



**Program-for-Results**

**An Overview and Experiences**

**OECD Workshop - May 19, 2014**

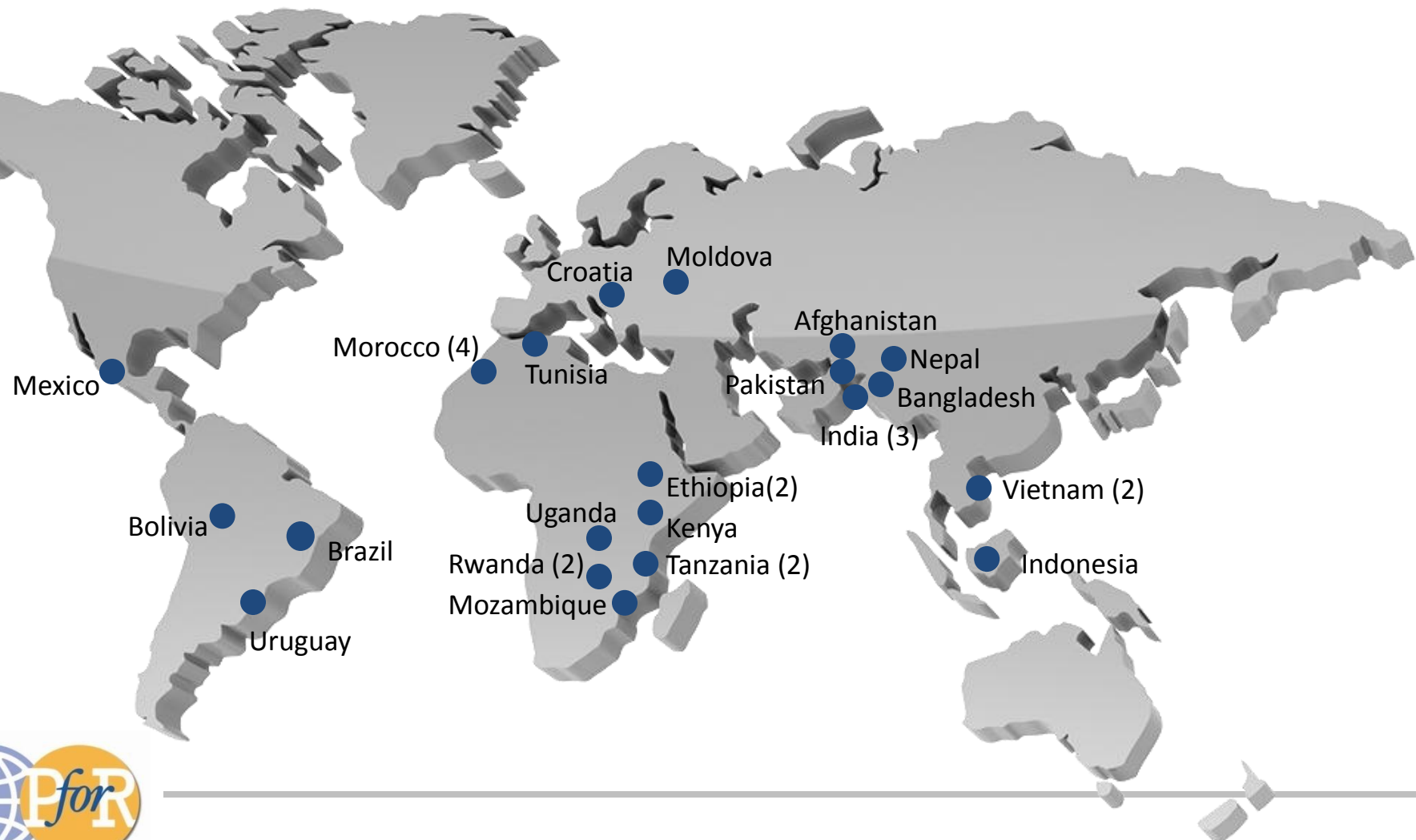


# Program for Results (PforR) Operations and Portfolio

- The PforR Instrument was introduced in January 2012 as World Bank's third Instrument in addition to Investment Project Financing (IPF) and Development Policy Financing (DPF)
- To date we noted good progress:
  - ✓ **Fourteen** operations approved by the Board totaling \$2.5 billion of Bank financing supporting a total of \$5.3 billion of government Programs.
    - About 13.5% of Bank financing has been disbursed to date
    - For projects approved for more than 6 months period, about 18.9% have already been disbursed.
  - ✓ Another **sixteen** operations under preparation, for \$2.2 billion of Bank financing
  - ✓ Operations approved to date are in **six different regions** in a range of **country typologies** (from fragile states to MICs)
    - 67% were in IDA countries
    - Diversified in both regions and sectors

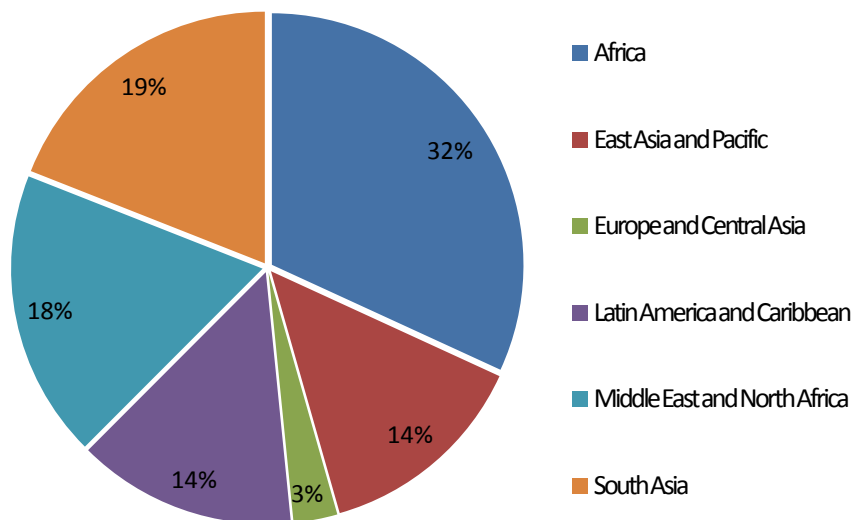


# PforR Approved and under Preparation Operations (as of May 2014)

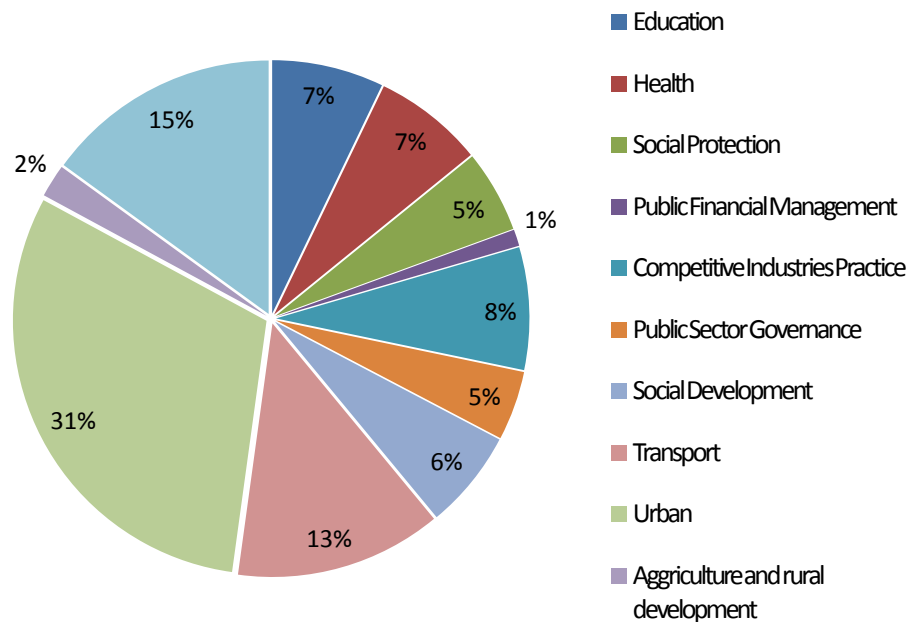


# Breakdown by Region and Sector

Pipeline Operations by Region  
(financing amount)



Pipeline Operations by Sector  
(financing amount)



# PforR: Objective & Key Features

## ■ PforR objective

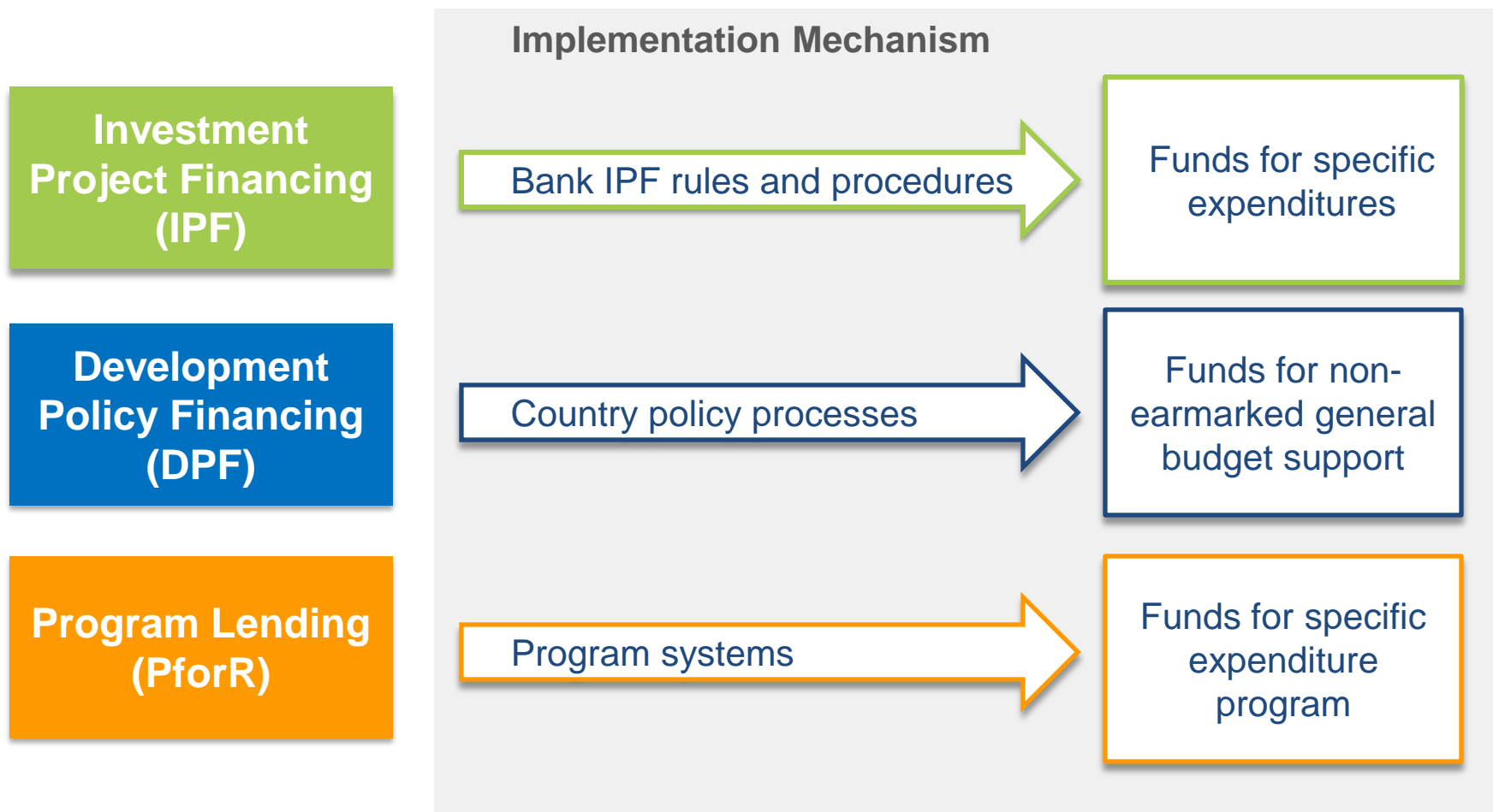
- ✓ Help clients improve the efficiency of their programs of expenditures and achieve lasting results by strengthening institutions and building capacity

## ■ PforR key features

- ✓ Finances and supports clients' programs of expenditures, using program systems
- ✓ Disburses upon achievement of program results, not inputs
- ✓ Focuses on strengthening the institutional capacity needed for programs to achieve their desired results
- ✓ Provides assurance that Bank financing is used appropriately and that the environmental and social impacts of the program are adequately addressed



# A Complementary Financing Instrument



# What does PforR Involve and What is Different?

- Identification of government program(s) of expenditures (or part thereof) to be supported
- Identification of key program results and definition of DLIs
- Assessment of the program, from technical, systems and risks aspects
- Identification of actions to enhance capacity and systems performance, as needed
- Implementation Support, i.e. Bank support to client in implementing its program in accordance with agreements reached with the Bank during preparation of the PforR operation



# Key to Incentives -- Disbursement Linked Indicators (DLIs)

- DLIs are driven by outputs, outcomes, intermediate outputs, process/performance indicators and are the basis for disbursement
- DLIs indicators should be:
  - ✓ tangible,
  - ✓ transparent,
  - ✓ verifiable, and
  - ✓ under government's influence
- If DLIs are partially met, then there can be partial disbursements
- Verifications arrangements have to be put in place, typically handled by government independent entities (usually in charge of conducting audits) or by private firms





# What Clients Like about it?

- Clients welcome use of their own country systems.
  - ✓ Like the results focus
  - ✓ Increased client participation in negotiations (showing enhanced ownership)
- Largely positive with appreciation for reduced Bank transaction processes.
- Support capacity building and system improvements and efforts to improve effectiveness and efficiencies of total government expenditures on a program (and not just Bank financing)
- Welcome the dialogue shift from details to results.
  - ✓ ‘more intellectual engagement’ in implementation support
- Verification of results is institutionalized
- Increased choice in Bank financing instruments allow for better matching of needs on the ground.



# Examples of DLIs from Current Operations

## Morocco National Initiative for Human Development (Phase II) Program

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



## Ethiopia – Health Millennium Development Goals

Program outcomes: % of deliveries attended by skilled birth providers



## Nepal Results-Based Bridges Improvement and Maintenance

System improvements: % of bridge works completed on planned schedule

# Examples of Actions to Enhance System Performance

## Morocco - National Initiative for Human Development (INDH) Phase II Program

- upgrade of INDH Grievance Redress Mechanism



## Uruguay - Road Rehabilitation and Maintenance Program

- development of environmental audit system for works



## Tanzania - Urban Local Government Strengthening Program

- establishment of a Records Keeping Management System

# The Two Year Review of PforR

- The Bank's Board asked that an initial review of experience with PforR be conducted after about 2 years of implementation
- The review is underway and aims to:
  - ✓ Assess the early experience with the design and implementation of PforR operations;
  - ✓ Identify emerging early lessons and recommend proposed changes to the PforR framework, as needed.



# Approach for the Two Year Review

Internal Bank Advisory Group

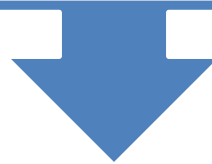
Independent External Panel

## Initial Stage of Information Gathering

Desk and literature review

Short Survey  
(for non -users)

Longer Survey  
(for PforR users)



## Interviews, initial findings , and consultations

Design protocols for semi-structured interviews

Identify initial findings from the various inputs

Consult with clients and key partners and stakeholders





## Reporting back

Prepare initial report for CODE

Based on feedback provided, prepare for Board discussion



# For More Information on PforR Operations:

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- All approved operations and related documents and assessments are on the website
  - The pipeline of operations is also on the website as well as the project information documents
  - The two year review information will be posted as it becomes available

Please visit the website:

<http://www.worldbank.org/ProgramforResults>





# THANK YOU!

