

Systematic Country Diagnostics – An overview of current thinking

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(based on work done by the SCD Advisory Group)

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SCD Interim Guidelines – at a glance

- Diagnostic exercise conducted by WBG country teams in consultation with national authorities and other stakeholders
 - Identify *key challenges and opportunities* for the country to accelerate progress in poverty reduction and shared prosperity in a sustainable way
 - Not limited *a priori* to areas of engagement for WBG in the country
- Conducted *upstream of the CPF* to inform strategic discussions with clients
- Based on best possible analysis of available evidence
 - Seek to involve country partners in preparation and be informed by citizens' feedback
 - Identify data and knowledge gaps that merit attention
- CMU will nominate TTL with integrative & analytical skills
 - Team would draw on expertise across GPs and CCSAs, IFC & MIGA, as appropriate
- Robust and contestable review process
- Disclosure of SCDs will follow WBG's Access to Information policy
- SCDs mandatory for all country strategies going to the Board from January 1, 2015
- Full SCD guidelines by end-2014, reflecting experiences with early SCDs

The potential value-added of SCD

The “integrative” and not “piecemeal” nature

- Combining considerations of growth, inclusion, sustainability, and citizen voice
- Considering the interlinkages, complementarities and tradeoffs

Identifying priorities using evidence – to help CPF become more selective

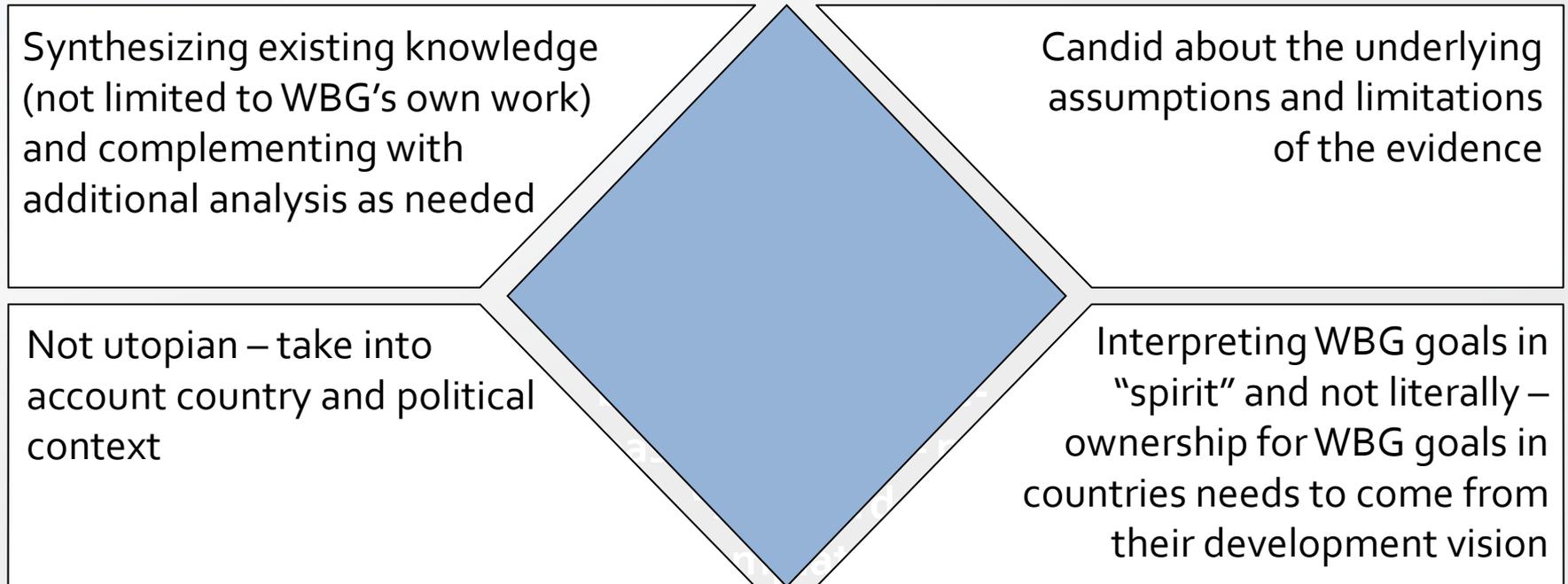
- CPF will typically reflect intersection of priority areas identified by SCD, client demand and WBG’s comparative advantage
- If CPF departs from priority areas identified by SCD, should be transparent about the rationale for doing so

Advantage of SCD being linked with, and yet distinct from, the CPF

- More likely to become the basis for transparent and evidence-driven discussions about how choices are made in CPF

SCD can become a valuable resource for country governments and other stakeholders, quite apart from its use in CPF

What an SCD would look like (I)



Follow a flexible model for citizen engagement and participation of country partners
Recommended:

- Collaborative work with government teams, think tanks, private sector and civil society
- Eliciting feedback and inputs from stakeholders, including civil society and private sector organizations

What an SCD would look like (II)

Structured around a few high-level questions or sections

I. Framing the issues, in terms of the current trends and patterns in poverty, shared prosperity and sustainability.

II. What are the critical factors driving or constraining aggregate growth?

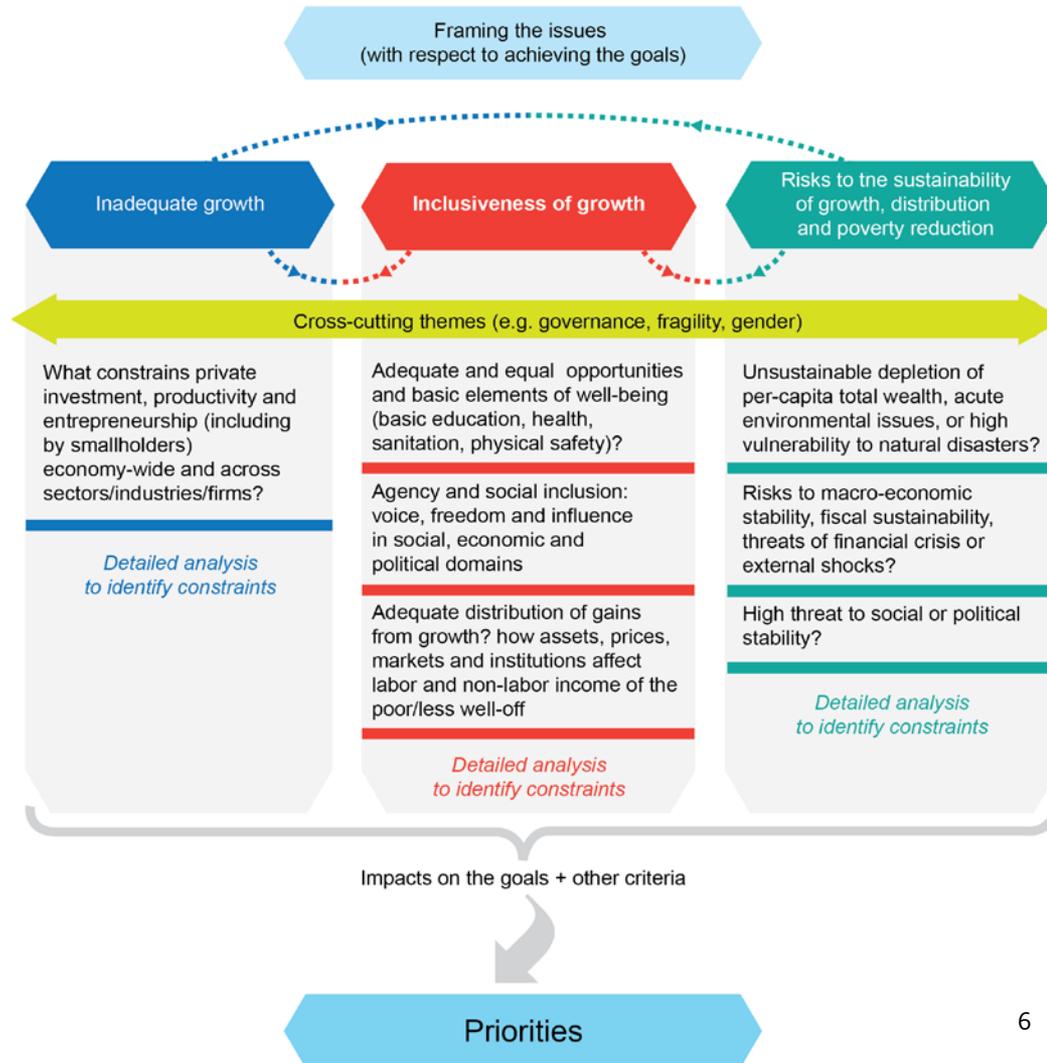
III. What are the critical factors determining the inclusiveness of growth, namely increase in welfare of the poor and less well-off?

IV. How sustainable (environmentally, socially and fiscally) is the current pattern of growth, distribution and poverty reduction?

V. Based on the analyses in 1-4 above, identify a **select set of priority or focus areas** for a country, in order to maximize poverty reduction and welfare improvements among the less well off.

A suggested analytical framework

What key constraints (and opportunities) does the country face in accelerating progress in poverty reduction and shared prosperity sustainably?



More detailed questions under each theme to guide the analysis to identify constraints

A few suggested criteria to aid prioritization between constraints