



Department  
for International  
Development



# UK engagement with the World Bank Group 2014/15





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# 1. Introduction

The World Bank Group<sup>1</sup> (WBG) is consistently identified as amongst the most effective development agencies by DFID and others,<sup>2</sup> and is a key development partner for the UK. Its global scale, expertise and mission make it an important actor in the international development architecture. Our engagement with the WBG allows the UK to extend our reach to a wider range of developing countries and increase our impact on poverty reduction. This engagement plan sets out how we will use this influence to drive change and make the Group an even more effective partner.

The UK's contribution to the WBG's concessional lending arm for the poorest countries (the International Development Association - IDA) demonstrates the central role of the Bank in delivering the Millennium Development Goals and their successors. From 2002-2012, results achieved by IDA include 188 million women receiving pre-natal care, over 120 million people gaining access to clean water and nearly 500 million children have been immunised.

As poverty becomes increasingly concentrated in Middle Income Countries, the International Bank for Reconstruction and Development (IBRD), the part of the Group lending to middle-income countries, will become even more important to delivering our ambition to end extreme poverty.

The International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA) are integral parts of the Group and central to delivering on DFID's aim of supporting economic development in poor countries. These agencies support private sector development through the provision of advice, finance and guarantees. In recognition of the important role IFC and MIGA play, we have stepped up our engagement with them and will work to ensure that they deliver maximum impact.

The WBG is currently reforming to make it even more effective by focusing all five institutions on delivering the twin goals of reducing global poverty and promoting shared prosperity. This is a crucial time for the Bank. Maintaining our momentum and focus on making the WBG quicker and more effective at reducing poverty will yield enduring dividends.

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<sup>1</sup> The World Bank Group has five parts: concessional lending for the poorest countries (International Development Association – IDA); non-concessional lending for middle income countries and credit-worthy countries (International Bank for Reconstruction and Development – IBRD); direct lending and investment in the private sector (the International Finance Corporation – IFC); the provision of guarantees for the private sector (Multilateral Investment Guarantee Agency – MIGA); and conciliation and arbitration of investment disputes (International Centre for Settlement of Investment Disputes – ICSID). The Multilateral Aid Review examined IDA and IFC. Most of the policies, procedures and management practices adopted for IDA apply equally for IBRD lending.

<sup>2</sup> the UK's 2012 Multilateral Aid Review and the Center for Global Development's Quality of Official Development Assistance report

## 2. What we aim to achieve in 2014/15<sup>3</sup>

The World Bank Group (WBG) is changing. When Dr Kim assumed office as the President of the WBG in 2012, he stated he would 'seek a new alignment of the World Bank Group with a rapidly changing world'<sup>4</sup>. This vision is being taken forward through the current WBG reform process which started on 1 July 2014. The reforms aim to create a more flexible, efficient, country-focused and coherent WBG focused on delivering the twin goals of poverty reduction and shared prosperity. The UK has been a strong supporter of Dr Kim's vision for the reforms. During 2014/15, the UK will continue to support the WBG's reform process, ensuring effective implementation and meaningful change for the Bank's working practices.

The UK actively engages with all parts of the WBG, each of which makes an important contribution to development. However, IDA is most closely aligned with DFID's core objectives and this is reflected in the way DFID's financial and human resources are focused. During the IDA17<sup>5</sup> replenishment negotiations, the UK secured from the WBG an ambitious set of targets and policy commitments and a number of innovations, including:

- a. **Improved engagement with fragile states.** IDA17's funding to fragile states will increase by 25%. Furthermore, the creation of a special 'Turn-Around Regime'<sup>6</sup> will enable the WBG to respond faster and more flexibly to changes and new opportunities in fragile states.
- b. **Increasing resources to the poorest countries.** The majority of IDA resources are allocated to countries through a formula based on need and ability to spend resources well. In IDA17, the formula has now been altered to increase the weighting given to 'poverty and need'.
- c. **Stronger focus on girls and women.** The WBG will put in place a refreshed strategy for gender equality with more ambitious targets and better monitoring. All IDA Country Partnership Frameworks will address gender inequality in their analysis, project portfolio and results frameworks. The WBG will also put in place a mechanism to look at what works and what doesn't in tackling gender issues across its portfolio.
- d. **Improved results indicators.** During IDA17 negotiations the WBG agreed to several new Bank-wide indicators, including on value for money and better targeting WBG programmes to poverty reduction and shared prosperity. The WBG also agreed to more rigorous indicators on efficiency and effectiveness in IDA Results Measurement Systems.

Additionally, the WBG has provided an option for donors to provide concessional loans to IDA. The UK is taking advantage of this in order to improve value for money for taxpayers and will contribute a portion of its overall contribution to IDA17 in the form of a loan. Given these innovations and improvements, the UK will contribute £3.3 billion (£2.8 billion grant and £486 million loan) to IDA17 from July 2014 to June 2017. Over the next three years a key UK objective will be to ensure the WBG delivers against these commitments.

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<sup>3</sup> The 'UK Engagement with the World Bank Group' report is published annually in October. The report tracks progress against the objectives from October to September of the previous year and contains new objectives for the following twelve month period.

<sup>4</sup> ["Statement from Dr. Jim Yong Kim regarding his selection by the World Bank's Executive Directors as 12th President of the World Bank"](#) - World Bank press release, April 16, 2012.

<sup>5</sup> The latest round of discussions on the financial contributions to the IDA fund

<sup>6</sup> The design of the Turn-around Regime is still being finalised by the WBG. The motivation behind this new mechanism is to improve how the WBG can manoeuvre and mobilise resources more flexibly in pre or post conflict situations. The new regime also has an increased weighting allocation that focuses more on poverty reduction.

The **UK's overall objectives for the World Bank Group in 2014/15** reflect our support for the WBG's vision and reform process whilst ensuring that this results in meaningful change across the entire WBG.

**Objective 1:** The WBG is better focused on delivering the twin goals of eliminating extreme poverty by 2030 and boosting shared prosperity and is more **efficient and effective** and better focused on **results and value for money (VFM)**.

- New and strengthened safeguards policy and implementation processes ensure the WBG better manages risks, protects the environment and communities in which they work and delivers an efficient and effective service to clients helping to hold the Bank more accountable for its actions.
- Results frameworks for IDA, IBRD, IFC and MIGA reflect the new goals, set targets for quality, and monitor the relevance and alignment of WBG operations.
- The WBG delivers \$400 million in gross administrative savings within the agreed timeline and new rules are agreed and implemented to impose budget discipline on the WBG over the longer term.
- New procurement processes expand the scope for improving development impact through use of country systems, facilitate improved capacity building and move the WBG to focus on lifetime value for money.
- Country Partnership Frameworks are more clearly based on country analysis of the main constraints to poverty reduction and identify priorities to maximise the development impact and help deliver the WBG's twin goals.

The UK has been at the forefront of pushing the WBG to increase its results focus and deliver better value for money. While progress has been good, influencing the WBG to better articulate and increase the results it buys with UK taxpayers' money remains a top UK priority. VFM is about maximising the impact of each pound spent to improve poor people's lives, looking not only at the Bank's cost effectiveness, but also its focus and level of ambition.

**Objective 2:** WBG strengthens its delivery and effectiveness on UK priority of **economic and private sector development founded on sustainable use of natural resources**

- Increased collaboration between DFID and the WBG on economic development, particularly in fragile and the poorest countries, including developing joint country analysis and holding a joint high-level event to build wider recognition of the importance of economic development.
- At least five country diagnostics in IDA countries demonstrate genuinely integrated analysis across the Bank, IFC and MIGA on the constraints to economic development and poverty reduction.
- IFC and MIGA meet their commitment to increase both the level of activity and the development impact of their private sector operations in IDA-eligible countries. IFC and MIGA achieve greater geographic diversification of their LICs' portfolio.
- Revised IFC and MIGA Result Measurement Frameworks better demonstrate the poverty reduction impact of their activities in private sector operations.
- Continued expansion of natural capital accounting practices, and environmental values increasingly being reflected within WBG investments.

The WBG is a global leader in supporting economic development, with 61% of WBG investments focussed on economic development. In addition the WBG also provide technical assistance and develop global knowledge products on economic development (e.g. the Doing Business Report). The IFC has a lead role to play in promoting economic development and private sector development globally. Additionally, MIGA will

contribute in individual investments and IBRD/IDA in creating more vibrant and conducive business environments. A core part of the new strategy is a more integrated and coherent WBG offer.

**Objective 3:** Improved WBG delivery on UK cross-cutting priorities of **fragile and conflict states (FCAS) and girls and women.**

- IDA supports countries in crisis and is responding better to changing circumstances and new opportunities in fragile states by establishing and effectively implementing the Turnaround Regime (TAR) and effectively implementing the Crisis Response Window<sup>7</sup>.
- New procurement processes incorporate special considerations for situations where there is an urgent need of assistance or capacity constraints, including in FCAS.
- IDA, IFC and MIGA make progress against their commitment to deliver 10 joint implementation plans by 2017 and all FCAS Country Partnership Frameworks are informed by analysis on the drivers of fragility and conflict.
- WBG produces a first draft of a new ambitious gender strategy that strengthens learning and results. It should include a commitment to assess gender performance after the project ends.
- Sex disaggregated data and gender statistical capacity is increased in at least 15 IDA countries and all country diagnostics include sex disaggregated data.

Effective delivery in FCAS continues to be a high priority for the UK. The proportion of the world's absolute poor (people living below \$1.25 a day) in FCAS will increase over the next two decades. If the Bank is to achieve its goal of effectively eradicating poverty by 2030, it has to reach these people. The UK has placed a high priority on increasing the quality of IDA projects in fragile states. Results in the WBG's Corporate Scorecard will now be disaggregated so we can monitor the quality of projects in fragile states.

Improving the lives of girls and women is critical to achieving poverty reduction. It is a stated priority for the WBG and gender equity has been retained as a special theme for IDA17. Over the next year it will be important for this high level commitment to translate into results through improved analysis, programming, monitoring and outcomes that allow girls and women to share in the benefits of development.

**Objective 4:** WBG uses its expertise and global platform to shape the **international development architecture** to deliver sustainably against **future poverty challenges.**

- Constructive and pro-active engagement from the WBG in the debate on the future of development finance, with a particular focus on collaboration across other International Financial Institutions and Development Organisations and identification of the comparative advantages of the WBG in supporting global priorities.
- The WBG undertakes and shares analysis on the future of IDA and the various options to ensure IDA is best able to contribute to the Bank's goal to reduce the extreme poverty rate<sup>8</sup> to 3% globally by 2030.
- Commitment from the WBG to play a crucial role in driving action on the data revolution<sup>9</sup> and to help decision-makers to make more informed decisions.

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<sup>7</sup> To address the impact of crises in a timely, structured and transparent way, and provide additional financing to respond, a separate Crisis Response Window (CRW) has been created within IDA16. The primary objective of the CRW is to provide IDA countries with additional resources that will help them to respond to severe economic crises and major natural disasters and return to their long-term development paths. <http://www.worldbank.org/ida/crisis-response-window.html>

<sup>8</sup> Extreme Poverty: the percentage of people living with less than \$1.25 per day.

<sup>9</sup> 'A new international initiative to improve the quality of statistics and information available to citizens' - High-level panel on the post-2015 development agenda <http://post2015.org/2014/03/20/talking-bout-a-data-revolution-then-lets-make-it-truly-revolutionary/>



- WBG recognises and contributes to the important task of shaping effective climate finance architecture, promoting low-carbon climate-resilient development. This would include supporting the effective establishment of the Green Climate Fund.

The WBG's global membership and reputation as a centre of excellence means it has a unique status in the international development architecture. The WBG should use its global platform to help galvanise the international community around poverty reduction and inform key international discussions on development, in particular supporting the UN on developing the post-2015 goals and preparing for the Financing for Development high level event in July 2015. WBG also needs to ensure that it is adapting to a changing environment to deliver its mandate effectively. The WBG has established a working group to look at the vision and financing of IDA in the long-term. The UK believes this is a critical issue and is actively engaging in this discussion.

# 3. How we will work with the Bank

The UK is important to the WBG as a major shareholder and donor. The UK holds 4% of IBRD voting power, 4.6% of voting power in IFC, 4% in MIGA and has committed £3.3 billion to IDA over the period 2014-2017. It also contributes roughly £500 million per year to various special purpose trust funds.

The UK will seek to maximise its influence through our role on the Board, working closely with other shareholders to support and drive reform and through close cooperation with our country offices in borrowing countries. The WBG's role is shaped by all its shareholders' interests, not just those of the UK. On issues where priorities have differed, such as energy or the WBG's future role in middle income countries, significant compromise has often been required. To have significant influence at the WBG, the UK must manage trade-offs between its own objectives and those of other shareholders.

The WBG is often referred to as a "Knowledge Bank" and now by President Kim as a "Solutions Bank" because of its extensive range of high quality technical and analytical capability, combined with data and operational experience. The UK has a wide-ranging policy dialogue with the WBG. We collaborate and, when appropriate, challenge the Bank to develop new policy (such as on social protection and FCAS). We draw on the Bank's stock of expertise and knowledge, relying on it for policy expertise we do not have and ensuring policy coherence on issues that matter to us (such as girls and women). The UK is a valued partner for the WBG in developing policies on a wide range of issues, such as conflict prevention and governance, and through cooperation with our bilateral programmes<sup>10</sup>.

The WBG is also an essential partner for the UK given its capacity to respond across most sectors and to provide a broad range of support to all developing countries, through a wide range of financial instruments and extensive technical and policy advice. As a result, the Bank delivers significant results for the UK, including the ability to support countries, sectors and policy areas where we don't have bilateral capacity.

At the country level, in addition to our direct contribution to IDA, we partner and co-finance with the WBG in large-scale complex programmes and rely on it for technical inputs and fiduciary oversight. We also entrust the Bank to manage trust funds on behalf of ourselves and other donors in FCAS or key sectors. We use this country-level engagement to support and inform our oversight at the Board. This helps us ensure that WBG operations are designed and implemented to maximise their impact on reducing poverty and in compliance with safeguards and consultation policies.

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<sup>10</sup> An overview of DFID's country programmes is set out in DFID's Annual Report and Accounts 2013-14 [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/331591/annual-report-accounts-2013-14a.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/331591/annual-report-accounts-2013-14a.pdf)

# Annex: Progress against our 2013/14 objectives

1. A greater focus on achieving **results, value for money** and aligning WBG operations with its new targets

Objectives for 2013/2014	Progress to date
<p>The new World Bank Group Corporate Scorecard reflects the new goals, sets targets for the quality and the relevance and alignment of WBG operations and holds senior management to account for their delivery.</p>	<p>The WBG has strengthened its corporate scorecard to provide a high-level and strategic overview of its performance toward achieving the twin goals. It has moved to a three tier scorecard that captures progress on key development challenges and performance across its portfolio. Some of the indicators would benefit from being more focused on outcomes rather than outputs but overall progress has been strong on the scorecard. Work continues on the alignment indicator, which will be agreed at the Annual Meetings in October 2014.</p>
<p>The budget reform process improves the alignment of resources to strategic objectives.</p>	<p>Over the next 3 years, the WBG will make \$400 million in gross savings, after which it has proposed the introduction of a 'budget sustainability anchor'. Instead of passive increases in line with inflation followed under the previous policy, this new rule will ensure administrative expenses are less than income earned by the WBG from lending. However, the Bank has not gone as far as we would like in terms of putting in place measures to ensure that spending remains as efficient as possible in terms of delivering the World Bank's objectives. The UK has therefore clearly signalled to the WBG the importance of building the evidence base to understand how spending allocations affect results on the ground.</p>
<p>A challenging IDA17 Results Measurement offer reflects the contribution of the whole World Bank Group.</p>	<p>A challenging IDA17 Results Measurement System (RMS) was agreed during negotiations in December 2013. The UK, with others, got agreement for WBG joint implementation plans in at least 20 IDA countries (of which at least 10 are FCASs). These include joint frameworks to measure results and carry out a systematic assessment of implementation and results. The RMS will use indicators measuring aggregated results and specific indicators including</p>

	the 'Satisfactory performance of joint and complementary IDA/IFC projects in IDA countries' and private capital mobilised by WBG in IDA countries.
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2. **Institutional reform** including improved World Bank cost effectiveness and efficiency

Objectives for 2013/2014	Progress to date
The WBG's CFO takes early steps to deliver efficiency gains from its administration budget.	<p>Over the next three years a cross-WBG expenditure review will cut unnecessary spending like travel and consultant costs and secure structural improvements in the WBG cost base. This will include up to 1,000 staff cuts and vacating some expensive downtown Washington real estate. By FY17, over \$400 million gross savings will have been stripped out of WBG spending. \$125 million of measures have already been implemented, \$125 million more are planned for FY15.</p> <p>The WBG budget process has also been reformed to introduce greater strategic prioritisation. In FY15 the budget proposals include a reallocation of resources to regions with the greatest poverty. Sub-Saharan Africa and South Asia will see client engagement budgets rise by 3% per annum, whilst other regions will see nominal cuts and have been asked to prioritise IDA and FCAS countries. IFC will reallocate savings to strategic priorities including environmental, social and governance risk management.</p>
IDA17 delivers a commitment to adopt unit cost tracking and more systematic use of options appraisal for investment lending.	The WBG have committed to piloting calculation of unit costs across 3 sectors. The sectors will be decided by Oct 2014.
The procurement reform adopts VFM as a core objective of procurement for the WBG and agrees over time to track the impact of procurement reform on overall efficiency and VFM.	<p>WBG management have proposed a new approach to achieving VFM through procurement, acknowledging that lowest evaluated bids do not necessarily represent best VFM.</p> <p>The WBG will conclude global consultations on procurement reforms in 2014, with a view to providing detailed policies and guidance in early 2015.</p>

3. Increased impact on poverty reduction through **economic development** and **private sector development as part of its new One World Bank approach**

Objectives for 2013/14	Progress to date
<p>Increased and more effective WBG collaboration results in at least 20 joint country business plans and development of regional transformative projects</p>	<p>The WBG has been in the process of transitioning to a new country planning process that formalises and strengthens collaboration in its preparation and delivery across the different institutions of the Group. This work will be ongoing throughout 2014. Additionally, there have been several examples of very integrated partnership between IFC and the Bank at a country level and at the regional level (for example the CASA 1000 power project in Central Asia).</p>
<p>New IFC 3 year roadmap and MIGA 3 year strategy demonstrate clear commitment to increase the quantity and development impact of activities in private sector operations in IDA-eligible countries, FCAS and frontier regions</p>	<p>IFC's FY15-17 Roadmap commits IFC to 35%-40% investment volume, 45%-50% investment projects and 60%-65% advisory services programme in IDA countries. IFC looks to make sub-Saharan Africa IFC's largest investment and advisory program by FY17. Investment in IDA countries is set as a priority area for MIGA. In its FY13 Roadmap, IFC committed to increase investments in FCAS by at least 50% above FY12 levels by FY16 and for Advisory Services (AS) in FCAS to reach 20% of IFC's total AS program by FY15. In FY14, IFC received a \$7 million FCAS budget allocation to support this. In October, 2013 IFC introduced a new programme for small (\$10 million or less for IFC's own account) FCAS investments.</p> <p>MIGA has established the Conflict-Affected and Fragile Economies Facility which, with the help of donor capital (including from DFID), allows MIGA to take more risk in more fragile environments by acting as a first-loss facility.</p>
<p>Internal staff performance incentives reformed effectively to successfully incentivise staff to close more, smaller, higher risk deals in IDA-only and FCAS</p>	<p>The WBG goals and strategy and IFC enhanced delivery model have been transmitted to staff through multiple avenues, and IFC management continues to look for ways to ensure that corporate priorities and key messages are actively communicated to staff and embedded in operations. This includes incentivising staff by reflecting changes in corporate and department scorecards in performance awards. Senior management are also investigating how to change internal incentives to drive the</p>

	behavioural changes.
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#### 4. Improved performance in **fragile and conflict-affected states (FCAS)**

Objectives for 2013/14	Progress to date
Reform of the IDA allocation system to address the inflexibility and inequality of the current system of exceptions for FCAS.	Increased resources for fragile states were central to the negotiations for IDA17. The FCAS allocation is expected to rise by over 25% to \$8 billion. The WBG is currently designing a new framework to enhance IDA's financial engagement in Fragile and Conflict States called the Turnaround Regime (TAR), which is a special facility enabling the Bank to respond better to changing circumstances and new opportunities in fragile states. The new system will also increase the poverty orientation of the regular Performance-Based Allocation (PBA) system. The UK will be proactively engaging with the WBG in the coming year to agree the qualification criteria, how support is allocated and the implementation procedures of the new TAR mechanism.
Introduction of systematic monitoring of Bank partnerships with other development partners e.g. the UN	Under IDA17, the WBG will implement the new strategic and results framework for the global UN/WBG partnership in FCAS.
Capturing lessons on what works in challenging environments and sharing them across the Bank (specifically lessons from Independent Evaluation Group (IEG) review of Bank operations in FCAS are reflected in the IDA RMS and wider reform process).	The WBG has committed under IDA17 to a range of initiatives to improve lesson learning and to feed lessons back into practice. These include wider use of impact evaluations, enhanced tracking of results of IDA operations and expanded use of beneficiary feedback mechanisms. They have also committed to fully implement management's response to the IEG review. With respect to the IDA RMS, we are not aware that the WBG intends to explicitly include the conclusions of the IEG review but more broadly they continue to examine how they can include issues relevant to FCAS in corporate results.
A commitment from the Bank that all new IDA Country Assistance Strategies (CAS) for FCAS address the drivers of fragility.	As part of its new Country Engagement Strategy, the WBG has committed to designing integrated WBG strategies based on new "Strategic Country Diagnostic" papers. This provides the basis for stronger analysis of drivers of fragility; we will now monitor new SCDs at the Board to make sure this happens in practice.
Greater disaggregation of IDA reporting of FCAS results to help track the impact of increased resources and attention.	Results are now disaggregated in the WBG's Corporate Scorecard.

5. Progress on **sustainable development and climate change** in line with the new strategy

Objectives for 2013/14	Progress to date
<p>Interim sustainability/ climate indicators in the new scorecard follow the strategy and are ambitious, flexible to different country circumstances and cost effective to measure</p>	<p>New climate indicators including indicators on disaster risk management, water stress, air pollution, CO2 emissions and annual deforestation change are now included in the new scorecard. Indicators are expected to be refined over time to reflect an evolving consensus on key development challenges and how progress on them should be measured. The WBG's Corporate Scorecard will align with the outcomes of such ongoing international dialogues as the United Nations led Post-2015 Development Agenda and the United Nations Framework Convention on Climate Change (UNFCCC).</p>
<p>The 'Systematic Country Diagnostic' process (being developed under the new strategy) assesses the most cost-effective ways for the country to develop in a low carbon, climate resilient way.</p>	<p>The WBG is helping recipient countries identify mitigation opportunities and the linkages with co-benefits for resilience, adaptation, sustainable development and growth. It remains committed to scaling up support to help identify, programme, and finance actions with high mitigation potential for the benefit of low carbon and climate resilient development.</p> <p>In IDA17 the WBG further strengthened its climate commitments (and identified climate change as one of its 4 'special themes'). For example all new IDA operations will be screened for climate change and disaster risks and, where appropriate, integrates resilience measures.</p> <p>The WBG has also scaled up efforts to deploy, leverage, and mobilise finance and knowledge through programmes that address gaps, risks and barriers to climate-resilient development and climate mitigation in response. These efforts are piloting new approaches and delivering valuable lessons for their broader scale up. Interventions include the Clean Technology Fund, Scaling Up Renewable Energy Program in Low Income Countries and the Country Partnership Facility.</p>
<p>Country Partnership Frameworks are designed to help countries develop in a low carbon, climate resilient way</p>	<p>In September 2013, the WBG announced a new Low-Carbon Livable Cities (LC2) Initiative to support developing country cities around the world in their efforts to plan low-carbon, climate-smart development and get finance flowing.</p>

	The initiative, which aims to reach 300 of the largest developing country cities in the next four years, offers a comprehensive suite of tools and activities tailored to cities' specific needs and level of progress on their climate-smart development path. These range from greenhouse gas inventories and assessments to low-carbon investment planning and financing solutions.
Effective implementations of the WBG's new energy strategy and, in particular, support for clean energy and energy access.	<p>The WBG has agreed a new energy strategy that limits financing of coal-fired power plants to 'rare circumstances'. The UK wanted a stricter limit on the countries to which the 'rare circumstances' would apply but the strategy marked a notable improvement on the previous more permissive policy position. Spending has decreased in this area: from 2008 to 2010, the WBG spent an average of \$4.7 billion a year on oil, coal and gas projects. From 2011 to 2013, this dropped to \$2.3 billion.</p> <p>Within fossil fuel spend there was an increasing amount spent on exploration of natural gas. This is consistent with the WBG commitment to energy access and intention to scale up support for natural gas, the fossil fuel with the lowest carbon intensity.</p>

6. Accelerated action to address the needs of **girls and women** and other key game-changing sectors to achieve the Bank's **new targets**.

Objectives for 2013/14	Progress to date
A strengthened offer for IDA17 on gender, including more stretching targets and improved mechanisms to track gender commitments	The UK successfully pushed hard during IDA17 negotiations to get commitments from the WBG to give a greater emphasis to girls and women. All IDA country strategies will now consider gender and include gender targets. There will also be a new and more ambitious strategy for gender equality in 2014-15. Better sex-disaggregated data will be collected and mechanisms put in place to encourage a greater attention to gender issues during implementation.
Increased focus by the WBG on girls and women role in governance and voice with a particular focus in stepping up engagement on gender in FCAS.	Building on its World Development Report on Gender, the WBG have in the last year produced a new report on 'Voice and Agency: Empowering Women and Girls for Shared Prosperity'. This major new report looks at the role of formal and informal institutions in



	empowering women. This will be an important policy document and we look forward to seeing how it influences WBG programming on the ground.
Evidence that incentives are in place to ensure that gender is part of WBG operations and in-country dialogue.	All country assistance strategies discussed in the last year were gender-informed. This means gender has been integrated into the analysis. Some 86% were rated highly satisfactory, integrating gender in analysis, programme content, and monitoring and evaluation. To further embed gender into WBG operations the UK and other IDA donors got agreement for gender equality to be one of four special themes for IDA17, making empowering girls and women a top priority. IDA projects will be designed so that girls and women can share equally in development gains, with a target of 66% of projects with gender-informed analysis, action and monitoring. Additionally, we got agreement that the WBG will introduce a new mechanism to strengthen learning and results through an assessment and rating of gender performance at project exit.
Evidence the WBG met its commitments to nutrition made at the Nutrition for Growth summit; IDA17 commitments reflect nutrition outcomes.	In April 2014 the World Bank Group produced a new Corporate Scorecard (CSC) that aggregates the contributions of all the World Bank Group institutions. In both the new CSC and the IDA 17 Results Framework the Bank included an important new indicator on nutrition (height for age). This was one of a few key indicators that the Bank will track across all its institutions, demonstrating the importance the Bank places on nutrition as a significant development issue.
The WBG identifies the key game-changing sectors for its new targets and provides a rationale for engagement in those sectors.	During negotiations “maximizing development impact” was identified as the overarching theme for IDA17, with inclusive growth, gender, climate change and Fragile and Conflict-affected States (FCASs) as “special themes”. The overarching theme encapsulates IDA’s response to the rapidly evolving global landscape by expanding its role in leveraging financing, partnerships and knowledge to catalyse results in IDA countries. It also encompasses a sharper focus on “value for money,” through enhanced efforts to improve both results and cost-effectiveness. The special themes aim to enhance IDA’s work on frontier issues confronting IDA countries and will be implemented in line with country contexts.



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