



The World Bank

July 9, 2013

CAROLINE ANSTEY
Managing Director

Ms. Gwen Hines
Executive Director for the United Kingdom
The World Bank
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Dear Ms. Hines,

Subject: Response to DFID's 2013 Update to the Multilateral Aid Review (MAR) for IDA

Thank you for sharing DFID's Multilateral Aid Review Update for the International Development Association (IDA). We appreciate the opportunity to engage with the UK as we work to make IDA more effective at achieving its mission, and we very much appreciate the confirmation that IDA offers the British taxpayer very good value for money.

As the report notes, we are committed to making the World Bank (the Bank) a more agile and efficient organization, and we are making progress on gender, support to fragile states, results management, and efforts to facilitate stronger partnership. We also appreciate the comments on additional areas for improvement which we will address through our ongoing work on the World Bank Group strategy and the change process.

Gender. We appreciate the acknowledgement that even though insufficient time has elapsed to assess the impact of IDA efforts to mainstream gender initiatives at the country level, there is evidence of changed behavior and greater incentives for project teams to scale up attention to gender issues. We have made considerable progress in integrating gender issues into country dialogues and strategies – 100 percent of new IDA Country Assistance Strategies (CASs) are now gender-informed. The Bank also surpassed the IDA target in terms of delivering gender-informed IDA projects. The launch of the 2012 World Development Report on Gender and Development and the Gender Data Portal both signal the Bank's commitment to mainstreaming gender considerations.

The Review update suggests that the focus of the Bank's dialogue with country governments should be on ensuring that gender commitments are included in Bank core documents (e.g., Country Assistance Strategies). Further, the Review update suggests the Bank uses its influence, where appropriate, to build constituencies around gender within countries and to encourage client country engagement on gender issues. The Bank is doing this already to a large extent, where CASs are required to draw on the findings of a country gender assessment. Our analysis shows that, in many cases, IDA is going beyond 'gender-informed' CASs by

including activities that address gender inequalities and improved monitoring and evaluation of these activities. As Country Strategies are based on substantive consultations and discussions with client governments, the enhanced efforts to include gender into IDA CASs is translating into heightened awareness and engagement of governments in gender issues. Nonetheless, more can be done—in partnership with other donors—to help our client countries focus on persistent gender disparities and to encourage them to consider gender issues in policy making.

The Review update also advises the Bank to scale up investments in women's voice and political participation and provide incentives to client countries to do the same. As acknowledged by the Review update, the Bank is working on a groundbreaking report on women's voice, agency, and participation to be released in 2014. The report's findings and recommendations will be used to inform IDA's policy dialogue and activities going forward.

Fragile States. We appreciate the acknowledgement that improving our delivery in Fragile and Conflict-Affected Situations (FCS) is on a positive trajectory. The key input indicators for strengthened support to FCS are all positive since the delivery of the 2011 World Development Report on fragility: better informed and structured CASs; more financial resources; and more staff working in fragile and conflict-affected situations. The Review rightly recognizes that since 2011, the Bank has spent about three times more per IDA dollar in implementation support in FCS than in non-fragile contexts. In addition, the total number of staff working in FCS increased by 14 percent between FY10 and FY13. The Bank has enhanced, for example, the incentives to attract the best local staff to work in FCS, including the introduction of cross-country assignments, and packages and career enhancement measures. Regional offices located near fragile situations, especially those in Africa, are playing an increasingly important role in contributing senior staff time to support project preparation and implementation in FCS. While the Update concludes that there is currently insufficient evidence to evaluate the impact these initiatives are having at the country level, there is already evidence of improved IDA performance. For example, the quality at exit of IDA operations in FCS is now at par with or, in some cases even better, than non-FCS operations.

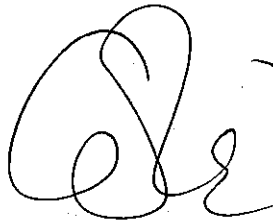
Contribution to Results. We welcome the finding that reasonable progress has been made against the priority "contribution to results." The Multilateral Organization Performance Assessment Network (MOPAN) has also acknowledged that the Bank has strengthened the results focus of its Country Strategies, and country results frameworks have improved in quality and consistency. The introduction in 2011 of the World Bank Corporate Scorecard, built on the IDA Results Monitoring System, further institutionalized the commitments to key performance indicators. The Bank Corporate Scorecard is an external accountability tool, and it is also increasingly being linked with our internal performance management systems, by aligning some of the Scorecard's indicators with performance measures at the Vice President level and strengthening the framework of formal incentives for results management. The Bank continues to improve the relevance of its Corporate Scorecard and to refine its results and performance indicators. Work is also beginning on the construction of the World Bank Group Corporate Scorecard—IDA, IBRD, IFC, MIGA—to be aligned with the Group-wide Strategy, currently under development.

Partnership Behavior. We appreciate the Multilateral Aid Review's acknowledgement of the Bank's efforts to improve partnership behavior, including the simplification of lending

instruments and the ongoing reviews of our procurement and safeguard policies. While we believe that our procedures and processes have ensured strong financial accountability, ongoing reforms are being designed to reduce preparation time and increase flexibility, enabling the Bank to work more effectively with our partners and further improving service delivery to clients. As the representative of the Multilateral Development Banks on the Steering Committee of the Global Partnership for Effective Development Cooperation, we are committed to advancing the international agenda for aid effectiveness. Building on our leadership in transparency and openness, we are working on such initiatives as upgrading the coverage and frequency of our International Aid Transparency Initiative (IATI) data, enhancing transparency in extractive industries and land, improving transparency in the tax sector to combat illicit flows, providing our clients with capacity building for beneficiary feedback, citizen engagement, third party monitoring and promoting open contracting.

In conclusion, we very much appreciate the insights and feedback from the Multilateral Aid Review, which helps us continue to improve our effectiveness for our clients. We want to ensure that IDA continues providing British taxpayers very good value for money and that we are best equipped to deliver development solutions to our clients and achieve our mission of ending extreme poverty and boosting shared prosperity.

With best personal regards,

A handwritten signature in black ink, appearing to read 'CA', with a large loop at the top and a smaller loop at the bottom.

Caroline Anstey
Managing Director