



DEVELOPMENT COMMITTEE
(Joint Ministerial Committee
of the
Boards of Governors of the Bank and the Fund
on the
Transfer of Real Resources to Developing Countries)



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**A COMMON VISION FOR THE WORLD BANK GROUP
BACKGROUND ANNEX**

Attached for the April 20, 2013, Development Committee Meeting is a document entitled
“A Common Vision for the World Bank Group—Background Annex”.

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ABBREVIATIONS AND ACRONYMS

CAFEF	Conflict Affected and Fragile Economies Facility
FCS	Fragile and Conflict-Affected States
GDP	gross domestic product
HR	Human Resources
IATI	International Aid Transparency Initiative
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IEG	Independent Evaluation Group
IFC	International Finance Corporation
IMT	Information Management and Technology
IT	Information Technology
IOC	Istanbul Operations Center
KM	knowledge management
MDG	Millennium Development Goals
MICs	Middle Income Countries
MIGA	Multilateral Investment Guarantee Agency
ODTA	Open Development Technology Alliance
OGP	Open Government Partnership
ORAF	Operational Risk Assessment Framework
UFGE	Umbrella Facility for Gender Equality

A COMMON VISION FOR THE WORLD BANK GROUP
DEVELOPMENT COMMITTEE PAPER
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A COMMON VISION FOR THE WORLD BANK GROUP

DEVELOPMENT COMMITTEE PAPER

SPRING 2013

BACKGROUND ANNEX

SECTION 1: DETAILED UPDATE ON MODERNIZATION COMMITMENTS MADE AT THE 2012 SPRING MEETINGS

1. **At the 2010 Spring Meetings, the Governors endorsed a comprehensive Modernization Agenda for the World Bank Group** involving four pillars: (i) refreshing and refining our strategic directions, (ii) adopting 21st century governance to give greater voice to developing members, (iii) taking measures to ensure that the World Bank Group remains financially strong, and (iv) engaging in a far-reaching process of business modernization, encompassing our products and services, our organization, and our processes and systems.¹ A Management update on business modernization entitled *Modernizing the World Bank Group: An Update* was provided to the Board in March 2011.

2. **Management reported at the Spring Meetings 2012 that all of the 2010 reforms had been implemented or were in progress, and laid out a series of follow-up reforms in a paper entitled *Update on the Bank's Business Modernization: Results, Openness, and Accountability Spring 2012*.** Governors endorsed this agenda to strengthen the Bank's focus on results, as well as to make the Bank more open and accountable to its shareholders and beneficiaries. Management committed to continue the implementation of initiatives, including further simplification, better knowledge governance, building feedback loops into the results agenda, scaled up work in FCS, mainstreamed gender issues, HR reform, and deeper synergies across the World Bank Group and report back at the 2013 Spring Meetings (see Box 1).

3. **This section details progress made since the report submitted to Governors at the 2012 Spring Meetings.** Commitments made under modernization will be largely implemented by end of FY13. Section 2 provides an update of the change processes at IFC and MIGA. These combined efforts yielded fundamental changes in the way the Bank approaches results, accountability and openness. These changes are the beginning of a journey that the change effort initiated this year will continue to deepen. Ultimately, this will allow the World Bank Group to offer better solutions to its clients and deliver on the goals of ending extreme poverty and promoting shared prosperity.

¹ This agenda was captured in two related papers: (i) *New World, New World Bank Group: Post Crisis Directions* and (ii) *New World, New World Bank Group (II): The Internal Reform Agenda* published in April 2010.

Box 1: The 7 critical FY13 priorities identified in the Spring 2012 paper

- Take the results agenda to the next level, in particular by building in client and beneficiary feedback;
- Develop quality and impact indicators for knowledge and improve governance and management of the knowledge portfolio;
- Make a step change in simplification, quality assurance, and accountability, including developing options to reduce overlaps and duplication in our structural organization;
- Begin to deepen synergies and collaboration across the Bank Group.
- Make attention to gender part of the Bank’s DNA – including from conceptualization through M&E – and incorporate gender indicators in M&E frameworks;
- Adopt a package of measures to scale up our work in FCS; and
- Tackle HR reforms, in particular with the introduction of a new approach to performance and talent management, benefits and compensation, and global mobility.

I. RESULTS

4. **The Modernization Agenda included concrete actions to make the Bank more accountable to shareholders and beneficiaries by demonstrating results.** This comprised four areas of focus: expanding the capacity to measure, report on, and learn from results and risks; sharpening the results focus on its instruments and operations; enhancing the solutions it brings to its clients; and strengthening the Bank’s global mobility strategy to create the conditions for staff to deliver accelerated results in the field by promoting global mobility.

5. **While the new systems and tools continue to be refined, the program is making the Bank a more results-oriented institution.** This was affirmed by the most recent Corporate Scorecard. Also the IEG’s *Results and Performance of the World Bank Group 2012 report* recognizes the increased result-focus of the institution. The Scorecard further indicates that the Bank is closer to its clients and more gender-focused. At the same time, the Scorecard also stressed the need to improve project quality at exit, enhance budget flexibility and the strategic use of trust funds, and improve client responsiveness. Going forward, the Bank needs to deepen formal and informal incentives and accountability for results, align the results tool to the goals of ending extreme poverty and promoting shared prosperity, improve internal learning for results, and further develop results-based client engagement.

Measuring and Reporting on Results and Risks

6. **Last year, Management reported on steps to refine the Bank’s results measurement systems.** The first “World Bank for Results” paper was published in 2011 as an accompaniment to the Corporate Scorecard, and, as of 2012, the results report is incorporated into the Annual Report.² The use of standardized sector indicators has been expanded, which makes it easier to

² Available at http://siteresources.worldbank.org/EXTANNREP2012/Resources/8784408-1346247445238/AnnualReport2012_En.pdf

record and aggregate results throughout the project cycle. From March 2012 to date, the number of sectors for which standardized indicators are used expanded from 14 to 24 (with one theme—Project Beneficiaries—also added) and the number of indicators from 96 to 135 (see Box 2). In addition, the review of IDA’s results management system will provide more robust measurements and focus on impact (see “Accountability” below). In the context of private sector development, IFC aims to continue to refine its integrated results measurement system (see Section 2, paragraph 70).

Box 2. List of sectors and themes that use core sector indicators

A process for collection and aggregation of standardized project data has been in place since 2009. Currently there are core sector indicators in the following areas:

Project Beneficiaries	Micro- and Small/Medium Enterprise Financing
Access to Urban Services and Housing for The Poor	Other Renewable Energy
Agriculture Research and Extension	Participation and Civic Engagement
Biodiversity	Pollution Management and Environmental Health
Conflict Prevention and Post-Conflict Reconstruction	Roads and Highways
Education	Sanitation
Forestry	Social Inclusion
Health	Social Protection
Hydropower	Thermal Power Generation
Information, Communications and Technology	Transmission and Distribution Of Electricity
Irrigation and Drainage	Wastewater Collection and Transportation
Land Administration and Management	Wastewater Treatment and Disposal
	Water Supply

7. **Progress was achieved in measuring results in the areas more difficult to measure, notably knowledge—one of last year’s commitments.** The Bank has clarified roles and responsibilities for governance of all core knowledge products and is working toward a results measurement standard across the Bank. A results framework has been embedded in the Bank’s Operations Portal for the majority of the Bank’s knowledge work; this requires clear articulation of the objective and intended results of each knowledge activity. And, starting in April 2013, the governance of knowledge products will be strengthened by applying the new accountability and decision-making framework (see “Accountability” below).

8. **Better tracking of the growing knowledge portfolio is now possible.** Most of the Bank's knowledge services are now properly captured in Bank systems, and Senior Management reviews the portfolio on a quarterly basis. New management tools are in place on the Operations Portal for the majority of the Bank’s knowledge work to help clearly define goals, audience, outcomes, and related indicators. The World Bank Group spent almost \$690 million in core knowledge products in FY12, a 14 percent increase in two years, driven by growth in trust-funded knowledge work. Seventy percent of the portfolio responds to direct client demand, with

a steady rise in the share of technical assistance showing growing client interest in “how-to” advice.³ By the end of FY13, all client-facing and internal product lines, amounting to well over 90 percent of the Bank’s core knowledge expenditure, will be in the Operations Portal.

9. **To measure quality and impact of knowledge activities, the Bank is implementing a three-pronged approach using self-assessments, client feedback, and independent evaluations.** The results of this measurement system will feed into the Corporate Scorecard in FY14. First, Bank staff and management will continue to self-assess the quality and impact of their knowledge activities, but with more rigor and standardization, both in *a priori* peer reviews and in *post hoc* activity completion summaries. For a second perspective, the Bank will routinely seek client feedback. As of FY12, a scaled-up Country Survey Program (discussed below under “Accountability”) requires regular country opinion surveys covering all aspects of the Bank’s work in a given country on a three-year cycle. And a product-specific feedback instrument is being sent to a sample of users of knowledge work. A third perspective will be provided through independent evaluation (e.g., IEG evaluations) both in examining gaps between Bank assessments and client feedback and in looking at the longer-term impact of knowledge work.

10. **Further, the World Bank Group is continuing to strengthen its risk measurement and management systems.** The second Integrated Risk Management Report for the World Bank Group will be presented to the Audit Committee in April 2013. The Integrated Risk Management framework is a continuous, proactive and systematic process to understand, manage and communicate risks from an institutional perspective, centered on four areas: strategic effectiveness, operational efficiency, stakeholder support and financial soundness. Efforts are also underway to develop standard corporate risk reports based on the Operational Risk Assessment Framework (ORAF) for investment Lending (IL) operations, in place since July 2010. Key challenges ahead include the need to ensure more systematic and consistent use of ORAF, further simplification of the framework and its harmonization across financing instruments.

More Results-Oriented Instruments and Processes

11. **Over the last year, the Bank began offering clients the first new lending instrument in 30 years, the “Program for Results,”** designed to help client countries improve the design and implementation of their development programs and achieve lasting results by strengthening institutions and building capacity. Since the launch of the Program for Results, six operations in five sectors have been approved, totaling \$880 million in IDA/IBRD commitments and leveraging another \$1.4 billion in government and partner funding (see Box 3).

³ See *Knowledge Services Update: Knowledge For Development*, February, 2013.

Box 3. Changing the way we look at results: Program-for-Results Financing

What types of programs are using PforR?

Ethiopia: The Health Millennium Development Goals Program will help to accelerate progress towards meeting the maternal health MDG, sustain the gains made in the child health MDG, and strengthen health systems in Ethiopia. World Bank financing is being pooled with the Millennium Development Goals Performance Fund, comprised of nine development partners. In addition, technical support for strengthening monitoring and evaluation systems, especially for the annual rapid facility assessments, will be provided through a World Bank administered Health Results Innovation Trust Fund grant.

Morocco: The National Initiative for Human Development (INDH) Phase II finances income-generating activities, improved access to basic services, and key infrastructure in the poorest regions of Morocco. Taking lessons from INDH1, launched in 2005, the government nearly doubled the geographic scope and increased the budget from \$1.7 billion to \$2.1 billion for phase 2.

Nepal: The Results-Based Bridges Improvement & Maintenance Project supports the country's vision of providing safe, reliable and cost effective bridges. It will maintain 89 bridges, many over 35 years old, complete major and minor maintenance on more than 300 bridges, and construct 121 new bridges.

Tanzania: The Urban Local Government Strengthening Program will strengthen an existing performance-based grant system in order to improve service delivery of 18 urban local government authorities. Local governments will use grant proceeds to improve roads, public spaces for market and trade, and solid waste management, among other small-scale infrastructure.

Uruguay: The Road Infrastructure Program for Results will rehabilitate and maintain the national road infrastructure and improving public sector capacity to plan, regulate, and monitor transport and logistics services toward improved transport efficiency.

Vietnam: The Results-Based Rural Water and Sanitation Under The National Target Program Project will provide safe clean water for 1.7 million people and improved sanitation for 650,000 people living in eight provinces in the Red River Delta. The program will strengthen governance systems for results-based service delivery as well as gender-based monitoring and reporting.

12. **To strengthen the result focus of existing instruments, and in response to declining quality at exit ratings for projects, the Bank recently undertook an in-depth review of the Bank's quality systems**, summarized in the "Delivering Results by Enhancing our Focus on Quality" paper.⁴ The paper presents measures to improve the operational quality of Bank's operations—another of last year's commitments—in three main areas: clarified and harmonized Management attention and accountability, improved technical support to teams from the networks, and better reporting to Senior Management and enhanced corporate learning.

- **Clarified and harmonized management attention and accountability to strengthen decision-making processes for operations in the regions.** New investment lending processing steps, reflecting clarified decision roles and protocols, are available in the operations portal since April 8, 2013 (see "Accountability" section).

⁴ *Delivering Results by Enhancing our Focus on Quality*, December, 2012.

- **Work to improve technical support to teams aimed to developing stronger peer review mechanisms, technical support, and knowledge access by the network anchors.** Network anchors are accountable for providing the relevant sector knowledge, including on impact evaluation findings, to task teams. Networks also have responsibility for identifying qualified and independent peer reviewers. The Human Development Network has approved a business plan for implementing these measures and other networks are in the process of developing theirs.
- **Better reporting to Senior Management and enhanced corporate learning.** First, an improved Quarterly Quality Monitoring Report presents trends and early warning indicators and timely follow-up and an Annual Portfolio Quality Review, including the outcomes of a yearly desk review for a sample of projects, focuses on selected quality-related topics. Second, the findings of these reviews will be used in training and other efforts to help improve operational quality. The quarterly reports for the first and second quarter of FY13 are available, and the first annual report will be delivered in the first quarter of FY14.

Finally, to ensure the implementation of the quality assurance agenda a new Country and Operational Services Sector Board has been established.

13. **“Learning from failure” is contributing to better guidance to teams and to changing the culture toward informed risk taking and management for results.** At the first Bank-wide learning session on “Learning from Failure, Lessons (not yet) Learned,” a panel that included the World Bank Group President was led by two teams—a Pakistan Tax Administration Reform Project and a Panama Land Administration Project—which presented the inherent challenges and the process of restructuring. Efforts to learn from failures, improve knowledge flows, and build a science of delivery will be undertaken under the change process described in the main document.

Enhancing our Client Solutions

14. **As noted last year, modernization is not just about the way we do business but also about the business we do.** In order to build better solutions for our clients, we are further building synergies across the World Bank Group. We have also increased the gender focus of our work; developed a five-point plan to strengthen impact in FCS and reviewed the framework for reimbursable advisory services, a product growing in demand among Middle-Income Countries.

a. World Bank Group Synergies

15. **Operations and solutions increasingly build on synergies across the whole World Bank Group.** Joint business plans are being developed in pilot FCS—including Burundi, Myanmar, and Nepal—to bring together the full range of World Bank Group instruments needed to foster a better investment climate, support private sector development and employment creation, and facilitate catalytic investments and guarantees. For example, a multi-year, comprehensive, joint IMF and World Bank Group effort to address financial sustainability issues

in Cote d'Ivoire's power sector paved the way for the IFC and MIGA Azito investment.⁵ Joint Business Plans will be prepared in an increasing number of countries where a joint approach by Bank, IFC, and MIGA can enhance the delivery of services to our clients, focusing on specific and actionable sectors and targets.

16. To further foster synergies, steps have been taken to enhance World Bank Group policy coherence in private-sector led projects. In early FY12, the Board approved application of IFC's Performance Standards to all IBRD/IDA private sector projects, resolving the dual standards that had been in place when either the Bank or IFC worked with a private sector client, helping the Bank support private sector-led projects by applying safeguards better suited to the circumstances, and providing clients with coherence in working across the World Bank Group. The new World Bank Performance Standards will apply mostly in cases of Public-Private Partnerships in infrastructure. This coherence in our work with the private sector was furthered at the start of 2013 with the introduction of flexibility to apply acceptable private sector procurement practices when the Bank finances private sector entities.

b. Gender Issues

17. The gender agenda is increasingly at the center of our efforts to deliver greater results on the ground. Making attention to gender part of the Bank's DNA—from project conceptualization through monitoring and evaluation—was one of the main commitments of the modernization agenda. The proportion of “gender-informed projects” increased from 62 percent in FY11 to 80 percent in FY12 (and from 72 percent to 85 percent in IDA projects).⁶ Building on the results of FY11, there was a demonstrated commitment from Senior Management to take all the steps necessary to ensure that gender issues were adequately considered in country strategies. All country assistance strategies discussed in FY12 continued to meet corporate commitments in terms of being gender informed. Moreover, there was a significant rise in the share of highly satisfactory CASs⁷—most markedly in IDA countries. The improvements seen in increasing integration of gender aspects in the design of lending operations extend to FCS. IFC is also leading the expansion of the gender space in partnership with the private sector.⁸ The World

⁵ The Azito power project will increase installed capacity by 10 percent with no upfront cost to the government. This groundbreaking transaction in a post-conflict country was recently recognized as “African Power Deal of the Year” by leading industry magazine *Project Finance International*. As Sole Arranger and Global Coordinator, IFC arranged a \$350 million debt package, providing \$125 million for its own account and mobilizing the balance from five European Development Finance Institutions (led by Proparco) and the West African Development Bank. MIGA is providing breach of contract cover to equity investor and lead Sponsor Globeleq. The project involves converting the existing simple-cycle Azito Plant to combined-cycle, resulting in annual savings of \$60 million and increasing total capacity from 290 to approximately 430 megawatts, while avoiding 225,000 tons of CO² emissions per year. Upon completion, the facility will become one of the largest independent power generators in Sub-Saharan Africa, and will provide power to more than 2 million people in Cote d'Ivoire.

⁶ “Gender informed” is the measure used to monitor mainstreaming at the World Bank Group—and refers to the systematic integration of gender into at least one of three dimensions of an operation: the underlying analysis, the content, and/or the monitoring and evaluation arrangements.

⁷ “Highly satisfactory” means that gender is included in the analysis, program and results framework—all three dimensions.

⁸ One strong example of this engagement is the project “Banking on Women – Risk sharing Facility (RSF) with Access Bank” for beverage distributors in Africa. The objective of the project is to increase access to finance for SME distributors of Coca Cola's Nigeria bottler (NBC), majority of which are underserved women-owned

Bank Group—and IDA—are well on track for the measurable targets laid out in the Corporate Score Card and the IDA Results Framework for gender.

18. **On the ground, the Bank is innovating to address some of the more stubborn gender challenges.** For example, the Bank recently hosted a “Hackathon Against Domestic Violence in Central America.”⁹ Through concerted initiatives to uncover new evidence for what works and what doesn't work for addressing gender gaps, programs like the Gender Innovation Lab in the Africa Region, the LAC Gender Impact Evaluation Initiative, and DIME's Impact Evaluation Initiative are providing concrete answers to complex questions. A new focus on evidence is changing how the Bank does business and garnering substantial interest from policymakers on the economic benefits of closing gender gaps.

19. **Efforts are also ongoing to strengthen gender data and information and to build partnerships to address frontier issues on gender.** In July 2012, the Bank launched the Gender Data Portal, an interactive platform that draws on data from a variety of sources—including the World Development Indicators, national statistics agencies, and UN databases. In addition, the Bank is working to improve country statistical capacity to collect gender-relevant data. Finally, the establishment in June 2012 of the Umbrella Facility for Gender Equality (UFGE) marked the beginning of a new phase in partnerships. The UFGE's goal is to strengthen awareness, knowledge, and capacity for gender-informed policy-making and will serve as a catalyst for innovation and investment in frontier issues (for example voice and agency, which includes areas such as women's control over assets and economic resources, freedom of movement, gender-based violence, sexual and reproductive health and rights and women's political participation). The UFGE has received pledges of over US\$35 million from 11 donors

c. FCS

20. **Adopting a package of measures to step up our impact in FCS was one of last year's commitments under the modernization agenda.** Following on the *2011 World Development Report: Conflict, Security and Development*, providing effective, flexible support to FCS continues to be a strategic priority for the World Bank Group. The five-point package of measures seeks to strengthen our impact in FCS. First, design integrated World Bank Group strategies to address the drivers of conflict and fragility and build on the synergies between IDA, IFC, and MIGA. Second, introduce more agile operational policies and practices to promote responsiveness and adaptation in low capacity and high risk environments; there are also plans to pilot flexible procurement systems. Third, build a community of practice on FCS issues leveraging the World Bank Group Global Center for Conflict, Security and Development (CCSD) in Nairobi. Fourth, adopt a set of human resources measures to enhance the extent and depth of client engagement. Finally, adjustments to IDA allocations are being discussed by IDA

SMEs. The project has a significant replication potential since Coca Cola is signing an MOU with IFC to work with their SME distributor chain in as many as 7-8 other countries in Africa, as well as other emerging markets.

⁹ The event—which took place simultaneously in Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama and Washington, D.C.—was designed to address the challenge of domestic violence by building open technology solutions to assist the agencies and organizations that work to support the victims. Software developers, members of civil society and organizations working to prevent and fight domestic violence took part.

Deputies to increase funding for FCSs. Our strategic focus on FCS has led to improvements in the quality of the portfolio in those country programs.

21. The World Group is now present in 28 out of 35 FCS with 870 staff on the ground, up from 836 in FY12. Despite these efforts, there remain significant gaps in attracting the right mix of staff skills in FCSs and in the speed of staff deployment in these countries. To better address these gaps, management has adopted additional measures. First, the Bank Group will monitor “face time” with FCS clients¹⁰ as a management tool to increase support to FCS in a cost-effective way. Second, a new package of incentives has been designed to attract locally recruited talent to undertake cross-country assignments in FCSs and more effort is going into developing FCS-specific skills among staff. Third, incentives to work in FCS will be strengthened by making experience in FCS a strongly desired skill for promotion to senior jobs (GH) and increasing predictability of assignment following an FCS assignment. Also, further flexibility will be given to managers to reflect the local labor market conditions to attract scarce skills in FCSs and guidelines will be established to ensure the application of the Scarce Skills Premium in a more systematic manner for locally-recruited staff in FCS.

22. Substantial progress has been made in building a community of practice among FCS practitioners. One of the knowledge platforms, the Hive, is a multimedia platform for knowledge sharing and partnerships around high priority topics.¹¹

Reimbursable advisory services

23. In order to respond to growing demand for advisory services by Middle-Income Countries (MICs), the Bank undertook a review of the framework for Reimbursable Advisory Services (RAS) in 2012.¹² Today MICs are not just clients, they are global players. While MICs demand for lending products remains substantial, the demand for knowledge and advisory services is increasing, including from MICs that no longer borrow from the Bank. In more than 40 countries, knowledge and advisory services have been provided on a reimbursable basis. Among the outcomes of the review are standardized terms for these activities, steps to integrate these activities into the Operational Portal for better monitoring, and a revision of the operational memo on RAS.

Global Mobility for Results

24. Delivering results on the ground requires an effective global mobility strategy. IT investments are improving connectivity in country offices and new benefits packages provide

¹⁰ Defined as the time of staff based in FCS country offices, staff based in nearby regional centers and staff working on FCS but travelling from HQ.

¹¹ Thirty external partners have signed the Hive Partnership MoU, as of Dec. 2012 and thousands read the bi-weekly newsletter. In addition, CCSD has launched a Community of Practice among Bank staff and has also supported the HDN and SDN network in preparing a FCS Day for their FCS staff during the sector learning weeks.

¹² *Reimbursable Advisory Services: A Review of the Fee Based Services Framework*, October 2012

regional mobility of locally-recruited staff. In FY12, the Information Management and Technology unit (IMT) launched the Country Office Improvement Program to provide improved IT connectivity, services, application response times, and support to decentralized operations. A metrics baseline for application performance is now monitoring response time for major applications in country offices. Improvements observed by users vary depending on the location of the Country Office and the application used. Overall, the average response time of applications in Country Offices improved by 30 percent. For example, Client Connections went from an average loading time of 21.5 seconds to 13 seconds while the performance of the Learning Management System improved from 40 to 10 seconds. Remote access hubs were activated in Paris and Chennai, improving remote access performance for travelers. In addition, an oversight group comprising volunteer Task Team Leaders has been established to advise IMT on application performance improvement.

25. The World Bank Group must also provide the conditions for top-performing staff to have opportunities to move to different locations to expand their knowledge and experience, build professional networks, and share their knowledge with others. In FY13, the introduction of the Cross-Country Assignment (CCA) and Localization Plus (LP) benefits package expanded career opportunities for professional level, locally-recruited staff while better meeting World Bank Group's mobility needs. These came out of the first phase of the mobility benefits review which concluded in FY12 (see "Accountability" section). They provide greater value and incentives for relocating staff, enabling the World Bank Group to better meet client needs, while maintaining cost-effectiveness for the organization. A CCA/LP webpage was launched with useful information and tools for staff.

26. The Bank has also made significant progress in increasing availability of learning to country offices and traveling staff. In the first half of FY13, Bank staff attended 16,966 days on non-mandatory training with an average of 1.4 days for country office staff and 1.5 days for HQ staff. Of the learning hours, 41 percent were delivered in country offices or via online methods. Last year, eight of 15 Leadership Program sessions (Emerging Leadership, Managerial Leadership and Supervisory Leadership) were conducted in country offices.

27. And, over the past year, the Bank has invested heavily in strengthening on-the-ground support to over 700 staff and 3,000 family members, including dual career couples across the globe. Improvements to relocation services include recruitment of global mobility specialists and analysts, training of focal points in all regions and expanding online information tools for relocating staff and families.

II. OPENNESS

28. Initially seen as risky, "Open" has become the new normal for the Bank. The Bank's leadership in openness and transparency is now undisputed. Publish What You Fund is a global campaign for transparency launched in 2008 by a coalition of organizations. In 2010, the Bank scored highest out of 30 donors in aid transparency. In 2011, an index was created and the Bank again came in first with a score of 78. In 2012, the Bank score rose to 89.2 but came in second, behind the UK Department for International Development (with a score of 91). The Bank is also a founding signatory of the International Aid Transparency Initiative (IATI). The Bank is the

first multilateral organization to adopt an Open Access policy and Creative Commons licensing and is an acknowledged innovator in this area.

Open Data

29. **The Open Data website received 7.8 million visitors in FY12, accounting for more than a third of all traffic to the Bank’s website.** The Open Data Initiative continues to expand with access to an additional 1,000 development indicators over the last year, bringing the total to 8,000; and microdata on 150,000 more variables from an additional 300 surveys (for a total of 600,000 variables and over 1,000 surveys). More than 800 datasets on World Bank finances, and new climate change, gender and job data are now publicly available. In FY12, the Bank also launched a HealthStats website as a central location for health, nutrition, and population data with 250 indicators for virtually all countries and such features as animated data visualization and social media sharing capabilities.

30. **Building on the success of the “2010 Apps for Development” competition in prompting innovation in mechanisms for using World Bank data, a “2012 Apps for Climate” competition invited developers to develop new uses of climate change data.** Participants from 28 countries created more than 50 new tools. The top three winning applications included “Ecofacts,” which teaches users about energy consumption and climate change by showing how individual actions can translate into large-scale changes at the national level; “My Climate Plan,” which allows users to create their own hypothetical national plans for reducing greenhouse gas emissions (this program currently focuses on Norway, but could be adapted for other countries); and “Globe Town,” which shows how countries are connected globally through trade, immigration, or international assistance, along with country profiles of issues such as energy use and climate adaptation. Such challenges and competitions continue to be a useful mechanism for encouraging broader participation in development work and inviting new ideas and approaches.

31. **The quality of our apps and ebooks is increasingly recognized.** The World Development Report 2012 app won the 2012 Digital Book World Publishing Innovation Award in the Best App Reference/Academic category. The Bank Group is stepping up efforts to develop mobile applications (see Box 4). Both the WB Finances and WB DataFinder apps are available in multiple languages and on multiple platforms, to encourage use of WB data about what the Bank does, and data about what the Bank knows.

Box 4. The Latest World Bank Apps

2012

AFRICA DataFinder

Climate Change Data Finder 2.5

Doing Business at a Glance

World Bank at a Glance

World Bank Data Finder

World Bank EdStats Data Finder

World Bank Info Finder

World Bank InfoFinder

World Bank Finances

World Bank Health Stats DataFinder

World Development Report 2012

2013

Doing Business at a Glance

Global Statistics on Jobs Data Finder

World Bank InfoFinder (update)

World Bank Results at a Glance

World Development Report on Jobs

32. **A significant milestone in the Open Agenda was the Office of the Publisher's adoption of an Open Access publishing model.** In April 2012, the Bank launched the Open Knowledge Repository (OKR), and in July implemented an Open Access policy and Creative Commons licensing. The use of the CC attribution license for research and knowledge the Bank itself publishes removes all restrictions on the use and reuse of the Bank's published content other than attribution, enabling others to reuse the content in seeking their own innovative development solutions. The OKR hosts some 10 thousand research and knowledge products across multiple collections and is now registering over 130 thousand document downloads per month. New features introduced in the 4th quarter of 2012 include Author Profiles, enhanced usage statistics and mapping, and citations via Google Scholar. The one millionth document download from the OKR will occur in April 2013 around the date of the first anniversary of the launch of the OKR.

Open Operations

33. **The Bank has continued to make its operational, project, and financial data open to all stakeholders. The projects and operations website offers detailed information on over 14,000 lending projects in over 150 countries from 1947 onwards.** This data is also available via an Application Programming Interface (API) allowing for easy integration with other Bank products such as the World Bank Data Country Pages and the World Bank Finances Mobile App. The same projects and operations data also drives the automated publication of data in the International Aid Transparency Initiative (IATI) format—a key resource for improving the state of global aid transparency.

34. **During the second year of the Access to Information Policy implementation, the number of documents available to the public increased by 12.4 percent—amounting to more than 14,800 newly declassified documents.** During FY12, there were more than 1.2 million visits to the Documents and Reports website; users viewed more than 5 million pages and downloaded more than 1.2 million files. The World Bank’s dedicated public Access to Information website allows the public to directly search and browse more than 134,000 documents, including 63,000 operational documents, more than 15,000 legal agreements, and more than 41,500 publications and research reports, among others. In FY12, the number of public access requests that came directly to Access to Information staff increased by 8.8 percent; about 78 percent received a comprehensive response within 20 working days.

35. **Geo-coded project locations improve the ability to monitor Bank projects.** Geo-coded project locations are now included in the projects and operations portal; making geo-them part of the management process for task team leaders. The Mapping for Results enhanced platform increases interactivity by integrating the social context of geospatial data and enriching it with pictures, videos, audio, and results stories. This enhanced platform has been piloted in Vietnam, Nepal, Bolivia, Rwanda, Georgia and Kenya; and efforts are underway to roll this enhanced dashboard to other countries and integrate it into other Bank websites. New tools include: “Geo-results”—a tool for sharing social content and “before and after” pictures and videos of project locations to quickly show results of the Bank’s support currently being piloted in eight countries; and “On Track”—an interactive web tool that enables citizens to provide their feedback on the implementation of Bank’s projects, in the form of suggestions, problems, and stories via SMS, Twitter, and the web.

36. **Since March 2013, the Bank is publishing information on its own administrative contracts.** The Corporate Procurement Unit has made available on its public website a summary of its policies and procedures; copies of its standard contract terms and conditions; a guide to doing business with the World Bank; its vendor eligibility policy; and a listing of current business opportunities, as well as all contract awards for contracts valued over \$250,000. The Bank is also promoting greater disclosure and monitoring of contracts at the country level through its leadership of the Open Contract initiative.

37. **Beneficiary feedback is expanding in our operations—one of last year’s commitments under the Modernization Agenda.** Forty-four percent of Bank’s projects now include beneficiary feedback, up from 22 percent last year. An important driver for building beneficiary feedback—generally via SMS or internet—is the collaboration with the Open Development Technology Alliance (ODTA).¹³ The number of projects supported by ODTA and led by WBI teams increased nearly six-fold in the past two years (from 4 in July 2011 to 23 in January 2013). Thirty-six additional projects are in the pipeline for ODTA. More can be done to further embed this practice across the Bank’s portfolio.

38. **In March 2013, the Bank hosted a forum on beneficiary feedback and citizen engagement.** Approximately 150 people participated in the Global Conference on Citizen Engagement for Enhanced Development Impact which focused on how to position the citizen

¹³ The Open Development Technology Alliance (ODTA) is a knowledge platform aiming to give voice to citizens and improve accountability by offering ways to provide feedback on public services.

engagement agenda as essential for effective development; how to move from knowledge to action in implementing the agenda; how to establish concrete partnerships for scaling up at global and country levels; and how to advance the mainstreaming of citizen engagement and beneficiary feedback into Bank policies and operations.

Open Knowledge

39. **Since FY12, the Bank has supported six Knowledge Platforms as experiments in collaborative knowledge generation.** The six Knowledge Platforms comprise Open Development Technology Alliance, Urbanization, Green Growth, Jobs, SecureNutrition, and the Hive (Fragility, Conflict, and Violence). The first three knowledge platforms are taking steps toward self-sustainability as they approach the end of the Bank’s three-year seed funding phase. For example, the Green Growth Knowledge Platform has secured strategic support from the Government of Switzerland to establish a secretariat in Geneva and to support its annual research program. The other three Platforms continue to engage closely with partners and clients using new channels of communication (for example with virtual events on Google Hangout for the Jobs Platform).

40. **The Bank is working with an initial first wave of countries to create national delivery knowledge hubs for development.**¹⁴ These hubs are intended to coordinate people and resources to tackle priority delivery problems and disseminate learning. They will form part of Country Partnership Strategies. Countries will structure their hubs in accordance with their national agendas, and they will reflect mutually-agreed work programs. In most cases, hubs will be based within existing public or private institutions and some hubs may be entirely “virtual.” If countries request it, the Bank will provide start-up financing, technical assistance, and support for knowledge-sharing and dissemination. It is expected that the knowledge and experience gained through the knowledge hubs will contribute to the development of a “science of delivery.”

41. **South-South knowledge exchange is facilitated continuously by Bank teams on the ground across the globe.** Centrally, the South-South Knowledge Exchange facility provides seed funding for innovative facilitation—between practitioners willing to take a shortcut on the “how to reform” or to unlock implementation bottlenecks by learning from peers who have faced similar challenges. In the past year the facility funded over 40 South-South exchanges (at a cost of about \$2 million) between practitioners in 80 countries willing to accelerate their understanding of the “how to reform” or to unlock implementation bottlenecks by learning from peer who have faced similar challenges.

Open Development

42. **The Bank continues to work with Governments to support their own open development initiatives, in particular supporting the Open Government Partnership (OGP) coalition.** Several clients, including Kenya, Colombia, Mongolia, and Moldova, are expanding their Bank-supported national open data and open government initiatives. The Bank has

¹⁴ China, South Africa, and Brazil, countries have volunteered to work with the Bank to establish the first wave of knowledge hubs.

developed an “Open Data Toolkit” of guidelines and resources that help client government staff design open data programs. The toolkit also contains a “Readiness Assessment Tool” that can guide a team through analyzing a country’s technical, institutional, and legal landscape and produce actionable recommendations for developing an open government data program. Many demands for open data and open government reforms are a result of country’s commitments to the OGP. The Open Aid Partnership is building on the World Bank’s Mapping for Results Initiative, which has mapped 30,000 activities in all 143 countries, and overlays these data with sub-national poverty and human development indicators at the local level.

43. **In partnership with the US Open Data initiative “data.gov,” the Bank hosted the first truly international conference on Open Government Data in July 2012.** Attended by more than 400 people from over 50 countries—plus more than 5,000 on-line watchers—technologists, government officials, civil society organizations, and the private sector came together to share experience, learn what works and what does not, stimulate new ideas, and demonstrate the value of open data.

44. **The Bank also supports country-led crowd-based solutions.** For example, the Code for Kenya Innovation Fund has been launched to create a cadre of fellows who can lead the process of co-creating open data services. Similarly, the Code for Arabia knowledge exchange aims to meet the demands of Tunisian cities keen to leverage open data and participatory service development.

III. ACCOUNTABILITY

45. **The Bank continues to focus on strengthening external and internal accountability.** The combination of the Corporate Scorecard and the Country Survey program—complemented by such existing accountability mechanisms as the Independent Evaluation Group (IEG)—are going a long way to boost the Bank’s accountability to shareholders, while the Governance and Anti-Corruption strategy, under implementation, is guiding efforts to help clients build stronger institutions and reduce incidents of corruption in Bank projects. Stronger management practices are boosting internal accountability.

External Accountability

46. **The Corporate Scorecard is the basis for strategic dialogue between Management and the Board.** The first bi-annual discussion of the Bank’s performance in the context of development results, based on the Corporate Scorecard, was held with the World Bank Group President and the Executive Directors in December 2012. Going forward the Scorecard will be adjusted to reflect the upcoming World Bank Group Strategy and will be increasingly refined.

47. **In November 2012, IDA Deputies reviewed improvements to IDA’s Results Measurement System and agreed to a number of new indicators that would provide more robust measurements.** Going forward, the emphasis of IDA’s results measurement work will be

on measuring the "unmeasurable," expanding evidence-based work through impact evaluation, and strengthening the statistical capacity of IDA countries.¹⁵

48. **In January 2012, Senior Management made country opinion surveying mandatory on a three-year cycle to systematically gather feedback from key stakeholders in client countries, over time and across the globe.** Indices measure perceptions of a number of key areas of the Bank's work including relevance in a given country and alignment with its development priorities; achievement of results; overall effectiveness; the extent to which the Bank collaborates with government and other donors and actors; and the capacity of Bank staff and the contribution the Bank's knowledge makes to development results. This provides hard data which measures over time, systematically and scientifically, how views are changing in countries, regions, globally; the Bank is the only one among multilateral and bilateral institutions that engages in an effort of this scale and scope.

49. **By the end of FY12, 29 country surveys were completed, reporting views of more than 7,000 opinion leaders across the globe.** Surveys in an additional 41 countries are now underway.

50. **The updated 2012 Governance and Anti-Corruption (GAC) strategy is under implementation.** The Bank's new president has affirmed that governance and anti-corruption remain core development issues and fundamental priorities for the Bank and that the Bank will continue to play a strong role helping clients build effective institutions and respond aggressively to incidents of fraud or corruption in Bank projects. These issues are being integrated into the change process discussed earlier in this report.

51. **The Governance Partnership Facility supports innovative approaches to country programming or project based initiatives** such as increased transparency, improved political economy analysis, or demand for good governance. Collectively, such initiatives have influenced 105 projects totaling \$16.1 billion in lending. Innovative activities supported under GPF include the use of GPS cameras to ensure that irrigation projects are on track in Afghanistan and the improvement in maternal and child health care in the Indian state of Karnataka through the use of hand-held electronic devices that transmit basic service statistics.

Internal accountability

52. **Internal accountability is being tightened through new performance management tools and practices.** The end goal is a process with clear accountabilities, cascading objectives, rewards, and consequences for staff performance, ongoing coaching and feedback, and greater transparency around performance evaluations and promotions. With a renewed "one Bank" view, HR has begun the process of changing the culture and the incentives of performance management at the Bank. At the unit level, internal Memoranda of Understanding (MOUs) for all operational units and selected back-office functions have introduced clear links to the Corporate Scorecard and enable regular assessments of units' performance. For people

¹⁵ *Abidjan (Cote d'Ivoire) - IDA16 mid-term Review meeting: chairman's summing up*, November 2012 and *Implementation and results progress report-- IDA16 Mid-Term Review*, November 2012.

management, a new performance management system building on the experience at the IFC will be implemented in July 1, 2013.

53. We are working to reduce fragmentation and improve internal lines of sight by strengthening the alignment of our planning and reporting processes, including Trust Funds. Open with a bolded sentence just on TFs: **The Trust Fund Integration agenda has currently three main pillars.** First, by end-FY12, CFP and IMT integrated all current and historical TF financial data into the Bank's SAP Business Warehouse. This has enabled VPUs across the Bank to source TF data along with IBRD and IDA data through the new Self-Service Reporting Portal, thus saving units considerable time and effort and ensuring full consistency of data. Second, the business processes for Trust Funds are currently being integrated in two phases over FY13 and 14, into the Bank's Operations Portal. When completed, Bank TTLs will follow the same procedures, and use the same systems, for managing TFs as for regular IBRD and IDA operations. And thirdly, Bank-executed TFs are being integrated into the new Integrated Planning System. This allows Bank VPUs to plan for operational activities funded by TFs in the same way as activities funded by Bank Budget. Moreover, Bank-executed TFs have been entirely integrated into Management's different engagement points with the Board on the Bank's Budget. To this effect, since 2012, the annual Medium Term Strategy and Finance paper features an extensive section on external sources of budgetary funds, including Bank-executed TFs, Externally Financed Outputs, and Reimbursable Advisory Services.

The Simplification Agenda

54. **In April 2013, a package of sweeping changes was launched, with implications for reporting and operational procedures accompanied by improvements to IT processes—all designed to make the Bank more effective.** The reforms respond to calls from staff for greater flexibility in policies and procedures, greater accountability and clarity of roles in decision-making, more consistent operational processes across regions, and more user-friendly information technology systems.

55. **A new policy for Investment Lending, OP 10.00 Investment Project Financing (IPF), was approved in October 2012 and is rolled out as part of the above package.** The new policy consolidates 19 policy statements, 18 procedure statements, and nine operational memoranda into one coherent policy. There are also six policy changes: removal of the three-year limit for additional financing, removal of the requirement for triggers in a series of projects (Adaptable Program Loans), introduction of flexibility for responding to fragile situations, maintained rigor in economic analysis while making it more attuned to country and sectoral considerations, higher financing ceilings for project preparation advances, and more flexibility to borrowers and teams to define the timing of annual project audits. The reform of the critical policies of procurement and environmental and social safeguards are on a separate track (see below).

56. **The new framework for accountability and decision-making (ADM) provides clarity about roles and behaviors for efficient decision-making.** While adequately managing institutional risks, the policy aims to eliminate unnecessary behaviors leading to bottlenecks and delayed decisions and to establish clear accountability, initially for the decisions associated with

the approval of investment lending and knowledge products. These new roles will help staff and managers clarify who makes what decision, refine the roles and accountabilities of task team leaders, sector managers, and others involved in project related decision-making processes, and distinguish between what is clearance versus advice.

57. Accompanying these other changes will be a shift to a principles-based approach in selecting projects for Board discussion. Starting in April, the Board will mainly discuss all projects that have gone through the Operations Committee as well as any other operations that Management deems of interest to the Board. All full Country Assistance and Partnership Strategies and Interim Strategy Notes will continue to be submitted for Board discussion.

58. The improved Operations Portal includes a new task team dashboard to manage projects and day-to-day tasks by bringing information for all projects on to a single screen. Among other upgrades, project clearances have been made easier and there are a number of improvements designed to ease processes for staff.

59. The review of the Bank procurement and safeguards policies is ongoing with the objectives of clearer accountability and sharper focus on development impact.

- ***Procurement policies:*** A formal review of the Bank's procurement policies and procedures will be completed in FY14. The review will set procurement policy around principles of development effectiveness, best fit for purpose and value for money, encouraging the use of country systems and harmonization, supporting the objective of developing competitive local industries and strengthening public procurement management and capacity, improving governance and anticorruption and promoting sustainability, among others. The review is intended to fully align the Bank procurement policy with its broader modernization agenda, and identify the opportunities and the trade-offs, exploit synergies that advance the Bank's broad policy goals, and position the Bank for the next generation.
- ***Safeguard policies:*** Since the Bank's safeguard policies were put in place, many client countries have developed regulatory frameworks to address environmental and social issues in development. Significant investments made since the 1990s have led to success in developing legislative frameworks and client capacity, which provide in many countries the foundation for country ownership. Hence, the Bank initiated a three-phase, two-year process for revising and updating its environmental and social safeguard policies. It provides an opportunity for the Bank to build on the core principles of the current safeguard policies; improve coverage of environmental and social risks; deliver better environmental and social outcomes in the projects and programs it supports; and help strengthen country systems and institutions to deliver sustainable results on the ground.

The first phase of the consultation process—global meetings with shareholders and external stakeholders—is near completion. As part of the review and update process the Bank is also considering if and how it could potentially address a number of emerging areas that are not covered by the current safeguard policies. These include

climate change; disability; free, prior and informed consent of Indigenous People; gender; human rights; labor and occupational health and safety; and land tenure and natural resources. The Bank will consider these areas through internal dialogue and consultations with shareholders and stakeholders, as well as through a global series of focus groups with external experts.

Human Resource Management

60. **Several critical HR reforms were tackled in FY13**—the final commitment for FY13. In particular, in addition to new benefits package for the mobility of locally recruited staff (see “Results” above), a range of adjustments to the benefit package were introduced (see Box 5). The employment architecture is also being simplified and adjusted to balance managerial flexibility and attractiveness of the employment value proposition. In December 2011, the World Bank Group announced the implementation of a one-year cooling off period for retirees with the objective of encouraging managers to plan for orderly succession and knowledge transfer and to expand career opportunities for both current staff and new hires. The policy went into effect in 2012, but with business-driven exceptions for the first year of implementation to minimize disruptions. All retirees are now required to adhere to a one-year cooling off period before returning to work as short-term consultants and temporaries. In addition, the number of days retirees can work per year was reduced from 190 to 150 to align with allowable days for other short-term consultants.

61. **HR has continued to advance the diversity agenda with success in several areas this fiscal year.** At the end of Q1 FY13, the diversity index had increased to 0.9 compared to 0.88 a year earlier. Three of four diversity indicators—women managers, women at GF-GG, and SSA/CR nationals—showed improvement over the prior year, while representation of Part II managers remained stable. Among new managers selected internally, more than half (51.3 percent) were Part II nationals and 45 percent were women. There was an overall positive flow (+39) in the group of 17 nationalities of focus.

62. **Moving forward, the Bank will review its employment architecture and strengthen talent management.** The Bank’s policy and guidelines for the range of Bank Group appointment types, including term and open-ended, will be reviewed, as will strategic staffing and workforce planning processes, programs, and practices to ensure that the Bank has access to the diverse talent it needs globally while further stepping up support to FCS. Work is currently underway to improve the recruitment process through increased managerial accountability, reduced cycle times, and improved quality and diversity. The average time to select for vacancies closing in Q1 FY13 was 103 days, down from 127 a year earlier. One of the key reforms to be tackled moving forward is strengthening talent management. The Organizational Health Index (OHI) leadership outcome of 53 percent (the extent to which leadership inspires actions by others), emphasized the need to improve the leadership capacity of our managerial cadre. Despite progress in diversity, this remains an area that needs constant attention.

Box 5. Recent revisions to benefit policies

A number of benefit revisions were introduced as part of continuing efforts to modernize the Bank Group's benefits policies:

- Country office medical coverage and benefits were aligned more closely to those of Washington-based staff, and access to out-of-country care was significantly improved. Changes were made to the premium/benefit structure of the Retiree Medical Insurance Plan (RMIP) effective July 2012 to preserve the current level of Medicare subsidization to avoid adding an estimated \$300 million to \$400 million to retiree medical liabilities.
- Single education loan program with competitive interest rates for staff and eligible family members in both country offices and headquarters, provided as Phase 1 of the Financial Assistance review. The coverage for education loans was subsequently expanded from university-level education to include primary and higher education, providing more flexibility to families in deciding to invest in education of eligible family members.
- The first phase of the mobility benefits review was completed in FY12 and resulted in the introduction of the Cross-Country Assignment (CCA) and Localization Plus (LP) benefits package.
- The spouse travel policy has also been scheduled for phase-out by June 2018. In the interim, the policy has been extended to staff with domestic partners recognized for benefits purposes, building on past efforts to ensure that domestic partners receive the same benefits as spouses.
- Pending completion of the Phase 2 review of the mobility benefits, an interim satellite package was developed for internationally recruited staff temporarily assigned to satellite offices to facilitate deployment in response to business needs. The package is more attractive than the existing package for staff permanently assigned to satellite offices but less costly than the extended assignment benefits.
- Parental leave benefits have been enhanced effective February 1, 2013 to include: increased maternity/adoption leave from 60 to 70 days, and paternity leave from 5 to 10; ability to charge up to 20 days of additional leave to accrued sick leave for multiple births; use of up to 20 days of accrued sick leave for medical complications resulting from delivery; allowance of Bank/Bank couples to pool maternity and paternity leave, and use as appropriate; and increased short-term family leave from 5 to 10 days, charged to accrued sick leave.

Information Management and Technology

63. **Investments in information technologies have supported most aspects of the Modernization Agenda.** The FY11-13 Information Management and Technology (IMT) three-year strategy is in the final stages of aligning IMT with business needs by modernizing core business capabilities, promoting information transparency and access, and delivering global mobile solutions. Emphasis is also being placed on greater knowledge sharing within the Bank through the creation of a number of foundational knowledge tools as well as roll-out of a World Bank Group social collaboration platform which will, for the first time, allow World Bank Group staff to share information across institutions easily. As part of ongoing improvements to the procurement systems for operations, a new procurement dashboard provides task teams with a simple and efficient way to view the various procurement modules processes. IMT's FY14-16 strategy will support the evolving needs of the institution and new directions being articulated as well as partially rectify prior underinvestment in technology (See Box 7).

Box 6. The World Bank Group’s directions on Information Technology

The World Bank Group must leverage advances in information and technology to deliver on its mission and implement a Science of Delivery. The World Bank Group will capitalize on four distinct trends—Social Business, Consumerization, the Cloud, and Big Data—to create a new user-centric internal- and external-facing workplace. Working closely with Operations, DEC and WBI, IMT will bring product innovation to development, strengthen risk management, enable knowledge flows, and improve the Bank’s business processes. With these tools, IMT will support the goals of agile implementation, structured learning and evidenced based-design.

Over the next several years the World Bank Group will implement a transformational strategy to improve productivity across the globe and create a “step change” in technology’s role in supporting the Science of Delivery, including (i) transforming knowledge management capabilities by leveraging social media and analytics, and digitization of our treasure trove of historical data; (ii) allowing stakeholders to engage and leverage the Bank’s core strengths in delivering development programs which are designed to end extreme poverty and promote shared prosperity; (iii) improving productivity of the front-line globally through improved access to our core systems and through new devices; and (iv) upgrading the Bank’s core IT platforms that are outdated and are not able to keep pace with business demand.

64. **IMT is establishing a one World Bank Group information and technology function as part of the FY13 commitment on World Bank Group synergies.** As of July 1, 2013, a new IT organization integrating IMT and IFC’s Corporate Business Technologies will be in place. Integration of budget processes, control frameworks, risk management approaches, and other policies and practices will be finalized in FY14. Communications and HR functions are also being integrated in keeping with FY13 commitments. Once delivered in July 2013 (October for HR), this integration will enable efficiency gains for better services and will support front-end synergies across the World Bank Group. Further work on reducing overlaps and duplication in our structural organization, one of the FY13 commitments, will follow from the work on the World Bank Group strategy progresses.

CONCLUSION

65. **The Modernization Agenda has delivered on commitments made last year.** Remaining actions will be largely implemented by the end of FY13. The modernization effort is making the Bank more open, closer to its clients, more results-oriented and gender focused. However, as described in the main document, a broad agenda for change remains ahead for the World Bank Group. Modernization efforts in the Bank, as well as change efforts in the IFC and MIGA, are being rolled into an ambitious change agenda, centered on the objective of accelerating progress in ending extreme poverty and promoting shared prosperity in a sustainable manner.

SECTION 2: UPDATE ON IFC 2013 AND RECENT REFORMS IN MIGA

I. CHANGE AT IFC: A SUMMARY

Background

66. **In the late 1990s, as emerging markets became more attractive to mainstream investors, IFC's client base began to shift away from large international corporations to smaller local clients, based in World Bank Group's countries of operation.** These clients asked for more corporate finance products, rather than IFC's traditional project finance products. At the same time, stakeholders began to ask IFC to increase its focus on development impact and IDA countries. The new products that clients demanded required a more detailed understanding of local conditions and markets that could not easily be achieved from Washington. Following pilot efforts in the 1990s, in the early 2000s IFC began to decentralize and build a strong presence in the field in order to better understand clients and be more responsive to their needs, both for investment and advisory services. IFC grew and continued to decentralize throughout the 2000s, increasing overall headcount by more than 40 percent over the course of the decade, with the bulk of growth in country offices. By FY07, the majority of IFC staff were based in the field (versus one-third through the late 1990s), and the proportion has continued to rise with 56 percent of IFC's workforce in the field today.

67. **By the late 2000s, the growth in the number of field offices and increasing demands on staff created a number of challenges.** While the majority of IFC's staff were based in the field, the bulk of decision-making and support functions were still in Headquarters, particularly for investment services. While parts of the investment cycle had become more efficient, the addition of new elements (e.g., E&S standards), new products, sectors, and increased geographic reach put additional strains on staff. At the same time, staff and clients became increasingly frustrated with the existing matrix, which did not reflect the increasingly local and regional character of IFC's client base. This lag led to inefficient processes and delayed decision-making, eventually spurring the launch of the "IFC 2013" change initiative. The objectives of IFC 2013 were to bring decision-making, execution capacity and support functions closer to clients; increase accountability, strengthen knowledge management and grow talent by investing in people. The change process shifted industry expertise and support functions from Washington to the regions, by creating regional industry departments.

68. **The decentralization of key functions under the change process has raised new challenges.** As IFC continues to build its presence in the regions, there is a greater risk of fragmentation of operations and creation of regional or country 'silos'. Clients see IFC as one entity and greatly value IFC's global expertise and knowledge as one of IFC's competitive advantages, as demonstrated in the Client Survey. Concerted change management efforts continue to build a common corporate culture that unifies staff, and encourages collaboration and knowledge sharing across organizational boundaries, while striking the right balance between IFC's local and global expertise. IFC's Management Team has made significant progress in engaging staff across the corporation to build on success and further enhance IFC's performance. Difficulties IFC experienced in the immediate post IFC 2013 have largely been resolved. Going forward, the focus is on (i) Improving efficiency in operations and client service; (ii) Maintaining

and fostering global knowledge; (iii) Leveraging people and talent; and (iv) Improving the effectiveness of the institution. IFC continues to strengthen regional capabilities as business needs arise. Below is an overview of changes achieved in each area.

Improving Efficiency in Operations

- IFC opened the Istanbul Operations Center (IOC) in October 2010 designed to put a structure in place outside Headquarters offering a comprehensive ‘end-to-end’ service - from business development through to loan disbursement, and concentrate management and investment staff in a single location that is closer to clients and front line staff. Today the IOC is fully operational. Decision-making authority has been devolved to the IOC, with the Management Team and support functions (Legal, HR, E&S, Finance) fully in place. Staff count has increased from 66 in June 2009 to around 176 today.
- IFC established Regional Operations Committees (ROCs) in all regions to review and approve investment projects in the field – in order to respond faster to client’s needs and address work-life balance concerns among field based staff. Prior to this, the COC at HQ reviewed all projects which slowed the investment approval process.
- To inject greater accountability and ensure that IFC maintains a regional perspective, IFC introduced a new organizational matrix in Investment Services, with regional directors accountable for regional strategy and client relationships, and global industry directors accountable for global industry strategy, business developments and fostering global knowledge.
- IFC introduced a new concept of portfolio supervision in the IOC - the Portfolio Middle Office - to achieve greater operational efficiency and mitigate risks by centralizing the bulk of project administrative and compliance related tasks. The Middle Office initiative is evolving into Investment Support Units (ISUs) at the Regional Industry Departments across IFC. At the RID level, most of the Middle Office work was already conducted by Portfolio Assistants for operational risk management and by Investments Analysts for credit risk related tasks. The work by the third leg of the Middle Office that was piloted at the IOC, namely Project Admin Unit who concentrates mainly on data and document quality, security management and fee collection, will be integrated into the ISUs.
- Some of the measures proposed under IFC2013 were not well adapted for smaller, highly specialized units. Following the principle of ‘one size does not fit all’ the Management Team recognized it and decided to engage with those units to understand their concerns and unique challenges. This included carrying out a detailed diagnostic of each unit, through structured interviews and analysis, to identify operating opportunities going forward.
- To encourage IFC to have a well coordinated holistic relationships with its clients, IFC rolled-out a Client Relationship Manager Database, assigning a relationship

manager to each of IFC's 3000 clients and partners from 170 countries across Investment and Advisory Services. While continuing to improve the Database, IFC is also focusing on client relationship management training.

- Since establishing the IOC, IFC has continued to strengthen its regional presence and boost its support functions in the regions. As well as appointing a VP to EMENA, IFC has also appointed a VP to the Asia Pacific region.

Maintaining and Fostering Global Knowledge

- The Corporation established a Global Knowledge Office in 2009 to deliver best-in-class knowledge and innovation to clients. The office has since institutionalized mechanisms, tools and programs to capture and facilitate knowledge flows, and has established a Corporation-wide knowledge management (KM) practice group that has been critical to several knowledge management programs.
- In early 2011, an Organizational Network Analysis of a large portion of the operational departments of the Corporation provided a baseline of knowledge flows through IFC, and an understanding of what knowledge, expertise and competencies are most sought after.
- In April 2011, IFC's Management Team endorsed of a new career stream dedicated to knowledge management, supported by key competencies.
- Since October 2011 IFC has rolled out a program of Technical Master Classes to transfer critical operational and experiential knowledge that exists among seasoned staff, pending retirees, and subject matter experts through in-depth workshops focused on real-life case studies and situations. A speaker series and newsletter have disseminated KM best practices from external and internal sources.
- In 2009 IFC acquired an enterprise license of the Jive software, the social business collaboration platform behind iCollaborate. The World Bank also acquired a Jive license subsequently, paving the way for Group-wide collaboration through a common technology platform for the first time.

Leveraging People and Talent

- To strengthen accountability and people management, IFC established guidelines on the role of managers in developing people, reduced the number of direct reports per manager to no more than 15, and mandated that staff in supervisory roles attend Team Leaders Training. IFC has also extended leadership development from one program in 2003 to offerings at every level from Grade C and above, with the number of participants exceeding 900 so far.
- To develop global talent IFC set up a Global Center for Excellence to serve as a one-stop-shop for all IFC learning, incorporating a mix of formal training network building, mentoring, and on-the-job development opportunities to equip staff at all levels with the knowledge and skills they need to grow professionally.

- To put the right people in the right place and support staff in a decentralized organization, IFC introduced initiatives designed to support staff mobility, including dedicated mobility coordinators in the regions, and enhanced mobility benefits for locally recruited staff, done together with the Bank in order to secure a solution.
- In July 2012, IFC launched the Achievement Sheet for staff in the Investment Services Stream to more comprehensively capture investment staff contributions, and link them to IFC's strategic priorities throughout the business development, execution, and portfolio stages of the investment project cycle.

Improving the Effectiveness of the Institution

69. **IFC management led numerous communications initiatives designed to explain the change process, foster openness and dialogue among staff, and encourage an understanding of the Corporation's strategy and vision.** This included outreach efforts, a video that put the change process in the context of the broader IFC's mission and its vision, and a Corporation-wide 'One IFC week' during which departments across IFC organized events designed to deepen understanding of IFC's strategy and how it related to the work done by each staff member.

Result Focus

70. **In the context of private sector development, IFC aims to remain a leader among IFIs as it continues to refine its integrated results measurement system.** IFC has invested heavily in a consolidated results measurement system. This includes global development targets (IDGs) to help drive implementation of strategy, which are being steadily introduced, together with a unified monitoring system with standardized tracking indicators (DOTS), and a common evaluation strategy. In FY13, two of the six IDGs (see table below, shaded) went "live," i.e. were included in departmental scorecards and management's performance objectives. Three other IDGs have been under further testing with the objective to go live in FY14. DOTS for investment, advisory and AMC projects allow IFC to track progress and report on its clients' development results. IFC's evaluation strategy, launched in FY12, currently includes around 30 evaluations per year, focusing on projects, products, sectors and programs, across IS and AS. It aims to identify successful practices to maximize impact, and disseminates lessons learnt internally and externally. Planned evaluations include poverty, jobs, and gender lenses to improve IFC's understanding of the impact of investment and advisory operations.

IFC Development Goals	Measurement
(1) Increase or improve sustainable farming opportunities	# Farmers
(2) Improve health and education services	# People
(3) Increase access to financial services for micro/individual and SME clients	# Clients
(4) Increase or improve infrastructure services (utilities, transport, telecom)	# People
(5) Economic growth/Gross Value Added	\$ Amounts
(6) Greenhouse Gas Emission reduction	mt CO2 eq/year

71. The results measurement system is reinforced by case studies and research designed to learn from IFC clients' practical experience. IFC has completed two such studies recently. One of these analyzes the demonstration effects of investment operations. Preliminary findings include a set of projects with clear evidence of these effects, their related enabling factors and some project design elements that might increase potential for demonstration effect. The other study launched by IFC was a study on jobs, which identified primary constraints to job creation, and deepened understanding of the important indirect and secondary job creation effects of IFC activities. IFC is taking the lead in the implementation of the recommendations coming from the study, in collaboration with the World Bank and within a collaborative platform established with 28 development IFIs. These institutions agreed on a joint communiqué to collaborate for the creation of more and better jobs. This implementation phase of the study will entail improving methodologies and tools to measure jobs creation and second rounds effects; work more on themes such as gender, youth, rural areas, and conflict-affected states; and doing more on sectors, industries and country levels.

72. IFC will continue to play a leading role in the process to harmonize IFI development outcome indicators for investment operations in the private sector, striving towards a global reporting standard. Such harmonization might present opportunities for joint goals across institutions. In this context, IFC is working with the World Bank to assess the potential for alignment of the IDGs with Tier 2 indicators in the World Bank Corporate Scorecard. IFC and the World Bank are also currently piloting the development of joint results measurement framework for a set of joint regional projects.

Key Results

73. **Growth and decentralization, increasing specialization and focus on risk management allowed IFC to sharpen its focus on IDA, with the number of offices in IDA countries increasing from 35 in FY03 to 60 by FY12.** Presence in IDA countries, and a shift towards corporate finance products (including trade finance), was accompanied by a spike in IFC's business in IDA, from 66 projects in FY03 to 275 projects in FY12.

74. **IFC's overall investment volumes also showed strong growth correlated with increasing field presence**, with commitments reaching \$15 billion for its own account in FY12 and new commitments in 103 countries (versus 66 countries in FY06).

- IFC's investment in the Istanbul Operations Center is beginning to yield strong results and the IOC is on the way to fulfilling many of its original objectives:
- Decentralization and the creation of the IOC has contributed to higher investment volumes, more projects and extended development impact across the region's priorities of SMEs, job creation and infrastructure development. These improvements have occurred despite the challenging environment caused by the Eurozone deterioration and the Arab Spring.
- Since the launch of the IOC, there has been a strong improvement across many performance dimensions – stronger business development, shorter processing times, and improved staff and client satisfaction.
- The IOC has facilitated the dissemination of best practices and enhancing opportunities for staff growth and development.

Selected performance metrics in the EMENA region, managed by the IOC

	FY-09	FY-12
Total commitments, <i>US\$billion</i>	4.7	6.9
Total Project Count	134 projects	171 projects
Processing Days, <i>No. Days from Concept to Commitment</i>	230 days	205 days*
Overall Client Satisfaction – New Business	80%	94%**
Overall Client Satisfaction – Portfolio	82%	100%***
Developmental reach: Direct Employment (# of jobs created in calendar year 2009 and 2011)	352,818	521,360

* compared to 233 days for the rest of IFC

** IFC average, including EMENA, is 93%

*** IFC average, including EMENA, is 81%

75. A 2012 survey of IFC staff that evaluated the Corporation's **organizational health** across nine organizational health outcomes, including: direction, leadership, climate and culture, accountability, coordination and control, capabilities, motivation, external orientation, innovation and learning, recorded an improvement across **all categories** compared to the same survey in 2009, except for the leadership category, where there was a three percent decline. Improvements were particularly noted under the following categories: direction (+11%), climate and culture (+14), accountability (+8%), external orientation (+7).

II. MIGA'S RECENT OPERATIONAL REFORMS

76. **Over the past several years, MIGA has undergone considerable change aimed at sharpening its operational focus, diversifying its portfolio and strengthening its relevance for foreign investors going into beneficial projects in developing countries.** The results of these changes have been quickly visible, as for the past two years the Agency has achieved record results in terms of both new business issued and the size of the outstanding portfolio. Collectively, these changes were undertaken in order to help modernize MIGA and better align with contemporary investor needs, so that the Agency might be able to insure more productive investments and thereby increase its development impact. This has proved to be especially in the ensuing period which has been characterized by notable uncertainty in the FDI markets. Some of the most significant steps in this regard include the following:

77. **Updating MIGA's Governing Documents.** A number of far-reaching changes have been made to MIGA's governing documents that have had a major impact on the business. In FY10, MIGA implemented amendments to its Operational Regulations that had been authorized by the Board that significantly strengthened MIGA's product line. In particular, these changes enabled MIGA to offer clients coverage for unconditional sovereign financial guarantees or payment obligations, short-term business interruption, and expanded breach of contract.

78. **The following year, FY11, MIGA's Council of Governors approved substantial changes to the Agency's Convention.** These changes were the first since MIGA's establishment. Two especially important modifications were that MIGA (i) is now able to insure project debt even when not insuring a portion of the equity investment, and (ii) can now insure some types of existing investments. The ability to insure stand-alone debt has made it easier for MIGA to provide non-honoring of sovereign financial obligations cover, for which demand has been substantial; and the ability to guarantee existing investments has enabled MIGA to support simple acquisitions and portfolios.

79. **Bolstering Client Outreach.** To further expand its outreach and more effectively position MIGA to engage with new clients, MIGA has created two small regional Hub presences. In FY10 MIGA established an Asia hub, centered in Singapore under the leadership of a Regional Director, to identify new clients and business opportunities. This was a reflection of the increasing appetite from investors in Asian countries to venture into challenging markets. And in FY12, MIGA set up a European Hub, based in Paris, to more closely engage with investors and lenders in Europe, and to take advantage of being in the same time zone to better support clients in Africa.

80. **Integrating Technical Assistance within the World Bank Group.** Historically MIGA had an operational arm dedicated towards assisting member governments with promoting inward investment. In FY07, MIGA formally integrated all its technical assistance services into the Foreign Investment Advisory Service (FIAS), a World Bank Group entity, to more seamlessly combine this investment promotion work with the investment climate reform work of FIAS. The integration created a more coordinated, single interface for clients, donors, and other partners. While MIGA continues to provide support through transfers from its Administrative Budget, today the Agency is fully focused on its guarantees business.

81. **Strengthened Relationship with the IFC.** MIGA has also strengthened collaboration with the IFC to mobilize private investment into emerging markets. In FY10, an IFC/MIGA business development unit was established to build on the two organizations' natural synergy and provide cross-marketing support. At the same time, a formal agreement was made to provide clear financial incentive for IFC to bring bankable projects to MIGA. Since its inception, the IFC-MIGA joint initiative has proven to be an effective platform of collaboration between the two entities. At the client level, the collaboration has led to joint business solutions with high development impact. At the institutional level, a well-coordinated approach to business development and unified client interaction has contributed to IFC's core mobilization and MIGA's business generation, and has allowed both entities to leverage each other's strengths and resources.

82. **Strengthened Relationship with the World Bank.** In FY11, MIGA and the World Bank's Finance, Economics and Urban (FEU) department signed an agreement to more effectively cross-market their political risk insurance and other guarantee products, as well as to work on structures that would allow clients to benefit from both MIGA's political risk insurance and World Bank guarantee products in a single transaction—significantly reducing processing time for critical investments. MIGA also signed a similar business development cooperation agreement with the Banking and Debt Management Department in the World Bank's Treasury Vice presidency, with similar goals in mind.

Looking Ahead – FY14 and Beyond

83. **Looking forward, there continue to be a number of important initiatives underway** which MIGA feels will allow it to further enhance its capacity whilst leveraging the strength of the World Bank Group. Some of the more notable initiatives in this regard include the following:

84. **Conflict-Affected and Fragile Economies Facility (CAFEEF).** The development of Fragile and Conflict-affected States (FCS) is one of MIGA's strategic priorities. The Agency is active in these countries in supporting cross-border investments, and since 1996 it has issued guarantees valued at \$1,139 million to support 75 FDI projects. However, many of these markets, due to their elevated risk environments, suffer from market failure in the provision of political risk mitigation products. MIGA, other multilateral insurers, export credit agencies, and private reinsurers face limits in their ability to do business in FCS and are either constrained in their offerings, or are off cover as a result. The current deteriorating global financial environment has put additional pressure on FCS as liquidity has been reduced and perceptions of risk have increased. Consequently, MIGA is developing the CAFEEF to provide an initial loss layer that will crowd-in insurance capacity for projects in FCS. This proposal is being developed in close conjunction with the donor community as well as the World Bank and IFC.

85. **Co-Location with World Bank Guarantees.** In order to better leverage guarantee instruments across the World Bank Group, MIGA and the World Bank's Guarantee Program plan to co-locate Washington staff starting in FY14. The objective of this move is to strengthen internal linkages at the operational level, thereby allowing for increased cross-fertilization of skills and knowledge, project pipelines and business development efforts.

86. **Delivering Integrated Solutions for Member Countries.** Increasingly, MIGA is focusing on being actively engaged alongside the World Bank and IFC in the dialogue with governments in investment destination countries, sometimes even before investors have come into the picture. For example, in the Philippines, in cooperation with the World Bank and IFC, MIGA has established an early and strong presence in the Public Private Partnership (PPP) program that is being developed by the host government. MIGA is involved in similar efforts in several other countries including Vietnam and Myanmar. Looking forward, MIGA expects to replicate this model in other countries, thereby helping to ensure that the different instruments and means of support across the Group are most effectively deployed to support government priorities.

SECTION 3: WORLD BANK CORPORATE SCORECARD – MARCH 2013

TIER I: DEVELOPMENT CONTEXT

INDICATORS	BASELINE		CURRENT		LINKAGES		MDG TARGETS 1990-2015	
	Value	Year	Value	Year	PCD	MDG		
GROWTH, JOBS AND POVERTY								
Population below US\$ 1.25 (PPP) a day ⁺	(%)	31.1	2002	22.8	2008	1	MDG1	Halve from the baseline of 42.3%, 1990
GDP per capita ⁺	(constant 2000 US\$)	1,656	2006	2,081	2011	12		
Domestic credit to private sector	(% of GDP)	55.1	2005	75.3	2011	12		
Employment to population ratio (15+)	(%)	62.1	2005	61.2	2010	12	MDG1	
Ratio of female to male labor force participation ⁺	(%)	68.4	2006	67.5	2010	12	MDG3	
INSTITUTIONS AND GOVERNANCE								
State Institutions with adequately established/differentiated power structure	(scale:1-10)	6.2	2006	6.3	2012	4		
Effective and accountable government	(scale: 0-7)	2.79	2006/07	2.9	2012	4		
Public access to information	(scale: 0-100)	50.01	2006/07	56.94	2010/11	4		
Level of statistical capacity	(scale: 0-100)	67	2005	68	2012	4		
HUMAN DEVELOPMENT AND GENDER								
Under 5 mortality rate ⁺	(per 1,000 live births)	67	2006	57	2011	15	MDG4	Reduce by 2/3 rd from the baseline of 100, 1990
Prevalence of HIV, female	(% ages 15-24)	0.80	2009	0.80	2009	15	MDG6	Halt by 2015 and begun to reverse
Maternal mortality ratio ⁺	(per 100,000 live births)	290	2005	230	2010	15	MDG5	Reduce by 3/4th from the baseline of 440, 1990
Prevalence of underweight children ⁺	(% children under 5yrs)	20.4	2005	16.6	2011	15	MDG1	
Primary school completion rate ⁺	(% of relevant age group)	85.1	2005	89.2	2011	12	MDG2	100% (Baseline 69%, 1991)
Secondary school enrollment rate	(%, gross)	60.7	2005	66.5	2011	12		
Gender parity index in primary and secondary education ⁺	(%)	94.4	2005	96.9	2011	12	MDG3	100% (Baseline 84% 1991)
SUSTAINABLE DEVELOPMENT								
<i>Infrastructure</i>								
Paved roads	(% of total roads)	31.6	1999-03	50.6	2005-09	12		
Access to an improved water source ⁺	(% of population)	83.4	2005	86.4	2010	12	MDG7	Halve proportion of people without access (baseline 28% 1990)
Access to an improved sanitation facility ⁺	(% of population)	53.2	2005	56.4	2010	12	MDG7	Halve proportion of people without access (baseline 57% 1990)
Household electrification rate ⁺	(% of households)	[56.3]	2004	[61.0]	2008	12		
Mobile cellular telephone subscriptions ⁺	(per 100 people)	33	2006	80	2011	12	MDG8	
<i>Agriculture Productivity and Food Security</i>								
Cereal yield	(kg per hectare)	2,894	2006	3,110	2010	125		
Agriculture value added per worker	(constant 2000 US\$)	685	2006	761	2010	125		
<i>Climate Change and Environment</i>								
CO ₂ emissions ⁺	(kg per 2005 US\$ of GDP)	0.65	2005	0.61	2009	3	MDG7	
Protected terrestrial areas	(% of total land area)	12.0	2006	12.1	2010	13	MDG7	
Average annual deforestation	(%)	0.3	1990-00	0.2	2000-10	13	MDG7	
FINANCE, PRIVATE SECTOR DEVELOPMENT AND TRADE								
Male-female gap in the population with an account at a formal financial institution	(% of population 15+)	9.7	2011	9.7	2011	12		
Trade logistics performance index: Overall ⁺	(scale: 1=low, 5=high)	2.4	2007	2.6	2012	123	MDG8	
Trade diversification						123	MDG8	
• Product export diversification	(index: 0-1)	0.24	2005	0.21	2011			
• Market diversification	(index: 0-1)	0.23	2005	0.20	2011			
Time required for business start-up ⁺	(days)	50	2007	34	2012	2		
LEGEND								
LINKAGES	PCD 1-5	Linkages to Post Crisis Directions: 1. Target the Poor and Vulnerable; 2. Create Opportunities for Growth; 3. Promote Global Collective Action; 4. Strengthen Governance; 5. Manage Risk and Prepare for Crisis.						
	MDG	Linkage to the Millennium Development Goals.						
DATA	[]	IDA only						
	+	Indicators used in proposed IDA16 Results Measurement System.						

For Tier I, color-coded traffic lights are not assigned because Tier I provides the overall development context in IBRD/IDA eligible countries.

Corporate Scorecard definitions available on request.

TIER II: COUNTRY RESULTS SUPPORTED BY THE BANK

INDICATORS	TYPE	BASELINE		CURRENT		PCD LINKAGE	
		Value	Year	Value	Year		
SUPPORT TO INSTITUTIONS AND GOVERNANCE							
Countries with strengthened national statistical systems	(number)	Outcome	6	FY07	13	FY12	2 4
Countries with Bank supported programs on asset, liability and risk management	(number)	Output	64	FY10	85	FY12	2 4 5
Countries with Bank supported programs on transparency and access to information	(number)	Output	61	FY11	72	FY12	2 4
Countries with strengthened Public Management Systems in:							
• Civil service and public administration	(number)	Outcome	28	FY12	28	FY12	2 4
• Tax policy and administration	(number)	Outcome	27	FY12	27	FY12	2 4
• Public financial management	(number)	Outcome	57	FY12	57	FY12	2 4
• Procurement	(number)	Outcome	11	FY12	11	FY12	2 4
SUPPORT TO HUMAN DEVELOPMENT AND GENDER							
Teachers recruited and/or trained ⁺	(millions)	Outcome	0.95	FY11	1.1	FY12	1 2
Countries with Bank supported learning assessments	(number)	Output	26	FY10	40	FY12	1 2
People with access to a basic package of health services ⁺	(millions)	Outcome	18.2	FY11	19.5	FY12	1 5
Children immunized ⁺	(millions)	Outcome	78	FY11	128	FY12	1 5
Beneficiaries covered by social safety net programs	(millions)	Outcome	114.6	FY09	114.1	FY11	1 5
Gender							
Pregnant women receiving antenatal care ⁺	(millions)	Outcome	17	FY11	50	FY12	1 5
Women and girls benefiting from social protection programs and other targeted schemes	(millions)	Outcome	78	FY12	78	FY12	1 2
SUPPORT TO SUSTAINABLE DEVELOPMENT							
Infrastructure							
Roads constructed or rehabilitated ⁺	(kilometers)	Output	56,504	FY11	57,252	FY12	1 2
People provided with access to improved water sources ⁺	(millions)	Outcome	39.6	FY12	39.6	FY12	1 2 5
People provided with access to improved sanitation ⁺	(millions)	Outcome	3.1	FY12	3.1	FY12	1 2 5
Transmission and distribution lines constructed or rehabilitated	(kilometers)	Output	10,740	FY11	36,354	FY12	2
Generation capacity of conventional and renewable energy	(megawatts)	Output	3,719	FY11	5,040	FY12	2
People provided with access to electricity	(millions)	Outcome	Data to be reported in 2013				1 2
Agriculture productivity and food security							
Area provided with irrigation services	(hectares, millions)	Output	0.7	FY11	1.1	FY12	1 2 5
Farmers adopting improved agricultural technology	(number)	Outcome	531,868	FY12	531,868	FY12	1 2 5
Nutrition services for vulnerable groups	(millions)	Outcome	14.3	FY12	14.3	FY12	1 2 5
Climate change and environment							
Emission reduction with support of special climate finance instruments	(annual, m tons CO2 equiv)	Outcome	315	FY12	315	FY12	3 5
Countries supported on natural disaster management	(number)	Output	76	FY10	74	FY12	1 2 3 5
SUPPORT TO FINANCE, PRIVATE SECTOR DEVELOPMENT & TRADE							
Active number of microfinance loan accounts	(millions)	Outcome	31	FY12	31	FY12	1 2 5
Countries that have applied trade-related diagnostic tools	(number)	Outcome	15	FY12	15	FY12	1 2 3

TIER III: DEVELOPMENT OUTCOMES AND OPERATIONAL EFFECTIVENESS

INDICATORS	BASELINE		CURRENT		PCD LINKAGE	PERFORMANCE STANDARD	STATUS
	Value	Year	Value	Year			
III-A: DEVELOPMENT OUTCOME RATINGS							
Satisfactory CAS/CPS completion ⁺	(% IEG rating)	59.0	FY10	63.0	FY12	70	
Satisfactory (IBRD/IDA) operations outcomes at completion	(% IEG rating)	76.8	FY08	69.1	FY10	Monitored	
• IBRD countries	(% IEG rating)	81.0	FY08	69.7	FY10	80	
• IDA countries	(% IEG rating)	68.0	FY08	66.0	FY10	75	
• Fragile Situations (IBRD/IDA)	(% IEG rating)	74.0	FY08	72.4	FY10	70	
Analytic and advisory activities objectives accomplished ⁺	(%)	72.0	FY08	76.0	FY12	80	
Clients' impression of Bank effectiveness	(scale: 1-10)	6.9	FY08	6.4	FY12	7	
III-B: OPERATIONAL EFFECTIVENESS							
LENDING OPERATIONS							
<i>Ensuring Sound Quality and Portfolio Performance</i>							
Quality of design for investment operations ⁺	(%)	76	FY09	83	FY11	90	
Quality of implementation support for investment operations	(%)	83	FY09	78	FY11	90	
Satisfactory implementation of active operations	(%)	88	FY08	85.5	FY12	Monitored	
Gross disbursements	(US\$ billions)	19.6	FY08	30.8	FY12	Monitored	
Disbursement ratio ⁺	(%)	21.3	FY08	20.0	FY12	20	
Average time from approval to first disbursement	(months)	12	FY08	5.9	FY12	Monitored	
Recipient executed trust fund disbursements	(US\$ billions)	2.9	FY08	3.6	FY12	Monitored	
<i>Managing Operations for Results, Monitoring and Evaluation</i>							
Projects with indicators capturing all aspects of development objective ⁺	(%)	83	FY09	91	FY12	100	
Implementation Completion and Results Reports reporting key results ⁺	(%)	95	FY12	95	FY12	100	
Bank operations with beneficiary feedback	(%)	22	FY11	44	FY12	Monitored	
<i>Gender Mainstreaming</i>							
Projects with gender-informed design ⁺	(%)	60	FY10	80	FY12		55
CAS/CPS that draw on and discuss gender assessment findings ⁺	(%)	60	FY08	100	FY12		100
KNOWLEDGE ACTIVITIES							
Data freely accessed by global users	(million visits)	1.7	2008	9.9	2012	Monitored	
Publications including research cited in professional journals	(number)	18,000	2010	18,000	2010	Monitored	
Clients' impression of contribution of Bank knowledge work	(scale: 1-10)	6.7	FY12	6.7	FY12	Monitored	
USE OF COUNTRY SYSTEMS							
Use of country systems for procurement (PD survey) ⁺	(%)	40	2006	55	2011	55	
Use of country systems for financial management (PD survey) ⁺	(%)	42	2006	71	2011	65	
Use of country monitoring and evaluation systems ⁺	(%)	72	FY09	77	FY12	Monitored	
Collaborative analytical and advisory activities (PD survey) ⁺	(%)	49	2006	59	2011	66	
LEGEND							
LINKAGES	PCD 1-5	Linkages to Post Crisis Directions: 1. Target the Poor and Vulnerable; 2. Create Opportunities for Growth; 3. Promote Global Collective Action; 4. Strengthen Governance; 5. Manage Risk and Prepare for Crisis.					
DATA	*	List of countries designated as "fragile" changes every year.					
	+	Indicators used in proposed IDA16 Results Measurement System.					
	YEAR	Represents the fiscal or calendar year when data were reviewed.					
PERFORMANCE STANDARDS		Performance standards/targets are provided where available. Indicators are "monitored" where performance standard or target is not relevant.					
	On-Track.	A meaningful increase from baseline, or for indicators with performance standards, achievement meets or exceeds performance standard.					
	Watch.	No meaningful increase or decrease, or for indicators with performance standards, achievement is close to performance standard but does not meet performance standard.					
	Off-Track.	A meaningful decrease from baseline, or for indicators with performance standard, achievement is not close to performance standard.					
	Not Applicable.	There is insufficient data to establish a trend, or there is no performance standard.					
Note: CAS=Country Assistance Strategy; CPS=Country Partnership Strategy; PD=Paris Declaration.							

TIER IV: ORGANIZATIONAL EFFECTIVENESS AND MODERNIZATION

INDICATORS	BASELINE		CURRENT		PCD/M LINKAGE	PERFORMANCE STANDARD	STATUS
	Value	Year	Value	Year			
IV-A. RESOURCES, SKILLS AND BUSINESS MODERNIZATION							
RESOURCES AND ALIGNMENT							
Client services as % of total cost	(%)	62.6	FY08	63.2	FY12	Monitored	
Client services in fragile and conflict-affected areas	(% of total cost)	4.9	FY08	5.9	FY12	Monitored	
Lending commitments (IBRD/IDA)	(US\$ billions)	24.7	FY08	35.3	FY12	Monitored	
Financial intermediary funds commitments	(US\$ billions)	4.80	FY08	5.81	FY12	Monitored	
Recipient executed trust fund commitments	(US\$ billions)	3.0	FY08	4.1	FY12	Monitored	
Share of knowledge services funded by trust funds	(%)	31.6	FY08	45.1	FY12	Monitored	
Use of trust funds to support IBRD/IDA lending preparation and implementation support	(%)	10.3	FY08	14.9	FY12	Monitored	
CAPACITY AND SKILLS							
Staff diversity	(index)	0.85	FY08	0.89	FY12	1.00	
Staff mobility	(%)	4.39	FY08	4.39	FY12	Monitored	
Staff engagement	(%)	78	FY08	80	FY10	Monitored	
BUSINESS MODERNIZATION							
Products and Services for Results							
Lending for program results	(number)	0	FY12-Q3	5	FY13-Q2		Monitored
IBRD/IDA results stories and briefs	(number on web)	131	2008	646	FY12	Monitored	
Sectors/themes with core indicators for both IDA and IBRD	(number)	0	FY09	24	FY12	7	
Organization							
Openness: Access to Information requests with timely completion	(%)	78	FY11	78	FY12		Monitored
Sector Board Connectivity: Professional staff time spent on tasks in other Bank units	(%)	7.5	FY08	6.8	FY12		10
Decentralization: Services for clients managed by staff based in client countries ⁺	(%)	40.6	FY08	44.4	FY12		Monitored
Processes and Systems for Flexibility and Efficiency							
Projects with new risk framework with fast processing	(%)	45	FY11	38	FY12		Monitored
Speed of preparation from Concept Note to Approval ⁺	(months)	16	FY08	14	FY12		12 months
Average cost of preparing a lending project ⁺	(average, US\$)	359,000	FY08	357,000	FY12		Monitored
Average annual cost supporting project implementation ⁺	(average, US\$)	115,000	FY08	132,000	FY12		Monitored
Budget flexibility at the start of the fiscal year	(%)	3.3	FY08	3.2	FY13	5	
IV-B. SECTOR ACTIONS RELATED TO POST-CRISIS DIRECTIONS							
Support to agriculture and related sectors (IBRD, IDA, SPF)	(average, US\$ billions/year)	2.9	FY06-08	4.3	FY10-12		4.5 - 6.4 (2010-12)
Support to sustainable infrastructure (IBRD, IDA, GEF, RETF, SPF)	(average, US\$ billions/year)	8.2	FY04-07	19.5	FY09-12		Monitored
Support to health, nutrition and population (IBRD, IDA)	(average, US\$ billions/year)	1.5	FY04-07	2.4	FY11-12		2.0-3.0 (2011-12)
Support to education sector (IDA)	(average, US\$ billions/year)	1.0	FY95-09	1.7	FY10-12		1.1 (2010-15)
LEGEND							
LINKAGES	PCD 1-5	Linkages to Post-Crisis Directions: 1. Target the Poor and Vulnerable; 2. Create Opportunities for Growth; 3. Promote Global Collective Action; 4. Strengthen Governance; 5. Manage Risk and Prepare for Crisis.					
	M	Business Modernization					
DATA	+	Indicators used in proposed IDA16 Results Measurement System.					
	YEAR	Represents the fiscal or calendar year when most recent data were reviewed.					
PERFORMANCE STANDARDS		Performance standards and targets are provided where available. Indicators are "monitored" where performance standard or target is not relevant.					
PROJECTIONS		Projections are based on current estimation of future client demands.					
	On-Track.	A meaningful increase from baseline, or for indicators with performance standards, achievement meets or exceeds performance standard.					
	Watch.	No meaningful increase or decrease, or for indicators with performance standards, achievement is close to performance standard but does not meet performance standard.					
	Off-Track.	A meaningful decrease from baseline, or for indicators with performance standard, achievement is not close to performance standard.					
	Not Applicable.	There is insufficient data to establish a trend, or there is no performance standard.					