



Program-for-Results

April 2013



# Why did the Bank develop a new instrument?

- **Development Effectiveness and Client Demand** – PforR responds to client demand that could not be fully met through existing instruments; it enhances development effectiveness of client programs and of development assistance
- **Focus on Results** – PforR places attention on results through more direct linkage of funding to the achievement of verifiable results and performance actions
- **Institutional and Capacity Building** – By using program institutions and systems, PforR will strengthen institutions/capacity of the whole program
- **Enhanced Partnerships** – PforR provides an opportunity to improve coordination among development partners in government programs

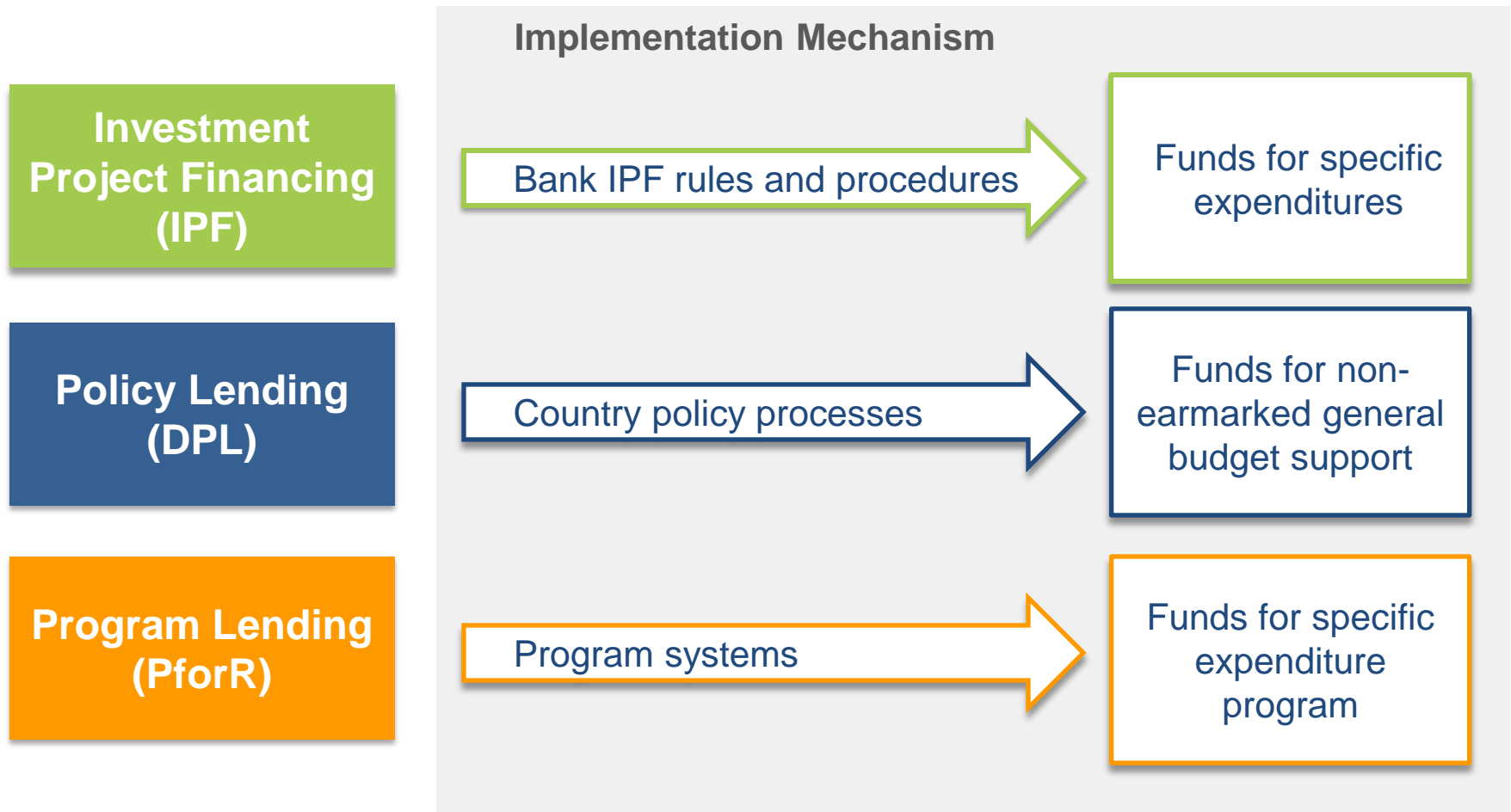


# How did the Bank develop PforR?

- **Concept Paper discussed by the Board** (February 2011)
- **Phase I Consultations** (March – June 2011)
  - ✓ 39 countries in all six regions - broad range of governments, development partners, civil society organizations, private sector, academics and other stakeholders
- **Board (CODE) discussion of draft Policy Paper** (August 2011)
- **Phase II Consultation** (August – September 2011)
  - ✓ Primarily web-based
- **Board Approval** (January 2012)



# How does PforR complement the Bank's menu of instruments?



# What are the key features of Program-for-Results?



It finances and supports borrowers' programs – sectoral or subsectoral, national or subnational



It disburses upon achievement of program results, not inputs



It focuses on strengthening the institutional capacity needed for programs to achieve their desired results

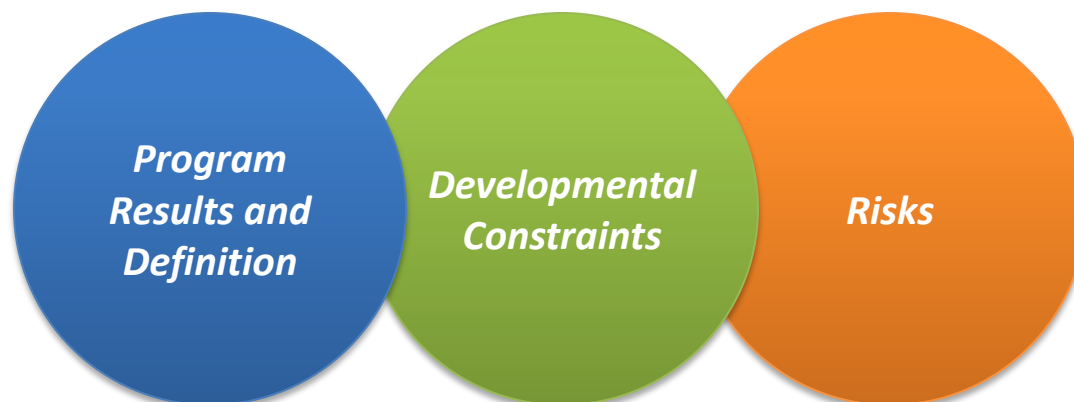


It provides assurance that Bank financing is used appropriately and that the environmental and social impacts of the program are adequately addressed



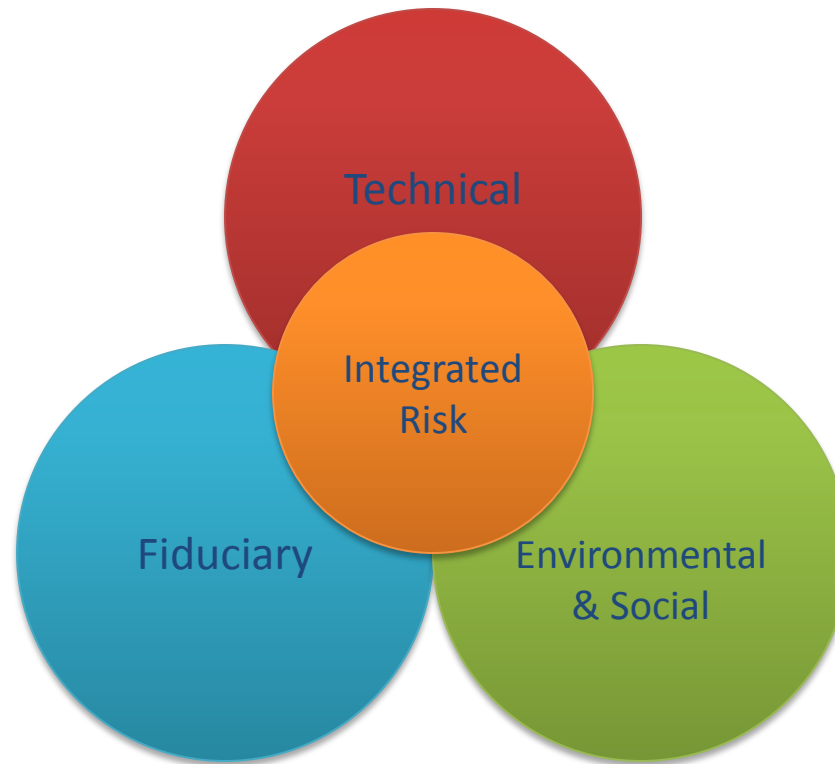
# Where can PforR be used?

- PforR can be used by any country in support of a program(s) or sub-program(s)
- PforR will not support investments (within programs) with:
  - Potentially significant, irreversible impact on the environment and affected people (typically Category A)
  - Investments requiring high value and/or complex procurement packages
- Bank decisions on the feasibility and scope of PforR take into account three primary considerations:



# Assessments

The Bank conducts four types of assessments:



# What are the assessments about?

- The Bank works in close partnership with the Client to assess the technical aspects of the program and the systems supporting the program.

These are the key questions that guide the work on the assessments:

- Do systems embody the principles of the policy (OP 9.00)?
- Do systems and/or institutional capacity provide reasonable assurance to achieve Program results?
- What are the system and/or capacity improvements that the government can realistically implement under the Program?





# What are Disbursement Linked Indicators?

- PforR operations would include a set of “disbursement-linked indicators” (DLIs) - the basis for disbursements
- Indicators are driven by outputs, outcomes, intermediate outputs, process/performance indicators
- **DLIs should be indicators that are:**
  - ✓ tangible,
  - ✓ transparent,
  - ✓ verifiable, and
  - ✓ under government’s influence
- If DLIs are partially met, then there will be partial disbursements



# Examples of DLIs from current operations - Morocco

## Access to services:

% population provided with access to improved water supply in INDH rural communes



## Participatory governance:

% of women and youth in local governance bodies



## System improvements:

% of key staff (in specific units) trained in environmental and social safeguards and management guide.

# Examples of DLIs from current operations - Ethiopia

## Program outcomes:

% of deliveries attended by skilled birth providers



## Program outcomes:

% of children aged 12-23 months immunized with Pentavalent 3 vaccine



## System improvements:

Health Centers reporting Health Management Information System (HMIS) data in time



# Implementation Support

- The Bank provides implementation support by:
  - Reviewing implementation progress and achievement of results and DLIs
  - Providing support on resolving emerging issues and building institutional capacity
  - Monitoring the adequacy of systems performance
  - Supporting the borrower in monitoring changes in risks
- When a DLI has been achieved, the borrower informs the Bank and provides any evidence agreed in the DLI verification protocol
- The DLIs may be modified following normal Bank project restructuring procedures



# Where are we?

- **Seven** operations approved by the Board totaling **\$1.1 billion** of Bank financing supporting a total of **\$3 billion** of government programs.
- In addition, **two** operations scheduled for approval by FY end, and another **ten** operations under preparation, for \$1.9 billion of Bank financing.
- Operations approved to date are in five **different regions** in a range of **country typologies** (from fragile states to MICs).
- The **sectoral breakdown** is also diverse with operations in transport, human /social development, urban and so forth.



# PforR Pipeline Operations

(as of April 2013)



# Approved Operations

Operation	Sector	Program description	Program Cost	Bank financing
<b>Ethiopia – Health Millennium Development Goals PforR</b>	Health	The objective is to support the implementation of the Health Sector Development Plan with a priority of helping the country to reach the Health-related MDGs.	\$676.10 million	\$100 million
<b>Morocco – National Initiative for Human Development (Phase II)</b>	Social Development	The objective is to improve access to and/or use of enhanced participatory local governance mechanisms, basic infrastructure, social services and economic opportunities.	\$1,115 million	\$300 million
<b>Nepal – Results-Based Bridges Improvement and Maintenance</b>	Transport	The objective is to provide safe, reliable and cost effective bridges on Nepal's Strategic Roads Network.	\$147.9 million	\$60 million
<b>Tanzania – Urban Local Government Strengthening Program</b>	Urban	The objective is to improve institutional performance for urban service delivery in participating urban local government authorities.	\$255 million	\$255 million
<b>Vietnam – Results-Based Rural Water and Sanitation</b>	Water and Sanitation	The objective is to support eight provinces in the Red River Delta region in providing sustainable water supply, sanitation and hygiene services .	\$260 million	\$200 million
<b>Uruguay – Road Infrastructure Program for Results</b>	Transport	The objective is to improve transport efficiency, through rehabilitation and maintenance of the national road infrastructure and enhanced public sector capacity.	\$510 million	\$66 million
<b>Uganda – Support to Municipal Infrastructure Development</b>	Urban	The objective is to enhance the institutional capacity of selected municipalities to address urban service delivery gaps.	\$160 million	\$150 million



# Client feedback

- Largely positive with appreciation for reduced Bank transaction processes
- Clients welcome use of their own country systems
  - Like the results focus
  - Increased client participation in negotiations (showing enhanced ownership)
- Welcome the dialogue shift from details to results
  - ‘more intellectual engagement’ in implementation support
- Increased choice in Bank financing instruments allow for better matching of needs on the ground





# Some early findings

- The PforR instrument has been adapted to varying country and sector contexts
- Each operation reflects the nature of the individual Programs in which they operate
- Program systems have been assessed as respecting policy requirements, and as being supportive of Program results with improvements as necessary
- Overall, risks to results have been assessed to be manageable
- Overall engagement and discussions on results and DLIs have fundamentally changed the dialogue between Clients and the Bank



**For more information, please visit**  
<http://www.worldbank.org/ProgramforResults>

