



THE WORLD BANK

Working for a World
Free of Poverty

Backgrounder #4

Global Monitoring Report 2006

Chapter 4 - Strengthening Results Management

Key Messages

The Global Monitoring Report 2006 finds progress in shifting the emphasis of International Financial Institutions (IFIs) and country programs towards results management, that is, managing for outcomes rather than managing inputs to the production process. But this shift requires a longer-term vision, more resources, and support for capacity-strengthening in partner countries.

The IFIs are key partners to the Monterrey Compact and its mutual accountability framework between aid donors and recipients. To strengthen their results orientation, the Multilateral Development Banks (MDBs) established a common performance assessment system (COMPAS), which seeks to implement “managing for development results”. Early assessments suggest overall progress, but this progress varies across the dimensions of the agenda and among the MDBs. Implementation will require sustained effort, strengthened capacity in partner country governments, and enhanced commitment by development community over many years.

Impact evaluation is a key component of results management. Each IFI has an independent evaluation unit that conducts both institution-wide assessments—for example in support of health sector reforms, pension systems, or the quality of analytic work. Assessments of specific country programs and projects are also done. Additional efforts are under way to help develop evidence-based advice to partner countries to help define the types of interventions or approaches they should support. Two examples are the Development Impact Evaluation initiative (DIME) at the World Bank, and the program of impact evaluations launched in the Inter-American Development Bank (IADB)’s Office of Evaluation and Oversight. Two dozen rigorous evaluations are currently under way through DIME, on education projects, conditional cash transfer programs, and slum-upgrading initiatives.

MDBs are adopting different approaches to strengthen country systems, including technical assistance to strengthen country systems and testing country systems in selected countries. The IMF’s experience with safeguard assessments of Central Banks provides a positive example in this area. So far there has been limited progress in the use of country systems, partly due to fiduciary concerns.

MDBs’ concerns about corruption range from preventing fraud and corruption in MDB-financed projects, to promoting good governance in country programs, and to supporting international efforts to fight corruption. MDB are seeking to reduce corruption in the use of their own funds, and to empower investigative departments. Numerous challenges remain, as ad-hoc reactions to instances of corruption remain the norm while systematic management of risks is still being

developed. Moreover, ring-fencing of projects cannot substitute for strengthening country systems, which is a much more challenging and lengthy task.

Improving transparency is part of the effort to strengthen IFI accountability. Evidence suggests transparency is improving, which makes it easier for country partners to scrutinize policies affecting them, and to participate more in the development dialogue. Disclosure of country performance ratings by the IADB, and those planned for 2006 by the AfDF, Asian Development Fund (AsDF), and IDA, are cases in point. The IMF's speedy publication of country reports is another.