

10. DEVELOPING THE RESULTS FRAMEWORK

143. The design of a results-based framework to measure progress with supporting climate actions in development has been initiated. Given knowledge and capacity gaps in understanding linkages and impacts, a phased approach will be followed that allows for additional analytical work, learning from project experiences (supported in particular by CIF and other climate financing products), consultations, and dialogue with development partners, client countries, and a range of other stakeholders.

144. Specifically, the Strategic Framework has adopted a dual-track approach to establishing the results framework: (i) identify an immediate set of key actions, deliverables and indicators that will be used to monitor the WBG progress; and (ii) initiate a longer-term process of developing, in a consultative manner, an outcome-oriented results framework.

145. A working group of WBG staff has been formed and the work is expected to continue through FY09-FY10, in close collaboration with staff Bank-wide, client countries, and other stakeholders to agree on a core set of indicators for specific sectors and at various scales (at project and program, country, sector, or regional levels). These need to be designed to allow effective monitoring and evaluation and at the same time be adaptable to varying ways in which countries are affected by climate change. Tracking progress will allow both clients and the WBG to learn more rapidly from what works and what does not and adjust actions accordingly.

146. **The work has focused on how climate action can support development goals** and proposes a range of indicators for key sectors that would measure progress towards development outcomes through more climate-resilient and less GHG-intensive investments. A generic template was developed and is now being customized to relevant sectors. According to the template's logic, the core sector development goals are identified first, followed by identifications of the climate-relevant input, output and outcome indicators supporting these goals. At the IFC, all investment and regional departments are reviewing their strategy and work program to take into account climate change considerations relevant to private sector activity in their respective areas.

147. Significant progress has already been made with low-carbon definitions and project-tracking in the energy sector under the CEIF. The next steps are to further refine these definitions, and expand to other sectors in a consistent fashion while taking account of sector specifics, as well as to harmonize with other MDBs. Priority attention was given to understanding and measuring the impact of WBG-supported programs on adaptation to climate change. The working group focused on: (i) operationally-relevant definitions of adaptation, vulnerability, and adaptation projects; and (ii) procedures to track the adaptation aspect of various development projects where relevant.

148. Given the need to better monitor adaptation aspects in relevant operations, including possible additional costs, the WBG will devise a system of tracking adaptation-enhancing projects. This will assist with operationalization of the PPCR and reporting on progress with climate-related aspects of IDA15. Much of the WBG's development work in climate-sensitive sectors such as agriculture, forestry, or water resources infrastructure is in effect reducing vulnerability in countries and communities, and thereby helping them adapt to climate risk. A system that is able to capture these "coincidental" climate adaptation benefits, as well as other

adaptation dimensions of WBG projects will be developed and piloted during FY09, applied Bank-wide in FY10, and extended to WBG-wide reporting in FY11.

149. **An important area of collaboration with the MDBs and UN partners** will be a coordinated effort to create a common system by which progress with supporting climate action can be consistently tracked - including tracking the additional costs and how they are met. Analysis being done under the “Economics of Adaptation” research program will contribute to this.

150. **The key actions for tracking progress over fiscal 2009-11** summarized in Box 27. Within this period, the Bank Group and its Strategic Framework will remain flexible to incorporating new developments in negotiations and knowledge, and lessons from implementation and consultations. An interim progress report will be prepared in fiscal year 2010.

Box 27: Summary of Major Initiatives

Under the new Strategic Framework, the World Bank Group will, in partnership with others, will:

- Help some of the most vulnerable countries increase resilience to climate risks, with new adaptation financing and good performance of IDA15.
- Enhance development effectiveness of its operations by:
 - Screening for climate risk in hydropower and major water investments with long life spans.
 - Screening for energy efficiency opportunities starting with energy projects.
- Operationalize, execute, and share lessons from the Climate Investment Funds, Carbon Partnership Facility, and Forest Carbon Partnership Facility; and work with UN and OECD partners to improve monitoring of climate-related finance and its “additionality”
- Promote packaging of its development finance instruments with Carbon Finance, the Global Environment Facility grants, and the Climate Investment Funds; and the customized application of climate risk insurance products
- Pilot new initiatives to support clean energy technology development and dissemination.
- Facilitate global dialogue by launching the World Development Report on Development and Climate Change in fiscal 2010.
- Enhance the knowledge and capacity of clients and staff to analyze and manage development-climate linkages, including methods for estimating the costs of adaptation and undertaking carbon analysis.

The Group will increase lending to energy efficiency and new renewable energy by 30 percent a year, with the share of low-carbon projects rising from 40 percent in fiscal 2006–08 to at least 50 percent in fiscal 2011. It also foresees an increased demand for supporting hydropower, sustainable forest management, sustainable agriculture and food production, and sustainable transport and urban development programs.