

Advisory Panel Statement

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The evaluation report on the Bank’s economic and sector work (ESW) and technical assistance (TA) is well documented and covers all relevant issues including cost, utility, rating, scope, and client reactions. The overall findings are, on balance, favorable and make a case for the Bank to “reinvigorate” its work in these areas—both to inform lending as well as to help clients meet their development goals.

I found the independent evaluation highly informative, candid, and objective. In addition to the views of Bank staff, country experts, and economists, it also reflects the views of government officials of member countries and other beneficiaries. Recommendations for further action by the Bank are reasonable and deserve support.

I have just one further suggestion for consideration by the Independent Evaluation Group and Bank management. This relates to the need for a global ESW on delivery of public services to the poorest of the poor. As far as TA is concerned, present arrangements and orientation do not require much change.

On ESW, an important recommendation made in the evaluation is to focus primarily on International Development Association (IDA) countries and to make them more cost-effective through greater selectivity. This is a welcome suggestion, but I would go a step further. By now the Bank has been involved in efforts to alleviate the worst forms of poverty for more than 60 years and to “make services work for poor people” (please see the ex-

cellent *World Development Report*, World Bank 2004d). Although most developing countries, including my own, have made progress in this area, there is a still long way to go. In fact, it can be argued that although growth rates in many poor regions have increased with the opening and liberalization of economies, the position with respect to public sector governance and delivery of public services to the poorest has actually worsened in terms of quality and effectiveness. This is particularly true in the rural sector (which is one of the five dominant sectors covered by Bank ESW).

My suggestion is that in the next five to six years (say, 2009–15), the Bank’s ESW in IDA countries should concentrate on identifying and implementing global “best practices” in public delivery of specified public services (such as shelter, literacy, nutrition, infant mortality, drinking water, sanitation, and electricity) to the poorest, that is, the bottom 20 percent of the population. Studies show that delivery outcomes in providing basic life services are worst for the poorest fifth in most countries and across countries (see World Bank 2004d). Yet we now have sufficient information available on what kind of institutional arrangements and practices work best for delivering services to the poorest of the poor.

An urgent task is to design a practical and workable program of ESW in IDA countries that can be replicated across countries with minimum regional and country-specific variations. I should clarify that such an exercise is not meant to be a

“universal rule book” that is mandatory and rigid, but only a guide to “best practices” that have achieved the best results in countries with large percentages of poor people.

To prepare such a global ESW for the poorest quintile in IDA countries, it may be desirable for the Bank to constitute a steering group of senior staff with relevant expertise from different parts of the Bank. The group could have (1) country specialists from 12 countries in the sample used for the present study, (2) one or two Independent Evalu-

ation Group researchers involved in this study, and (3) the editor or a staff member involved in the preparation of the 2004 *World Development Report* (World Bank 2004d) on public services.

Based on the group’s recommendations, regional and/or country-specific ESW could be prepared by the Bank’s offices in IDA countries for implementation during 2009–15. Reports on actual results in improving public services for the poor should then be presented for consideration by the Board every year.

Roberto Junguito

Former Finance Minister and Agriculture Minister, Colombia

The report on the ESW and TA prepared by the Independent Evaluation Group is excellent. On reading the report, I would fully share the view that “the Bank needs to take the results tracking frameworks for ESW and TA more seriously.”

On the methodological aspects of the paper I only have a couple of comments. The first is that the report is based only on a sample of 12 countries. One would have wished to see a larger sample. For example, in the case of the Latin America and the Caribbean Region, it only includes two countries—Peru and Guyana.

My second comment regards the time frame. The report includes experiences from 2000 to 2006. This was a period when emerging countries transitioned from crisis in 2000–02, when lending programs from multilaterals were badly needed, to a period of large market access. Nevertheless, no differences of opinions among clients or task team leaders are made regarding ESW and TA undertaken in the first and second periods.

The fact that most opinions would have been made recently would also explain the clients’ interests in the Bank’s nonlending services more than lending services.

Regarding the user ratings, I agree that they are mostly very positive both for ESW and TA. However, I note that ratings especially for ESW are better in the higher-income countries in the sample. No comments are made regarding ratings according to the per capita income levels of the client countries.

I would also have liked to see some measures of dispersion of ratings among countries. It is simply highlighted that there were opinions that went from significant impacts on countries’ policies to no differences in reforms to the countries.

The relative preference of clients for TA over ESW depends on World Bank requirements (the Financial Sector Assessment Program, Public Expenditure Reviews, and Policy Notes) over country preferences revealed in TA service demands. This does not mean that ESW are not important, but that ESW are simply seen as part of potential conditionality for future loans.

Regarding the recommendations made as a result of the independent evaluation, I would agree on reinvigorating the mandate but not on devolving management to country offices. Nowadays, they are usually of very poor technical quality and

mainly serve social purposes of the World Bank. Rather, I would stress the importance of using local economists and research centers as partners in ESW and TA efforts.

Neither do I share the view that World Bank services on ESW should focus on IDA countries. I know this is the “fashion” at the World Bank, given pressures made by the Development Committee. Nevertheless, I do not see that this conclusion follows from the evaluation. In World

Bank client countries, it is especially important to issue regional and global ESW.

Finally, I would like to support the future quality issues stressed in the report. Technical quality, partnerships, policy options, working with different ministries and levels of government, and timeliness are all very important. Dissemination issues are extremely important, because in my experience, policy-maker technical papers are restricted to the authorities.