

PERFORMANCE AT A GLANCE

The World Bank

JULY 2023



ABOUT THE WORLD BANK

The World Bank comprises the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA). Together with the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA) and the International Centre for Settlement of Investment Disputes (ICSID) they constitute the World Bank Group (WBG). IBRD was established in 1944 to help war-torn Europe rebuild its infrastructure. The creation of IDA in 1960 addressed an important gap by providing resources to low-income countries (LICs) that face issues of creditworthiness, thereby complementing IBRD's activities. IFC and MIGA, which are not covered by this assessment, were created in 1956 and 1988, respectively.

Today, the World Bank operates in 145 countries in all regions of the world and across all major sectors of development. It employs 12 778 full-time staff, 46% of which are based outside of World Bank Headquarters in Washington, DC.¹ IBRD and IDA operate under separate financial models: IBRD provide loans from its own equity and capital market borrowings whereas IDA is financed through member contributions that are now also supplemented by market borrowing. IBRD provides lending on market terms to middle-income countries (MICs) and creditworthy LICs, whereas IDA provides concessional lending, often on grant terms, to the poorest countries. These financial products are complemented by guarantees, risk management products, advisory services and analytical work in line with the World Bank's comparative advantage as a solutions bank. At the end of FY22, the World Bank had over 1 978 ongoing projects valued at USD 299 billion in net commitments.

Since its inception, the Bank has leveraged its capital base significantly. IBRD cumulative lending amounts to around USD 820 billion on a paid-in capital base of USD 20 billion and total shareholder capital of USD 307.1 billion. IDA, since adopting the hybrid model in IDA18, has provided its clients with an additional USD 3-4 for every USD raised through donor contributions.

In order to address the scale of counter-cyclical support needed by borrowing countries to address the ongoing impacts of COVID-19, the World Bank advanced its current replenishment cycle (IDA20) by one year. The IDA20 Replenishment was concluded in December 2021 with a policy and financial package totalling USD 93 billion to support 74 eligible countries between July 2022 and June 2025, made possible by donor contributions of USD 23.5 billion. The remaining

ORGANISATION AT A GLANCE

Established: 1944 (IBRD)
1960 (IDA)

Member Countries:
189 (IBRD)
174 (IDA)

Headquarters: Washington, DC

Operations: in 145 countries

Country Offices: 130

Staffing: Almost 13 000 full-time

FY22 Commitments:
USD 70 billion

FY22 Disbursements:
USD 49 billion

1. Numbers as of end of FY22 as reported in the FY22 Annual Report.

funds comprise funds raised on capital markets, loan repayments and income-based transfers from IBRD to IDA. These are complemented by trust fund assets of USD 63.9 billion. Performance highlights and opportunities.

The World Bank continues to demonstrate overall strong performance across multiple areas, culminating in strong delivery of development results. Notable strengths include the Bank's strategic management, financial management, operating model and results-based management.

KEY FINDINGS

The World Bank has two goals: reducing poverty and promoting shared prosperity. They achieve these goals through a Country Engagement Model (CEM) that is evidence-driven and adaptive. This CEM was further refined over the assessment period. Dialogue with borrowing countries is based on a strong foundation of evidence and diagnostics, yielding relevant and selective Country Partnership Frameworks (CPFs). Strong systems for supervision and implementation support help ensure that operations remain responsive to borrower needs and help address implementation bottlenecks through an adaptive approach.

The strength of the Bank's financial model is unparalleled, delivering clear value for the contributions of its members and other partners. IDA's hybrid financial model and prudential framework expands the scale of concessional funding available to eligible countries far beyond member contributions. Furthermore, IBRD's new Financial Sustainability Framework (FSF) helps ensure sustainable lending over the medium term while allowing for flexibility to respond to crises and shocks. The Bank's ongoing trust fund reform has increasingly streamlined the management of trust funds and enhanced their strategic orientation and alignment to country needs. A reformed cost recovery framework has enhanced efficiency and value for donors, particularly for operations implemented through external partners.

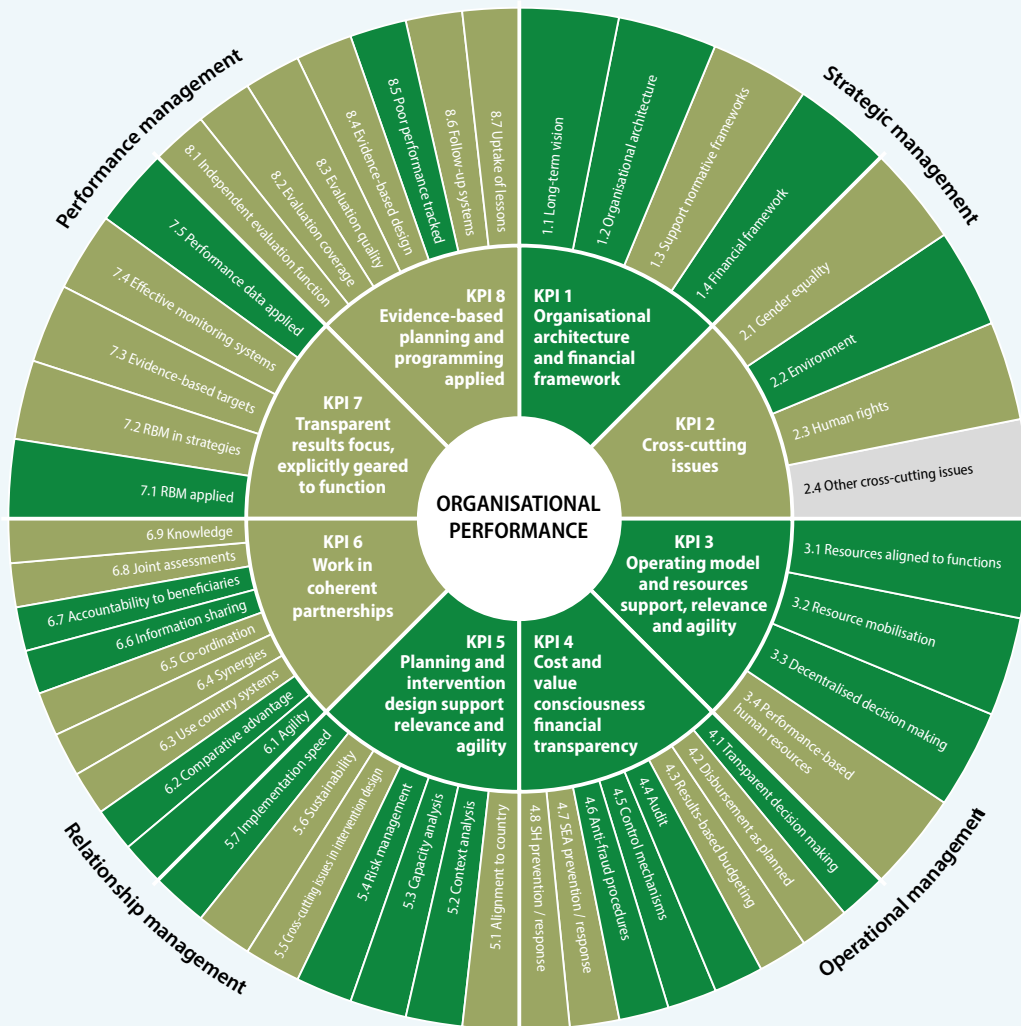
The Bank's risk management frameworks and safeguarding practices are fully integrated into the operating model and increasingly go beyond good practice to reflect a proactive and preventative approach.

Safeguards and integrity processes are embedded into the CEM, ensuring consistency of application while also promoting the use and reinforcement of country systems, particularly for environmental and social safeguards and financial management. Internally, integrity and ethics functions conduct outreach to staff to reinforce awareness and trust in reporting and whistleblowing systems and use evidence to prevent risks before they materialise. The World Bank's efforts to prevent and respond to Sexual Exploitation and Abuse (SEA) and Sexual Harassment (SH) are particularly notable. The Bank operationalises support from its members in a way that promotes development effectiveness, transparency and accountability and avoids unintended harm to beneficiaries.

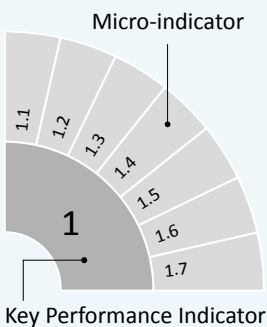
However, the Bank can strengthen its delivery on its comparative advantage by: (i) working more systematically with IFC and MIGA as "One Bank Group;" (ii) strengthening its role as a convener to address global and transboundary development challenges; and (iii) better positioning its knowledge to promote policy coherence and reform. Furthermore, although the Bank has scaled up the alignment of its operations and financing to global themes such as gender and climate change, it faces challenges in demonstrating its contribution to outcomes for these issues across a complex global portfolio. This challenge is partly attributable to the need to balance the Bank's country-driven focus with strategic emphasis on global and regional development challenges. Strengthening the role of regional strategies and operations in the Bank's overall results architecture is one possible means of addressing this gap.

As the Bank's knowledge products play an increasingly important role in its contribution to addressing global and regional public goods and "bads," there is scope to better integrate them into its overall strategic and results architecture. Beyond delivery of outputs and client perceptions of quality, there is room to better articulate how the Bank's knowledge contributes to policy reform and coherence and supports its contribution to development outcomes across countries and regions. Furthermore, there are opportunities to more clearly demonstrate how the Bank leverages its extensive operational knowledge and lessons to enhance development results.

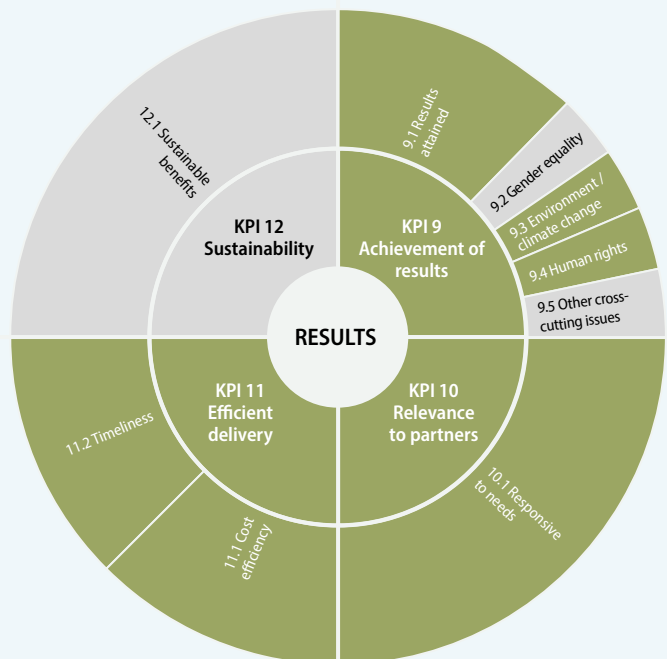
FIGURE 1: WORLD BANK'S PERFORMANCE RATING SUMMARY



How to read these charts



- **Highly satisfactory** (3.51-4.00)
- **Satisfactory** (2.51-3.50)
- **Unsatisfactory** (1.51-2.50)
- **Highly unsatisfactory** (0-1.50)
- **No evidence / Not applicable**



The Bank actively convenes and co-ordinates with partners at the country, regional and global level. They have recently introduced new structures and practices to enhance the selectivity of their partnerships in line with their comparative advantage. Trust fund reform has reduced fragmentation by consolidating existing funds into consolidated Umbrella Programmes, streamlining their overall governance and providing operational flexibility. New tools such as the Strategic External Funds Framework (SEFF) help promote the alignment of these funds with donor priorities and country needs. However, beyond trust funds, there is room to enhance the strategic management and results orientation of the Bank's other partnerships, which may not be linked to a pool of resources, but promote knowledge sharing, policy and operational coherence, joint programming, and transparency.

Expansion of the IDA Regional Window, including the recent approval of the programme-for-results instrument for regional operations, has provided a strong platform for addressing transboundary issues. In addition to making it easier to access additional resources for regional operations, this expansion allows for closer partnerships with regional organisations. However, more attention is needed to create financial incentives for MICs and enhance the fitness for purpose of the Bank's existing instruments to address transboundary issues. Despite recent progress, there also remain opportunities to better define, measure and demonstrate the regional benefits of such operations, including better integration into corporate results frameworks.

The Bank's knowledge work (advisory services and analytical products (ASA)) has played a key role in ramping up the alignment of the Bank's operations to global issues such as gender, fragility, and climate change. Knowledge work, including recently introduced regional ASA, will continue to play an important role as the Bank seeks to enhance its support for global public goods. However, the Bank does not consistently demonstrate the contribution of its knowledge work to policy dialogue and reform, operational design, or overall country development objectives.

Beyond difficulties in demonstrating results achieved for global themes, the Bank faces similar challenges demonstrating the sustainability of its operations. Strong mainstreaming of global themes has provided an important foundation for results; however, these are difficult to aggregate across a complex global portfolio and take time to mature. Independent evaluation plays an important role in providing evidence of the sustainable impacts achieved by operations in their development objectives, as well as several case examples available at the country level. However, due to the scale and scope of the Bank's portfolio, there are trade-offs in coverage. It is likely that results are being achieved and yielding sustainable impacts based on the overall performance of operations in their achieving development objectives as well as several case examples available at the country level.

The Bank's move toward strengthening the "outcome orientation" of its CPFs is likely to make an important contribution to addressing these challenges by enhancing the Bank's self-evaluation system.

The World Bank faces a complex development landscape characterised by increased fragility, vulnerability, and sovereign debt. As it seeks to enhance its operating model and delivery of sustainable development results, it must balance its CEM with the delivery of global public goods, scale up the mobilisation of finance for the sustainable development agenda, and support the implementation of the Paris Agreement through enabling policy reform and coherence. The Bank's efforts to "serve all clients" are increasingly important in this context.

An overview of the Bank's performance against key areas of the MOPAN Framework are provided in Figure 1. Each organisation MOPAN assesses operates according to its unique context.

It is to be noted that comparison to other assessed organisations and previous assessments by MOPAN is strongly discouraged due to changes in methodology over time and differences in the scale, operating context, and comparative advantage of different organisations.

MAIN STRENGTHS

- Unparalleled strength of the Bank's financial framework, including the Hybrid Financial Model for IDA, the new IBRD Financial Framework and Trust Fund reform. Changes made over the assessment framework have further expanded resources for concessional lending, promoted sustainable lending over the medium-term and reinforced value for shareholders.
- A well-established Country Engagement Model (CEM) promotes the upstream integration of evidence and global themes and downstream adaptation to changing needs and contexts. Corporate measures such as the gender tag and climate co-benefits have promoted extensive integration of global themes into operations downstream.
- Strong safeguards and internal control systems for fraud and corruption, procurement, and environmental and social safeguards, including prevention of and response to Sexual Exploitation and Abuse (SEA) and Sexual Harassment (SH). Safeguards are fully integrated throughout the CEM. Increasingly, internal control functions are adopting a proactive approach focused on prevention and outreach.
- Strong performance of operations in contributing to development outcomes. Performance of World Bank operations has improved since the previous assessment period with 85% of operations validated as moderately satisfactory or higher for contribution to project development outcomes.

AREAS FOR ATTENTION

- The "Cascade" process is not being implemented systematically to build upon the World Bank Group comparative advantage in mobilising finance for development. The role of the Bank in facilitating private investment could be better defined and measured.
- The Bank is an active convener globally, regionally and at country level. While the Bank has recently established processes to enhance the selectivity of its global partnerships, there remains no framework to guide and demonstrate the contribution of these partnerships to development results. Other partnerships at the regional and country level are implemented in a decentralised way that is not institutionalised.
- The Bank's regional operations are key to addressing transboundary development challenges and promote regional public goods. There is a need to better demonstrate regional outcomes, streamline instruments for regional operations and enhance incentives for MICs.
- The Bank often does not demonstrate the contribution of its Advisory Services and Analytics (ASA) to the achievement of development outcomes. There is also room to promote more systematic uptake of these resources for operational learning.
- There are opportunities for the Bank to better demonstrate the outcomes of its support in addressing global challenges such as climate change. In addressing this challenge, the Bank may consider strengthening measuring its contribution to global goods at the country and regional level, including through increased evidence from evaluation. This would complement the many positive steps the Bank has taken in addressing global challenges.

ABOUT THE ASSESSMENT OF THE WORLD BANK

This report provides a diagnostic assessment and snapshot of the World Bank (IDA/IBRD) and tells the story of the World Bank's performance, within its mandate. It is the seventh MOPAN assessment conducted for the World Bank, following those completed in 2016, 2012, 2009, 2008, 2005, and a pilot exercise conducted in 2003. Building upon previous assessment in 2015/2016, this assessment covers the period from 2017 through 2022.

The assessment of the World Bank was conducted through a rigorous process and took a collaborative approach, integrating the perspectives of a wide range of stakeholders. This collaborative approach provides multilateral organisations and network members with evidence-based guidance to improve organisational performance.

The assessment draws on multiple lines of evidence (documentary, survey and interviews) from sources within and outside the organisation to validate and triangulate findings across 12 key performance indicators, which are broken down into more than 250 individual elements. The standard assessment framework reflects international best practice and was further customised to take into account the business models of Multilateral Development Banks (MDBs) and the specific mandate and priorities of the World Bank (See Chapter 4). Moreover, the assessment framework has also been revisited to capture the COVID-19 impact on the World Bank's mandate and operations, as well as to gauge to what extent the World Bank has been able to adapt and leverage its internal processes responding to COVID-19 in an agile manner.

The following operating principles guided the implementation of this assessment. MOPAN's Methodology Manual¹ describes in detail how these principles are realised.

THE ASSESSMENT APPROACH

The approach to MOPAN assessments has evolved over time to adjust to the needs of the multilateral system. The MOPAN 3.1 methodology applied in this assessment is the latest iteration.

MOPAN conducted annual surveys from 2003 to 2008 using the MOPAN Common Approach during 2009-14. The MOPAN 3.0 Approach was first adopted for the 2015-16 cycle of assessments.

In 2019, MOPAN 3.0 was renamed MOPAN 3.0* to acknowledge a change in how ratings (and their corresponding colours) were aligned with the scores defined for indicators. Compared to previous cycles conducted under MOPAN 3.0, the ratings threshold was raised to reflect increasing demands for organisational performance in the multilateral system. The underlying scores and approach to scoring were unaffected.

As of 2020, all assessments use the MOPAN 3.1 methodology, which MOPAN members endorsed in early 2020. The framework draws on international standards and reference points, as described in the MOPAN Methodology Manual².

2. MOPAN 3.1 Methodology Manual, 2020 Assessment Cycle, http://www.mopanonline.org/ourwork/themopanapproach/MOPAN_3.1_Methodology.pdf

ABOUT MOPAN

The Multilateral Organisation Performance Assessment Network (MOPAN) comprises 22 members³ sharing a common interest in assessing the performance of the major multilateral organisations they fund.

Through its assessments and analytical work, MOPAN provides comprehensive, independent, and credible information on the effectiveness of multilateral organisations. This knowledge base contributes to organisational learning within and among the multilateral organisations, their direct beneficiaries and partners, and other stakeholders. MOPAN's work also helps its network members meet their own accountability needs and inform their policies and strategic decision-making about the wider multilateral system.

3. Australia, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Korea, Luxembourg, Netherlands, Norway, Qatar, Spain, Sweden, Switzerland, United Kingdom, United States. *Türkiye and New Zealand are observers. MOPAN also collaborates closely with the European Union