

**Trust Fund for Environmentally and Socially Sustainable Development
(TFESSD)
Minutes of the Semi-Annual Consultations, November 30, 2004**

Introduction

1. A meeting was held on November 30, 2004 between the Bank TFESSD management and delegations from the Norwegian and Finnish Ministries of Foreign Affairs and the Norwegian and Finnish Reference Group for the Trust Fund for Environmentally and Socially Sustainable Development (TFESSD). The agenda and list of participants are attached.
2. Steen Jorgensen, who chaired the meeting on behalf of ESSD management, welcomed the delegation, including the new members, and expressed strong appreciation for the continued support and engagement of the donors in the TFESSD partnership.
3. The Reference Group noted that the seminars organized as part of the Learning Event on November 29 were useful and interesting, and they requested that the presentations be sent to them electronically.

Semi-Annual Progress Report

4. **Format.** The donors expressed their satisfaction with the format and content of the report, and commended the Bank on the improvement that was evident each year. They appreciated the fact that the report and the CD-Roms were sent to them two weeks in advance to allow them time for internal discussions.
5. **Content.** The Bank noted that it would delete the reference in para. 17 of the overall report referring to the delay in hiring the new TFESSD Advisor, as the hiring process was underway and she was expected to join SDV within the following week. The Reference Group observed that they found the project summaries of individual activities very useful, particularly where information was also included on project impacts and knowledge sharing. They suggested that in addition to information contained in the individual window reports, it would be useful to include in the overview section a summary paragraph on each of the windows. The donors also noted the inconsistency in the quality of the individual progress reports, with some not fully completed (e.g. the progress ratings are not filled in, inadequate information provided, and the information on local consultations is missing). The Bank clarified that only activities which were submitting completion reports were asked to report on partnership information at this time. The Bank assured the donors that efforts are being made to improve the quality of the individual progress reports, and all activities will be required to report on partnerships once a year, in the June report. The Bank also stated that having the Sector Boards involved in reviewing progress of activities serves as incentive for task team leaders to do a better job on reporting. The Reference Group had minor comments and requests for clarification on individual activities, which the Bank responded to.

6.. **Knowledge Sharing.** The TFESSD website is currently being updated to post all relevant documentation, although discussion is underway within ESSD on how best to make available on the website all the reports and updates submitted by each task manager. The Donors emphasized the need to improve knowledge sharing and dissemination. It was agreed that website dissemination is one aspect of knowledge sharing, and that the Bank should be selective in deciding what documents should be posted on the website, using links where possible (for example, much information on PSIA and M&E is already available on thematic websites, and links can be made to these sites from the TFESSD website). More thought is needed on how to effectively share knowledge at different levels (across the windows, within the Bank, with donors, at the country level) and the Bank felt that it would be useful if the Donors could help in linking up with the embassies. Attention should also be paid to disseminating best practices coming out of the TFESSD-funded activities. The Bank will take these comments into account as it prepares a proposal for further discussion at the June 2005 meeting.

Indicative Financial Contributions from Norway and Finland

7. Asko Luukkainen indicated that Finland's contribution for CY05 is planned to be the same as in previous years, i.e. Euros 1.5 million. Finland's fiscal year starts on January 1 so transfers could be made to the Bank as early as February – however, this would need to be confirmed with the Ministry for Foreign Affairs. With regard to the possibility of extra funding from existing Finnish CTFs, this issue is still being studied and Finland will inform the Bank of the outcome when it is finalized. Olav Seim confirmed that Norway has allocated NOK 80 million for CY05, and that a transfer of a minimum of NOK 40 million will be sent to the Bank the second week of December. However, he cautioned the Bank that there may be some funding problems for the next year, and he stressed the importance of improving the discussion of results in the reports since the Norwegian Parliament is scrutinizing the documentation more carefully. He suggested that it would be useful to get reporting on the impacts of the TFESSD and concrete achievements made, which they could submit to Parliament.

FY06 Call for Proposals

8. The draft text of the call for proposals was discussed. The donors requested clarification on two items which had been added to the text by the Bank but had not been discussed earlier, i.e. the addition of CDD programs to bullet 2 (*downstream activities to monitor and/or evaluate the poverty, social, environment impacts of policies supported by the Bank as well as CDD programs*), as well as bullet 3 (*support to country systems for enhancing social inclusion/accountability mechanisms and participatory monitoring and evaluation throughout the PRSP process*). The Bank explained that the wording on CDD programs had been added based on feedback from the Environment and Social Development Sector Boards, in particular the Africa, East Asia and South Asia regions, who felt that limiting the call for proposals to activities connected with policy lending would severely limit proposals from their regions. Based on donor comments it was agreed that the priorities would be reworded to take into account the following:

- The general text should highlight more strongly the fact that proposals should be innovative and catalytic;
- The second sentence of the first priority should be moved to the general text, as it is applicable to the first two priority areas (i.e. *This work must be operationally relevant, be implemented in a participatory and inclusive manner, and include a focus on the likely impacts*);
- The second priority should be reworded to make it clear that the work on CDD programs should apply to innovative aspects of M&E and not to service delivery;
- The third priority should be removed.

The Bank asked the donors whether they would be willing to fund a few innovative proposals which are ‘upstream of upstream’, which may not have immediate links to country programs but may have longer term impacts. The donors supported this idea in theory, and asked the Bank to propose a mechanism to do this; they noted, however, that there should not be any earmarking of funds for this purpose, and proposals should not be solicited through a separate call, but integrated within the general call for proposals. It was agreed that the Bank would revise the draft call for proposals based on the donors comments, and send it to them for clearance.

9. The donors requested clarification on the process for selecting proposals to be approved, noting that a question had been raised in the previous round on the qualifications of reviewers. The Bank clarified that reviewers selected by the Sector Boards rate each proposal based on the agreed criteria. The Directors of the individual windows review and discuss the ratings, which are then submitted to each Sector Board for discussion. The prioritized list is then presented and discussed at a joint meeting of the four Sector Boards. The Bank indicated that for the next round of proposals the Africa region has agreed to prioritize their regional proposals. The donors requested that the Bank include, in the matrix that is sent to them for review, information on why proposals are selected, but agreed that this need not apply to the ones rejected (information on specific rejected projects could be given to donors at their request).

Update on TFESSD Joint Review and Independent Evaluation

10. The Reference Group asked for clarification on the procedures used for identifying consultants, and for suggestions on how Norwegian and Finnish consultants can make themselves known within the Bank. The Bank stated that task team leaders are required to comply with Bank procurement rules, where individual contracts above \$50,000 need to be awarded by competitive selection, although exceptions for sole source contracting can be obtained if appropriate justification is given and clearance received from management. The Bank also suggested that the TFESSD Advisor could help make the links between consultants from donor countries and task team leaders in the Bank.

11. It was agreed at the June 2004 meeting that the independent TFESSD evaluation will take place in 2006. This item will be discussed further at the June 2005 meeting.

Timing of June 2005 meetings and possible topics for the TFESSD Conference

12. It was agreed that the next meeting will take place in Oslo, Norway. The meeting agreed to tentatively plan for June 16-17, the dates to be confirmed by the Donors. Suggested topics for the consultation, and the conference, include the following:

- Integration of activities at the country level
- Knowledge sharing (the Bank agreed to look at the impact of the activities on policy and to showcase best practice lessons; a preliminary identification of these activities will be made and shared with the donors for their comments in advance)
- TFESSD Evaluation

TFESSD Consultations – November 30, 2004
Washington, D.C.
List of Participants

Norway, Royal Ministry of Foreign Affairs / The Norwegian Agency for Development Cooperation

1. Mr. Trond Lindberg, Deputy Director General, Ministry of Foreign Affairs
2. Mr. Olav Seim, Senior Advisor, Section for Multilateral Bank and Finance Institutions, Ministry of Foreign Affairs
3. Mr. Torgeir Fyhri, Higher Executive Officer, Section for Multilateral Bank and Finance Institutions, Ministry of Foreign Affairs
4. Ms. Hildegunn Olsen, NORAD

Finland, Ministry for Foreign Affairs

1. Mr. Asko Luukkainen, Counsellor, Unit for Development Financing Institutions, Department for Global Affairs, Ministry for Foreign Affairs
2. Ms. Kaisa-Reetta Karhu, Attaché, Unit for Development Financing Institutions, Department for Global Affairs, Ministry for Foreign Affairs

Reference Group

1. Mr. Desmond McNeill (Head of Reference Group), Research Professor, Centre for Development and the Environment (SUM), University of Oslo
2. Ms. Berit Aasen, Researcher, Norwegian Institute for Urban and Regional Research
3. Mr. Arve Ofstad, Head, Poverty Reduction Strategies Unit, Norwegian Agency for Development Cooperation (NORAD)
4. Mr. Petter R. Koren, Adviser, Department for International Cooperation, Ministry of the Environment
5. Mr. Henning Kloster-Jensen, Adviser, Section for the Environment and Sustainable Development Ministry of Foreign Affairs, Norway
6. Mr. Timo Voipio, Adviser, Social Development/Social Protection, Department for International Development Cooperation, Ministry for Foreign Affairs, Finland
7. Ms. Anita Kelles-Viitanen, Senior Development Consultant, Finland
8. Mr. Cato Nordlien, Research Assistant, Centre for Development and the Environment (SUM), University of Oslo

World Bank

1. Mr. Steen Jorgensen, Director, Social Development Department
2. Mr. James Warren Evans, Director, Environment Department

- 3 Mr. Sandor Sipos, Sector Manager, Social Protection Group
- 4 Ms. Valerie Kozel, Senior Economist, Social Protection Group
- 5 Ms. Vera Wilhelm, Senior Economist, Poverty Reduction Group
- 6 Ms. Haddy Sey, Consultant, Social Development Department
- 7 Ms. Ann Hjetland, Observer
- 8 Ms. Carol Bonney, Senior Resource Management Officer, ESDRM
- 9 Ms. Myrtle Diachok, Operations Analyst, Social Development Department
- 10 Ms. Nenuca Robles, Operations Analyst, Environment Department
- 11 Ms. Gertrude Ssali, Sr. Program Assistant, Social Protection Group
- 12 Ms. Aliya Husain, Research Analyst, Poverty Reduction Group

**Trust Fund for Environmentally and Socially Sustainable Development
(TFESSD)
Learning Events, November 29, & December 1-2, 2004**

**MONDAY, NOVEMBER 29, 2004
ROOM H1-200**

- 9:00 Breakfast/Coffee
- 9:30-10:00 Welcome and Introduction to the Learning Program (*Steen Jorgensen / Warren Evans*)
- 10:00-11:30 Environment Window Presentation:**
- Country Environmental Analysis (*Kulsum Ahmed*)
 - Implications of key policies (Operational Policy 8.60/Development Policy Loans) (*Kirk Hamilton*)
- 2:30-2:00 Buffet Lunch hosted by Warren Evans (*MC Dining Room C*)
- 2:00-5:00 Social Protection Window Presentation: Risk and Vulnerability Assessments**
- 2:00-2:15 Welcome and overview of SP Window activities (*Sandor Sipos, Acting Director, HDNSP*)
- 2:15-3:00 *Risk and Vulnerability Analysis (RVAs) at the WB*
Introduction to RVAs at the World Bank, lessons and future directions (*Valerie Kozel, HDNSP*)
Case study: Zambia Poverty and Vulnerability Assessment (*Valerie Kozel*)
Case study: Afghanistan RVA (*Renos Vakis, HDNSP*)
- 3:00-4:00 *Orphans and Vulnerable Children (OVCs) in Africa: Role of RVAs, Building Effective SP Strategies*
Overview of work in Africa on OVCs, future challenges (*Arvil van Adams, AFTHD*)
Africa's OVC toolkit (*Menahem Prywes, AFTH3*)
Orphanhood, Living Arrangements, and Human Development in Tanzania (*Kathleen Beegle, DECRG*)
- 4:00-5:00 Roundtable discussion with SP Board members (Coffee available)

WEDNESDAY, DECEMBER 1, 2004
ROOM H1-200

- 9:00 Breakfast/Coffee
- 9:30-12:30 Poverty Window Presentation: Poverty and Social Impact Analysis**
- 9:30-10:00 Overview (*Stefano Paternostro, PRMPR*)
- 10:00-10:30 PSIA in Africa: An Overview of Selected Cases (*Maria Correia, AFTS2*)
- 10:30 -11:00 Discussion
- 11:00-11:15 Coffee Break
- 11:15-12:10 WDR 2006 Presentation: Equity and Development (*Francisco Ferreira, Giovanna Prennushi, DEC*)
- 12:10 -12:30 Discussion
- 12:30 - 2:00 *Optional Brown Bag Lunch*: Presentation on “Accountability and Fiscal Capacity in the Philippines” (*Victoria Garchitorena, President, Ayala Foundation*)

THURSDAY, DECEMBER 2, 2004
ROOM H1-200

- 9:00 Breakfast/Coffee
- 9:30-1:00 Social Development Window Presentation: Country Social Analysis**
- 9:30 – 9:45 Overview of CSA (*Steen Jorgensen, SDV*)
- 9:45 – 11:00 Presentations of Ongoing CSA Work
- Yemen (*Colin Scott, MNSRE*)
 - Paraguay / Sao Tome / Angola (*Estanislao Gacitua-Mario, SDV*)
 - Kenya (*Paul Francis, AFTS2*)
- 11:00-11:15 Coffee Break
- 11:15-11:45 Discussion on CSA
- 11:45-1:00 Meeting with the Social Development Sector Board (*Lunch served*)

**Trust Fund for Environmentally and Socially Sustainable Development
(TFESSD)**

Semi-Annual Consultation Meeting, November 30, 2004

TUESDAY, NOVEMBER 30, 2004

ROOM: H1-200

- 10:30-11:00 Welcome Remarks, Introduction of Participants (including new window managers) and Overview of the Agenda (*Steen Jorgensen*)
- 11:00-12:30 Presentation and discussion of the October 2004 Semi-Annual Report
- Update on FY05 approved proposals
 - Report format/content
 - Schedule of receipt of funds and administrative counterparts for Norway and Finland
- 12:30-2:30 Luncheon hosted by Steen Jorgensen (*MC Dining Room F*)
- 2:30-5:00 Continuation of discussion
- FY06 Call for Proposals
 - TFESSD Joint Review: Status
 - Timing of June 2005 meetings and possible topics/agenda
- 6:30 p.m. Welcome Dinner hosted by Ian Johnson, Vice President and Head of the Environmentally & Socially Sustainable Development Network (*Old Ebbitt Grill, 675 15th Street, N.W. Washington, DC*)