

**MOPAN ASSESSMENT REPORT**  
**World Bank (IDA and IBRD), 2023**  
**WORLD BANK MANAGEMENT RESPONSE**

1. **Management welcomes the Multilateral Organisation Performance Assessment Network’s (MOPAN) Assessment Report of the World Bank (IDA and IBRD) for 2023.** Management would like to thank MOPAN for the collaborative engagement throughout the assessment process. This is the seventh assessment by MOPAN of the World Bank (IBRD/IDA), and the institution has changed significantly over the years. Financial commitments have quadrupled over the last two decades, since the first MOPAN assessment was done in 2003. The Bank’s contribution to development results, its ability to respond to crises, and provide leadership in shaping the global development agenda have all been tested and significantly enhanced during this period. This assessment is also a timely contribution to the ongoing work on the World Bank’s Evolution Process, which seeks to define a new vision and mission, adapt its operating model, and boost its financing capacity to respond multiple pressing challenges of the 21st century at the country, regional, and global level.

**Overall Comments**

2. **Management welcomes the report’s recognition of the significant progress made by the Bank across Key Performance Indicators (KPIs), since the last MOPAN assessment in 2015-16.** This assessment uses the latest MOPAN 3.1 methodology, where the “threshold for each rating has been raised [since 2019] to reflect the increasing demands of organizational performance in the multilateral system”. The overall positive assessment is particularly noteworthy when seen in the context of: (i) a more complex external operating environment with recurring global crises and pressures on multilateralism, (ii) the bigger scale of IBRD and IDA operations, and (iii) the higher bar of performance used in this year’s MOPAN assessment framework. The assessment rates IBRD/IDA performance as Highly Satisfactory for the following KPIs – (i) organizational architecture and financial framework; (ii) operating model and resources support relevance and agility; (iii) cost- and value-conscious organizational systems that enable transparency and accountability; and, (iv) planning and intervention design support relevance and agility. Management notes that the Bank – like other multilateral institutions – has been tested in these and other areas during the multiple crises, and needs to continue efforts to achieve and maintain ‘fit for purpose’ standards.

3. **Management welcomes the report's recognition of the Bank's response to the recent confluence of crises, which took place with scale, speed, flexibility and in partnership.** The Bank has demonstrated its ability to respond to clients in a volatile global environment, while continuing to implement existing commitments and strategic directions. Multiple overlapping crises have eroded the pre-2020 development progress, resulting in increased poverty and vulnerability and intensified risks. The Bank has significantly stepped-up lending since 2020 – the average annual commitments during Fiscal Year (FY)14-19 was about \$43.8bn, and this has increased by over 50 percent to \$67.5bn during the post-COVID19 period of FY20-23 (and a record \$72.8b in FY23). Several portfolio quality indicators remain at a historical high, including record disbursements of \$51bn in FY23, and project-level and country development outcomes ratings by the Independent Evaluation Group (IEG) at their highest levels since 2012. The achievement of results at both scale and impact continues to drive the Bank’s engagement in countries. For example, through IBRD/IDA support during FY19-22, over 500 million people have

received essential health, nutrition and population services, and helped reduce Greenhouse Gas Emissions by 147 TCO<sub>2</sub>EQ/year. On partnerships, the Bank convened a Multilateral Taskforce during the pandemic along with the IMF, WHO and WTO to establish a global multilateral platform to effectively coordinate worldwide pandemic response and to amplify the needs of developing countries, by focusing on challenges related to procurement, trade barriers, supply chains, manufacturing, and distribution of essential medical supplies and vaccines.

4. **As part of its ongoing Evolution process, the World Bank is making a significant effort to become a better and bigger Bank including in ways that align with several areas highlighted in the MOPAN assessment.** These include revisions to the vision and mission statement to recognize planetary boundaries more explicitly, while continuing the focus on poverty and shared prosperity. The work underway on preparing a new Corporate Scorecard is closely aligned to the new vision and mission statement. Among the objectives of the Bank's Evolution are to increase impact, speed, and scale of country programs, better tackle global challenges, and better prevent, prepare, and respond to crises. Achieving these objectives will be done through building on and sharpening the institution's comparative advantages, including its country-based model, its public and private sector capabilities, its knowledge and convening power, and partnerships. The ongoing iterative process on the WB Evolution will culminate in a Development Committee paper to be submitted to the 2023 Annual Meetings in Marrakesh.

5. **To deliver on an expanded mission and a strengthened operating model, the World Bank's financing and mobilizing capacity needs to be increased substantially.** Management appreciates the report's positive assessment of the recent changes to the Bank's financial framework, including the Hybrid Financial Model for IDA, the new IBRD Financial Sustainability Framework and Trust Fund reforms. Additional measures that were proposed in Spring 2023 are expected to increase IBRD's lending capacity by up to \$50bn over the next 10 years. Further balance sheet optimization measures, including those mentioned in the G20 MDB Capital Adequacy Framework paper, like shareholder hybrid capital and enhanced callable capital, are being considered for IBRD. In parallel, it remains important to meet the significant financing needs of Low-Income Countries, and various short and medium-term measures for strengthening IDA's financing are being implemented and considered. Increased financial capacity will be required across all World Bank institutions. Additional concessionality will be required to increase the focus on global challenges, including incentives for IBRD borrowers to address cross-border externalities. Given the enormous scale of financing needs, Management is committed to working in partnership with the broader development community, in greater concert with other MDBs, and seeking to further mobilize private capital to deliver solutions at scale.

6. **The following section sets out plans for several areas assessed in the MOPAN report with a 'satisfactory' rating (as opposed to 'highly satisfactory').**

## **Key Areas in the World Bank Evolution with relevance to MOPAN report**

7. **‘One World Bank’ and Mobilizing Private Capital:** Reaching the ambitions of the World Bank’s Evolution and scaling our impact rests on our ability to bring solutions to clients that optimize the comparative advantages of the public and private sector. Overall, it is essential that (i) World Bank, IFC, and MIGA operate in markets, segments, and countries where we are most needed; (ii) we support and promote policies that are conducive to sustainable investment; and (iii) we mitigate market failures, not create distortions, or crowd out the private sector, and facilitate (both enable and mobilize) private capital. This will entail focused delivery of joint products and programs, coordination across sectors, themes and clients, unified metrics for tracking progress and addressing institutional incentives to promote greater collaboration.

8. **Knowledge and Learning:** Knowledge is pivotal for transforming development finance into development impact. It does so by supporting sound policy and regulations and by producing and curating data that will allow countries to learn and replicate good ideas and achieve results at scale. Our clients particularly welcome the Bank’s unique capacity to balance and integrate global and country-based knowledge to replicate and scale-up development successes. They recognize that knowledge is delivered, generated, and disseminated through different channels: our financing, our analytics and advisory work, and our ability to convene a vast network of practitioners and experts that facilitate countries and stakeholders to learn from each other. Among the options being considered are an updated set of core analytical products, strategic high-value partnerships, and better knowledge curation. Learning from IEG evaluations, which has been highlighted in the MOPAN report as requiring attention, continues to be a priority with ongoing work to strengthen the annual Management Action Record process.

9. **New Corporate Scorecard:** The World Bank is revamping its Corporate Scorecard. The Scorecard will monitor the collective results of all World Bank institutions, fostering implementation of the one World Bank approach. It will be selective, focusing on a small number of key results that are thematically structured to align with the new mission as well as the SDGs. It will also replace the current expansive, three-tier Scorecard. The focus on development outcomes is expected to address the issues identified in the MOPAN assessment, including those relating to cross-cutting areas, like climate, gender, and fragility. The new Scorecard will serve three primary purposes: to drive a unified focus on key outcomes; to manage with evidence; and to communicate results. The new World Bank Corporate Scorecard is expected to be rolled out in a phased manner starting in FY24.

10. **Global Priority Programs:** The Bank is considering a set of Global Priority Programs (GPPs) that address challenges across multiple countries. The process is currently underway for the final selection of GPPs. Addressing these challenges with scale and speed requires large-scale programs that connect country project outcomes to global challenges and targets. This would build upon the World Bank’s response to the COVID-19 pandemic, where the use of the Multiphase Programmatic Approach was an instrumental part of its ability to achieve impact in countries.

11. **Partnerships:** Working through partnerships is embedded in the way the World Bank does business, but more can be done to improve and expand collaboration. Partnerships at the country level will be strengthened, notably through more coordinated dialogue and policy support that draws on enhanced core analytics. In addition, partnerships that focus on global and regional challenges are expected to continue to grow, including through support for standard-setting processes that will facilitate work on the identified global challenges. Improved coordination across the multilateral system will be a particular area of focus.

12. **Operational effectiveness:** To best serve our clients, and respond to their specific feedback, the World Bank is taking steps to increase our speed and quality of delivery to clients. Among other measures, IBRD/IDA is moving towards greater use of country systems in the implementation of projects and programs, applying more of a risk-based approach, and transitioning towards increased use of programmatic approaches. Changes to operational procedures, behaviors, and culture, will enable more timely responses to urgent and evolving client needs, with greater focus on impact and outcomes.