoked in full, and Haiti will need to reapply for that portion of the loan.
 - b. If it is found that loaned money is being misused or misappropriated in any way, any future payments towards that category will stop and the amount already loaned to that category will become due within 2 years, with an interest rate of 2%.

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