OVERVIEW

The World Bank has made significant improvements in managing and monitoring development results and sharpening its focus on results in its operations and strategies. It has increased its ability to collect and aggregate results data, conduct performance assessments, establish clear results reporting mechanisms, and use lessons from impact evaluations. The Bank has also improved the way it communicates development outcomes, publishing more than 645 results stories in multiple languages, using the Web, multimedia, and social media tools—putting a human face on development data.

In September 2011, the Bank released its first integrated results and performance framework, known as the Corporate Scorecard. In April 2012, the Bank launched an interactive, Web-based electronic Corporate Scorecard, giving online access to the Bank’s shareholders and stakeholders. In the same year, the Bank’s use of the Corporate Scorecard continued to expand rapidly: the Bank institutionalized the Scorecard by including key performance indicators in the Memoranda of Understanding between Senior Management and Vice Presidents; quarterly Scorecard Days led by Senior Management to discuss key priorities were organized; and starting the current fiscal year (fiscal 2013), the Board and Management will discuss the Scorecard twice a year. (See corporatescorecard.worldbank.org.)

In the same spirit, other Multilateral Development Banks (MDBs)—such as the African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, Inter-American Development Bank, International Fund for Agricultural Development, and the Islamic Development Bank—have also institutionalized multitier Corporate Scorecards. This has brought the MDBs into a common framework of integrated results and performance-based development.

This section of the Annual Report serves as a companion to the Corporate Scorecard, which covers the full spectrum of IBRD and IDA activities. It facilitates dialogue between Management and the Board on progress made and areas that need attention, all organized in four tiers. Tier I indicators provide related to the Global Development Context. These indicators show the long-term development outcomes that countries are achievements and provide the context and direction of the Bank’s work. These high-level outcomes cannot be attributed directly to the Bank, because countries and their development partners all contribute to these achievements over the long term through a combination of multisector interventions, actions, and policy decisions. These indicators are also affected by external factors such as global crises. Tier II indicators measure Country Results Supported by the Bank and highlight development results that countries have achieved with Bank support. Tier III indicators measure Development Outcomes and Operational Effectiveness, and as such provide information on the effectiveness of the Bank’s operations and services. Tier IV indicators measure the Bank’s Organizational Effectiveness and Modernization and assess how well the Bank is functioning and adapting in order to better support countries in achieving development results.

Countries have continued to make progress on development priorities in spite of slower global growth in both 2011 and 2012 than in 2010. Average annual GDP per capita for developing countries reached $2,080 (constant year 2000 dollars) in 2011, and gender parity in primary and secondary school enrollment reached about 97 percent in 2010. The Millennium Development Goal (MDG) targets of halving extreme poverty ($1.25 a day) and halving the proportion of people without access to drinking water by 2015 as compared to 1990 levels appear to have been met in 2010, five years ahead of schedule. Progress and the benefits achieved vary substantially across and within countries, however, and the number of people living on less than $2 a day fell only slightly. More than 75 percent of people who lack access to drinking water and basic sanitation live in rural areas, a major challenge going forward. Important gains were made in several other areas.

To support country results, the Bank provides financial, knowledge, and convening support, as well as analysis and institutional and capacity support, to more than 140 countries. It works across six main areas of engagement: institutions and governance, human development and gender, infrastructure, agriculture and food security, environment and climate change, and financial and private sector development and trade.

The Bank supports the establishment of effective institutions, recognizing that they are essential to achieving sustainable development outcomes. Between 2010–12, Bank support strengthened 64 countries in public sector management systems including civil service and public administration systems, public financial management systems, tax policy and administration systems, and procurement systems; 85 countries in 2012 were supported on asset, liability, and risk management. The Bank contributed significant results in education, health, and social protection, especially as they pertain to women and girls. The Bank has also taken the lead in promoting global collective action in these areas. Over the decade 2002–11, nearly 66 million people received basic packages of health, nutrition, or reproductive health services. Bank support for social protection benefited about 267 million people in 83 countries during 2005–11.
Bank support for infrastructure continued to grow rapidly as well. Since 2002, Bank projects have helped to provide 145 million people with improved access to water and helped finance the construction and rehabilitation of about 190,000 kilometers of roads. Over the past decade, the Bank has also supported more than 100 countries to develop information and communication technology. In agriculture, the Bank-managed $1.5 billion Global Food Crisis Response Program reached an estimated 40 million people in 47 countries. In the climate change arena, the Bank is working with 130 countries on mitigation and adaptation programs and with 74 countries on disaster risk management in the past three years. The broadening and deepening of financial markets is bringing services to underserved populations, and expanding micro-, small-, and medium-size enterprises remains a cornerstone of Bank support in more than 50 countries.

Based on the Bank’s internal reviews of projects’ development outcomes, the quality of project design and implementation remained stable, as did the percentage of projects with well-formulated objectives and indicators and the percentage of projects that reported on results achieved at completion. The Bank’s portfolio performance was stable between 2008 and 2012, with 85.5 percent of projects considered to be performing in a satisfactory manner in 2012.

To strengthen development outcomes— which fell to 70.5 percent of projects considered satisfactory at exit in 2010, based on partial Independent Evaluation Group (IEG) reviews, below the institutional standard—the Bank is revamping its quality assurance system, which will be rolled out in fiscal 2013. Disbursement levels in fiscal 2011 remained robust at $32.2 billion, but declined in fiscal 2012 to $30.8 billion as quick response crisis projects exited the portfolio. About 71 percent of the Bank’s economic and sector work and nonlending technical assistance accomplished its objectives, but could achieve greater impact and could be enhanced through improved dissemination.

The Bank has made major advances in sharing knowledge and data more effectively with its clients. The Open Data Initiative has facilitated better informed development decisions, the Open Knowledge Repository opened in April 2012, and geomapping for all Bank-supported projects has been completed. The Bank has focused on gender mainstreaming as it implements the recommendations of the World Development Report 2012: Gender Equality and Development. The use of country systems in Bank operations has also improved over time, as evidenced by the 2011 Paris Survey on Aid Effectiveness. The Bank met the Paris Declaration Survey targets for procurement and financial management in 2010, although there is still room for improvement.

The Bank continues to improve its organizational effectiveness by implementing its modernization program. Operating with a real flat budget since fiscal 2006, it has made continuous improvements to allocate and use its resources more efficiently. It is also working to better align the skills and capacity of its staff with its strategic priorities. In particular, it is aiming to increase staff time allocated to activities outside of their units. Staff diversity has increased, as the Bank moves toward its goal of gender parity in management.

In support of its Global Mobility approach to staff decentralization, the Bank has opened two hubs, one in Nairobi, Kenya, to support its work on fragile and conflict-affected countries, and the other in Singapore, to provide special expertise in such areas as public-private infrastructure partnerships. In the results area, the Bank has expanded the use of Core Sector Indicators to 24 sectors and themes. In fiscal 2012, the Bank also launched a new lending instrument, Program for Results (PforR), which disburses funds upon achievement of pre-agreed results. The Bank is also expanding its menu of instruments, which now includes guarantees, weather insurance, and support to local currency bond markets. At the apex level, the Corporate Scorecard is making the Bank more accountable and transparent to its shareholders and stakeholders.

GLOBAL DEVELOPMENT CONTEXT AND KEY DEVELOPMENT OUTCOMES: TIER I

Tier I indicators of the Corporate Scorecard show the long-term development outcomes that countries are achieving and provides the context and direction for the Bank’s work. These high-level outcomes, such as those monitored as part of the Millennium Development Goals (MDGs), cannot be attributed directly to the Bank only, because they reflect multisector interventions, actions, and policy decisions of countries and their development partners.

**Growth and Poverty**

Countries continued to make progress on development priorities, despite the slowdown of global growth to 3.8 percent in 2011. Average annual GDP per capita in developing countries reached $2,080 (constant 2000 US$) in 2011. For the first time, by 2010, every region of the world saw the percentage as well as the absolute number of extremely poor people in developing countries decline. The percentage of the world’s population living on less than $1.25 a day declined from 43 percent in 1990 to 22.7 percent, and the absolute number declined from 1.9 billion in 1990 to 1.29 billion in 2008. A preliminary survey-based estimate for 2010—based on a smaller sample than the global update—indicates that the global poverty rate of $1.25 a day fell to less than half of its 1990 value by 2010. If these results are confirmed by follow-up studies, the first target of the MDGs—cutting the extreme poverty rate to half of its 1990 level—would have been already achieved on the global level before the 2015 target year, despite the 2008 food, fuel, and financial crises. The recent World Bank projections also suggest that the global extreme poverty rate is expected to fall below 16 percent by 2015.

The progress in poverty reduction has been uneven across and within regions (see figure 1). In the East Asia and Pacific region, the proportion of people living on less than $1.25 a day fell to 14.3 percent in 2008, down from 77 percent in 1981, largely due to the progress in China. In Africa, the share of the population living on $1.25 a day fell to 47 percent in 2008, the first time it has ever fallen below 50 percent. Extreme poverty rates declined between 2005 and 2008, reversing the upward trend from 1981 to 2005. Less encouraging is the number of people living on less than $2 a day, which declined only modestly, from 2.59 billion in 1981 to 2.47 billion in 2008. Moreover, as income growth brought several populous countries into middle-income status, about 70 percent of the poor living below $1.25 a day are now in middle-income countries, indicating poverty reduction remains important even as countries become richer.

**Progress on the MDGs**

In addition to poverty reduction, a second MDG target was also met in 2010, as the proportion of people without access to improved drinking water sources declined by more than half, falling from 28 percent in 1990 to 13.6 percent in 2010. The increase in access to improved water sources demonstrates what countries can achieve with sustained commitment, adequate resources, and effective implementation approaches. As with poverty reduction, progress in meeting the water MDG has, however, been uneven, and large disparities remain across and within countries. Progress in providing access to drinking water to the poorest has been limited to Africa, and more than 75 percent of people without access to improved drinking water live in rural areas. The danger of slippage against the MDG target is real unless many countries improve their maintenance of...
existing assets to sustain services, which can be as important as building new infrastructure.

Important gains were made on several other MDG targets. Gender parity in primary and secondary enrollment reached nearly 97 percent in 2010, with primary school completion rates reaching over 89 percent in 2010. Thirty-two IDA-supported countries have achieved gender parity in primary and secondary enrollment. Yet more than 60 million primary school-age children are still out of school, with more than half of them living in Africa and more than a fifth in South Asia.

In contrast, progress on other MDGs has fallen short of the targets. In 2010, the maternal mortality ratio was 230 per 100,000 live births, the child mortality rate was 63 per 1,000 live births, and only 56.4 percent of the world’s population had access to improved sanitation.

Progress in Other Areas

Improved transport and communications infrastructure have increased connectivity: about 51 percent of all roads were paved during 2005–09, and there were 73 mobile cellular phone subscriptions for every 100 people in developing countries in 2010. Combined with reductions in the number of days it takes to set up a business (which fell to an average of 36 days in 2011 from 50 in 2007), these improvements have helped reduce costs and logistic barriers to international and regional trade.

Progress in other areas, especially employment, governance, and biodiversity, remains mixed. Youth unemployment remains a chronic issue in several regions. Governance reforms have proved difficult to implement in many countries. Deforestation rates have declined, but there has been no increase in protected areas, and oceans are under increasing pressure, with an estimated 85 percent of fish stocks fully exploited or depleted, 40 percent of coral reefs destroyed or degraded, and 405 ocean zones identified as dead.

Expected Progress in 2012

Weaker global growth and volatile food prices may impede progress toward the MDGs in 2012. Slower than expected growth in key emerging economies or a larger and more protracted bank deleveraging in East Asia could further impede progress. Going forward, the global community will continue to work toward improved macroeconomic stability through sustained policy adjustments. In addition, it will focus on closing the gaps in access to food, health care, gender equality, education, finance, and jobs.

Part of this effort will involve systematic reform and restructuring of these sectors, which will help bring medium- to longer-term gains.

In the shorter run, well-targeted safety nets and social protection programs could be useful in supporting the poorest. Dozens of countries have created new or improved existing safety nets since 2008. In the past decade, more than 40 countries have followed in the footsteps of Brazil and Mexico by using conditional cash transfer programs to encourage poor parents to send their children to school and take them for medical check-ups. The cash payments are often given to the woman of the household, based on evidence that women are more likely than men to spend money on their children. The extra cash helps households buy essentials such as better food and pay for schooling. In some cases, it also increases their access to microfinance, seeds, fertilizer, and other farming inputs, and stimulates entrepreneurial activity.

Tier I of the World Bank Corporate Scorecard has been further strengthened by introducing three more indicators: domestic credit to the private sector as a percentage of GDP, an index measuring country statistical capacity to monitor progress related to the 2011 Busan building blocks, and an indicator on women’s economic empowerment and equality through capacity to monitor progress related to the 2011 Busan building blocks, and an indicator on women’s economic empowerment and equality through measuring the gap between formal bank accounts held by men and those by women.

COUNTRY RESULTS SUPPORTED BY WORLD BANK OPERATIONS AND ACTIVITIES: TIER II

The Bank provides financial resources, shares knowledge and analysis, supports institutions and country capacity, and facilitates partnerships and knowledge exchanges among developing countries to help them address development challenges. It supports countries’ national development priorities, which evolve as country circumstances change. With offices in more than 120 countries, the Bank often plays a coordinating and convening role for development partners, involving other parts of the World Bank Group as needed.

This section discusses progress on results achieved by countries supported by Bank operations under the respective country programs. Results in four main areas of engagement are reviewed.

Support for Institutions and Governance

An important aspect of the Bank’s engagement with countries is its long-term support for strengthening their institutions that are critical to a coun-
Bank stepped up its focus on the development of quality education systems that result in improved learning outcomes for the entire population. It also paid increasing attention to the poorest countries to help them reach universal primary completion and gender parity in primary and secondary education by 2015. To achieve these twin objectives, the Bank has supported the recruitment and training of more than 4 million teachers since 2002. It has supported learning assessments in 29 countries during 2008–11 to measure the effectiveness of national education systems. In 2012, it financed 21 projects (including those in other sectors with education components) supporting disadvantaged children, including girls and children with disabilities, and introduced the Systems Approach for Better Education Results (SABER), a new suite of analytic tools used in a growing number of developing countries.

Going forward, the current output indicator (based on counting the number of countries that have benefited from a learning assessment) will be replaced in the Corporate Scorecard by an outcome indicator. The new indicator will measure the number of students who have benefited from a Bank-supported national learning assessment.

**Health**

The Bank remains committed to helping countries improve the health and nutrition of their people, especially women and children, by strengthening health systems, expanding access and quality, and controlling disease. Its social protection activities are designed to help countries shield poor and vulnerable people from systemic shocks, reduce poverty and income insecurity, and provide economic opportunities, especially for women, young people, and children. In the wake of the lingering food, fuel, and financial crises, demand for Bank support from both middle- and low-income countries jumped. During 2005–11, Bank-supported safety net projects have directly benefited more than 266 million people, mainly through conditional cash transfer programs (94.5 million), other cash assistance, and social protection, especially for women and girls. The Bank has also taken the lead in promoting global collective action in these areas. It will continue to engage strongly as part of its Post-Crisis Directions, which focuses on support for the poor and vulnerable.

**Education**

Since 2000, the Bank’s support for education has focused on increasing children’s access to school and enabling girls to attend school. In 2011, the Bank stepped up its focus on the development of quality education systems and social protection, especially for women and girls. The Bank has also taken the lead in promoting global collective action in these areas. It will continue to engage strongly as part of its Post-Crisis Directions, which focuses on support for the poor and vulnerable.

**Support for Human Development and Gender**

Bank support has contributed to significant results in education, health, and social protection, especially for women and girls. The Bank has also taken the lead in promoting global collective action in these areas. It will continue to engage strongly as part of its Post-Crisis Directions, which focuses on support for the poor and vulnerable.

The health sector was an early adopter of results-based financing as a way to implement the Bank’s 2007 Healthy Development strategy. Results-based financing focuses on paying for outputs and outcomes (such as the percentage of women receiving antenatal care or having trained health workers deliver their babies) rather than inputs or processes (such as training, salaries, and medicine). In addition, since 2007, Country Pilot Grants have been made available from the Health Results Innovation Trust Fund (HRITF). So far, 12 have been approved by the Board, and 7 are in the pipeline for fiscal 2013 and 2014.

In the past 10 years, the Bank has supported countries to provide nearly 66 million people with basic packages of health, nutrition, or reproductive health services, and helped immunize 497 million children, as well as offered antenatal care to more than 188 million pregnant women. In the same period, Bank commitments have supported the delivery of antiretroviral therapies to 1.4 million adults and children with HIV, provided 125 million children with doses of vitamin A, and purchased or distributed about 35 million mosquito nets to prevent malaria. In addition, 2.7 million health personnel were trained to improve the quality of service delivery.

To complement the third dimension of food security—nutrition—the Bank will introduce a new indicator in its Corporate Scorecard: the number of pregnant/lactating women, adolescent girls, and children under the age of five reached by basic nutrition services. The new indicator will also further strengthen gender dimensions in the Scorecard.

**Social Protection**

The Bank’s social protection activities are designed to help countries shield poor and vulnerable people from systemic shocks, reduce poverty and income insecurity, and provide economic opportunities, especially for women, young people, and children. In the wake of the lingering food, fuel, and financial crises, demand for Bank support from both middle- and low-income countries jumped. During 2005–11, Bank-supported safety net projects have directly benefited more than 266 million people, mainly through conditional cash transfer programs (94.5 million), other cash as-
sistance transfers (78.5 million), and public works (13.1 million), although the average coverage on a three-year rolling basis has remained unchanged at 114 million beneficiaries.

**Gender**

The Bank’s approach to gender has evolved over the past decades from a focus on human development to a more holistic framework encompassing gender in all economic activities and sectors as well as a rights-based approach with more of a focus on equality. Its gender operations and analytic work focus on enhancing economic opportunity, jobs, social status, inclusion, voice, and leadership. The effects of its $70 million Gender Action Plan, implemented in 2007–10, continue to be felt in programs such as the Adolescent Girls Initiative and in rural development operations. Over the past 10 years, the Bank has supported the provision of antenatal care to more than 188 million pregnant women. Since 2006, it has supported social protection programs and targeted schemes that have benefited 183 million women and girls.

An IEG assessment of Bank support for gender found that the Bank made progress in gender integration from 2002–08, integrating gender concerns in more than half of the relevant projects. However, IEG also identified the need to establish a results framework and to restore a broader requirement for gender mainstreaming.

The gender strategy laid out following the release of the World Development Report 2012: Gender Equality and Development incorporates both recommendations. There has been accelerated progress on gender equality, but it has been uneven across the Bank. Changing norms associated with gender is a long-term proposition that requires addressing structural inequalities, cultural change, and attitudes.

To increase the focus on women’s economic empowerment, a new indicator will be introduced in the Corporate Scorecard that will measure the percentage of women participating in Bank-supported labor market programs. The new indicator will also be useful for measuring the Bank’s efforts to promote gender equality.

**Support for Infrastructure**

Bank support for infrastructure in the past five years vastly exceeded prior levels in response to the financial crisis and investment backlog in emerging and developing countries, which need infrastructure to boost growth, reduce poverty, and create jobs. The Bank’s support focuses on helping countries get on a more sustainable development path for infrastructure by refocusing Bank engagement on access to basic infrastructure services and delivering transformational investments that optimize spatial, low-carbon, inclusive growth and co-benefits. Such projects can be regional, or can connect countries with power grids, broadband, transportation corridors, and large-scale renewable energy. A second focus is on mobilizing additional private capital through expanded public-private partnership arrangements and greater use of guarantee instruments.

Bank support (IBRD/IDA and trust funds) for country infrastructure investments rose to an average of $19.5 billion a year during 2009–12 from an average of $8.2 billion from 2004–07. In the sector of Transport, the Bank emphasizes integrated transport solutions and safe, clean, and affordable transport to support expanded trade and enhanced human development. During 2002–11, the Bank-supported projects constructed or rehabilitated 189,493 kilometers of roads. Energy projects aided by the Bank resulted in the construction or rehabilitation of 114,516 kilometers of transmission and distribution lines and about 19,000 megawatts of generating capacity to improve access to reliable energy.

In the Water, Sanitation and Flood Protection sector, the Bank supported countries’ efforts to improve governance and management of the water supply and sanitation infrastructure, irrigation and drainage systems, river basin management, and transboundary water programs. Since 2002, Bank-supported projects have provided 145 million people with access to improved water sources and provided 10 million people with access to improved sanitation facilities, through the construction or rehabilitation of 340,000 improved community water points, 2 million new piped household water connections, and extended support to 302 water utilities.

In more than 100 countries, the Bank has financed the development of information and communication technology—through privatization, regulatory reform, institutional capacity building, and system expansions that have included regional connectivity. Improved connectivity and access cause prices to fall, spurring growth and poverty reduction.

**Support for Agriculture and Food Security**

With 75 percent of the world’s poor living in rural areas and most involved in farming, supporting agriculture remains a fundamental instrument for achieving economic growth, poverty reduction, economic transformation, and food security, especially in Africa. In response to the 2008 food crisis, the Bank ramped up its support to agriculture, focusing on raising agricultural productivity, reducing risk and vulnerability, improving nonfarm rural income, and strengthening the governance of natural resource use. Projects were funded under the $1.5 billion Global Food Crisis Response Program (GFRP) established in 2008. Since then, the program has reached an estimated 40 million people in 47 countries. With GFRP support in 72 countries, 381,874 people were employed under cash or food-for-work programs; 342,886 children benefited from school feeding programs; 287,503 pregnant and lactating women received nutritional supplements and education; 582,434 children received nutritional interventions; 173,332 households benefited from cash transfer programs; and 529,873 tons of fertilizer and 3,223 tons of seeds were distributed to farmers.

A new indicator (discussed above) to cover the nutritional dimension of food security will be included in the Corporate Scorecard in its next iteration.

**Support for Climate Change and the Environment**

The Bank seeks to help the global community and countries increase resilience to the impacts of climate change; develop clean energy solutions; adopt climate-smart plans in land use, agriculture, and infrastructure; and
The Bank’s policies, systems, and processes reinforce its emphasis on reducing the time and costs involved in trade and to ratio-
changes. Its trade logistics advisory program continues to advise govern-
views the overall success of Bank activities in achieving their development
independent evaluation of strategies and activities by IEG. This section re-
performance, and systematic self-evaluation, complemented by ex post
diagnostic tools.

The Bank has supported 15 countries in successfully applying Trade-related
sanitary veterinary standards, health standards, and “green” supply chains.

documentation; electronic payment systems; and interagency coordi-
helping countries conduct evaluations that measure their performance
accounting for mitigation in 63 countries. Over the past 20 years, the Bank has sup-
ported biodiversity projects in 122 countries with protected area manage-
ment; natural resource management; and mainstreaming of biodiversity
into forestry, coastal zone management, and agriculture.

Through the Global Facility for Disaster Reduction and Recovery
(GFDRR), a trust fund established in 2006, and other mechanisms, the Bank helps
countries recover after natural disasters and develop institutions,
programs, and instruments to better withstand future shocks. Between
2006 and 2012, the Bank and GFDRR have supported 102 countries. In the
next update of the Corporate Scorecard, the current output indicator will
be replaced with an outcome indicator that will measure the progress of a
country on meeting standards set by the Hyogo Framework for Action
(HFA), which is the first plan to explain, describe, and detail the work that is
required from all different sectors and actors to reduce disaster losses. The
HFA outlines five priorities for action and offers guiding principles and
practical means for achieving disaster resilience. (See http://www.unisdr
.org/we/coordinate/hfa.)

Support for Finance, Private Sector Development, and Trade
In more than 50 countries, the Bank continues to support the broadening
and deepening of financial markets to better serve underserved popula-
tions through the expansion of micro-, small-, and medium-size enterprises;
the development of payment and remittance systems, collateral registries,
and credit bureaus; and the creation of supportive regulatory environ-
ments. During 2009-12, microfinance and financial institutions benefiting
from Bank support had an average of 31 million active microfinance loan
accounts per year worldwide. The Bank continues to participate in the
global dialogue on reforming the international financial system and
helping countries conduct evaluations that measure their performance
against international standards in order to identify and implement needed
changes. Its trade logistics advisory program continues to advise govern-
m ents on how to reduce the time and costs involved in trade and to ratio-
inalize trade logistics systems and services. These systems include border
clearance processes; electronic payment systems; and interagency coordi-
nation on a variety of issues, including customs, product standards, phytosanitary veterinary standards, health standards, and “green” supply chains.

The old output indicator on trade in the Scorecard has been replaced
by an outcome indicator to measure progress in countries applying trade-
related diagnostic tools. These tools allow a comprehensive assessment of
the constraints to competitiveness and trade facilitation. During 2011−12,
the Bank has supported 15 countries in successfully applying Trade-related
diagnostic tools.

Development Outcomes
Countries own and implement the operations supported by the Bank.
Country factors, external events, risks (anticipated and unanticipated),
and the quality of design and implementation affect the outcome of
these operations. IEG’s evaluations of projects exiting the portfolio indicate
that the share of operations that achieved their development objectives
decreased from 76.8 percent in 2008 to 70.5 percent in 2010—which is
based on the partial review of 78 percent Implementation Completion
and Results Reports (ICRs). Furthermore, over fiscal 2009−12, the four-year
rolling average of IEG’s satisfactory outcome ratings for results-based CAS/
CPS was 63 percent, an improvement from the fiscal 2010 baseline of 59
percent but still significantly below the targeted level of 70 percent. This
may reflect the fact that many of these CASs/CPSs were first-generation
results-based strategies, some of which set ambitious objectives, and that
country priorities often change during the implementation period of strat-
egies—as they did during the recent crises—requiring the Bank to reori-
tent its support to new priorities. Management is redoubling efforts to
strengthen the focus and realism of CASs/CPSs. For countries in fragile and
conflict-affected situations, the Bank is implementing the recommenda-
tions of the World Development Report 2011: Conflict, Security, and Develop-
ment by introducing new procedures and approaches that align its en-
gagement more closely with realities on the ground.

To improve outcomes, Bank management is currently revamping its
quality assurance system to strengthen the quality processes governing
Bank-financed operations and thus help ensure that these operations can
deliver the expected development results. The immediate actions focus on
clarifying and harmonizing accountabilities and processes in operations,
 improving the mechanisms for technical support to teams, and putting in
place checks and balances for strategic and timely quality monitoring and
reporting to senior management.

Development Outcomes and Operational Effectiveness: Tier III
The Bank’s policies, systems, and processes reinforce its emphasis on re-
results. They include quality assurance, real-time monitoring of results and
performance, and systematic self-evaluation, complemented by ex post
independent evaluation of strategies and activities by IEG. This section re-
views the overall success of Bank activities in achieving their development
goals. It also examines the effectiveness of Bank operations, including the
quality and results orientation of its operations and knowledge activities,
the performance of its lending portfolio, the mainstreaming of gender in
its operational work, client feedback on its operations, and the use of
country systems.
Country-level client surveys, which are often carried out at the same time as Country Assistance Strategy/Country Partnership Strategy Completion Reports, measure clients’ impressions of Bank effectiveness. They reveal a slight decline in perceived effectiveness, from 6.9 in 2008 to 6.7 in 2011, where 10 is the most favorable rating.

Self-evaluations indicate that about 71 percent of the Bank’s economic and sector work and nonlending technical assistance accomplished their objectives in 2011. Areas for improvement include greater strategic relevance and better dissemination of findings and recommendations.

Operational Effectiveness
As mentioned above, the Bank is currently revamping its quality assurance system to strengthen the quality processes. Once completed, the reformed system will be rolled out over the current fiscal year with improved monitoring of its operational effectiveness. Implementation support to the countries is being given high priority because IEG evaluations indicate that projects with satisfactory ratings had high-quality implementation support.

A well-articulated results framework linking project activities to results on the ground is a key design element for project success. Among projects approved in 2012, 91 percent clearly formulated their development objectives and included measurable outcome indicators to assess achievement of these development objectives—an improvement of 8 percentage points over 2009.

In managing its portfolio performance, the Bank emphasizes implementation support and risk management. Overall portfolio performance in 2012 slightly declined, with 85.5 percent of active projects rated satisfactory in terms of the likelihood of meeting their development objectives. Experience has shown that problems affecting the 14.5 percent of projects rated as unsatisfactory are often resolved within a year. The Bank continues to focus on making its portfolio ratings more realistic. Among other measures, it is taking steps to ensure that staff pays more attention to realism and candor about problems and risks during implementation.

Disbursement levels are linked to implementation performance. During and immediately after the global financial crisis, disbursements more than doubled, rising from $19.6 billion in 2008 to $40.3 billion in 2010, which declined moderately in 2012 to a still robust $30.8 billion. The disbursement ratio for investment lending projects, which disburse over a period of four to six years, declined from 21.3 percent in 2008 to 20 percent in 2012, on par with the Bank’s performance standard of 20 percent. A sign that the Bank is more responsive to clients, the average time from approval to first disbursement fell to 7.5 months in 2011, from 12 months in 2008.

A new indicator to monitor integration of beneficiary feedback in Bank operations has been introduced in the Corporate Scorecard. Current analysis shows that of fiscal 2011 approved projects, about 22 percent engage beneficiaries in the design and/or implementation stages.

Knowledge Services
The Bank offers a broad array of knowledge and convening services to global and country audiences and clients. Knowledge products contribute to better development results and underpin the quality of operations.

The Bank has made major advances in sharing knowledge and data more effectively with its clients. Under the Open Data Initiative, its data website received more than 6.8 million visits during 2011. The Bank’s new Open Access Policy for Research and Knowledge went into effect July 1, 2012. The centerpiece of the policy is the Open Knowledge Repository, which places all of the Bank’s research and knowledge products under a Creative Commons attribution copyright license, making them accessible to a wide audience. The Bank also completed geomapping of all Bank-supported projects in 2012, providing an easy-to-understand and searchable database of project locations for external audiences. The Bank is now making progress on mapping results supported by its operations.

The Bank is increasingly conducting analytical and technical assistance services in collaboration with clients and partners. In 2011, 59 percent of the work was done collaboratively, a figure the Bank aims to continue raising closer to its performance standard of 66 percent.

Going forward, the Bank will introduce a new indicator in its Corporate Scorecard to measure the degree by which clients perceive that the Bank has made a significant contribution through its knowledge and research to achieve development results in their respective countries. The indicator will be measured through Country Surveys in all Bank client countries in a cohort of around 30−40 per year, thus covering all clients in a period of three years. The first cohort of surveys has been completed and relevant data will be included in the next update of the Scorecard.

Gender Mainstreaming
Gender mainstreaming was an important focus in the past fiscal year, as the Bank incorporated the findings of the World Development Report 2012: Gender Equality and Development into its activities. In both 2011 and 2012, all CASs/CPSs drew on and discussed the findings of a gender assessment, meeting the Corporate Scorecard target of 100 percent.

Management continues to highlight the importance of integrating gender into the Bank’s operations as a corporate priority. The institutional target for gender-informed operations (those that discuss gender issues in their contextual or sector analysis, and/or include gender considerations in their actions, and/or monitor and evaluate the operation’s impact on gender) in the Corporate Scorecard is 55 percent. In 2012, 80 percent of Bank operations were gender informed—a significant improvement since 2008. About 78 percent of development policy operations were gender informed, compared to 47 percent in 2010. The methodology for assessing the extent to which operations are gender informed was revised in 2012 to be consistent with the methodology used to rate CAS/CPS products. The next iteration of the Corporate Scorecard will include an indicator in Tier II that measures women’s economic empowerment as the share of women participants in Bank-supported labor market programs.
Use of Country Systems
By using country systems, the Bank places a high priority on helping countries strengthen their country institutions and systems. It does this in collaboration with other development partners (multilateral development banks, other multilateral organizations, and bilateral donors). The use of country systems in Bank operations has improved over time. The Bank has surpassed the Paris Declaration Survey targets for procurement (50 percent) by 5 percentage points and for financial management (51 percent) by 20 percentage points in 2010. In 2012, 77 percent of IBRD/IDA projects used country monitoring and evaluation systems, and most also strengthened current sector capacity. The new PforR lending instrument, which disburses against results achieved rather than payment for inputs, provides an additional opportunity to expand the use of country systems at the sector and program level.

The Bank increased its support for efforts to build country statistical capacity through financing and partnerships such as the Partnership in Statistics for Development in the 21st Century. There is significant room for improvement, however, especially in low-income countries, on which the Bank will focus on going forward.

ORGANIZATIONAL EFFECTIVENESS AND BUSINESS MODERNIZATION: TIER IV
The Bank continues to work to improve its organizational efficiency, to better align the skills and capacity of its staff with its strategic priorities, and to implement its modernization agenda in order to become more responsive and accountable to its stakeholders.

Resources and Alignment
The Bank has been steadily improving its organizational effectiveness. Working with a flat annual administrative budget in real terms since fiscal 2006, it has made continuous improvements in the way it allocates and uses its resources. It significantly scaled up its response to the recent crises by doubling lending between 2008 and 2010, accelerating project preparation (from 17 months in 2008 to 14 months in 2012), and shifting resources to support project implementation by increasing the average supervision budget from $115,000 per project in 2008 to $132,000 in 2012. The Bank is also rebuilding its budget flexibility, which was fully allocated to support the crisis response, in order to remain prepared for unexpected developments and demands in the future. These actions are aimed at increasing the value for money the Bank offers its clients and shareholders in supporting results on the ground.

Large Recipient-Executed Trust Funds—which provide additional finance to developing countries, and are now integrated into CASs/CPSs and the Bank’s portfolio management systems—increased from $2.9 billion in 2008 to $3.9 billion in 2012. The use of Bank-Executed Trust Funds (funds provided by donors to the Bank) for the Bank’s own knowledge work has increased, complementing the institution’s own administrative budget and augmenting the services it delivers to clients. To ensure effective management of this category of trust funds, the Bank is implementing reforms to integrate them into its budget and business-planning processes.

Capacity and Skills
Through its business modernization program, the Bank is working to better align the skills and capacity of its staff with its strategic priorities. To maximize the use of its global knowledge and ensure such is made widely available across its client countries, the Bank is increasing the share of time staff allocates to activities outside their units or regions. In 2012, this share has been at 6.8 percent, well below the Bank’s goal of 10 percent. New organizational models aimed at increasing this percentage of staff time spent working in other units or regions are being piloted.

The staff diversity index rating rose from 0.85 in 2008 to 0.89 in 2012, and the share of women in management marginally grew from 36.1 percent in 2011 to 36.8 percent in 2012, as the Bank moved toward its goal of achieving gender parity in management.

The Bank opened two global hubs. The hub in Nairobi, Kenya, focuses on support to fragile and conflict-affected countries. The hub in Singapore provides expertise in areas such as public-private partnerships in infrastructure.

The Bank’s next priorities are to further review its compensation and benefits package, revamp its performance and talent management systems, and increase the diversity of its staff, with the objectives, among others, to ensure it continues to attract highly qualified staff to support its clients, while reaching the target of gender parity throughout management. The Bank will also review its renewable-term appointments to ensure that they provide sufficient flexibility to meet changing business needs while allowing the institution to grow and invest in staff.

Business Modernization
Strengthening the focus on results, transparency, and accountability represents the three overarching aspects of business modernization at the Bank. This effort aims to improve the institution’s ability to measure, report on, and learn from results; share data, knowledge, and expertise effectively and generate knowledge with others; and respond to countries with agility. A results-focused and open institution also strengthens accountability to shareholders, partners, and citizens. In each of these areas, the Bank has achieved milestones.

After the approval of the new PforR instrument in January 2012, the Board approved two operations, and management is aiming for about ten more operations in fiscal 2013.

In the results measurement area, the Bank significantly expanded the number of sectors and themes in which it has Core Sector Indicators to measure results, covering 24 sectors and themes with the addition of 17 new ones: Agriculture Research and Extension, Biodiversity, Conflict Prevention and Post-Conflict Reconstruction, Forestry, Hydropower,
Irrigation and Drainage, Land Administration and Management, Other Renewable Energy, Participation and Civic Engagement, Pollution Management and Environmental Health, Sanitation, Social Inclusion, Social Protection, Thermal Power Generation, Transmission and Distribution of Electricity, Wastewater Collection and Transportation, and Wastewater Treatment and Disposal. These indicators join the sectors that adopted Core Indicators in 2009 (Education; Health; Roads; Water Supply; Access to Urban Services and Housing for the Poor; Information, Communications, and Technology; Micro-, Small-, and Medium-size Enterprise Financing; and Project Beneficiaries). All of these indicators’ data are collected at the project level and then aggregated for reporting purposes.

Building on last year’s Access to Information Policy and Open Data Initiative, the Bank is working on new ways to convene and build knowledge with partners, including on global public goods. It created open platforms, such as the Jobs Knowledge Platform; sponsored crowd-sourcing activities, such as the Water Hackathon; and scaled up South-South exchanges. The Open Development agenda seeks to democratize development information. The next frontier of this agenda is to more systematically crowd-source development solutions and enhance beneficiary feedback.

Under its modernization agenda, the Bank has also made significant progress in operationalizing identification of risks and constraints to results supported by Bank projects. The new revamped quality assurance system is being built on the nexus between results and risks. A recent review of a sample of about 25 percent of active project’s ISRs found that there is a statistically significant relationship between operational risk rating and the rating (satisfactory/unsatisfactory) of a project’s development outcomes and the implementation performance.

Support to Sector Actions Related to Post-Crisis Directions
During fiscal 2009–12, the Bank met its lending commitment projections in key sectors to support post-crisis initiatives in the Agriculture, Education, Health, and Infrastructure sectors—averaging $4.3 billion per year (including special financing) for Agriculture, $2.4 billion per year for Health, and $19.5 billion for Infrastructure (including special financing). The Education sector’s commitment for IDA remains on track with $1.7 billion per year. Going forward, the Bank will continue to monitor investments in these sectors.

Next Steps in the Results Agenda
The Corporate Scorecard is making the Bank more accountable to its shareholders and stakeholders. In fiscal 2013, the Bank will focus on the following priorities:

- Moving the results agenda forward in three areas: expanding client and beneficiary feedback to improve the focus on project results and design; increasing the number of formal impact evaluations conducted at the project level to measure operational quality, efficiency, and effectiveness; and testing new long-term institutional development impact indicators.
- Rolling out a Quality Assurance system to strengthen the processes governing preparation and implementation of Bank-financed operations; the portfolio reporting mechanisms for early detection of problems; and improve learning loops. The new system is designed to provide support for operations to deliver their intended development results.
- Continuing preparing new Program for Results operations during the current fiscal year. The Bank will closely monitor progress and document lessons learned from the preparation and implementation of the initial operations.
- Working to align results measurement and management in the Trust Funds (TF) with IDA/IBRD operations. This is part of the overall TF reforms of the Bank, and when completed, the alignment will ensure that the results achieved through TF operations are better integrated into the Bank’s results management system.
- Supporting client countries and international partnerships focused on development results by further developing country statistical capacity and scaling up Bank support to countries in assessing the capacity of their main government institutions to carry out their mandate with a focus on development results. Starting in the current fiscal year, the Bank has transferred the chairmanship and secretariat of the African Community of Practice to the African Development Bank (an example of the Bank’s incubation role in building partnerships to develop capacity to manage with a focus on development results and to expand and share development knowledge). The Bank will continue to support the international results agenda by chairing the Multilateral Development Bank Working Group on Results and engaging in the post-Busan agenda on Managing for Development Results.
- Improving metrics and measurement and developing new relevant results indicators.
BANK-SUPPORTED RESULTS IN GENDER

In Argentina, in the period from late 1998 through September 2012, the Small Farmer Development Project benefited close to 74,000 small farm families in 23 provinces. In all, the project helped more than 355,000 people, of which about half were women. Fifteen percent of all subprojects had women as primary titleholders.

In Bangladesh, the Secondary Education Quality and Access Enhancement Project from 2008 to 2011 helped benefit about 2.1 million students, 54 percent of them girls, out of 4.0 million girls and 3.5 million boys attending secondary school.

In India, with the help of the Tamil Nadu Health Systems Project, more than 99.5 percent of deliveries in Tamil Nadu now take place in a network of medical facilities including 80 obstetric and neonatal care centers and free ambulance services. The maternal mortality rate has also fallen, from 109 per 100,000 births in 2004–05 to 79 per 100,000 births in 2008–09.

In Liberia, with the support of the Adolescent Girls Initiative, 1,131 girls received business, job, and life skills training in the first round. About 95 percent of the beneficiaries completed the training, and 85 percent of those trained have been placed in jobs or are engaged in self-employment activities. The second round of training started in July 2011 with 1,300 adolescent girls and young women.

In Tajikistan, by mid-2011, the Bank-supported community and basic health project had trained about 1,000 primary health care workers and 300 community volunteers to deliver education on breastfeeding, good nutrition, and care of sick children to around 1,000 pregnant women, and micronutrient supplements and vitamins had been delivered to approximately 44,000 women and children.

BANK-SUPPORTED RESULTS IN HUMAN DEVELOPMENT

In Bangladesh, between 2005 and 2011, more than 750,000 out-of-school children, more than half of them girls, enrolled in more than 22,500 learning centers.

In Brazil, provision of free, universal access to antiretroviral drugs led to a decline in mother-to-child HIV transmission from 16 percent in 1998 to around 3 percent in 2011.

In Kenya, since September 2011, the polio immunization campaign achieved 100 percent coverage among children from birth to 59 months of age.

Since 2007, the Cash-for-Works Temporary Employment Program in Liberia provided more than 640,000 days of employment to more than 17,000 beneficiaries.

In Malawi, 3 million pupils in primary schools benefited from the IDA Direct Support to Schools program from 2005 to 2010.

In the Philippines, from 2008 to 2011, 2.3 million poor households benefited from cash grants to encourage them to keep their children in school and have regular health checks.

BANK-SUPPORTED RESULTS IN SUSTAINABLE DEVELOPMENT

In Afghanistan, more than 750 irrigation schemes were implemented, benefiting more than 840,000 people between 2003 and 2011.

In Kenya, between 2009 and 2011, IDA contributed to an increase in the number of electricity connections by 350,000 households (at 5 people per household) and constructed 1,200 kilometers of transmission and distribution lines.

photos (left to right): Alan Gignoux, Yosef Hadar, Michael Foley
From 2006 to 2011 in Kiribati, approximately 0.5 kilometer of sea walls had been built along the main road, more than 37,000 mangrove seedlings had been planted, and several water management improvements had been carried out, all helping to increase resilience to the effects of climate change for Kiribati’s 98,000 residents.

In Lao PDR, from 2003 to 2011, 86 bridges had been constructed and 3,042 kilometers of rural access roads had been upgraded. More than 668 villages had received access to clean water systems and 154 irrigation schemes had been developed, improving the quality of life for 650,000 beneficiaries.

In Mexico, since the approval of the Efficient Lighting and Appliances Project in 2011, over 14 million incandescent light bulbs and 1.4 million appliances had been replaced.

Through the Solomon Islands’ Rural Development Program, 207 infrastructure projects had been implemented between 2009 and 2011, including classroom buildings, health clinics, water supply systems, and foot bridges, benefiting nearly 100,000 people, approximately 20 percent of the population.

South Africa, between 2004 and 2011, increased the area of endangered and critically endangered ecosystems under conservation by 282 percent to 61,603 hectares.

In Tanzania, IDA is providing support to 124 small-scale irrigation subprojects and three soil fertility management demonstrations. During the 2010–11 season, agricultural input vouchers were successfully distributed to 2 million farmers, and distribution has started for the 2011–12 season to 1.8 million farmers.

BANK-SUPPORTED RESULTS IN COLLABORATIVE ECONOMIC AND SECTOR WORK (ESWS)

In Guangdong Province, China, the Bank partnered in a 2008–09 study to examine inequality issues and develop a strategic policy for intervention, which resulted in the provincial policy document titled “The Outline of Equalization of Basic Public Services in Guangdong (2009–2020).”

Informed by the report “Transition to a Low Emission Economy in Poland,” produced by the World Bank, in partnership with other institutions, the government of Poland adopted new guidelines for their National Program of Greenhouse Gas Abatement in August 2011.

BANK-SUPPORTED RESULTS IN COMMUNITY-DRIVEN DEVELOPMENT PROJECTS

Started in 2004, the Nepal Poverty Alleviation Fund is now operating in 59 of the country’s 75 districts to the benefit of 650,021 people. Households have seen a 10 percent improvement in food security and a 31.4 percent increase in per capita consumption.

In Indonesia, as a result of the National Program for Community Empowerment started in 2008, real per capita consumption gains are 9.1 percent higher among poor households in the program areas. The procurement cost of tertiary infrastructure is also 30–50 percent less expensive than when procured through standard local government processes.