Opportunities and Challenges from Working in Partnership: Findings from IEG's Work on Partnership Programs and Trust Funds

Abbreviations and Acronyms

CGAP	Consultative Group to Assist the Poor
CGIAR	Consultative Group for International Agricultural Research
DRM	Disaster risk management
ESMAP	The Energy Sector Management Program
FCPF	The Forest Carbon Partnership Facility
GEF	Global Environment Facility
GFDRR	The Global Facility for Disaster Risk Reduction
GPE	The Global Partnership for Education
GPOBA	Global Program for Output-Based Aid
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IEG	Independent Evaluation Group
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
ILC	International Land Coalition
ILO	International Labor Organization
M&E	Monitoring and evaluation
REDD	Reducing Emissions from Deforestation and Forest Degradation
REDD+	REDD plus the role of conservation, sustainable management of forests and enhancement of forest carbon stocks
TB	Tuberculosis

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Preface

As part of IEG's commitment to promoting learning from evaluation experience, IEG is supplementing its main evaluation reports with a series of learning-focused notes which aim to make evaluation evidence easily accessible to key audiences. This note brings together in short and accessible form findings from IEG evaluations on global and regional partnership programs and trust funds over the last 10 years, to help inform discussions on how to address the partnership agenda in the World Bank Group strategy. The note is not a full evaluation of partnership effectiveness. It focuses on the World Bank's experience in partnerships.

Summary

Partnerships and trust funds are big business for the World Bank Group. It participates in around 126 global partnership programs and administers more than 1000 trust funds which have become a significant source of revenue for the Bank Group and its clients. Partnership and trust funds offer opportunities for the Bank to benefit from partners' skills and resources, extend its reach, and innovate. Some programs and funds are complementary to the Bank or fill gaps, for example on global public goods. IEG has found that most partnership programs tackle relevant development problems and that the Bank often makes strong contributions. But there are also risks, for example proliferation of uncoordinated or competing initiatives and high transaction costs.

A key challenge facing the World Bank Group, therefore, is to make sure that its engagements in partnerships and trust funds create shared value for its client countries and support its goals of ending extreme poverty and boosting shared prosperity goals. As emphasized in the World Bank Group strategy, engaging in strong and well-aligned partnerships can help the Group enhance its contributions to global development, but the evaluation experience summarized in this note suggests that there is room to improve.

IEG, in its work on partnerships and trust funds, has found four common challenges related to selectivity, oversight, linkages to country operations, and results frameworks:

- **Selectivity**: Most donors allocate funds from a fixed envelope for total official aid; trust funds have not increased the size of that envelope. As earmarked pots of money with separate approval and allocation processes, trust funds tend to increase transaction costs for client countries and for the Bank and to impose parallel budgeting and approval processes. That is why the Bank needs to be selective in what trust funds and what governing procedures it agrees to.

- **Oversight:** Evaluations have found weaknesses in governance and transparency in many partnership programs, as well as frictions and conflicts of interest from the multiplicity of roles that the Bank typically performs in partnerships. Yet The Bank has no routine oversight and tracking of partnerships and of how it engages in them.

- **Links to country programs:** The Bank is uniquely placed to help client countries benefit from global programs. However, there are often missed opportunities at the intersection of the Bank's participation in global programs and its country engagements. There are no explicit agreements on division of labor between the Bank and some major global health programs.

- **Results are often unknown.** Although there has been progress in recent years, many partnerships the IEG has reviewed lacked clear goals and indicators. It is often hard to attribute results to specific partnerships let alone assess results across the portfolio.

IEG has recommended reforms (summarized at the end of this note) to help the Bank address these challenges via internal reforms to ensure selectivity, routine corporate oversight, and

policies and standards around partnership governance, engagement strategies for individual programs, empowerment of staff serving on partnership boards, and results frameworks.

1. Background and Context

The rise of many global partnership programs during the last 15 years has transformed the international aid and development landscape. Partnerships feature prominently in the new World Bank Group strategy, which recognizes that meeting the World Bank Group goals "demands deepening partnerships that bring together resources, expertise, and ideas from actors across the development spectrum".[1] The strategy notes the rise in demand for World Bank Group services on behalf of global partners (sovereign countries, foundations, the private sector), as witnessed by the growth in trust fund, innovative finance, and financial intermediation business. It calls for an expanded World Bank Group role in global and regional engagements that complement its country-led business model.

Yet it is not always clear how well World Bank Group global engagements support its poverty and shared prosperity goals. The Bank Group strategy notes that "global engagements represent an important opportunity for the World Bank Group to make an impact on development, but this rapidly growing role also places additional demands on the World Bank Group that it must ensure are aligned with the goals". How does the organization oversee whether the World Bank Group partners effectively when it chooses to engage with partners? How does it exploit the fact that The Bank sits on the boards of more partnership programs than any other development organization (around 91).[2] How does it make sure that trust funds support rather than distract from the mission? The strategy prominently highlights the need to ensure better management, oversight, and selectivity in World Bank Group partnerships and promises to manage global engagements as "business lines" with policies for budgeting, cost recovery, and results monitoring.[3] The ongoing change process offers opportunities to deliver on the promise of the strategy, for example as part of the integration of partnerships and trust funds into the Global Practices.

IEG has reviewed more than 23 global partnership programs, as well as the Bank's approach to the trust funds that finance such programs.[4] These reviews have found that most partnership programs tackle relevant problems--often making solid contributions to development—yet confront a pattern of similar weaknesses leading to missed opportunities and compromised effectiveness. There are four common challenges related to selectivity, oversight, linkages to country operations, and results frameworks. IEG has recommended reforms to help the Bank address these challenges.

This learning-oriented note summarizes IEG's findings and recommendations. The hope is that better navigating the predictable challenges confronted by partnership programs will help make programs, and the Bank's role in them, more effective and deliver results to clients. We begin by looking at the opportunities that partnerships represent before drilling down on the four common challenges.

2. Partnerships Represent Opportunities

Collaborating in a partnership is an opportunity to achieve more than what each partner might accomplish on its own. Partnerships are also a major source of fundraising for the

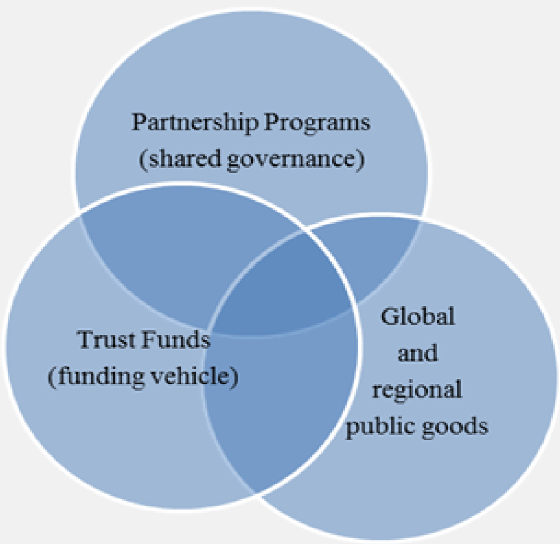
Bank Group. As collaborative ventures, partnerships are distinct from trust fund which are vehicles for channeling finance. Some partnerships are concerned with global public goods, other with national development issues (Box 1).

Box 1. Partnerships, global public goods, and trust funds: what they are and how they overlap

Partnership programs are *collaborative ventures with dedicated funding, multicountry focus, and shared governance arrangements*. The Bank is a member of around 126 global or regional partnership programs. Most of these receive at least some of their funding from trust funds that are administered by the Bank. This note deals primarily with this type of partnership, and not with the Bank's numerous other, less formal partnerships.

Global public goods produce benefits that are non-rival and non-excludable and accrue across many countries (for example, polio eradication, mitigation of climate change, or prevention of financial contagion). About 27 percent of Bank partnership programs, accounting for 89 percent of disbursements, finance the provision of global and regional public goods; the remainder produce and disseminate development knowledge and provide technical assistance and financing for national investments.

Trust funds are funds donated by various official and private donors to be administered by the World Bank Group. The Bank administers more than 1000 trust funds. About 60 percent of these provide funding for regional and global partnerships; the rest help to finance Bank activities in selected areas or countries.



Source: IEG Staff

The World Bank Group-administered trust fund portfolio has grown significantly in recent years, becoming a significant source of revenue for the Bank Group and its clients and almost as big as IDA resources. Some donors, increasingly dissatisfied with the traditional multilateral and bilateral forms of delivering aid, began in the 1990s to initiate programs and trust funds aimed at earmarking funds for specific purposes. They asked the Bank Group to administer many of these trust funds. In FY13, recipient-executed trust funds and Financial Intermediary Funds each made more than $5 billion in new commitments—substantial amounts compared to the regular IBRD, IDA, and IFC business. About 60 percent of Bank-managed trust funds support global and regional partnership programs. Trust funds are also important for knowledge work—they finance 46 percent of the Bank's knowledge services and 90 percent of IFC advisory services.[5] Trust funds provide 23 percent of the World Bank's annual expenses (36% when reimbursable technical assistance is included), a share that has been growing over time. Without them, the Bank would have a much smaller work program and a lot fewer staff.

Partnerships serve many useful purposes. They enable the Bank to pool its expertize with that of partner organizations with complementary capacities. In responding to avian flu, for example, the Bank found it helpful to partner with organizations with expertise in epidemiology and animal health, expertize that it did not have itself.[6] Partnership programs also support long-term fund raising as their shared governance arrangements ensure greater and more lasting donor buy-in. The shared governance feature also helps ensure legitimacy to efforts, important for example for standard-setting and global public goods initiatives. Partnership arrangements backed by multi-donor trust funds facilitate donor coordination and joint dialogue in sectors such as health and education and in countries recovering from conflict and disaster. Some partnerships offer a forum for networking and exchange of knowledge.

The World Bank participates in many partnerships that complement it or fill gaps, but also some that substitute for Bank work. Some partnerships complement the Bank, allowing it to engage in activities that it could not support on its own—for example by financing Bank work on global public goods and on non-core or innovative issues and sub-sectors. Some partnerships fill gaps in the international aid architecture by addressing new challenges or meeting unmet needs. But there are also some partnership programs that become the lead agencies in their areas and, arguably, substitute for the Bank.

The perceived need for global public goods, like infectious disease control, climate change mitigation, and biodiversity conservation has become increasingly urgent. National action is increasingly insufficient to meet development goals. To grow and prosper, developing countries also need traction on critical global issues to unlock opportunities and manage risks—including climate change, infectious diseases, and global frameworks for trade, finance, and migration. And many smaller or landlocked countries rely on regional cooperation on trade, infrastructure, security, and water sharing. The World Bank Group has a unique capability in linking global and regional issues to action in its client countries, to "work with partner countries at the intersection of national development priorities and global issues".[7] The Bank's work on global public goods is often done as part of a partnership program and financed by trust funds.

Some partnerships have made substantial contributions to global development in their respective sectors. For example, CGIAR, a global consortium of 15 agricultural research centers set up in 1971, helped to spur the green revolution and other productivity-enhancing agricultural innovations, reducing hunger and poverty for millions.[8] The GAVI Alliance claims to have immunized an additional 440 million children between 2000 and 2014 against leading vaccine-preventable diseases in the world's poorest countries, preventing approximately six million future deaths.[9] The Stop TB Alliance has had a significant impact on TB control and research: some 98 percent of the population in

22 countries with a high burden of TB is now covered by the Directly Observed Treatment-Short-Course, the basic package that underpins the Stop-TB strategy.[10] The Global Facility for Disaster Risk Reduction (GFDRR) has contributed to greater risk reduction in Bank projects and catalyzed an active community of practice around disaster risk reduction.[11] The Forest Carbon Partnership Facility (FCPF) has been an innovative, risk-taking program that has helped define modalities for REDD+, and rekindled interest in addressing chronic forest sector issues (Box 5).[12]

3. Partnerships create challenges

Partnerships typically start with handshakes between leaders of government, industry, civil society, and development organizations. Leaders have agreed on a global priority, acknowledged a need for cooperation, and pledged funds. But the work to deliver results on the ground can start only after many complicated details have been settled. For example, full funding must be arranged, governance arrangements negotiated, program objectives defined, staff hired. Formal partnership programs are complex to set up and in most cases it has taken several years before they begin their activities and even longer until they achieve impact. Bank staff are practiced at setting up and managing trust funds (to channel funds to a particular purpose) but they have not been schooled in structuring the partnerships that many trust funds support.

The proliferation of partnership programs has resulted in a more complex and fragmented aid landscape. In the health sector, several large partnerships are focused on communicable diseases—including the Global Fund to Fight AIDS, Tuberculosis, and Malaria; the GAVI Alliance (for childhood immunization); Roll Back Malaria; and Stop TB. It has proven difficult for country officials to mesh these well-funded programs with their own national health sector priorities. And there are pressures on the World Bank to increase its engagement at country level with the Global Fund and GAVI.[13]

As already mentioned, IEG has identified a pattern of similar challenges and missed opportunities across a diverse set of partnership programs with Bank participation and has recommended reforms to strengthen selectivity, corporate oversight, partnership governance, links to country operations, and results frameworks. The remainder of this note describes these challenges and recommendations. The hope is that better navigating the predictable challenges confronted by partnership programs will lead to better development outcomes for client countries.

FIRST CHALLENGE: WHY CAN'T THE PROGRAM BE SUPPORTED WITH EXISTING MECHANISMS?

Trust funds, in the aggregate, serve only to reallocate the fixed aid budgets of donors. Most donors allocate funds from a fixed envelope, and there is no evidence that trust funds have increased the size of the total official aid envelope.[14] Trust funds are not programs themselves; rather they are vehicles for channeling aid to particular organizations and purposes. Donors use them to pool funds for particular programs, tap into World Bank Group systems and capacities, influence the Bank, and, sometimes, to distance themselves from a politically-sensitive issue. Their value for the Bank is the additional finance for its operations, work program, and engagement in regional and global activities. This value has to be balanced against the risks of proliferation of uncoordinated initiatives with parallel budgeting and approval processes.

As earmarked pots of money with separate approval and allocation processes, trust funds tend to increase the transaction costs for the client country, making them inconsistent with principles of aid alignment and government ownership. The programs they support may also impose heavy burdens on local resources. Many ‘vertical’ (disease-specific) global programs, for example, rely on underfunded national health systems for their delivery. And some global programs require country officials to submit redundant plans and reports, impose ill-suited eligibility criteria, or fail to align with country priorities. This being said, multi-donor trust funds have provided clear value-added in fragile and conflict-affected states where they have been used to pool donor resources and contributed to donor coordination, policy dialogue, and institution building. Those that had clear governance arrangements and complementarity to Bank country programs were more successful.[15]

IEG’s trust fund evaluation recommended that the Bank Group continue to accept trust funds because they address limitations in the bilateral and multilateral aid systems and because they enable the Group to expand its roles and contributions to development. However, the Bank Group could do a better job to foster effective, efficient, and accountable use of this instrument. The Bank Group should apply greater selectivity at entry; conversations with donors on partnerships and fund raising should start by discussing the best trust fund vehicle and how to avoid aid fragmentation.[16]

SECOND CHALLENGE: HOW TO ENSURE EFFECTIVE OVERSIGHT AND ACCOUNTABILITY?

The World Bank has streamlined certain corporate processes for managing trust funds, but not partnerships. No central unit oversees the Bank’s participation in the governance of partnerships, and the various Vice Presidential Units vary from proactive to hands-off. The former Sustainable Development Network, for example, provided active oversight of partnership programs and trust funds under its purview. But this is not the general rule. Global and regional engagements are not tracked in any portfolio database, nor expected to report on results. This hands-off approach makes it possible that major risks—and major opportunities—in the partnership portfolio have gone unrecognized.

For example, the Bank sits on the boards of 91 partnership programs, far more than any other bilateral or multilateral donor. The Bank has a unique opportunity to advocate standards of good global governance in its board work—for example, minimum acceptable standards of transparency and accountability. Yet this opportunity is being missed: there has not so far been an institutional position or training on desired practices and standards in this area. Technical staff that represents the Bank in partnerships are not offered training or provided terms of reference.

Governance has proven to be a major stumbling block to programs’ effectiveness. An international partnership needs a governance structure that is legitimate, effective, and accountable.[17] It has to be clear who takes what decisions. The most common problem is an unclear division of roles between the governing body – for example, the board or steering committee – and the management – for example, the secretariat. Oversight and approval of the work program are not always clearly separated from daily management; boards sometimes fail to oversee management and set strategic directions.

Some partnership boards are big and cumbersome. The Global Facility for Disaster Risk Reduction (GFDRR), for example, has more than 40 members and observers in its Consultative Group, resulting in unwieldy decision-making.[18] Evaluations of several programs find that board agendas are overcrowded or poorly managed, and tensions between stakeholders often lead to lengthy impasse with no clear path to resolution. Meetings are taken up by lengthy procedures rather than in-depth discussions of the effectiveness and relevance of activities. Some programs have evolved ad hoc, duplicative processes. Global Environment Facility (GEF) projects, for example, are reviewed and approved both by the GEF and the implementing agencies, resulting in major delays.

Achieving legitimacy is a challenge for partnership governance. Partnership boards are often comprised of a mix of donors, beneficiary countries, civil society, and the private sector. It has proven hard to ensure effective voice and a balanced representation of competing interests.

Transparency could often be better. Many programs' websites don't display their charters, financial reports, and evaluations. Sometimes, special interests find unfair ways to influence decisions on grant allocations due to insufficient transparency of grant making processes and unequal access to information by potential beneficiaries.[19]

Going forward, the Bank should require that each partnership program embody the essential elements of good governance such as a charter, a governing body/board, a secretariat, periodic independent evaluation, and standards for transparency and handling of conflicts of interest. The Bank should issue terms of reference for its representatives on partnership boards and beef up training and in-house capacity on global program governance.

The Bank plays multiple roles in partnership programs (host of the secretariat, trustee, implementing partner, funder, and member or chair of the governing body). These roles give rise to a range of potential strategic, financial, operational, and institutional linkages between programs and the Bank (Table 1 in Annex B). There are also risks. For example, the Global Facility for Disaster Risk Reduction (GFDRR) acts both as a global partnership program with shared governance arrangements and the institutional home for the Bank's disaster risk management practice. The potential conflicts of interest and reputational risks from this dual role should be acknowledged and confronted proactively (Box 3).[20] This is one of the motivations behind IEG's recommendation that the Bank should develop formal policies for partnership engagements as well as for hosting secretariats (Box 2).[21]

Programs housed in the Bank align and identify with the Bank to varying degrees. The Energy Sector Management Program (ESMAP), GFDRR, and the Global Program for Output-Based Aid (GPOBA) are clearly part and parcel of the Bank, and aligned with it operationally, although each has its own board, secretariat, and approval procedures. The

Global Partnership for Education (GPE, previously known as the Fast Track Initiative) has a more independent identity and position, as does the GEF.

Frictions can develop between programs and their hosting organizations. The Consultative Group to Assist the Poor (CGAP) has had to resist attempts to make it assume responsibilities for overseeing the Bank's own work on micro finance. Cities Alliance completed a move from the Bank to UNOPS, which was found better suited to handle its small grants program.[22] An evaluation of the International Land Coalition (ILC, a global program) found that its host organization, the International Fund for Agricultural Development (IFAD) had assumed governance functions that should have been performed by the ILC Coalition Council (its board). The legal status of ILC was unclear and lines of accountability between ILC and IFAD were blurred, compromising the value of the ILC.[23]

Box 2. Most Partnerships are hosted by one of the partner organizations

The Bank is involved in around 85 global and 35 regional programs with shared governance. Of these, 40 percent have secretariats housed in the Bank—including, for example the Climate Investment Funds, the Global Environment Facility, the Global Partnership for Education, and the Consultative Group to Assist the Poor. Staff of internally housed programs is subject to Bank policies and benefits, yet sometimes owe their loyalty more to the program than to the Bank. The dual loyalty and other issues have been resolved on a case-by-case basis but the growth in the number and complexity of partnership programs may warrant a more consistent approach. IEG recommends that the Bank formulate a hosting policy to guide its relationship with internally-housed partnerships.

The Bank Group is also a partner in many programs housed elsewhere. About 35 percent of programs are housed in other organizations, such as the StopTB Partnership housed in the World Health Organization and Better Work, a partnership between IFC and the International Labor Organization (ILO) housed at ILO. About 25 percent of partnerships are independent legal entities, notably GAVI and the Global Fund which both operate under Swiss law.

There is no clear best practice. Being an independent entity involves major costs for support functions (legal, human resources, administrative, and so on) but also promotes a distinct brand which can have fund raising and other advantages. The international community may want to carefully weigh the pros and cons of creating new independent organizations versus housing partnerships in existing organizations.

Source: IEG, 2011b.

The Bank's representative on a program's governing body is responsible for overseeing program activities, but the Bank lacks selection criteria, terms of reference and reporting channels for these representatives. Terms of reference and training would help clarify the roles, responsibilities, and accountabilities of Bank staff serving on the boards of partnership programs and bring needed clarity. Bank management has proposed (in July 2013) a Management Framework for partnership programs and Financial Intermediary Funds that articulates principles of engagement. If implemented, this Framework could provide the basis for more consistent decision-making related to Bank participation in partnership programs.

Box 3. When partnerships are operationally integrated: the Global Facility for Disaster Risk Reduction (GFDRR)

GFDRR has experienced rapid growth since its inception in 2006 in the face of evident demand from developing countries—and satisfied donors—for support for disaster risk management (DRM). GFDRR is closely identified with the Bank, and the Bank's regional DRM focal points have effectively channeled country demands for assistance with DRM to the GFDRR. This way, GFDRR draws on the Bank's long experience in post-disaster assistance, but it has also influenced the Bank to elevate disaster risk reduction in operations. Although attribution is difficult, there has been a clear shift toward risk reduction in Bank-supported investment projects since 2006; the GFDRR has also catalyzed and sustained an active community of practice around disaster risk reduction inside the Bank and linked it to other organizations active in the field. However, GFDRR has been slow to clarify its program objectives and set up effective M&E frameworks. And its Consultative Group (board) looks unwieldy with 25 voting members and 21 observers.

Source: IEG, 2012a.

THIRD CHALLENGE: HOW WILL THIS COMPLEMENT THE BANK'S COUNTRY OPERATIONS?

The Bank's dominant business model is based on partnerships with client countries. This country-driven model has been hard to reconcile with the global programs and multi-country trust funds that the Bank is asked to administer.[24] IEG has noted cases where staff of a global program working in a country don't communicate well with country teams, and the country director generally lacks authority over global program activities.

Trust funds supporting a single country tend to better align with the Bank's country work than trust funds supporting multiple countries. Multidonor trust funds supporting a single country have sometimes fostered policy coherence among donors and brought together what would otherwise be piecemeal contributions. But such positive features are not consistently encountered in multi-country trust funds.

Global funds and programs that support a particular theme or sector often fall short on fostering country ownership; developing countries are often not involved in their design and initiation. Some global funds are plagued by operational inefficiencies, weak accountability for results, and lack of objective and transparent allocation criteria. Recipient governments criticize global funds and programs that impose requirements ill-suited to their country or conduct studies that they don't consider a priority. IEG has recommended that trust funds supporting multiple countries be phased out, unless they support a global or regional partnership program with clear governance arrangements or can be folded into the emerging umbrella trust funds.[25] Exercising careful selectivity at entry would help to avoid duplicative efforts. Partnerships and trust funds that provide co-financing should simplify parallel approval mechanisms.

More can be done to ensure synergies between the Bank as a global partner and the Bank as a country partner. Recent reviews of the Bank's engagements with GAVI, GEF, and the Global Fund all point to challenges and missed opportunities (Table 1 in Annex B). The GEF Review found ineffective management, slow processing speed, and duplication of work along the Bank-GEF project cycle (Box 4). The GAVI review highlighted the

Bank's excellent work on innovative finance on behalf of GAVI but also pointed to missed opportunities for stronger Bank engagement in health sector finance and analytical work related to immunization. There was strong interest from both the Global Fund and GAVI for stronger Bank country-level engagement, but in neither case was there any explicit agreement on division of labor and accountability between the Bank and the respective organization. The opposite is true of GFDRR which is housed in the Bank and well-integrated in Bank operations (Box 3).[26]

Box 4. When Partnerships diminish over time: The World Bank Group and the Global Environment Facility (GEF)

A recent IEG evaluation finds that the mandates and strategies of World Bank Group and GEF have been mutually relevant since the start of GEF in 1991. The GEF's focus on global environmental benefits complements the World Bank's own environmental priorities. The Bank considers the GEF as a crucial contributor to innovative and risk-sharing approaches, and the GEF perceives the Bank as having a key comparative advantage in leveraging GEF funding to generate global environmental benefits in large projects.

But the Bank Group-GEF partnership has deteriorated over time, driven by a series of changes that made the GEF less relevant for the Bank Group and more cumbersome to engage with. IEG recommends adapting the World Bank Group-GEF partnership to evolving realities, for example via a shared project cycle that makes fuller use of the Bank's quality assurance mechanisms; agreeing on cost recovery principles for the implementation of GEF projects; reaching a common vision of the future of World Bank Group-GEF partnership; addressing the difficulties of the Bank and IFC in working under GEF's resource allocation systems; and clarifying mutual expectations for blending World Bank with GEF funding and investigating options for legitimizing innovation, demonstration, and replication as selection criteria for freestanding projects.

Source: IEG, 2013b.

Stronger coordination mechanisms between partnerships and the relevant sectors could help to ensure effective linkages and avoid diminishing relevance over time. The Bank cannot mandate this—after all, these are partnerships with shared governance. Instead, the Bank's representatives on partnership boards could be empowered to work for operational linkages and coordination. Routine oversight and management of partnership engagements is warranted, along with support and training for Bank staff representing the organization on boards.

Box 5. Pushing the envelope on forest carbon

The Forest Carbon Partnership Facility (FCPF), housed in the Bank, was set up in 2007 to assist developing countries in achieving emissions reductions from deforestation and forest degradation (REDD) by building their capacity to benefit from possible future systems of REDD+ payments and piloting a performance-based payment system. It has been an innovative, risk-taking program that has helped define modalities for REDD+, and rekindled interest in addressing chronic forest sector issues. Yet it has struggled to meet high demand for its services, has been slow to disburse, and found it hard to bring in private sector participation. And its mission has been complicated by the uncertain prospects for a large-scale compliance market in REDD credits. The Bank could use a strategic reflection on its overall approach to REDD+.

Source: IEG, 2012c.

FOURTH CHALLENGE: HOW WILL WE KNOW WHAT THE PROGRAM HAS ACCOMPLISHED?

Imagine a fictional program, the Partnership for Better Aid. It is housed in the Bank, has existed for seven years, and can point to a good number of studies, workshops, and pilot projects. However, it lacks a clear results framework and collects no data on the impacts and outcomes that result from its activities. Its donors are asking for evidence of impact. An external evaluation is commissioned. The external evaluators, however, face the challenge that results indicators have not been specified, let alone measured. The evaluation report describes stakeholders' perceptions and recommends stronger M&E.

This description fits most partnership programs that IEG has reviewed. The failure to define and track their results compromises the programs' credibility with donors (and possibly their effectiveness). In a sample of 17 independent evaluations of partnership programs, all were compromised by weak M&E frameworks: objectives and strategies of programs were ill-defined, and programs' M&E systems failed to pay attention to outcomes, or didn't collect data on them (Box 6).[27]

Box 6. Why are programs' M&E practices so weak?

All Bank-financed lending projects are obliged to define a results framework at their outset. Operational staff receive training and guidance on results. Lending project self-evaluations (Investment Completion Reports) are mandatory and validated by IEG. Many trust funds also use self-evaluations but these are not validated and report success rates that are uniformly high and devoid of credibility.

Partnership programs are not required to have results frameworks at inception and as a result often take many years to set them up. Moreover, partnership programs by their nature represent compromises between multiple partners. Partners agree on broad directions but often differ on nuances and priorities. As a result, programs are settled with vague or excessively broad objectives, resulting in weak links between programs' activities and their larger objectives.

IEG found that partnership programs have started to develop a culture of evaluation but that many programs regard periodic evaluation as a substitute for putting adequate monitoring systems in place. Periodic evaluations often result more from donor pressure than from program managers' desire to learn lessons to improve their effectiveness.

Source: adapted from IEG, 2011b.

The Bank should promote clear goals and indicators in the programs in which it participates whenever they are approved or restructured. It should also promote periodic independent evaluation (this is currently mandated but not enforced). Evaluations should adhere to standards of good practice and, to ensure credibility, be independent of program secretariats.[28]

4. How to ensure results from partnerships? Summary of recommendations

Partnership programs and trust funds will likely continue to proliferate. Many of the drivers underpinning the growing role of partnerships for development show no sign of abating. On the supply side, there are political considerations in donor countries leading to earmarking of aid and the Bank's push to fund-raise for development. On the demand side, there is growing attention to addressing global public goods, in particular climate change, but also a host of other issues such as trade, migration, water scarcity, infrastructure integration, global standardization and certification, and knowledge and statistics. The World Bank Group is well-positioned to contribute in many of these areas.

Strong partnerships are about creating shared value—working collaboratively with other organizations to produce development results that the partners would not be able to create on their own. The key challenge facing the World Bank Group is to make sure that its engagements in partnerships create shared value for its client countries. As emphasized in the World Bank Group strategy, engaging in strong and well-aligned partnerships can help the Group enhance its contributions to global development, but the evaluation experience summarized in this note suggests that there is room to improve.

IEG has recommended a set of reforms and initiatives to help the Bank address the most frequently encountered partnership challenges. We repeat these recommendations in the following.

First, there are several steps the Bank can take to ensure greater strategic relevance in its partnership programs:

- Conversations with donors on partnerships and fund raising should emphasize selective use of the trust fund vehicle and how to avoid aid fragmentation;[29]
- Apply greater selectivity at entry, channeling resources and institutional attention to areas deemed a priority for the institution as a whole (rather than an individual department);
- Build sunset clauses into new partnership agreements (most trust funds already have them).

Second, internal reforms could enhance the effectiveness of partnerships, chiefly via streamlined processes for managing partnership programs. IEG views partnership reform as feasible and desirable, and has recommended:[30]

- The Bank Group should develop a formal policy on engaging with partnership programs, including standard approval processes for Bank Group engagement with new partnership programs, independent of how they are financed.
- For each program in which it is engaged, the Bank Group should have an explicit engagement strategy that includes:

   - The expected roles of the Bank Group in the program at global and country level;
   - How the program's activities are expected to be linked to the Bank Group's country operations;
   - How the risks to the Bank Group's participation (including conflicts of interest) will be identified and managed.
- Approval of new programs should be conditional on having satisfactory governance arrangements, theory of change, results frameworks, and resource mobilization strategies at the outset.
- The Bank Group should formulate a policy for hosting the secretariats of partnership programs inside the Bank Group.
- Oversight and risk management of programs should be strengthened via:
   - A continuously updated system for tracking the portfolio of partnership programs;
   - Standard terms of reference for all Bank Group staff serving on partnership boards;
   - Bank Group-wide guidelines for task team leaders of partnership programs;
   - Sufficient budgets—and other relevant support, including training—for effective oversight and risk management.

Appendix A. Sources

IEG evaluations have covered all three major aspects to global engagements:

- Global public goods (services that a country-based model would undersupply)
- Partnership programs (governance arrangements for cooperation)
- Trust funds (vehicles for channeling targeted finance).

IEG/OED started reviewing the Bank's global work in 2002, and in 2004 published the first major evaluation of global programs, followed up in 2007 by an evaluation of regional (multi-country) programs. From 2006-13, IEG conducted 23 in-depth Global Program Reviews, listed below. These Reviews have covered nearly all of the Bank's large global programs as well as a sample of medium-sized and smaller programs, mostly in health, environment, infrastructure, disaster risk management, and statistics. The World Bank's Involvement in Global and Regional Partnership Programs: an Independent Assessment (2011) summed up the cumulative experience from the Global Program Reviews while Trust Fund Support for Development: An Evaluation of the World Bank's Trust Fund Portfolio (2011) assessed the value of the trust fund vehicle as a way of delivering aid, the effectiveness of the Bank's management of trust funds, and their impact on the Bank's development role. And the 2008 Annual Review of Development Effectiveness: Shared Global Challenges reviewed the Bank's provision of global public goods.

The impact of IEG's work in this area is mixed. Individual programs have undertaken reforms. CGIAR, for example, reformed itself to become less sprawling and more coherent and responsive to demand. Many programs especially in sustainable development have improved their results frameworks. The Development Grant Facility was revamped. And at the corporate level, CFP introduced the umbrella trust fund concept and a new management framework for partnership reform in response to IEG evaluations. However, in IEG's view the Bank still has some way to go, especially on reforms to the policies, systems, and guidance for participation in partnership programs.

List of IEG's Global Program Reviews to Date

	Acronym	Program Name	Date Completed
1.	ProVention	ProVention Consortium	2006
2.	DG	Development Gateway Foundation	2007
3.	MMV	Medicines for Malaria Venture	2007
4.	CA	Cities Alliance	2007
5.	CEPF	Critical Ecosystem Partnership Fund	2007
6.	ADEA	Association for the Development of Education in Africa	2008

Acronym	Program Name	Date Completed
7. PRHCBP	Population and Reproductive Health Capacity Building Program	2008
8. ILC	International Land Coalition	2008
9. CGAP	Consultative Group to Assist the Poor	2008
10. GDN	Global Development Network	2009
11. GFHR	Global Forum for Health Research	2009
12. GISP	Global Invasive Species Program	2009
13. Stop TB	Stop TB Partnership	2009
14. IAASTD	International Assessment of Agricultural Knowledge, Science, and Technology for Development	2010
15. GWP	Global Water Partnership	2010
16. MDTF-EITI	Multi-Donor Trust Fund for the Extractive Industries Transparency Initiative	2011
17. MBC	Mesoamerican Biological Corridor	2011
18. MAPS, PARIS21, and TFSCB	Marrakech Action Plan for Statistics, Partnership in Statistics for Development in the 21st Century, and Trust Fund for Statistical Capacity Building	2011
19. Global Fund	Global Fund to Fight AIDS, Tuberculosis and Malaria	2012
20. FCPF	Forest Carbon Partnership Facility	2012
21. GFDRR	Global Facility for Disaster Reduction and Recovery	2012
22. GEF	Global Environment Facility	2013
23. GAVI	GAVI Alliance	2014

Note: All are available on http://ieg.worldbankgroup.org under evaluations=>global program reviews.

Appendix B. Linkages

Table 1. Examples of Linkages between the Bank and Four Global Partnership Programs

Types of Linkages	Global Fund to Fight AIDS, TB and Malaria	Stop TB Partnership	Global Environment Facility (GEF)	GAVI Alliance
Strategic	The Global Fund and Bank strategies are most closely aligned in low-income countries where fighting communicable diseases is a high priority. However, the Bank pursues multisectoral approaches to improve health outcomes, while the Global Fund focuses on three specific diseases.	Stop TB and Bank strategies are closely aligned. Bank exercised its convening power at Stop TB's formative stage and seconded staff to Stop TB.	The mandates and strategies of the GEF and the Bank Group have been compatible and mutually relevant in the past and today. However, a number of factors have over time diminished the relevance of the partnership.	The mandates and priorities of the Bank and GAVI were mutually relevant and compatible at GAVI's inception but the engagement diminished starting in 2008 until recently because of unresolved tensions, for example between the Bank's broader priorities and GAVI's focused introduction of new and sometimes costly vaccines.
Financial	The World Bank is the limited trustee of the FIF that supports the Global Fund.	The Bank has supported Stop TB since inception through the Development Grant Facility and was the largest financier of TB control until the creation of the Global Fund.	The Bank is the Trustee of the GEF and related trust funds, and an implementing agency of GEF-funded projects. The Bank's share of GEF funding has declined over time.	The Bank helped set up and executed two major innovative financing mechanisms—IFFIm and the AMC—on behalf of GAVI that contributed to its rapid scaling up.

Types of Linkages	Global Fund to Fight AIDS, TB and Malaria	Stop TB Partnership	Global Environment Facility (GEF)	GAVI Alliance
Operational	The Bank does not play an explicit operational role in the Global Fund. Global Fund and Bank staff has had some degree of engagement, from information-sharing to active collaboration, in about 65 countries.	The Bank has multiple lending operations that support TP projects in countries.	Reforms to the GEF's project cycle and agency fees have contributed to slow processing and duplication of work. GEF and the Bank are now piloting a project cycle simplification.	Since GAVI was set up, the Bank has reduced its immunization engagement. Active collaboration with GAVI is rare. There are opportunities for stronger Bank engagement in immunization policy and finance discussions.
Institutional	The Bank is a permanent, non-voting member of the Global Fund Board by virtue of its trustee role. The various initiatives associated with the Global HIV/AIDS Program and the International Health Partnership has contributed to both global and country-level engagement.	The Bank is a member of the coordinating board. Stop TB's principle is for partners to work cooperatively toward the common goal without renouncing the independence and individual mandates of partners.	The Bank and other GEF Agencies have little role, as invited observers, in GEF Council decision making today. The Agencies' roles in the preparation of GEF policy and strategic documents have become less collaborative and more consultative over time.	The Bank is a permanent, voting member of the GAVI Board and sits on three committees. Since 2008, the Bank has been less engaged and decided to stop receiving GAVI trust funding for analytical work and capacity building.

Sources: IEG's Global Program Reviews on the Global Fund (2012), Stop TB (2009), the World Bank Group's Partnership with the GEF (2013), and GAVI Alliance (2014).

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Endnotes

[1] World Bank. 2013.
[2] IEG. 2011b.
[3] Ibid.
[4] Sources and programs are listed in Annex A and globalevaluations.org.
[5] World Bank Corporate Scorecard September 2013 p. 19; Trust Fund Reform: Progress to Date and Future Directions, June 2013 p. 33. The IFC figure for advisory services is for FY12, all other for FY13.
[6] IEG, 2014a.

[7] World Bank. 2007.
[8] OED. 2004.
[9] www.gavialliance.org
[10] IEG. 2009.
[11] IEG, 2012a.
[12] IEG, 2012c.
[13] IEG, forthcoming.
[14] IEG, 2011a.
[15] IEG, 2014b.

[16] IEG, 2011a.
[17] Goldin, Ian. 2013.
[18] IEG, 2012a.
[19] Ibid.
[20] IEG, 2012a.
[21]IEG, 2011b.
[22] See also IEG, 2007.
[23] IEG, 2008b.
[24] IEG, 2013a.
[25] Umbrella trust funds are broad facilities such as, for example, the Umbrella Facility for Gender Equality. This is an example of a multi-donor trust fund that is closely aligned with the World Bank Group's strategy for gender equality and regional priorities
[26] IEG, 2012a.
[27] IEG. 2011b.
[28] Ibid.
[29] IEG, 2011a.
[30] IEG, 2011b.