1) QUANTITY OF AID

1.1. Current/Recent Quantity Performance:

**IDA**

<table>
<thead>
<tr>
<th>IDA</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net disbursements $USm (net of repayments)</td>
<td>6826</td>
</tr>
<tr>
<td>Gross disbursements $USm</td>
<td>8579</td>
</tr>
</tbody>
</table>


IDA’s net disbursements have risen steadily from around $US 4bn (at current prices/exchange rates) in 2000 to their current level of just under $US 7bn. IDA is the world’s largest single provider of concessional resources for low-income countries.

**Trust Funds**

<table>
<thead>
<tr>
<th>Trust Funds</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross disbursements $USm</td>
<td>5808</td>
</tr>
</tbody>
</table>


Disbursements from trust funds supporting recipient activities (i.e. spent directly in developing countries) accounted for nearly two thirds of these disbursements, with most of the remainder going to initiatives like the Global Fund for Aids, Tuberculosis and Malaria (GFATM), Global Environment Facility (GEF), etc (which are not dealt with in this profile because they are not part of normal World Bank programming).

1.2. Future Quantity Intent

Under the terms of the 2007 IDA replenishment (IDA 15, see IDA, 2007c), $US 41.6 billion will be made available to the IDA over the three-year period from July 1, 2008 to June 30, 2011. This represents a 30 percent increase over the IDA 14 replenishment and is the largest expansion in IDA history. Six new donors – China, Cyprus, Egypt, Estonia, Latvia and Lithuania – plan to contribute funds to the IDA for the first time.

Several new trust funds have been established since 2007, namely the Global Facility for Disaster Reduction and Recovery ($US 8 million) and the Emergency Services Support Program Multi-Donor Trust Fund – Palestine Authority ($US 60 million).

In addition, the 2005 Multilateral Debt Relief Initiative (MDRI) calls for 100 percent cancellation of IDA debt for countries that reach the HIPC completion point – donors have committed, but not yet provided, a separate increase in resources to finance debt relief costs (costs estimated at $US37bn). The annual amount of debt relief provided to countries eligible under the Initiative will be deducted from their annual IDA allocations. The additional resources provided by donors to finance the debt relief provided by IDA will then be allocated across all IDA-only countries (See IDA, 2005b, p11-12 and HIPC-CBP, 2006, p2-4).
2) KEY AGENCIES/MECHANISMS

2.1 Agencies and Structures
The World Bank Group

The World Bank Group is made up of the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA), the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA) and the International Centre for the Settlement of Investment Disputes (ICSID).

The IBRD provides loans and development assistance to middle income countries in Latin America, Asia, Africa and Eastern Europe. IDA provides both concessional loans and grants to developing countries. The IFC provides loans and equity finance for business ventures in developing countries. MIGA provides guarantees to foreign investors in developing countries against loss caused by non-commercial risks. ICSID provides facilities for settling investment disputes between foreign investors and their host countries. The World Bank also administers a number of trust funds on behalf of donors. This brief deals only with IDA, and, where relevant, trust funds since these are the only parts of the World Bank concerned with ODA.

The World Bank is significantly decentralised, with around 3000 staff working in 100 country offices. Country offices develop and administer projects and programmes, and play a key role in setting the Bank’s Country Assistance Strategy (CAS) in a particular country (World Bank, 2005b). However, the degree of decentralisation and seniority of staff at the country level, and therefore the decision-making power and ability to be flexible without consulting Washington is much greater in countries with larger programmes and where the Country Director is based in-country.

Trust Funds

Trust funds, which are accounted for separately from the Bank’s own resources, are financial and administrative arrangements with an external donor whereby the Bank manages funds provided by a donor for a specific purpose. The Bank manages 1,015 trust funds. Of the $US 21.4 billion held in trust by the World Bank Group, $US 5.8 billion were disbursed in FY2007. The top five trust fund program disbursements, which accounted for 61% of all trust fund disbursements made during FY07, were (World Bank, 2007e):

- GFATM – $US 1,607 million
- International Finance Facility for Immunisation (IFFIm) / GAVI Fund Affiliate (GFA) – $US 735 million
- Global Environment Facility (GEF) – $US 544 million
- Afghanistan Reconstruction Trust Fund (ARTF) – $US 428 million
- HIPC debt relief – $US 224 million

2.2 Key Policies and Documents

Comprehensive Development Framework (World Bank, 2007a)

The Comprehensive Development Framework (CDF) has guided the World Bank’s work since 1999. The four main principles of the CDF are:
• Development strategies should be comprehensive and shaped by a long-term vision,
• Development goals and strategies should be "owned" by the country, based on local stakeholder participation in shaping them,
• Countries receiving assistance should lead the management and coordination of aid programs through stakeholder partnerships, and
• Development performance should be evaluated through measurable results on the ground, in order to adjust the strategy to outcomes and a changing world.

Poverty Reduction Strategies (World Bank, 2007b)
The Bank’s work in low income countries (i.e. through IDA) is based on Poverty Reduction Strategies which are intended to be country-designed, oriented to results benefiting the poor, involving broad participation by the poor and civil society groups such as the private sector, and encouraging the coordinated support of bilateral, multilateral and non-government organizations.

Project Cycle (World Bank, 2007c)
The Bank’s project cycle, from identification to evaluation, is set out clearly online, with the key documents and forms which much be completed at each stage of the process.

Operations Manual (World Bank, 2005c)
The Bank’s Operations Manual is available online, and details the Bank’s policies and procedures, for example on environmental safeguards, economic analysis, and auditing.

Africa Action Plan (World Bank 2005d and 2007d)
The 2005 G8 summit envisaged a substantial increase in aid to Africa. The G8 designated the World Bank as one of the main actors of delivering this aid increase. Hence a results-based Africa Action Plan (AAP) was drawn up in September 2005 to meet this challenge. Recently, a mid-term review was conducted and the AAP was made less ‘wide-ranging’, notably by reducing the 14 focus areas to 8.

3) RECIPIENT COUNTRIES AND ALLOCATION CRITERIA

3.1. Recipient Countries

<table>
<thead>
<tr>
<th>IDA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Top ten countries</strong></td>
</tr>
<tr>
<td>Vietnam</td>
</tr>
<tr>
<td>India</td>
</tr>
<tr>
<td>Bangladesh</td>
</tr>
<tr>
<td>Ethiopia</td>
</tr>
<tr>
<td>Nigeria</td>
</tr>
<tr>
<td>Cote d'Ivoire</td>
</tr>
<tr>
<td>Tanzania</td>
</tr>
<tr>
<td>Liberia</td>
</tr>
<tr>
<td>Ghana</td>
</tr>
<tr>
<td>Nepal</td>
</tr>
</tbody>
</table>

Source: World Bank data, FY08
78 countries are currently eligible to receive funds from IDA as of January 2009 (IDA, 2009). Data on the countries receiving money from World Bank trust funds is not held centrally.

### 3.2. Allocation Criteria

Allocation criteria for trust fund resources vary between funds. This section considers only IDA.

#### 3.2.1. Pre-selection criteria (IDA, 2009)

Two factors determine whether countries are eligible for IDA assistance:

- **Relative poverty**, defined as Gross National Product (income) per person below an established threshold, currently US$1,025 per year.
- **Lack of creditworthiness** to borrow on market terms and therefore a need for concessional resources to finance the country's development program.

Some countries, such as India and Uzbekistan, are eligible for IDA assistance due to their low per capita incomes, but are also creditworthy for some IBRD borrowing. These countries are known as "Blend" borrowers.

#### 3.2.2. Allocation criteria (IDA, 2008b):

The main factor that determines the allocation of IDA resources among eligible countries is each country's performance as assessed by the Country Policy and Institutional Assessment (CPIA), in essence a questionnaire that grades each country on a number of criteria. Beginning in 1998, the country performance assessment was broadened to include an appraisal not only of the government's policies but also of the institutions in place to implement them.

The 16 performance criteria are grouped into four clusters:

- Economic Management
- Structural Policies
- Policies for Social Inclusion/Equity
- Public Sector management and Institutions

The CPIA is used to set an IDA Resource Allocation Index (IRAI) for each country. The performance assessment also takes into account the performance of the country's active project portfolio performance. The combined rating is scaled up or down depending on the strength of the country's governance performance, resulting into the IDA Country Performance Rating (CPR). While IDA resource allocation is determined primarily by the CPR, IDA15 recommends that Sub-Saharan African countries receive priority in the allocation process. Degree of access to alternative sources of credit is considered as well. See IDA (2008b) for the latest country performance ratings.

### 4) AID POLICIES

Trust Funds are aligned with the World Bank's strategic priorities and are subject to the same administrative & operational policies and oversight as IBRD and IDA loans and credits. (This section and section 5 do not consider trust funds separately)
4.1. Concessionality
In FY08, about 28% of total IDA financing was provided in the form of grants – up from 24% in FY06 (IDA, 2008a). The rest of IDA’s disbursements take the form of concessional loans. The balance between grants and concessional lending for a particular country is determined by the country’s risk of debt distress. A country’s debt portfolio is regularly analysed through a Debt Sustainability Analysis (DSA), which uses the Debt Sustainability Framework (DSF) agreed in 2005 (World Bank and IMF, 2006). This is part of the regular Bank-Fund country review process. The countries facing the highest risk of debt distress – most of them in Sub-Saharan Africa – will in future get all of their support from IDA in the form of grants. Those with moderate risk of debt distress will get a mixture of 50% grants and 50% loans (World Bank and IMF, 2006, p2).

Terms of IDA loan commitments (IDA-only):

<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maturity</td>
<td>40 years (35 for blend countries)</td>
</tr>
<tr>
<td>Grace period</td>
<td>10 years</td>
</tr>
<tr>
<td>Service Charge</td>
<td>0.75%</td>
</tr>
</tbody>
</table>

Source: IDA (2008a)

See IDA (2008a) for terms for other IDA credits (including blend countries).

4.2. Types of Assistance
In FY08, 76% of IDA commitments (69% of disbursements) were investment credits (project-based) and 24% (31% of disbursements) were development policy credits (programme-based) (World Bank, 2008a). Investment credits provide financing for a wide range of activities, but relate to particular projects (e.g. a rural road-building programme). Development Policy credits provide quick-disbursing assistance to countries with external financing needs, to support structural reforms in a sector or the economy as a whole.

The Poverty Reduction Support Credit (PRSC) or Poverty Reduction Support Grant (PRSG) are forms of budget support. They typically involve a series of two or three individual programmes, over a period ideally corresponding to that of the PRSP and CAS (3-years). They are usually disbursed based upon an agreed set of conditionalities, usually focussing on reforms to improve the quality of budget management and execution (World Bank, 2005e).

None of the HIPC-CBP survey respondents indicate that IDA disburse all its resources as budget support. However, Burkina, Comoros, Mozambique, Sierra Leone, Senegal and Uganda indicate they get 50% of more via budget support-type modalities. According to Paris indicator 9, the countries which get most of their IDA support via Programme Based Approaches (of which budget support is a part) are Morocco (93%), Niger (83%) and Kenya (80%).

As for Technical Cooperation, Paris Indicator 4 shows that all is delivered in a way that is coordinated with recipient’s government strategies in nearly half of all surveyed countries including Indonesia, Morocco, Tanzania. According to the HIPC-CBP survey, TC is 100% aligned with government strategic plans in the Gambia, Guyana and Malawi. The quality of IDA TC is analysed to be highest in Gambia and Malawi, where 75 to 100% of TC is deemed to be building capacity.
4.3. Channels of Assistance

The World Bank can only enter into funding agreements with governments, although NGOs can act as implementing agents or consultants on Bank-funded projects. In 2003, IDA started a pilot programme for regional projects, which current commitments around US$ 1 billion (For a first review of implementation, see IDA, 2006b).

In the HIPC-CBP survey, around half of the countries surveyed (Bolivia, Ethiopia, Gambia, Guyana, Mali, Malawi, Mauretania, Sierra Leone, Uganda, Zambia) report that all IDA resources are provided through the budget.

4.4. Sectors and Projects

<table>
<thead>
<tr>
<th>Sector</th>
<th>% of total IDA commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Law, Justice and Public Administration</td>
<td>26%</td>
</tr>
<tr>
<td>Transportation</td>
<td>16%</td>
</tr>
<tr>
<td>Water, Sanitation and Flood Protection</td>
<td>9%</td>
</tr>
<tr>
<td>Agriculture, Fishing and Forestry</td>
<td>9%</td>
</tr>
<tr>
<td>Education</td>
<td>11%</td>
</tr>
<tr>
<td>Energy and Mining</td>
<td>13%</td>
</tr>
<tr>
<td>Finance</td>
<td>4%</td>
</tr>
<tr>
<td>Health and Other Social Services</td>
<td>8%</td>
</tr>
<tr>
<td>Industry and Trade</td>
<td>4%</td>
</tr>
<tr>
<td>Information and Communication</td>
<td>&lt;1%</td>
</tr>
</tbody>
</table>

Source: World Bank 2008a, FY08

According to the HIPC-CBP survey, alignment to partner country PRSP priority sectors is best (between 75 and 100%) in Gambia, Guyana, Mali, Malawi, Ethiopia, Rwanda, Sierra Leone and Zambia. The willingness to fund all PRSP priority sectors is highest (assistance going to 75-100% of PRSP sectors/areas) in Gambia, Guyana and Malawi.

4.5. Flexibility

IDA has considerable scope for flexibility in terms of adding additional funding to policy-based lending, as well as special facilities to deal with emergencies. It can also to some degree change the sectors of commitments from planned areas as planning is done on a rolling basis within a 3-year framework.

The HIPC-CBP survey indicates IDA resources are most flexible (=between 30 and 40% of aid is flexible to fill additional budget gaps) in Malawi and Rwanda. The variance is quite high however, with 4 countries giving the lowest score possible.

4.6. Predictability

IDA has a relatively predictable multiyear commitment process as the CAS covers the three years of each IDA replenishment period (currently 2005-08). However, this also means it is not always aligned with the PRS cycle (see section 5.1 for how the Bank is trying to address this). Predictability has been somewhat undermined by three recent developments – the introduction of the DSF which requires switches between grants and loans and changes of amounts depending on changes of debt sustainability and performance; the arrival of the MDRI which has led to dramatic changes in country
debt sustainability; and the introduction of a policy to stop countries borrowing non-concessionally from other lenders which could also cut disbursements.

IDA’s record of disbursements is reasonably good compared to original planning schedules, though some delays can be caused by cumbersome procedures and for policy-based lending by excessive conditionality.

All of the HIPC-CBP countries indicate that IDA resources are part of multi-year programming. Also according to analysis by HIPC s, best practice on disbursements matching pledges can be found in Ethiopia, Mali and Malawi, where 100% of IDA aid is disbursed in the intended fiscal year.

4.7. Conditionality
The Bank’s conditionality policy sets out good practice principles for conditionality:

- **Ownership:** Reinforce country ownership.
- **Harmonization:** Agree up-front with the government and other financial partners on a coordinated accountability framework.
- **Customisation:** Customize the accountability framework and modalities of Bank support to country circumstances.
- **Criticality:** Choose only actions critical for achieving results as conditions for disbursement.
- **Transparency and predictability:** Conduct transparent progress reviews conducive to predictable and performance-based financial support (World Bank, 2005f, p2).

The Bank has had an active policy of trying to “streamline” conditions since the mid-1990s’, when most on its Board concluded that excessive conditions were undermining programme success. As a result, its use of conditions has at first sight declined over the past decade: the average number of conditions per operation fell from 35 in the late 1980s to about 12 in FY05, across all Regions and for different groups of borrowers. However, the use of indicative actions describing the overall government programme (so-called benchmarks) has increased from about 15 to 24 per operation on average, largely on account of their use in IDA countries. As a result, in effect the burden of conditionality on IDA countries has risen.

In addition, over the past decade, the content of conditionality has shifted from short-term economic adjustment to complex medium-term institutional changes such as public sector governance and social sector reforms. In areas such as privatization and trade liberalization, conditionality has declined, but this has been replaced by governance conditions which are equally politically sensitive, even less commonly agreed to be successful, and potentially harder to implement. There is currently also major debate among IDA Board members over a management policy proposal setting out policy guidelines on corruption issues. As a result Bank conditionality is often seen as the most onerous by developing countries, though there are some good examples of successful streamlining, such as in Guatemala and Tanzania, where, in coordination with the IMF, the Bank has reduced its aggregate conditionality and moved out of tax reform and the financial sector (World Bank, 2005f, p185 – see the same source for further detail on prior actions and tranche-release conditions, and triggers and benchmarks).
According to HIPC officials, IDA conditionalities are seen as less constraining in Ethiopia, Sao Tome and Zambia. Conditionality linked delays (disbursement delays or time needed to comply) are shortest in Ethiopia, Malawi and Sao Tome.

4.8. Policy Dialogue
The World Bank is the key partner in developing PRSPs in low-income countries. The Bank is often the lead donor in policy dialogues, and has a greater capacity to carry out analysis than most bilateral donors. Its conditionality reach therefore goes well beyond its own policy-based actions: many of the Multi-Donor Budget Support policy matrices are based largely on Bank matrices. However, in some countries (e.g. Tanzania) the Bank has rather streamlined and adapted its conditionality to priorities of government and local donors. In general, approval and disbursement of Bank policy-based lending depends on the existence and successful pursuance of an IMF programme.

There are some ownership issues surrounding the World Bank’s engagement in LICs. The World Bank’s own Evaluation service states: “It is not clear how conflicts between domestic ownership and assessments of policies by the Bank and Fund will be resolved. When such conflicts have arisen, they have been resolved in an opaque manner, leaving countries to divine what is “acceptable” to the Bank and Fund” (OED and IEO, 2005, p5). Also, it is for example not always clear whether PRSC matrices are based on PRSP matrices or the other way around.

HIPCs officials indicate IDA is very active in the country-level dialogue, with 9 out of 15 countries giving the highest score possible. However, its programmes (especially policy lending/grants) are closely linked to IMF programmes, hence IDA scores poorly on the HIPC-CBP indicator measuring whether decisions are taken independently.

5) AID PROCEDURES

5.1 Conditions Precedent
The Bank’s Country Assistance Strategy (CAS), developed in consultation with country authorities, civil society organizations and other stakeholders, provides a comprehensive diagnosis of development challenges facing the country and the level and composition of proposed World Bank support. In its diagnosis, the CAS takes into account the performance of the Bank’s portfolio in the country, the country’s creditworthiness, state of institutional development, implementation capacity, governance, and other sectoral and cross-cutting issues. From this assessment, the level and composition of Bank Group financial, advisory, and/or technical support to the country is determined. The CAS includes a framework of clear targets and indicators to monitor Bank Group and country performance in achieving stated outcomes (World Bank, 2008b).

However, the World Bank allows for some flexibility through the use of Interim Strategy Notes (ISN), usually when a country is not ready for a full CAS – e.g. in post-conflict situations or in fragile states (World Bank, 2008c); or as bridging instruments to align the World Bank programming cycle with a partner country’s PRSP cycle (e.g. in Rwanda).
Before a request for financing is presented to the World Bank, an operations programme must first be jointly assessed. Such requests must be part of this programme and may be formulated only through governmental institutions. They relate to pre-identified projects prepared and evaluated by government services which may then receive WB support. Just as is the case with IBRD loan agreements, credit agreements with IDA are subject to the enforcement conditions stipulated therein; the aim of such conditions is generally to ensure that the borrower complies with the agreed clauses on which the start of the project depends, like for example setting up and running a project management office, opening a special account for the project. So, it is the World Bank that will notify the borrower of the effective date of the credit agreement after receiving documents proving in a satisfactory manner that all agreed conditions have been met. Local counterpart funding is often requested, but increasingly, the tendency is for IDA to meet all project costs based on their specificities. This is borne out by the HIPC-CBP survey which shows that in Guyana and Malawi no counterpart funds are needed at all. However, 5 other countries give the lowest score possible to the World Bank for this indicator.

In line with the Paris declaration targets, the World Bank uses fewer PIUs than in the previous 2005 survey, with 29 countries reporting no PIUs at all, although Moldova and Mongolia still show more than 15 PIUs (Paris indicator 6). According to the HIPC-CBP survey, partner counties find the ‘conditions precedent’ demanded by the Bank quite cumbersome. Delays linked to ‘conditions precedent’ seem to be much less of a problem, with the relevant HIPC-CBP indicator showing top scores for Guyana, Sao Tome and Malawi.

5.2 Disbursement Methods

Investment Lending: Funds are disbursed against specific foreign or local expenditures related to the investment project, including pre-identified equipment, materials, civil works, technical and consulting services, studies, and incremental recurrent costs. Disbursements are made from the loan account only after the loan is declared effective.

Development Policy Lending: Funds are disbursed to borrowers' deposit accounts in one or more stages (tranches). Tranches are released when the borrower complies with stipulated release conditions, such as the passage of reform legislation, the achievement of certain performance benchmarks, or other evidence of progress toward a satisfactory macroeconomic framework. There are a many possible disbursement methods and each agreement will adopt one or more mobilization methods. The most commonly used method is the fund advance deposited in a local bank account called “special account”. However, it is possible to use the direct payments procedure, the repayment procedure or the World Bank’s special commitment with a local bank.

- Special accounts are local bank accounts denominated in national or foreign currency, which receive renewable funds taken from the financing the World Bank allocates to a country for the execution of a specific project. Special accounts seek mainly to expedite the implementation of funding agreements and are governed by the funding agreements which created them. The borrower has the responsibility to open a special account in a commercial bank and negotiate the terms thereof. This institution must have adequate operational capabilities to open credit letters and issue detailed...
monthly statements. It must be informed of the nature of the account and the
provenance of funds. It shall be incumbent on the borrower and the Bank to choose
the currency used for the account; such currency must be convertible and stable. If the
exchange risk weighs on the borrower, it is recommended that the advance be limited
to what is strictly essential. A letter of comfort will be signed by the deposit bank to
guarantee that the funds in the special account will never be used to offset debts that
the borrower incurred with it. The special account can only be used to cover the
fraction of expenses borne by the bank by virtue of the funding agreement. It is
possible to charge expenditure to the WB using counterpart funds and then ask for a
refund later, but the contrary is not authorized. The maximum threshold of the
advance is set at about four months of expenditure on the percentage covered by the
WB in the funding agreement.

- Advance and replenishment applications are submitted through a form. Replenishments are subject to the WB’s acceptance of the supporting documents of
the application for replenishment. In case of rejection of the supporting documents,
the WB may authorize the borrower to use his own funds to pay for the expenditure
charged to the WB of the same amount as stated on the rejected documents. The
frequency of replenishment applications shall be fixed by the disbursement letter
pertaining to the loan. When a special account goes for more than six months without
actual transactions, the WB may ask for a refund from the borrower.

  The WB may pay directly to the supplier the sums requested by the borrower and
falling within the scope of expenditure borne by the WB by virtue of the credit
agreement.

- The WB reimburses the borrower for expenses settled by the latter and listed for
payment using the credit granted by the Bank.

Best practice according to HIPC officials can be found in Guyana, Malawi, Sierra
Leone and Zambia, where all of the World Bank’s disbursement is ‘cash in advance’.
For the indicator measuring the length of delay caused by the World Bank’s
disbursement methods, funds are disbursed within 1 month of submission of
reimbursement claim or disbursement request in Burundi, the Gambia and Sierra
Leone.

5.3 Disbursement Procedures
After the loan agreement has been signed, the WB will send to the borrower a
disbursement letter. This document indicates the procedures to be followed for fund
withdrawals under the loan. The World Bank disbursement manual indicates in the
annex the manner in which the form is to be used for each mobilization method.

The HIPC-CBP indicator measuring the number of additional (to its own) procedures
a partner county has to go through shows that in general IDA insists on at least 1 extra
procedure. According to Paris indicator 5a all World Bank resources are channeled
through partner country Public Financial Management Systems in Indonesia, Morocco
and Kenya.

5.4 Procurement Procedures
The responsibility for the implementation of the project, and therefore for the award
and administration of contracts under the project, rests with the Borrower. The
funding agreement specifies how contracts meant for its implementation are to be awarded. The call for tenders will still be international. The WB publishes hand outs called “directives” for the award of goods and works contracts on the one hand, and for the employment of consultants on the other, which gives project officers and financial services the procurement procedure to be followed for IDA and IBRD contracts. The WB places a high premium on compliance with these standards which guarantee transparency and offer equal opportunity to all bidders who fulfill the eligibility criteria, to be designed for the award of Bank-funded contracts. Although the contract is not tied, procurement rules are often governed by a national framework such as a public contracts code.

In most cases the Bank requires its Borrowers to obtain goods, works and services through international competitive bidding (World Bank, 2006b).

Nevertheless, on its part, the WB supervises the project, regularly examines progress made and the conditions of utilization of funds. This work should be done by the competent services of the department, based on common rules governing development projects. When the loan is closed, the WB performs a retrospective evaluation, an operation assigned to a department falling directly under the WB executive directors (the Independent Evaluation Group, see www.worldbank.org/ieg).

Delays in programme/project execution due to procurement related issues are lowest in Ghana and Sierra Leone, followed by Burundi, Guyana, Malawi, Rwanda, Sao Tome and Zambia, according to HIPC officials. Paris indicator 5b shows best practice for partner country procurement systems being used for World Bank resources in the Philippines (97%), Morocco (89%), Indonesia (86%), Benin (85%) and Cameroon (82%).

5.5 Coordination
The World Bank is a signatory to the Paris Declaration on Aid Effectiveness, and conducts a large part of the analysis of developing country performance under the Declaration. It is also often a leading partner in coordination arrangements with other donors at country level. For example, the World Bank issued a joint note with the EC in 2004 on supporting the PRSP process in Africa, and is very active in harmonization efforts such as that in Afghanistan. It is starting to do joint-programming with other donors. E.g. in Rwanda, the next CAS will be done jointly with DFID’s country strategy. For more examples, see www.aidharmonization.org/.

It also coordinates the Consultative Group meetings of donors and the partner country which decide in many countries on future intended results and levels of resources, and therefore plays a major role in encouraging alignment and harmonisation - for example, the Tanzania Assistance Strategy was presented at the CG meeting, as are the reports of the Independent Monitoring Group which assesses progress on donor alignment. It has also played a leading role in efforts to harmonise (and mostly simplify) the procedures of all the multilateral development banks.

The World Bank and the EC have set up a co-ordination structure called the “Limelette” partnership to improve co-ordination and collaboration regarding EC and World Bank development support to African nations (see EC and World Bank (2007) for a succinct introduction).
According to the Paris declaration indicator 10a, the World Bank is by far the organisation with the greatest number of missions of all Paris signatories. However there is only a small proportion of countries where more than 50% of these missions are coordinated with other donors, including Afghanistan and Dominican Republic (where all missions are done jointly), followed by Albania (91%). All of the Bank’s analytical work is done jointly with other donors in 17 countries including the Dominican Republic, Honduras, Madagascar and Cambodia (Paris indicator 10b).

**Key Sources (All internet sources were accessed in January 2009)**


