TRUST FUND FOR ENVIRONMENTALLY AND
SOCially SUSTAINABLE DEVELOPMENT
(TFESSD) ANNUAL REPORT

MAY 1, 2006 TO JANUARY 31, 2007
# TFESSD ANNUAL REPORT

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I. INTRODUCTION

1. This document highlights TFESSD achievements during the period from May 2006 to January 2007. The World Bank reports on the progress of TFESSD activities, portfolio performance and development have earlier been submitted every half year. The Bank and the donors have now agreed to report annually on TFESSD activities in spring. From next year the reporting period will run from February 2007 to January 2008. This report contains the following main sections: Window Reports, Administration and Governance and Financial Summary.

2. Since 1999 the TFESSD has supported 317 projects in more than 50 low- and middle-income countries. Currently there are 135 ongoing activities. As of January 31, 2007, donor contributions from Norway and Finland to the TFESSD totaled $87 million, of which US$71 million has been disbursed or committed. 44% of disbursed or committed funds have gone to activities in Africa.

3. The Social Development, Environment, Poverty and Social Protection Window Reports in Chapter II respond to donor request for information on impact, capacity building, knowledge sharing and partnerships. This year each Window Report also includes a chapter on TFESSD’s role and value added in the sector, an issue which will be pursued in the upcoming evaluation of the fund. The Window Reports also each show the progress and achievements during the reporting period and include summaries of ongoing and recently completed activities.

4. The 135 ongoing activities are distributed among the windows as follows: 45 in Social Development, 46 in Environment, 18 in Poverty and 26 in Social Protection. The portfolio is performing well under all windows.

5. Over the years 105 activities have been supported under the Social Development Window, 115 under the Environment Window, 64 under the Poverty Window and 33 under the Social Protection Window. As of January 31, 2007, Social Development has received US$ 27,3 million, Environment US$ 33 million, Poverty US$ 9,7 million and Social Protection US$ 4,4 million.

6. Chapter III is dedicated to administration and governance issues, with a focus on FY08 funding procedures. The detailed description is intended to serve as background for the discussion of new procedures at the consultation meeting. In line with the Bank’s recommendations the donors have agreed to fund 45 of the 57 received proposals. Twenty-two proposals were approved on condition of resubmitting revised proposals. The total funding for FY08 is $6,495,000 and $12,307,000 over the whole period. Fifty percent of the funding is earmarked to the two environment themes. The Africa share is 56%.

7. In Chapter IV, the Bank reports on the financial situation of the trust fund.
II. WINDOW REPORTS

A. SOCIAL DEVELOPMENT WINDOW REPORT

1. Summary

1. The Social Development activities are grouped under six major themes: (a) Community-Driven Development and Local Governance; (b) Social Inclusion and Diversity in Decision-making; (c) Poverty, Social Impact and Empowerment; (d) Innovations for Improved Governance and Social Accountability; (e) Country/Macro Level Social Analysis; and (f) Global and Regional Social Development Strategies and Initiatives.

2. Half of the active portfolio under the Social Development window consists of activities under two themes, namely CDD, and Innovations for Improved Governance and Social Accountability, with the rest divided among the other themes. This highlights the increasing importance of issues related to community empowerment and demand-side governance within the Bank.

3. There are 10 active and 5 closed projects under the CDD and Local Governance theme. The majority of these activities are designed to deepen and improve CDD operations, focusing on use of CDD approaches in conflict contexts, improving monitoring and evaluations systems, inclusion of women and youth in CDD activities, and strengthening links between communities and local governments. The work on social capital and CDD helped generate the legitimacy of putting issues of empowerment, social capital enhancement and demand for good governance into several Country Assistance Strategies in East Asia and Africa. Knowledge generated from activities on the use and impacts of CDD approaches in conflict-affected countries has been widely applied by Bank and client teams, as well as other donors, working on CDD in conflict environments, while monitoring and evaluation studies and tools developed in the East Asia region have informed several Bank projects.

4. The Social Inclusion and Diversity in Decision-Making theme has 4 active and 8 closed projects. Most activities focus on the inclusion of women, youth and other vulnerable groups in decision making, and knowledge generated has had an impact on inclusion of vulnerable groups in client countries as detailed in the next section (e.g., the work on inclusion of Afro-descendants in collection of official population data, and the research on indigenous people and poverty in Latin America).

5. There are 5 ongoing and 4 closed projects under the Poverty, Social Impact and Empowerment theme, which focus on the social impacts of poverty and promoting empowerment of excluded groups. Analytical research being conducted under these activities include understanding the social and economic drivers of violence by gender, and the role of rural institutions and their potential for increasing access of rural poor to private and public services. These activities have led to important new lessons for Bank operations and sector strategies.

6. The Improved Governance and Social Accountability theme has 12 active and 6 closed projects and is an area of growing importance within the Bank, as the Bank views good governance and anti-corruption as central to its mission of poverty reduction. Activities under this theme focus on strengthening demand-side governance through capacity building of in-country stakeholders at the local level, and the use of innovative tools and methodologies such as
citizen report cards, community scorecards and participatory budgeting and expenditure tracking. Several successful pilots have been completed in ECA, SAR, AFR and LCR resulting in improved service delivery and strengthened networks of social accountability practitioners.

7. There are 6 ongoing and 3 closed activities under the Country/Macro Level Social Analysis theme. The activities consist of upstream research designed to improve the understanding of a country’s social context, and how social, political and cultural factors influence the opportunities and constraints to a more equitable, inclusive development and better governance. The TFESSD has helped support development of an Integrated Country Social Analysis (CSA) Framework based on ongoing CSA pilots, and documentation and dissemination of the lessons coming out of the pilots.

8. There are 6 ongoing and 2 closed activities under the Global and Regional Social Development Strategies and Initiatives theme. The key focus is on implementing and mainstreaming the global and regional Social Development Strategies into Bank operations and corporate priorities. Other analytical activities include preparation of a Social Development Index, supporting a dialogue on social policy relevant to developing and in-transition countries, and a global study on crime, violence and the urban poor.

2 Strategic objectives and value added

2.1 TFESSD’s role and value added in the sector (compared to other TFs and BB financed work)

9. Since the establishment of the TFESSD in December 1999 (known then as the Norwegian Trust Fund or NTF), it has been instrumental in advancing the Bank’s work in the area of social development. The Social Development family was established in the Bank two years previously, and early support from the NTF served to complement and expand the Bank’s work in three key areas at the time: CDD, social capital and social inclusion. To date, TFESSD support has been invaluable in deepening work in these and other areas, including development of a Bank-wide and regional Social Development Strategies, and work on local-level governance and macro-level social analysis.

10. Bank budget for upstream research and mainstreaming of social development issues into Bank operations is generally limited, and trust fund support has been a major source of funding for social development. TFESSD support for the development and implementation of the Social Development Strategy has provided the opportunity and space for setting the Bank’s direction on social development, and moving into new frontiers of social policy as an integral part of sustainable development. The value of the Social Development agenda in the Bank’s mission of sustainable poverty reduction was evident during the recent reintegration of Networks, when all regions (including the Africa region) agreed that social development was a priority and should remain on par with other sectors in the Sustainable Development network. TFESSD funding has also been key to financing innovative, catalytic activities which have helped the Bank to deepen its knowledge, and has contributed to the development of new tools and instruments, such as Poverty and Social Impact Analysis (PSIAs), Country Social Analysis (CSAs), and CDD and social accountability tools, the results of which have been integrated into many Bank operations.

11. The TFESSD has also contributed to greater collaboration between the Social Development and Poverty Reduction (PREM) groups in implementing activities on the ground through its support for work on poverty and social impact analysis (done jointly by the Poverty
and Social Development groups, although the majority of the TFESSD work was funded under the Poverty Window). The most significant impact of the PSIA pilots was the ability to test approaches and leverage additional Bank resources to scale up rapidly, which allowed PSIA to be integrated within the operational policy (OP 8.60) for Development Policy Lending and mainstreamed around the Bank to support Poverty Reduction Support Credits (PRSCs) and other policy-based loans.

12. The TFESSD serves as the major source of donor funding for social development in the Middle East and North Africa (MNA) region, which faces significant human resource constraints in this area. The funding of a three-year coterminous position in MNA has been of great value to the group and has allowed them to develop the regional social development strategy and contribute towards regional operations. The TFESSD is also a major source of funding for Social Development staff in the Africa region, particularly with the donor’s request that 50% of the resources go towards Africa. The funding was almost fully responsible for the strides made on the CDD agenda in the region, and has made a major contribution to the work done on PSIAs, civic engagement and social accountability. The impact of the 2-year coterminous staff position funded by the TFESSD led to the region absorbing the position under regular bank budget. The Africa region also has ongoing work funded by the Japanese Social Development Fund (JSDF), the PHRD (for preparation of Bank projects) and the Post-Conflict Fund (PCF). The JSDF and PCF fund on-the-ground investments (project-like grants) that complement well TFESSD-funded activities.

13. In other regions—Europe and Central Asia (ECA), East Asia (EAP), Latin America and the Caribbean (LCR) and South Asia (SAR)—although the TFESSD is not a major source of donor funding, it has served to support a strategic set of activities related to CDD, decentralization and local governance. ECA also has support from the Bank-Netherlands Partnership Program (BNPP); EAP has support from several bilateral and multi-donor funds including JSDF, DFID, Australia; Netherlands, and the Multi-donor TF established for tsunami reconstruction; LCR has other ongoing work funded through the JSDF, PHRD, and GEF; and SAR has bilateral support from Sweden, Switzerland and Australia supporting work on decentralization, local governance and safeguards.

14. The TFESSD accounts for almost half of donor funding received in SDV and has been of immense value to the advances made in the sector. It has enabled the anchor to undertake innovative and catalytic research on areas of priority, and development of tools that are of Bank-wide value. Work includes development and implementation of the global Social Development Strategy, and development and piloting of tools related to CDD, PSIA, social capital, social accountability and civic engagement. Other sources of funding in the anchor come from DFID, JSDF, the German PSAF, Australia, and BNPP (Netherlands).

2.2 Impact on the Bank and in client countries

15. All the activities funded by the TFESSD support corporate and regional priorities and many of them serve to complement and strengthen ongoing Bank projects, while others have been sustained by support from bilateral donors or UN agencies. Examples of impact on the Bank and in client countries follow.

16. The TFESSD has been invaluable in building a body of empirical evidence on CDD and providing capacity building and knowledge sharing through the Bank and client countries. In Africa, CDD activities have significantly influenced Bank operations, as evidenced from the
number of CDD projects within the region and their evolution from stand-alone CDD activities to projects which strengthen the interface between communities and local governments (e.g. Angola Social Action Fund, Malawi Social Action Fund, and Zambia Local Development Project). Several African countries are attempting to harmonize their CDD policies and programs, and Nigeria has recently drafted a CDD Policy and Implementation Framework in an effort to facilitate national and state-level policy consensus on CDD. In EAP, the activity on Sustainable Development in the Urban Fringe has led to the Bank’s decision to engage on a rural/urban flagship, using the study from the TFESSD-funded activity as a pillar.

17. Activities focused on developing appropriate community-based strategies for working in conflict-affected environments have had significant results. In Liberia and Sierra Leone, the social analysis results have fed into country strategy work. The work in Sierra Leone led directly to the conceptualization, preparation and implementation of a $2m Japanese grant for building social capital. Results from studies on Conflict and Development provided background diagnostic and direct input into Bank and client operations, including the development policy lending operation in Central African Republic and the Peace Recovery and Development Plan for Northern Uganda.

18. Impacts can also be seen around the Bank from the work focused on social inclusion. One of the outcomes of the campaign to involve participation of women in the EAP region has been the selection of women leaders from desolate areas in Indonesia, while in Cambodia, women’s participation in politics and development councils could have a major impact on women’s voice in development and resource allocation. The work on inclusion of Afro-descendants in collection of official population data in the LAC region has resulted in changes made to the design of household and census surveys in several Latin American countries and stimulated dialogue between government officials and Afro-descendant communities. Cutting-edge research on indigenous people and poverty in Latin America has been published and widely disseminated, including at the UN, and has served to inform policy discourse in this area. The role of youth in development is of growing importance in the Bank and work in this area done in the MNA region contributed to the WDR 2007 on Development and the Next Generation.

19. The World Bank has recently approved a strategy of ‘Strengthening Bank Group Engagement on Governance and Anticorruption’, which articulates the opportunities to use the local level as an entry-point to strengthen bottom-up participatory reform. Innovative work funded under the TFESSD on civic engagement, demand side governance and social accountability have given rise to increasing demand from the regions. In Madagascar, a social accountability pilot in the health sector has led to demand for similar work from other sectors, and also to the integration of a national social accountability program in the Country Assistance Strategy, while in Albania and the Kyrgyz Republic, mayors from four pilot areas have set aside resources to conduct participatory budgeting in their next budget cycles. The social accountability pilot in Ecuador has led to demand from Peru, Bolivia and Uruguay, while social accountability activities in Kenya fed into the launch of an interactive website on the Community Development Fund, through which constituents can monitor the fund allocation and status of projects within their district. Funding for a participatory budgeting center in Africa has catalyzed the spread of participatory budgeting in Eastern and South Africa, with interest in its use shown by mayors from several countries.

20. The work on macro- and country-level social analysis has provided input into Country Assistance Strategies and Development Policy Loans in the case of Yemen, while in Kenya, the National Economic and Social Council (housed in the President’s office) is expected to draw on the CSA to develop the social pillar of their analysis for a national strategy known as ‘Kenya
2030', which brings together economic, social and sustainability issues into a single perspective. The Haiti CSA has contributed to sector-specific activities in agriculture and infrastructure, as well as to the macro agenda through the Country Economic Memorandum. In the Democratic Republic of Congo, PSIA findings led to the creation of transitional subsidies for health and education sectors in the mining region and helped to keep students in school during the transitional two-year period, while in China, the Farmers Associations' Study provided input into a new law adopted by the government which will accelerate the development of farmer-controlled associations.

2.3 Capacity Building, Knowledge Sharing and Partnerships

21. Local capacity building and knowledge sharing constitutes a significant part of the activities funded under the TFESSD. Most activities hold in-country capacity building seminars and workshops, and partner with local institutions to implement the projects. Final outputs, toolkits, videos, and reports are widely disseminated to stakeholders and other interested Bank and in-country staff and clients through conferences, workshops and brown-bag lunches. Several of the outputs are available on the Bank internal or external websites, as indicated in the summary highlights of activities under Section 3.

22. Several of the TFESSD projects have resulted in strengthening of partnerships with bilateral and other donors, as well as mobilization of other donor resources. For example, the activity on social policy has led to ongoing dialogue with bilateral donors and UN agencies, and the reactivation of the Social Development Advisors Network. The work on Gender and Conflict in Mindanao influenced CIDA to implement a peace fund for local groups to undertake gender and peace-building activities, while the participatory budgeting centers in Africa and Latin American are also supported by UNHABITAT. CDD activities in the Africa Region have resulted in collaboration with the African Development Bank and the Africa Institute. Participatory monitoring of PRSP implementation in Benin has been replicated by GTZ in water and health, and DANIDA in local governance. Country social analysis conducted in Yemen contributed to a study on social exclusion done by DFID.

3 Summaries of ongoing and recently completed activities

3.1 Ongoing activities

Community-Driven Development and Local Governance

23. Community Driven Development (CDD) is an integrated and holistic approach to poverty reduction and development. It aims to enable and strengthen mutually supportive and reinforcing processes of community empowerment and participatory local development along with decentralization and capacity building of local governments. CDD frameworks link participation, community management of resources, good governance and decentralization as being necessary to promote inclusion, cohesion and accountability.

24. TF052785 EAP Sustainable Development in the Urban Fringe (FY04) - $505,000: This activity aims to improve awareness of fringe urban developments by assessing regional demographic and urbanization trends, as well as economic, financial, institutional and social dimensions, and to develop approaches for environmentally sustainable development in these areas. Case studies have been carried out in China, Vietnam, Philippines and Korea (the latter from separate funding sources), which were closely coordinated with other regional flagship...
products, including the EAP Infrastructure Development Study, the environmental strategy and the social development strategy. National meetings were held in all countries to discuss the draft case studies, followed by a very successful international meeting in South Korea which brought together key policy makers and the peer review committee to review the second draft of the report. A follow up review meeting was held at the World Bank in November 2006, and the report was finalized by mid-February 2007. The final report will be widely disseminated in the region, beyond the countries where the case studies were undertaken.

25. **TF054126 Campaign to Improve Participation of Women in CDD Programs in Indonesia (FY05) - $425,000:** This main objective of this activity is to empower women and marginalized groups to participate more fully in development activities. It is designed to strengthen and deepen the participatory work ongoing in several CDD projects in Indonesia and the lessons learned will be introduced into other CDD activities in the region. Activities have focused on training and cross learning, development of information materials, grants and awards for innovation and commitment, monitoring and evaluation, and documentation of best practices. To date, over 2,000 people have benefited (three-quarters of them women). In addition to smaller training activities proposed by KDP facilitators, NGOs and women’s groups, the project has also expanded activities such as promoting women’s leadership in the peace-making process in three post-conflict provinces in Eastern Indonesia and an activity to support women’s participation in the local commune council in Cambodia.

26. **TF054238 Sustainable Conflict Recovery: Strengthening CDD Approaches (FY05) - $315,000:** This activity is oriented towards deepening operational support for CDD operations in conflict contexts, catalyzing and learning from more intensive knowledge generation and dissemination, and building institutional relationships with partners. Activities were initially focused in Philippines, Sudan and Liberia, but Rwanda has recently been added due to country demand. Rapid progress was achieved over the past six months with commencement of grant activities in Mindanao and Sudan. Activities in Rwanda have focused on increasing citizen participation and accountability in decentralized service delivery, through workshops and technical assistance to line ministries and local governments, and a report has been prepared on ‘Assessment of Community Participation and Accountability in Decentralized Service Delivery’. In Mindanao, a draft database of civil society organizations working on community development and focus initiatives has been completed, while in Sudan technical assistance has been provided to collect and synthesize key project information and to undertake an impact evaluation of the Nuba Mountain Community Fund, with a view to ensuring that lessons from this pilot can contribute to future post-conflict CDD activities in Sudan and elsewhere. The Liberia Rapid Social Assessment has been completed and disseminated and is being used as a foundation for the ongoing debate on development policy in Liberia.

27. **TF055513 Local Governance Platforms: Strengthening Local Government Community Interface in CDD (FY06) - $300,000:** This activity aims to build local governance platforms in Zambia, Angola and Philippines, by strengthening learning, capacity, and mechanisms to integrate the CDD approach with local government and social accountability. Local Governance Assessments have been completed in all three countries, together with a review of fiscal flows to local governments and community-based organizations, and identification of key structural constraints to local governments. The TFESSD-funded activities in Zambia and Angola serve to complement and strengthen ongoing Bank projects (Zambia Local Development Project and the Angola Social Action Fund), while in the Philippines, the activity strengthens the effectiveness of CDD operations in supporting decentralization reforms.
28. **TF055543 Monitoring CDD Impact for East Asia CDD Flagship (FY06) - $580,000:** This activity provides support to the East Asia Vice President’s initiative for a regional flagship study on CDD, designed to improve the way the region can support CDD instruments to strengthen formal and informal community institutions and enhance their links to formal local government structures. The first phase of the activity has been completed, including stocktaking of available evidence, a training event in the region for CDD task team leaders to discuss the evidence and other operational issues, and preparation of a draft flagship report which was reviewed by EAP regional management in November 2006. Additional data collection and analysis of CDD operations is currently underway in Laos, Cambodia, Vietnam, Philippines and Thailand.

29. **TF055592 Participatory Monitoring to Get Results and Measure Impact of Local Development (FY06) - $271,000:** This activity aims to increase the Bank’s understanding of and experience with local-level Participatory Monitoring and Evaluation (PM&E) in operations. Progress over the past year has been slow due to transition of key staff involved in the activity, but task team leadership has recently been changed and the implementation pace has picked up. A Guidance Paper on PM&E was completed in June 2006 and disseminated through a brown bag lunch at the Bank. Support to pilot PM&E initiatives in Burkina Faso and Gambia is ongoing, while new initiatives are beginning in West Bank and Gaza, Cameroon, and Morocco. Results from these pilots will be incorporated into the guidance note.

30. **TF055616 Nigeria Harmonization of Public Policies and Processes (FY06) - $150,000:** The main objective of the grant is to facilitate national and state level policy consensus on CDD in Nigeria, which is strongly aligned with the government’s vision and effort to harmonize all programmatic and policy efforts related to decentralized, community empowerment and local government capacity building. To date, several workshops and consultation meetings have been held, leading to a significant amount of awareness raising and consensus among stakeholders at the Federal, State and Local Government levels, on an integrated CDD policy and program framework. An early draft of a CDD policy and implementation framework has been prepared which is undergoing consultation and review. Additionally, teams from two Bank-funded CDD operations (LEEMP and FADAMA) have held meetings to harmonize their interventions at the operational level.

31. **TF055766 Community Action and Local Government Development for Improving Service Delivery (FY06) - $300,000:** This activity is designed to identify the benefits and constraints of community-initiated projects versus local government-initiated projects, in order to achieve greater satisfaction among poor citizens and improved standards of living for poor and marginalized groups. Data has been collected and analyzed from several Bank-funded CDD programs in India, Bangladesh and Nepal (Nepal Poverty Alleviation Fund; Maharashtra Total Sanitation Campaign, Karnataka Panchayati Raj Support Loan, Bangladesh Local Government Support Project). Early drafts of reports have been prepared on ‘Building the Local State in South Asia’ and ‘Vertical and Horizontal Governance: Line Agencies and Local Government in South Asia’ and are under review, and a paper titled ‘Bottoms Up: The Role of Panchayati Raj Institutions in Health’ has been completed.

32. **TF057225 Rural Infrastructure and CDD (FY07) - $75,000:** The objective of this activity, which is just beginning implementation, is to assess the current practice of provision of CDD rural infrastructure by evaluating the relative effectiveness and sustainability of CDD versus non-CDD investments. This assessment will provide a basis for guidance on improved design of CDD components in rural infrastructure investments. Based on discussions at the forum on CDD and Infrastructure held during Sustainable Development Week in November 2006, it was agreed
that this activity should focus on knowledge sharing and capacity building. As such, work on revising and completing the technical guidelines on Rural Transport Infrastructure and CDD has begun and a draft version is expected to be completed by April 2007.

33. **TF057237 Youth Inclusion in Conflict and Post-Conflict Contexts – Implications for CDD (FY07) - $200,000:** The overall objective of this activity is to strengthen capacity to address the challenges of youth inclusion in conflict and post-conflict settings using CDD approaches through analytical review work and methodology development. Youth assessments have been completed in Burundi and Kosovo, and a report prepared on ‘Monitoring Youth Inclusion in the Kosovo Community Development Fund’. The Burundi youth assessment has informed the design of an upcoming Bank project on Social and Community Development. In Colombia, work has begun on a study on ‘Youth Inclusion in the Peace and Development Project’, where young people have been highly involved in local community development initiatives.

**Social Inclusion and Diversity in Decision-making**

34. The activities discussed below aim at developing diversity and inclusiveness in the decision-making process and mainstreaming or providing catalytic learning that can feed into operations and Bank strategies in their respective regions.

35. **TF055615 Youth Inclusion and Development in the MNA Region (FY06) - $180,000:** The objective of this activity is to develop and disseminate a regional policy note and advocacy tool on youth inclusion and development in the MNA region. The concept note on Youth Inclusion and Development was prepared and reviewed in the region in December 2006 and work has begun on the full policy note. Additionally, a series of youth consultations were conducted in close collaboration with the WDR team and a concept note on ‘Voices of the Youth’ prepared, with in-country consultations held in Egypt, Yemen, Morocco, and West Bank and Gaza. A regional forum on Youth as an Asset, which was held in Morocco in December 2006, attracted more than 500 participants from the region, demonstrating the widespread regional interest in this topic.

36. **TF055754 Youth and Development in Conflict-Affected Countries (FY06) - $200,000:** The objective of this activity is to build capacity to address youth development issues in conflict-affected countries through analytical work and an action research learning program in Sierra Leone, Rwanda and Burundi. Discussions with government officials on youth development issues have taken place in all countries. In Sierra Leone, a report on youth and employment has been completed, which is contributing to the country’s Youth Development Strategy being prepared by the government, the World Bank and other donors, and has also fed into the design of a World Bank project on Rural and Private Sector Development. Analytical work on Burundi has been completed and the report is under preparation, while work in Rwanda has been initiated. The findings from the reports will be widely disseminated in the respective countries (including government officials, donors and NGOs) and at the World Bank.

37. **TF057213 Social Inclusion in the Transport Sector (FY07) - $300,000:** This activity contributes to a strategic program that links the sectors of transport and social development in support of the national poverty reduction strategies in Sub-Saharan Africa, with special attention to social inclusion as articulated in the New Africa Partnership for Development (NEPAD), the MDGs and the Bank’s Africa Action Plan. The program supports project operations, analytical work and capacity building activities for promoting more inclusive approaches in transport investments and policies in Africa, with particular attention to natural resources. To date, an
initial review of social inclusion issues and experience in transport projects at the World Bank and externally has begun. Discussions have taken place with transport specialists and other Bank staff, and knowledge sharing presentations on gender and transport were made at several workshops and conferences. Work is ongoing on pilots in Lesotho, Ghana, and Ethiopia, which complement existing Bank projects in these countries.

38. **TF057336 Inclusion of Vulnerable Groups in Pastoralist Development Programs (FY07) - $150,000:** This activity was designed to review experience of dealing with vulnerable groups in fragile eco-systems in Ethiopia and Kenya. However, the original task team leader for the activity has recently retired and there have been changes in task team leaders for Ethiopia and Kenya which makes the work unlikely to take place. Attempts have been made to explore working in the Sudan, but that also appears unlikely. This activity will therefore be closed and the funds reallocated by the Social Development Board.

**Poverty, Social Impact, and Empowerment**

39. This cluster of activities deals with poverty and social impacts and empowerment. Much of this work is innovative and is likely to lead to important new lessons for Bank operations and sector strategies.

40. **TF055505 Malawi - Building Resilient Communities through Empowerment, Social Protection and Risk Management (FY06) - $600,000:** This activity is designed to build analytic, procedural and technical capacity of various line ministries within the government of Malawi at the national and local levels. The project has three sub-components: (a) to advance social protection goals and develop a harmonized framework and coherent national social protection program; (b) to effectively manage risks related to agriculture and food security through support for a warehouse receipt system, review systems of contract farming, and development of a new input/fertilizer policy; and (c) to build knowledge and create capacity for decentralization and local empowerment. To date, the activity has helped raise social protection on the policy agenda through establishment of a new institutional arrangement for social protection and support for policy and program formulation. A social protection policy is being prepared for presentation at several stakeholder workshops by June 2007. Progress on the second component includes preparation of a draft cabinet paper relating to promotion of a warehouse receipts system; review of legal and institutional arrangements in the tobacco sector, and support to agricultural policy processes related to market-smart fertilizer policies. Under the third component, reports have been prepared on interactions between local government and traditional/civil society; local community and local authority accountability, and how communities learn from each other. This work is expected to inform the process of re-engineering an ongoing Bank project on MASAF III.

41. **TF057189 Supporting Accessible Justice Systems in Post-Conflict Countries (FY07) - $250,000:** The overall objective of this grant is to study the access to the multiple layers of justice mechanisms in post-conflict countries, with a view to informing and improving pro-poor justice initiatives and related operational activities. Studies are planned in East Timor and Sierra Leone, and proposed activities include mapping of institutional arrangements for transitional justice mechanisms such as international tribunals and truth commissions, as well as their linkages with the local and national justice institutions. Consultations have taken place with country teams, and recruitment of consultants to undertake the studies is underway.

42. **TF057212 Youth Exclusion, Gender, and Violence in Burundi & Rwanda (FY07) - $50,000:** The objective of this activity is to increase social and economic inclusion of poor youth
from a gender perspective, thereby reducing the risk of conflict in Rwanda and Burundi. This will be achieved by gaining a better understanding of the social and economic drivers of violence by gender, and identifying how current development programs address and/or contribute to the risk of violence. To date, in-country workshops have been held to define the scope of the analytical work to be undertaken, and work has begun on ex-combatants and non-ex-combatants in Burundi, and on exclusion, gender and violence in rural and urban Rwanda. (This work is also being co-financed by other donor resources.)

43. **TF057310 Azerbaijan Rural Mobility and Livelihood Opportunities (FY07) - $100,000**: The objectives of this activity are threefold: (a) to identify socio-economic factors that will help maximize the impact of road transport projects to improve access to livelihood opportunities and reduce barriers to inclusion; (b) to develop a toolkit for equitable road network distribution which supplements economic models of road project assessment; and (c) to build the capacity of the government of Azerbaijan to reduce unequal access to livelihood opportunities and barriers to social inclusion. To date, discussions have been held with the Road Department and agreement has been reached that the activities will focus on local roads. Consultants have been hired and data collection and design of survey tools is expected to begin in late February 2007.

44. **TF057347 Mobilizing Rural Institutions (FY07) - $600,000**: This activity, approved under the earmarked funding in FY07 for Social Development, is designed to help client countries overcome spatially-induced exclusion in livelihoods through adaptation of and partnerships with rural institutions by looking at pre-existing rural institutions as a resource, and building on their potential to increase access of rural poor to private and public services. A workshop to distill key findings on rural institutions was held at the World Bank on Feb. 12, 2007, which brought together the CGIAR Center, academics and practitioners in the field of mobilizing rural institutions for sustainable development. Details and presentations from the workshop are available on the Bank’s external website at [http://worldbank.org/mobilizinginstitutions](http://worldbank.org/mobilizinginstitutions). This is being followed by in-depth analytical work on rural institutions in five countries (Yemen, Ethiopia, Afghanistan, India and Vietnam), which will include an institutional analysis of the local level public and market organizations providing services in rural areas, and the interactions of informal local level institutions that mediate rural relationships with local, state and market institutions. The insights from the five case studies are expected to inform the Bank’s work on rural institutions. IFPRI has recently been contracted to develop a benchmarking tool for guiding investment in sustainable agricultural innovation systems, which will be piloted in Vietnam and Ethiopia and analytical work on the five countries will begin in March.

45. **TF057423 Strengthening the Impact of the Africa Region’s Gender and Law Program (FY07) - $200,000**: The objectives of this activity are to: (a) enhance the impact of the Gender and Law program in selected countries by integrating into program design a clear articulation and measurement of the links between program inputs/outputs and intended outcomes/impacts, with particular focus on the goals of gender-inclusive reform and access to justice; (b) build local capacity to carry out impact evaluation and monitoring and evaluation activities related to gender and law program activities; and (c) strengthen the capacity of regional and sub-regional institutions to play a stronger role in creating an environment to strengthen gender responsive law reform and gender-inclusive access to justice services. Terms of reference for the initial stocktaking have been prepared and identification and recruitment of consultants is underway. Implementation of this activity is expected to begin in March 2007.
Innovations for Improved Governance and Social Accountability

46. Tools, instruments, and methodologies for improved governance and social accountability in the public sector continue to gain importance in the Bank. This group of activities includes several innovative tools and methodologies, which have a strong focus on building capacity of in-country stakeholders.

47. **TF052915 India Local Governance and Empowerment (FY04) - $440,000:** This activity aims to establish a mechanism between local, central and state level government in India to enhance local government negotiating power in the context of decentralization and civic participation, thereby fostering improved service delivery and implementation of poverty alleviation strategies at the local level. Several workshops have been delivered over the past year, and the network of local governments has been strengthened. A multimedia learning tool is under development, which will be tested in the field, with the aim of replicating it in various Indian municipalities and elsewhere. Background learning materials have been translated into Hindi in an effort to institutionalize the ongoing reform work and provide for sustainability.

48. **TF053787 Strengthening Bottom-up Local Governance in Georgia and Moldova (FY05) - $300,000:** This activity is designed to test mechanisms that improve citizen-government dialogue with a view to enhancing government accountability and performance in service delivery, and enabling citizen inclusion and participation in sub-national government decision making. The Regional Economic and Social Development Plan (RESDP) for Georgia, developed through a bottom-up, participatory process, has been finalized after receiving comments from the Donor Roundtable in Georgia in May 2006. A project supporting implementation of the plan is currently under preparation (to be funded by the Post-Conflict Fund). In Moldova, the report on bottom-up governance has been finalized and preparations for publication and dissemination to government and other stakeholders are underway.

49. **TF053796 Community Empowerment and Social Accountability in Uganda’s Health Sector (FY05) - $350,000:** The objective of this activity is to enhance community empowerment and strengthen accountability in Uganda’s health sector by increasing accountability between service providers and users of services. This is being done through the use of citizen report cards at the community level in the health sector. To date, the citizen report card process has been implemented in nine districts of Uganda and reached approximately 55,000 households. An impact evaluation of the first phase of the project has been completed, and results indicating improvements in the majority of health centers in the survey have been shared with the Ministry of Health. The final reports will be published and disseminated in March. Work has begun on the second phase of the project, designed to test and evaluate the impact of deepening citizen participation in the planning, implementation, monitoring and evaluation of the quality of health services.

50. **TF053870 Capacity Building and Piloting of Social Accountability Initiatives for CDD in South Asia (FY05) - $385,000:** This activity is designed to improve governance and accountability and enhance community empowerment in the South Asia region through knowledge, application, and scaling up of innovative social accountability mechanisms at the local level. Work on piloting social accountability mechanisms (citizen report cards, community scorecards, social audits, participatory expenditure tracking) in six pilots has been successfully completed (three within the context of Bank-funded projects, three in various local contexts working with local resource organizations). The pilots have resulted in the creation of a community of social accountability practitioners and the formation of six sub-regional centers of excellence on social accountability mechanisms in South Asia. Documentation on the pilot
results is being finalized and a regional workshop to disseminate results, share experiences and explore options for scaling up will be held in March 2007 in Hyderabad, India. Further information on the South Asia social accountability initiatives is available at www.sasanet.org.

51. **TF053889 Participatory Budgeting Knowledge & Action Support Centers (FY05) - $450,000**: This activity is designed to support improved governance in Latin America and Africa by means of strengthening capacity in the area of participatory budgeting, through the support of two Participatory Budgeting Knowledge and Action Support Centers located in the regions. Participatory Budgeting (PB) e-learning courses were developed and disseminated last year, which have contributed to development of learning courses by other donors (UNHABITAT, Canadian Association of Municipalities). Significant progress has been made in strengthening PB networks in both regions, with several learning activities organized, including PB Workshops in Porto Alegre and Zimbabwe. Several knowledge products and training materials have been prepared and disseminated, which are available on the centers’ websites: http://www.mdpafrica.org.zw/PB%20Facility.htm and http://www.cigu.org/reforzar.htm

52. **TF053891 Guatemala Capacity for Inclusive Governance (FY05) - $400,000**: The objective of this activity is to support the central and departmental levels of government to improve the fiscal, legal and authorizing environments for decentralization, and to strengthen the capacity of municipalities and community organizations, many of them in indigenous areas, to engage in planning, implementing, monitoring and evaluating development programs. Implementation of the grant focuses on local capacity building and training of local communities, using the community development councils (COCODE) training program, which was developed earlier in the program. A re-broadcast of the first radio course was offered in April 2006 followed by a second course on participatory planning offered between September and November 2006. This course reached 2,700 registered participants in 48 municipalities, including community leaders, students, municipal officials and others. The third module on participatory budgeting will be launched in April 2007. The link to the program website, including the manuals and radio programs can be found at: http://web.worldbank.org/WBSITE/EXTERNAL/WBI/WBIPROGRAMS/CMUDLP/0,,contentMDK:20765268--pagePK:64156158--piPK:64152884--theSitePK:461754,00.html

53. **TF055593 Andean Social Accountability Initiative (FY06) - $280,000**: This activity provides support to the decentralization process by improving citizen participation, government transparency, and quality of service delivery at the sub-national context in the Andean region. A stocktaking of social accountability initiatives in Ecuador and Peru is underway, with 33 cases compiled and reviewed, and is expected to be finalized by April 2007. The participatory budgeting pilot has been successfully completed in the province of Chimborazo in Ecuador and included preparation of several studies and training manuals, workshops and radio campaigns. This initiative resulted in more equitable distribution of resources in the province and as a result, the Provincial Council has issued a decree to institutionalize the methodology used. The project will now focus on institutionalization of the social accountability mechanisms and strengthening the consolidation of knowledge based networks across the Andean region.

54. **TF055743 Strengthening Social Accountability for Delivery of Public Services and Inclusive Governance in the Caribbean and Central America (FY06) - $195,000**: This activity is designed to strengthen the demand and supply side of social accountability and inclusive governance in Haiti, the Dominican Republic and Nicaragua, by strengthening the legal
frameworks for access to public information and supporting capacity building of all stakeholders. Implementation of the grant has been on track in both the Dominican Republic and Nicaragua where the debate on social accountability is at a more advanced stage and a legal framework on access to public information is already in place (in the Dominican Republic) or about to be adopted (in Nicaragua). In the Dominican Republic, a two-day seminar was held for participants from the central government and civil society to increase awareness of the Law on Access to Public Information and discuss plans for implementation, followed by workshops in several regions and districts to discuss implementation of the law at a decentralized level. In Nicaragua, activities have focused on increasing awareness at the regional level on the need for a Law on Access to Public Information, and creation of a multi-sectoral lobbying group for this purpose. Additionally, stakeholders at the community and local government levels have been trained in the use of score cards and other social audit methods. Project implementation has been delayed in Haiti, due to elections in early 2006 and a decision at the time to pursue an incremental approach to strengthening civil society organizations in social accountability functions. In 2006, IDA promoted the creation and institutionalization of a civil society mechanism to monitor public budget resources through the Economic Governance Reform Operation. As a result, activities in Haiti are being realigned to support these reforms and implementation is expected to begin soon.

55. **TF055744 Madagascar Community Poverty Monitoring and Analysis (FY06) - $400,000:** The objectives of this activity are (i) to provide an avenue for local communities to participate in the monitoring and evaluation of PRSP and PRSC interventions, and (ii) to obtain an improved understanding of poverty and environment linkages in Madagascar, and identification of vulnerable regions in the country. Initial pilot activity under the first component has focused on user involvement in monitoring the performance of the health sector. The pilot is divided into two phases, the first of which has been completed (covering implementation of a consumer scorecard process in several health posts, and training); the second phase involving regional expansion of the pilots has just begun. Based on the high level of demand from other sectors, and to reflect the integration of a national social accountability program in the Country Assistance Strategy, a request is being made to the Sector Board for additional funding to expand the pilots to other sectors over the next three years. This will be reviewed in the context of the strategic review and reallocation of funds to be completed by the Sector Board in April 2007. The second component of this activity is designed to help the country identify historical and future trends from climate events and good progress has been made on developing the historical climate trends and future climate change scenarios. Next steps will include deepening the analysis of geo-climatic trends and maps and making them available to policy makers.

56. **TF055773 Strengthening Government Capacity for Local Governance in ECA (FY06) - $110,000:** The objectives of this activity are to strengthen local institutional capacity and create a sustainable approach for strengthening local governance and social accountability on a demand driven basis in the ECA region. Target audiences include officials from the ministries of finance and local governments, local government bodies, national public training institutes and selected civil society representatives. A detailed stocktaking of social accountability initiatives has been completed in three ECA sub-regions and selected OECD countries, and the draft report will be discussed at a regional workshop to be held in March 2007. Selected initiatives will be developed further into best practice cases and disseminated in the region and at the Bank. Additionally, a network of practitioners has been created in the region to enable cross-country sharing and learning.

57. **TF057191 Country to Country Technical Alliance on Social Accountability (FY07) - $200,000:** This activity focuses on strengthening capacities in social accountability techniques of poor communities in at least four countries (Mozambique, Kenya, South Africa, Ethiopia) in
order to improve basic service delivery. Stakeholder consultations and consultative report card activities have been initiated in three countries (Mozambique, Kenya and South Africa). Capacity building, knowledge sharing and partnerships will be advanced through the provision of technical assistance from one country to another. South Africa will provide direct technical assistance in the design of the report card for Kenya and for the work to be initiated in Ethiopia, while Mozambique will provide technical assistance to Kenya on the design of initiatives to increase citizens’ voice, and will also collaborate with South Africa on the design and piloting of innovative information dissemination activities.

58. **TF057340 Alliance for Demand Side Governance for Social Accountability in South Asia (FY07) - $250,000:** This project aims at broadening the context and depth of demand-side governance in CDD, decentralization and local government reform projects at the State level and in basic infrastructure projects such as water, sanitation, markets, waste disposal, and health care, in South Asia. This will be achieved by strengthening institutions and building capacity for a holistic approach to demand-side governance in Bangladesh, Sri Lanka and India; providing technical support through participation in learning events; and knowledge sharing and dissemination. It builds on an earlier TF-funded activity (TF053870, described earlier) under which six pilot projects in India and Sri Lanka were completed, the results of which will be shared at a workshop to be held in March in India. The process of identifying sub-projects for funding under this activity is currently underway and expected to be finalized after the March workshop.

**Country/Macro Level Social Analysis**

59. **Country/macro level social analysis** is analytical and diagnostic work on the broader systemic issues arising at the regional, country, or sub-national levels from the underlying social, political, institutional and historical context, within which policies, development programs and projects operate. **Country/macro Social Analysis** is done upstream as inputs into a Poverty Reduction Strategy Paper or Country Assistance Strategy, or to support policy formulation and sector strategies.

60. **TF053857 Participatory Country Assessments for Civic Engagement in Ghana and Sierra Leone (FY05) - $250,000:** This activity seeks to strengthen the analytical and institutional capacity of civil society organizations to engage with governments and other development actors in achieving more inclusive governance and better delivery of services in Ghana and Sierra Leone. All field work has been finalized and draft Country Assessment reports for Ghana and Sierra Leone prepared and reviewed by country teams. Preliminary results from these assessments were also discussed with in-country stakeholders (civil society organizations, government officials and the media). The reports are expected to be finalized, published and disseminated by June 2007.

61. **TF053968 Kenya Country Social Analysis (FY05) - $150,000:** The objective of this activity is to map the key social development challenges facing contemporary Kenya, and define their policy and operational implications. This is being done through analytic work, leading to operational innovations and the development of social accountability mechanisms. A draft report of the country social analysis has been prepared and reviewed in the Bank. Several discussions have been held with the Kenya National Economic and Social Council (housed in the President’s office) on the findings and implications of the study, and they are expected to draw on the CSA to develop the social pillar of their analysis for a national strategy known as 'Kenya 2030', which brings together economic, social and sustainability issues into a single perspective. The Kenya CSA is expected to be finalized and disseminated by June 2007.
62. **TF055507 Integrated Country Social Analysis (FY06) - $600,000:** This activity is designed to support macro-level social analysis and policy dialogue through the Integrated Country Social Analysis (ICSA) approach. This is being done through (i) the implementation of ICSAs in eight countries (Guatemala, West Bank and Gaza, Guinea Bissau, Iraq, Vietnam, Haiti, Angola and Madagascar) over a two-year period through a grant matching scheme; (ii) consistency in design and better grounded policy feedback; and (iii) enhancement and testing of indicators to inform upstream macro analysis and monitor social development. Implementation of country cases is ongoing in Iraq and Vietnam, and draft CSA reports for Angola and Madagascar prepared. Cross learning activities have been organized to increase the consistency of ICSA design and a draft good practice note has been prepared. The TF has also supported knowledge sharing activities in Vietnam and Haiti, building the capacity of in-country stakeholders in Vietnam to carry out and use macro social analysis, and dissemination activities related to the Haiti CSA, which has been completed. A draft report on Social Development Indicators has been prepared and is currently under review. Some of the CSAs can be found on [http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEV/0,,contentMDK:21154469-pagePK:64168445-piPK:64168309-theSitePK:3177395,00.html](http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEV/0,,contentMDK:21154469-pagePK:64168445-piPK:64168309-theSitePK:3177395,00.html).

63. **TF055631 Social Analysis and Participation in Development Policy Lending (FY06) - $400,000:** The objective of this activity is to enhance the poverty reduction impact and development effectiveness of DPLs by better integrating upstream analytical work, evidence-based decision-making and stakeholder participation in the design, implementation and monitoring of DPLs. The original aim of this project was to support up to six DPLs in three regions (Africa, ECA and SAR). Some activity began in early 2006 related to the Madagascar PRSC-2 (health sector, cost recovery policy). However, the original task manager for this activity left the Bank in June 2006 and no further activities have taken place. This project was reviewed by the Social Development Board in December 2006 and it was agreed that the AFR and LCR regions would reprogram the proposal and submit it for Sector Board review and approval in April 2007.

64. **TF057064 LAO PDR – Analysis of Development Policies for Ethnic Minorities in Upland Areas (FY07) - $175,000:** This project aims at promoting an enabling policy and institutional environment for inclusive and environmentally sustainable development which would benefit vulnerable ethnic communities in upland areas. Implementation of this activity is just beginning with ongoing activities funded that will contribute to three pieces of analytical work: (i) a PSIA on the impact of public expenditures on ethnic minorities and women; (ii) evaluation of the poverty reduction fund; and (iii) upland agriculture study.

65. **TF057135 Senegal – Bringing Vulnerability into Policy Focus (FY07) - $500,000:** This activity aims at identifying ex-ante measures to reduce the vulnerability of rural populations, with special attention to the groundnut cropping areas of Senegal. Activities are clustered around (i) stabilizing rural livelihoods in the Groundnut Basin; and (ii) vulnerable rural youth and children. Implementation of both components is well underway, and a concept note on off-farm employment has been prepared, while a mission on agricultural insurance is underway to define the scope of a concept note on that topic. Reports on agricultural insurance and off-farm employment are expected to be completed by July 2007. On the second component, research on street children has been completed and preliminary results presented to key stakeholders including NGOs and government officials. Additionally, a concept note on school dropouts is being finalized, with data analysis expected to be completed by end-2007.
Global and Regional Social Development Strategies and Initiatives

66. The Social Development Anchor and the regional Social Development teams have been undertaking a major initiative to implement the global Social Development and regional strategies, which have been developed with TFESSD assistance, into Bank operations and corporate priorities. This cluster also includes other initiatives to mainstream social development into country and regional portfolios.

67. **TF051589 Social Development Strategy (FY03) - $1.845 million:** The Social Development Strategy, which sets the Bank’s direction on social development, was originally funded in FY03 and has received additional funding since then ($500,000 in the TFESSD FY05 allocation and $345,000 from the Social Development Board’s strategic review of activities in April 2005 to be used for implementation of the Social Development Strategy in the regions). Implementation of this activity within the regions slowed down over the past year, due primarily to the time consumed by Network Integration and the uncertainty prevalent during the second half of 2006. There has been considerable progress on analytical work in the anchor, with drafts prepared on the Social Development Index, which were presented at the last Social Development Advisers Meeting. Additionally, funding was contributed towards the cross-sectoral work on Rural Institutions (a separate activity under the TFESSD), and several reports drafted towards work on Legal Empowerment of the Poor (including outputs on land policy, urban programs and access to justice). A seminar on Land Policy and Legal Empowerment of the Poor was organized jointly with DEC and the Land Policy Thematic Group in November 2006. Further information on social development can be found on [http://www.worldbank.org/socialdevelopment](http://www.worldbank.org/socialdevelopment).

68. **TF052655 Africa Social Development Strategic Analysis and Implementation of Policy Reforms (FY04) - $905,000:** This activity focuses on country-level upstream social analysis; poverty and social analysis of macro and sectoral reforms; social accountability mechanisms in PRSCs and private sector interventions; and exploring the root causes of social issues (e.g. behaviors that lead to HIV/AIDS, conflict and violence). The dissemination and discussion phase of the analytical work on PSIAs has progressed well with several PSIAs translated and shared with government and other stakeholders (DRC PSIA on mining, Madagascar PSIA on health care, Ghana PSIA on the energy sector). The grant has supported an internal analysis of conflict and gender in the Sudan, which was used to influence both the Country Economic Memorandum and several Bank projects. Much progress has also been made with regard to informing projects and policies that consider the root causes of social issues, with a strong focus on analysis and technical assistance related to regional youth issues, including youth employment and youth in post-conflict countries.

**TF053243 Supporting the Implementation of the MNA Social Development Strategy (FY04) - $370,000:** This activity is designed to support the implementation of the MNA Social Development Strategy within the region. Three regional social development e-newsletters have been produced over the past year, focused on key regional social issues (e.g. HIV/AIDS, CDD, Youth). A review of the regional CDD portfolio has been completed and disseminated within the Bank and knowledge sharing activities on social exclusion and HIV/AIDS have been held. The region plans to review the Social Development strategy, which was prepared four years ago, in light of the recent integration with the infrastructure network.

69. **TF053863 MNA Coterminous Position (FY05) - $318,000:** This three-year coterminous position funds a Norwegian staff member to assist in activities that support the implementation of the MNA Social Development Strategy. He has completed a review of the
regional CDD portfolio (highlighted in the previous para.) and provided technical and operational support to several regional operations, with primary focus on Iran and Jordan, and a secondary focus on Egypt and Yemen.

70. **TF055504 Social Policy (FY06 - $337,000):** The main objective of this activity is to create the institutional space in the Bank for fresh thinking on social policy relevant to developing and transition countries, with a focus on three key themes – livelihoods, institutions, and social integration. During the reporting period, dialogue with external partners took place through three processes: (i) the Arusha Conference on New Frontiers of Social Policy, held in December 2005, which has led to ongoing dialogue with bilateral donors, UN agencies, developing country policy makers and civil society. Forty papers arising of the Arusha conference are being prepared for publication. As a follow up to the Arusha Conference, an expert meeting took place in Finland in November 2006, which included dialogue with representatives from Tanzania, Zambia, India and South Africa; (ii) the 2nd forum of the Southern African Development Community (SADC) Ministers responsible for social development was held in South Africa in November 2006 to discuss African Union social policy, social policy dimensions of the New Partnership for Africa’s Development (NEPAD) and emerging work on regional social policy; (iii) the Arusha process was the centerpiece of the Dec. 2006 issue of the Global Social Policy Digest with contributions from the World Bank and commentaries from 8 other authors. Finally, the Social Science and Policy Seminar Series is active in the World Bank, continuing the internal dialogue on social science and social policy. Several collaborative activities have been initiated with the Urban, Water, Energy and Agricultural Sectors, as well as with the Legal Department. Further information on social policy can be found on the Bank’s social development website at http://www.worldbank.org/socialdevelopment.

71. **TF057377 Global Study of Crime, Violence and the Urban Poor (FY07) - $145,000:** This activity is designed to improve understanding of community-based responses to urban crime and violence in five countries (Haiti, Brazil, Kenya, Nigeria and Bangladesh). The work will build on previous quantitative and qualitative work done in these countries on crime and urban and examine the extent and impact of crime and violence and coping mechanisms of the poor. Field work and data gathering in Haiti, Bangladesh and Brazil were completed using Bank funding. Preparations for implementation of fieldwork in Kenya and Nigeria are ongoing, with consultants being hired and counterpart research institutions sought.

### 3.2 Completed activities

#### Community-Driven Development and Local Governance

72. **TF051253 Investing in Social Capital through CDD (FY03 - Closed) - $650,000:** This activity developed and tested innovative ways to learn how CDD investments work with existing local social capital and potentially change that social capital. To offer practical guidance to CDD teams, a Social Capital Implementation Framework was developed that disaggregates social capital into five dimensions (Groups/Networks, Trust/Solidarity, Collective Action/Cooperation, Social Cohesion/Inclusion, Information/Communication), and offers examples of how to bring these dimensions into project identification, implementation and evaluation. TFE SSD resources have supported operational examples in Gambia, Burkina Faso, Sierra Leone, Senegal, Sao Tome, Albania, Philippines, Thailand and St. Lucia, and the work has leveraged significant country team support. Results from these activities have been widely disseminated through several in-country seminars, and at the Bank. In several of the countries supported (Sierra Leone, Burkina Faso, Philippines, Thailand) this activity helped generate the interest and legitimacy of putting issues of empowerment, social capital enhancement and the demand for...
good governance into the Country Assistance Strategies. The work has also leveraged additional support from Bank budget (East Asia and Sierra Leone), as well as other donors. Information about the work carried out under this activity is available at www.worldbank.org/socialcapital.

73. **TF051322 Capacity Building Network for Community Empowerment (FY03 – Closed) - $420,000:** This project resulted from the increasing interest to support CDD-type projects with the World Bank and other development agencies in order to deliver community-identified social and infrastructure services, particularly targeting the poor. Though a significant number of projects with a CDD component have been operating in Europe and Central Asia for several years, their experiences were not being systematically shared or disseminated to the larger development community. This activity supported the development of regional and national networks of local institutions and individuals for capacity building in community empowerment and CDD in the Kyrgyz Republic, Tajikistan, Uzbekistan and Azerbaijan, which have undertaken a wide array of knowledge sharing and learning activities. These included CDD stock-taking exercises, monthly newsletters, TV spots, radio programs and theater plays highlighting successful community-based projects and initiatives, multilingual national and regional websites, customized training for communities, and production of CDD manuals. At the regional level, there were several workshops, video-conferences and exchange visits. Three CENs (Kyrgyz Republic, Uzbekistan and Azerbaijan) prepared sustainability strategies to keep the networks active after funding from this activity ended. Support for the CEN in Tajikistan was discontinued after July 2005 due to implementation challenges (change of coordinators and changing country priorities). In Uzbekistan, the CEN is now institutionalized with the partner organization; in Azerbaijan the focus has been on the resource centers in the five regions, which in turn are the main pillars of the USAID CDD strategy; while in the Kyrgyz Republic there is strong ownership of the network.

74. **TF051772 CDD in Conflict Contexts (FY03 - Closed) - $380,000:** This activity reviewed past and current experiences on the role and impact of using CDD approaches in conflict-affected countries with the aim of building knowledge of successful applications, tools, practices, and institutional arrangements, and establishing a network of practitioners. Outputs over the three years of this activity include: (i) three major analytic papers reviewing trends, challenges and opportunities in CDD and conflict (ESW on CDD in Conflict and Post-Conflict, CMI Concept Paper, and joint work with the ILO on CDD and Livelihoods in Post-Conflict); (ii) two regional workshops in Africa and East Asia, to enable practitioner exchanges on specific challenges of designing and implementing CDD approaches in conflict/post-conflict environments, and fostering of regional communities of practice and intensive support for learning and CDD networking; (iii) operational support on CDD design and inter-agency coordination in Liberia in the immediate aftermath of conflict; (iv) development of methodological innovations in social assessment (Rapid Social Assessment) in Liberia and sponsorship of seminal social capital analytical work in Sierra Leone; and (v) development and knowledge sharing through CDD global quality learning events and broad dissemination through the Conflict Prevention and Reconstruction Network. Knowledge generated from this activity has reached Bank task teams working on CDD in conflict environments, client government teams, donors and NGOs. A further outcome from this activity is the integration of the findings from the country-level work in West Africa into country portfolio discussions and sector strategic dialogue, which have also served as a fulcrum for inter-agency collaboration and partnerships (e.g. with UNDP and others in Liberia). Materials from activities supported under this trust fund are available under the CDD in Conflict Contexts website at
75. TF051845 Review of CDD Impacts in East Asia & Pacific Region (FY03 - Closed) - $515,000: This activity was designed to systematically review CDD project monitoring and evaluation systems in EAP, and to assess the effectiveness of the projects against their objectives of reaching the poor, improving governance and investing money productively. A further objective is to test several hypotheses about ways that CDD contributes to development. Ten evaluations and studies were carried out in the region covering eight CDD programs. The evaluations examined issues of poverty targeting and impact, economic rates of return, economic multiplier impacts on the local economy, cost effectiveness, and technical quality of infrastructure works. The evaluations and studies have informed several Bank project operations in Indonesia, Philippines and Cambodia, as well as the Indonesian government’s new national poverty reduction flagship for 2007-2009. The TF also developed several CDD monitoring and evaluation tools (e.g. portfolio analysis, databases, survey field instruments, qualitative field guides) which were shared in the region, as well as with Bank staff, and other CDD practitioners in the Africa and South Asia regions. Further information on CDD in East Asia can be found on the Bank’s external website at [http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEVELOPMENT/EXTCDD/0,,contentMDK:20340440~menuPK:544079~pagePK:148956~piPK:216618~theSitePK:430161,00.html](http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEVELOPMENT/EXTCDD/0,,contentMDK:20340440~menuPK:544079~pagePK:148956~piPK:216618~theSitePK:430161,00.html)

76. TF053982 Change Governance in AFR (FY05 – Closed) - $150,000: The objective of this activity was to actively and strategically support country-based PRSP teams in their efforts to programmatically mainstream the integrated CDD approach of decentralization, capacity building of local governments, community empowerment, accountability, and learning by doing, into poverty reduction strategies. Several countries, including Madagascar, Mozambique, Nigeria, Rwanda, Senegal, and South Africa, have moved towards considering a programmatic approach towards CDD linked to the PRSP and PRSC process, but progress has been slow in most countries. The key output of this activity is the development of a CDD toolkit for national stocktaking and review, by the Royal Tropical Institute (KIT) which was used in Senegal, Burkina Faso and Nigeria to assist in national dialogue on development of a national CDD policy. The toolkit is available on KIT’s website at [http://www.kit.nl/smartsite.shtml?&ch=FAB&id=SINGLEPUBLICATION&ItemID=1829](http://www.kit.nl/smartsite.shtml?&ch=FAB&id=SINGLEPUBLICATION&ItemID=1829)

Local capacity building has taken place in Senegal and Burkina Faso, as well as Nigeria (funded through another TFESSD grant), and the Africa Institute for CDD in South Africa has incorporated parts of the toolkit into the design of programs for policy makers. International dissemination took place in 2006 in Ghana during the IFAD Conference on Harmonization of CDD Approaches for West Africa, and in Rwanda during the JAI conference on local governance; while training of Bank staff was held in December 2006.

Social Inclusion and Diversity in Decision-making

77. TF051773 Gender and Conflict in Mindanao (FY03 – Closed), $497,600: The objective of this activity was to have gender issues fully integrated into the ARMM Social Fund Project and other projects in the Mindanao region of the Philippines. Key outputs include (i) desk reviews on the Bank’s Role in Gender and Conflict; Women and Post-Conflict Society; Addressing Gender in Post-Conflict Mindanao and the Role of External Organizations in Gender and Conflict; (ii) a documentary video ‘Peace in Our Village’; (iii) a toolkit on Gender and Peace Building; and (iv) a series of workshops and training events. These outputs have had significant
impact on improving the gender responsive aspects of Bank projects and helped influence CIDA to implement a peace fund for local groups to undertake gender and peace building activities, which will be implemented with Bank assistance. It has also resulted in strengthening of local institutions such as the National Commission for the Role of Filipino Women, which now plans to promote a national policy on gender and peace building in the country. Additionally, the documentary that was prepared is being used as a teaching tool in a development course at the Catholic University in Washington D.C., and has led to the selection of a Filipino Moslem woman for an award for Voices of Courage given by the International Women’s Commission for Refugee Women and Children. Some of the outputs from the activity can be found on the Bank’s external website at www.worldbank.org/conflict.

78. TF052596 Indigenous People and Poverty in Latin America (FY04 – Closed) - $160,000: This activity focused on conducting a decade retrospective on trends in poverty and social indicators in the five Latin American countries with the largest indigenous populations: Bolivia, Ecuador, Guatemala, Mexico and Peru. The book was completed and published by Palgrave Macmillan in January 2006. Dissemination activities have been extensive, with print and media coverage, editorials, seminars and press conferences in the five countries, as well as at the World Bank, the UN (Permanent Forum on Indigenous Issues) and various universities in Canada and Washington D.C. Results from the report were also presented at the World Bank’s conference on poverty and indigenous peoples held in New York in May 2006. The activity helped build in-country capacity to track and analyze indicators of indigenous development and exclusion, as well as how to bring these issues into the public arena and policy discourse. The project findings have been used to inform operations in the LCR region, especially for the preparation of large operations in Mexico and in the policy dialogue in Bolivia. Many of the project background papers are posted on http://web.worldbank.org/WEBSITE/EXTERNAL/COUNTRIES/LACEXT/0,,contentMDK:20505834~menuPK:258559~pagePK:146736~piPK:226340~theSitePK:258554,00.html

79. TF052597 Race and Social Inclusion in Population Information Gathering (FY04 – Closed) - $305,000: The activity was designed to promote the inclusion of Afro-descendants in LAC in collection and dissemination of official population data gathered through national censuses and household surveys. Five country case studies were completed for Argentina, Colombia, Ecuador, Peru and Honduras (available on www.worldbank.org/afrolatins). An additional country (Uruguay) did not formally participate in the project, but replicated the methods and approaches. The results have been widely disseminated to government officials, community leaders, academics and other donor organizations, through ten national workshops and one international conference in Washington on Equity and Poverty Reduction of Afro-descendants in Latin America. As a result of this activity, all the countries have made changes to their household and census surveys to include a section to gather information on Afro-descendants. Results in all countries have shown marked increases in the percentage of the population that self-identifies as being Afro-descendant (e.g. in Colombia the 1993 census indicated 500,000 versus 4.2 million in the 2005 census). The data has also facilitated the preparation of equal opportunity action frameworks in Colombia and Honduras, while in Uruguay the inclusion of racial self-identification questions in national household surveys has become a national law. The capacity building activities aimed at the design and application of race modules in the census and surveys also helped create a constructive dialogue between census offices and leaders of the Afro-descendent communities. A further outcome of this project was the appointment in Honduras of a special advisor on Afro-descendent issues.

80. TF052781 Intangible Benefits in Tanzania Social Action Fund (FY04 – Closed) - $179,500: This study sought to understand the intangible benefits of participation that
communities could gain during implementation of the Bank-funded Tanzania Social Action Fund (TASAF) by assessing the mechanisms in place that help ensure full participation of poor and vulnerable groups, and reviewing available feedback mechanisms for the project and how these could be strengthened. The study was conducted in two districts as a way to test the methodology and research instruments which were designed. The final report was prepared in December 2005 and is being used to inform the implementation of TASAF II, which is ongoing.

81. **TF053919 Africa Conflict and Development Capacity Building Program (FY05 – Closed) - $200,000:** This activity was designed to increase the understanding of conflict issues in sub-Saharan Africa in order to improve the effectiveness of post-conflict interventions by the Bank, national counterparts and international partners. It provided the primary source of conflict analysis and technical assistance to government counterparts and World Bank country teams in the Africa Region from mid-2004 to end 2006. Five country studies were produced on conflict risks, variables and possible mitigation strategies in Chad, Central African Republic, North Uganda, and Sudan (north-south and Darfur). One regional study was completed on the 13 Nile Basin states and one thematic study on conflict-related disability, in conjunction with the Africa Union Secretariat for the Decade on Disability. The results of these studies provided background diagnostic and direct input into Bank and client operations, including the development policy lending operation in Central African Republic and the Peace Recovery and Development Plan for Northern Uganda. They also served as the foundation of the post-conflict needs assessment exercise for Sudan, co-managed by the Bank and the UN.

82. **TF053969 Niger Delta Conflict Analysis and Management (FY05 – Closed) - $150,000:** This activity sought to integrate best practices of conflict analysis and management into the strategic reorientation of the Niger Delta Development Commission (NDCC), the agency responsible for development in the Niger Delta (the severely conflict-affected oil producing region of Nigeria). Outputs included: (i) a comprehensive analysis of NDCC’s current and potential institutional capacity for the development and implementation of conflict-sensitive practices and conflict reduction activities; (ii) training and capacity building of NDCC on conflict analysis, management training, and development of a sustainable internal training mechanism; and (iii) project level conflict impact assessments conducted for a select cross-section of NDCC projects. The project resulted in a high level of interest and responsiveness at all levels of NDCC management, and if this is sustained, will greatly enhance the effectiveness of development assistance in this sensitive, conflict-affected environment. Insights and results from this activity will also be included in Post-Conflict Fund financed initiatives on the Niger Delta Community Foundations Initiative.

83. **TF053970 Cambodia Village Level Justice and Dispute Resolution (FY05 – Closed) - $350,000:** This activity was designed to evaluate the impact of the government’s decentralization policy on conflict resolution and access to justice at the community level. The grant supported a wide range of quality research on justice related issues, including outputs relating to land, local governance, access to information, and labor relations. Public debate on these issues has been stimulated through a range of dissemination activities, including training, workshops and presentations for various audiences (government officials, donors’ technical working groups, civil society groups, academics and students). Additionally, work funded under the grant has been covered in the local media (print and radio). Presentations of research findings have also been disseminated at the Bank through a brown bag lunch. The government has adopted some of the recommendations which have emerged from the research, particularly in relation to land dispute resolution. Results from this activity have provided input into the Country Assistance Strategy and Bank operational projects. It has also contributed to the proposed regional analytic
framework on Justice for the Poor Program, which is currently being discussed with potential donors.

84. **TF054103 Africa Municipal Radio Program (FY05 – Closed) - $85,000:** This activity was the first of four modules of the Africa Good Governance on the Radio Waves program, which used digital satellite technology in order to reach people in rural areas in Ghana, Kenya, Tanzania, Uganda and Zambia. The program served to share and disseminate instruments and practices in anti-corruption and good governance at the municipal level and to provide a structured platform for municipal officials and citizens to learn anti-corruption strategies. Each country had 1-4 learning centers (with 230 registered participants) in which representatives of local governments and civil society worked together to identify and address relevant policy areas in their communities which may be subject to local government reform. The activity has facilitated the establishment of expert practitioner networks within and among the respective learning centers. Further information is available at: [http://web.worldbank.org/WBSITE/EXTERNAL/WBI/ WBIPROGRAMS/CMUDLP/0,,contentMDK:20638494~menuPK:461794~pagePK:64156158~piPK:64152884~theSitePK:461754,00.html](http://web.worldbank.org/WBSITE/EXTERNAL/WBI/WBIPROGRAMS/CMUDLP/0,,contentMDK:20638494~menuPK:461794~pagePK:64156158~piPK:64152884~theSitePK:461754,00.html)

**Poverty, Social Impact, and Empowerment**

85. **TF052550 Empowering China’s Small Farm Households through the Development of Farmers’ Associations (FY04 – Closed) - $315,000:** This activity was aimed at investigating the creation and functioning of farmers’ associations, which allowed several hundreds of participants to become beneficiaries, ranging from individual farmers and small households to county and township leaders. The reports prepared under this grant served as a knowledge base that was used to engage policy makers and other stakeholders in the design of an innovative reform pilot scheme for the development of farmers’ associations, which was successfully implemented in two pilot counties (Tianquan and Renshou) of Sichuan province. The government and other donors (CIDA) have built on this experience and the material developed, and used it to promote the development of farmers’ association in several other provinces throughout China. Reports and experience from this pilot has been disseminated through workshops and publications within the Bank and in China. An unanticipated outcome of this activity was its input into drafting of the new Farmer Economic Cooperative Law, which was passed on October 31, 2006, which has the potential to substantially accelerate the development of farmer-controlled associations. Further information can be found at [http://worldbank.org.cn/English](http://worldbank.org.cn/English).

86. **TF052671 Benin Strengthening Participatory Monitoring of PRSP Implementation (FY04 – Closed) - $245,000:** The main objective of this activity was to raise public awareness, and pilot ways to strengthen the capacity of local level stakeholders to participate in monitoring related to PRSP implementation in Benin. The project provided support to the PRSP Secretariat in the development and implementation of a PRSP communications strategy, with coordination workshops held in the seven priority sector ministries, as well as regional consultations on PRSP implementation, press releases, radio and television coverage. Participatory monitoring was implemented in 15 randomly selected schools in Atacora region, and included two rounds of community scorecard evaluations and one round of expenditure tracking in each of the schools, involving students, parents, teachers, directors and PTAs. Action plans were established and implemented to deal with issues that arose of the evaluations. Information from the participatory monitoring exercises has been documented and shared with local communities, government officials, and other interested donors, who have replicated it (GTZ in water and health, and DANIDA in local governance). Further information on PM& E can be found at [http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEVELOPMENT/EXTPCEN](http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEVELOPMENT/EXTPCEN)
87. **TF053792 Chad: Promoting Citizen Empowerment (FY05 – Closed) - $135,000:** This activity was designed to promote citizen empowerment and social accountability in rural communities in Chad, by training key local stakeholders in methods of social accountability and facilitating the incorporation of these methods into local participatory development action plans. The original objective was to reach approximately 300 rural communities in the pipeline area where the preparation of local participatory development action plans (funded by oil revenues) had already been initiated, and conduct training and facilitation activities targeted to individual community needs (e.g. citizen participation in the preparation of local development action plans, community access to budget-related information, participatory budgeting, participatory expenditure tracking and community-based performance monitoring and evaluation). The main outcome was this project was the organization of a two-day workshop in July 2005 for 200 participants including NGOs, women associations, parliamentarians and youth groups. Little progress was made on implementation during the second year due to issues in Bank-government dialogue, and the project closed as scheduled end-December 2006.

88. **TF054260 Human Rights and Basic Services (FY05 – Closed) - $100,000:** This study examined the impact of legally codified and enforced economic and social rights through an innovative cross-country analytical investigation. The objective was to understand how much, and in what ways, citizens use courts to advance economic and social rights, when courts find in favor of applicants, when judicial decisions are enforced, and the conditions under which court rulings generalize into broader policy changes. This project supported research activities of local partners in two of the five country case studies (South Africa and Nigeria – additional studies financed by other resources were done in India, Indonesia and Brazil). Analytical reports have been produced for each country and are being put together in a book titled ‘The Impact of Legal Strategies for Claiming Economic and Social Rights’ to be published by Cambridge University Press later this year. Two research workshops were held at the World Bank (September 2005 and October 2006) involving the country-study authors and participants from within the Bank and externally. The findings of the research have also been disseminated at the UN, in South Africa, Brazil and elsewhere.

**Innovations for Improved Governance and Social Accountability**

89. **TF051835 Promoting Social and Public Accountability in Africa (FY03 – Closed) - $450,000:** This activity aimed at enhancing the capacity of both government and civil society to develop, implement and scale up social and public accountability mechanisms like the citizen report card and community scorecard. The project supported social accountability orientation and skills building through 14 workshops in 9 countries (Chad, Ethiopia, Ghana, Kenya, Malawi, Senegal, Uganda, Tanzania and Togo), reaching more than 550 participants from 80 organizations. Five social accountability pilots were implemented in Cameroon, Chad, Ghana and Uganda. A forum for regional exchange on Social Accountability was held in Accra in May 2005, with over 100 participants from 18 African countries (the proceedings and presentations can be found at http://info.worldbank.org/etools/bSPAN/EventView.asp?EID=770). Lessons from the pilots were documented and several dissemination notes and publications produced (available at http://www.worldbank.org/participation).

90. **TF051836 Participatory Monitoring and Social Accountability in Armenia (FY03 – Closed) - $150,000:** The objectives of this activity were building capacity and piloting participatory monitoring and social accountability approaches in Armenia. The project
successfully piloted participatory monitoring and social accountability approaches in 20 secondary schools and 4 health centers in two regions (Shirak and Syunik). Several workshops were offered on participatory monitoring and social accountability mechanisms, designed to build and strengthen local capacity of NGOs, intermediary civil society organizations and universities. Knowledge products which have been published in English and Armenian and disseminated in Armenia and at the Bank, include an operational manual for the community scorecard methodology, guidelines for expenditure tracking, a paper summarizing the experiences of the participatory monitoring initiatives and two qualitative impact assessment studies of the pilots.

91. **TF051861 Chad PRSP in Rural Areas and Stakeholder Capacity Building (FY03 – Closed) - $300,000:** The objective of this activity was to bring the voice and participation of rural communities, civil society groups, and government institutions working in rural areas, into the development of the national poverty reduction strategy. The project has focused on setting up priorities within rural areas, and on monitoring PRSP implementation among rural communities, especially those involved in CDD through capacity building, knowledge sharing and learning activities. Information on the PRSP was disseminated widely through the use of local radio, with local committees put in place to help with monitoring of the PRSP. Participatory monitoring and evaluation tools were adapted for use in the project and several workshops were held to present the participatory approaches and the tools to PRSP Steering Committee members, NGO representatives and youth groups and obtain their feedback on the PRSP. The success of this activity led to government support and continued funding of the participatory process, which will be used by them for other programs.

92. **TF052580 Strengthening local Governance and Accountability in ECA (FY04 – Closed) - $410,000:** This activity was designed to strengthen local government accountability in Albania and the Kyrgyz Republic, and empower citizens to participate in public decision making through the use of mechanisms to increase citizen participation in budget monitoring, formulation and execution. Activities in both countries included capacity building of local government staff, civil society organizations and citizens on the role and mechanisms of participatory budgeting (PB) through the use of workshops and training seminars. In Albania, four PB pilots were undertaken, with local governments involving their citizenry in budget formulation and monitoring of budget expenditure for the first time. The results from these pilots were highly successful, resulting in improved services, increases in local investments, greater efficiency in public resource management and improved budget targeting. The mayors in the four pilot areas have expressed their commitment to PB processes and have set aside resources to do so in the next budget cycle. Knowledge sharing tools and reports connected to the pilots in Albania can be found at [http://web.worldbank.org/WEBSITE/EXTERNAL/COUNTRIES/ECAXEXT/ALBANIAEXTN/0,,contentMDK:20932450-pagePK:141137-piPK:141127-theSitePK:301412,00.html](http://web.worldbank.org/WEBSITE/EXTERNAL/COUNTRIES/ECAXEXT/ALBANIAEXTN/0,,contentMDK:20932450-pagePK:141137-piPK:141127-theSitePK:301412,00.html)

In the Kyrgyz Republic, the pilot covered 31 local administrations, and was highly successful in developing innovative capacity building PB tools for local governments. The pilots have resulted in increased involvement by citizens in local development and budget-related activities, improved transparency and participation in public management, and greater pro-activity and responsiveness to communities by local administration staff. About half of the pilot administration continue to conduct public hearings on a regular basis. A national information dissemination workshop was held in August 2006 to share the pilot’s tools and materials (including a documentary on making local budgets work for people in the Kyrgyz Republic) with a broad community of local and national NGOs, government agencies and donor organizations.

93. **TF053881 Ecuador Governance through Social Accountability (FY05 - Closed) - $175,000:** This activity aimed at strengthening governance by providing citizens with access to
information and by building the capacity of civil society to engage in actions that hold government accountable. The project closely complements the Bank-funded Ecuador Programmatic Social Reform Loan, which includes as one of its benchmarks the evaluation of three social programs by civil society. Activities were focused on capacity building and facilitation of knowledge sharing within the country and across the region, aimed at government officials, NGOs and civil society organizations, and citizens. An international workshop on independent budget analysis was organized, a proposal for a more equitable and fiscally sound budget formulation was prepared and debated country-wide, local workshops held to support capacity building on the use of social accountability tools, a literacy campaign on public management prepared and delivered through a large cooperative of community radios and three national workshops held to disseminate citizen report card survey findings. This activity has helped strengthen transparency of the flow of information and budget allocations and increased citizen participation in monitoring the quality of services. It has also been instrumental in strengthening the Bank’s working relationship with the Ministry of Economy, which has requested further assistance in improving its institutional governance. Demand for similar support has also been received from other countries in the region (Peru, Bolivia, and Uruguay).

94. **TF053890 Information Campaigns to Improve Public Services in India (FY05 – Closed) - $230,000:** This activity was designed to understand local participation in education services in India, to promote community participation through experimental interventions of information and advocacy campaigns, and to evaluate their impact with a view to informing relevant policy strategies. Three kinds of information campaigns were designed, ranging from simple provision of information to campaigns using information to generate public action within communities. Implementation took place in 195 villages in the state of Uttar Pradesh (ranked among the worst performing states in the country in education achievement), where different types of information and advocacy campaigns were used to communicate to villagers the status of learning among their children, and the potential role that education committees and local governments could play in improving learning outcomes. The project resulted in increased awareness by education committee members of their role in helping improve education services, as well as significant improvement in learning outcomes in select villages where village volunteers were trained to hold reading classes. However, it was also found that there are substantial constraints to local collective action and that improvements in learning appear to be driven by motivated individuals rather than village-wide participation in local agencies. The data analysis is being finalized (funded by other sources) and will be disseminated widely in March 2007 both in India and in the Bank.

95. **TF053926 Enhancing Social Accountability in Kenya (FY05 – Closed) - $125,000:** The objective of this activity was to increase the participation of citizens and civil society organizations in policy making, participatory planning, expenditure management and monitoring at the local and national levels. This project was implemented in partnership with the Institute of Economic Affairs and the Human Rights Commission (which also contributed some resources). Activities included a workshop on social accountability approaches for participants ranging from government officials to NGOs and other civil society organizations, and a pilot project that tracking decentralized resources from the Constituency Development Fund (CDF) held by Kenya Parliamentarians using citizen report cards. Dissemination of the report card results has generated wide ranging discussions among various stakeholders and much newspaper coverage, on the use and monitoring of the CDF. A recent outcome of these discussions is the launch of an interactive website on the CDF, through which constituents can monitor how the funds are allocated within their districts and the status of the projects funded (http://www.cdf.go.ke/index.htm).
96. TF054202 Civil Society Capacity Building (FY05 – Closed) - $125,000: This activity focused on strengthening citizen involvement in monitoring and ensuring transparency of core local service providers in Mozambique and Uganda. Activities in both countries included capacity building of local government officials and civil society on the use of citizen report cards, and community empowerment training programs. A final report on the process and outcomes of the report card was produced, along with a complementary poverty mapping report which helps further refine targeting of services. The report card approach has also been introduced to support the country’s participatory planning initiative at the district level. In Mozambique, the successful implementation of a consultative citizens’ report card focused on delivery of municipal services led the Maputo City Council to integrate the approach into its annual planning, monitoring and evaluation activities. In Uganda, the activity leveraged resources against an innovative community consultative report card initiative focused on improving delivery of basic health care services in rural areas, and resulted in improvements in the efficiency of local public clinics. Reports produced from both countries have been shared with other countries in the region and have been used in a variety of dissemination activities both within the Bank and in the region.

Country/Macro Level Social Analysis

97. TF053859 Yemen Country Social Analysis (FY05 – Closed) - $115,000: The objective of this activity was to provide a macro level understanding of the socioeconomic, cultural, political and institutional context of Yemen, identifying constraints for poverty alleviation and inclusive development and suggesting ways to address these constraints. The CSA has been completed and the background studies shared with the relevant ministries and other stakeholders during implementation. The report has been submitted to the government and is awaiting their comments before being finalized and disseminated. The concerns identified by the CSA included social inequality and rural land tenure. The issue of social inequality has been included in the Country Assistance Strategy and the government’s five year plan for poverty reduction. Two other studies are also being financed based on the recommendations of the CSA—a study on land tenure issues and a PSIA on water. Additionally, the CSA has contributed to a study on social exclusion conducted by DFID, as well as to the Bank-wide knowledge sharing activity on CSAs highlighted in the next paragraph. The CSA is available on the Bank’s external website at http://web.worldbank.org/WEBSITE/EXTERNAL/TOPICS/EXTSOCIALDEV/0,,contentMDK:21154469~pagePK:64168445~piPK:64168309~theSitePK:3177395,00.html

98. TF053871 Knowledge Sharing on Integrative Country Social Analysis (FY05 – Closed) - $110,000: This activity was aimed at developing a shared methodological approach for macro social analysis among Bank teams, national counterparts and donor partners through systematic documentation, knowledge sharing and dissemination of lessons learned from 14 ongoing pilot CSAs (including Haiti, Ecuador, Guinea Bissau, West Bank and Gaza, Nepal, Kenya, Yemen and Bolivia among others). Support was provided to pilot CSA teams through quality enhancement reviews and a common framework for macro social analysis was developed with inputs from regional teams as well as external partners. A three-day international workshop to discuss the state of the knowledge and lessons learned was held in May 2006 with more than 100 participants from donor agencies, development practitioners, government representatives and scholars. A dissemination note on lessons learned, as well as a document on conference proceedings was prepared and disseminated within the Bank and externally. Further information on CSAs as well as conference proceedings can be found on http://www.worldbank.org/socialanalysis.
99. **TF054117 Morocco Country Social Analysis (FY05 - Closed) - $100,000:** This activity was designed to provide a macro-level understanding of the socioeconomic, cultural, political, and institutional context of Morocco, focusing in particular on youth exclusion, which has been identified as a major social development challenge by local stakeholders. Activities included a series of consultative workshops with key stakeholders (government officials, local social scientists, civil society, donors and other partners) on the identification and analysis of the relevant issues. The final CSA report has been produced has been used by the Moroccan Ministry of Social Development and Solidarity in preparing the ‘Initiative Nationale de Développement Humain’, for which Bank is providing support. The CSA has helped Moroccan authorities to better understand the merit of social analysis in responding to key social challenges, and the participatory processes used to prepare it have created strong local ownership among the community of local social development practitioners. The CSA is also being used in the ongoing Poverty Analysis and it is expected that special attention will be given to local development and youth social exclusion in Morocco.

**Global and Regional Social Development Strategies and Initiatives**

100. **TF052023 Mainstreaming Social Development in the West Bank and Gaza (FY03 – Closed) - $294,000:** This activity examined socio-political structures at the grassroots level in four communities in the West Bank and Gaza, and related them to questions of material well-being and governance. Three assessment reports relating local socio-political structures to poverty programs, local governance, and community justice have been completed, which have served as input to a policy paper on West Bank and Gaza, as well as other countries office publications which are available on the country office website at [http://web.worldbank.org/WEBSITE/EXTERNAL/COUNTRIES/MENAEXT/WESTBANKGAZAEXTN/0,,menuPK:294370~pagePK:141159~piPK:141110~theSitePK:294365,00.html](http://web.worldbank.org/WEBSITE/EXTERNAL/COUNTRIES/MENAEXT/WESTBANKGAZAEXTN/0,,menuPK:294370~pagePK:141159~piPK:141110~theSitePK:294365,00.html)

Results from this activity also contributed to the lessons learned under the integrative country social analysis activity listed earlier. The research findings have informed ongoing Bank operations and strategies for the West Bank and Gaza, in order to promote more equitable and sustainable growth that mainstreams social, gender and community empowerment dimensions.

101. **TF052767 Africa Coterminous Positions (FY04 – Closed) - $558,000:** This activity funded two coterminous positions to assist the Africa Region in furthering its social development and environment strategies. Work under the environment coterminous position was successfully completed in March 2004. Great progress was made on advancing the social accountability agenda under the social development coterminous position. Demand for support on social accountability methodologies in the region has been increasing, and the use of citizen report cards and participatory expenditure tracking tools was implemented in several countries, including South Africa, Mozambique, Uganda, Kenya, Ghana, Zimbabwe and Ethiopia. As a result of the growing interest in demand-side governance and social accountability techniques and the value added of work funded under this position, a Bank-financed position was created to continue work in this area.

4 **Overall implementation progress of the Social Development Window**

4.1 **Overview of activities**

102. The Social Development Window had a total of 45 ongoing activities as of January 31, 2007 (excluding the coterminous position approved by the donors to oversee the TFESSD Social
Development Window), clustered around the six themes noted in the first section of this report. In addition, 30 activities closed between November 1, 2005 and January 31, 2007 (listed in para. 104). The ongoing activities consist of: (a) 1 activity (the Social Development Strategy) approved in FY03; (b) 4 activities approved in FY04; (c) 10 activities approved FY05; (d) 15 activities set up in FY06; and (e) 15 activities set up in FY07.

103. The 45 ongoing activities are managed by task team leaders from all regions (with a majority in Africa) and several networks, as indicated below:

<table>
<thead>
<tr>
<th>Region</th>
<th>Activities ongoing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa Region</td>
<td>12</td>
</tr>
<tr>
<td>East Asia and Pacific Region</td>
<td>4</td>
</tr>
<tr>
<td>Europe and Central Asia Region</td>
<td>3</td>
</tr>
<tr>
<td>Latin America &amp; Caribbean Region</td>
<td>3</td>
</tr>
<tr>
<td>Middle East &amp; North Africa Region</td>
<td>3</td>
</tr>
<tr>
<td>South Asia Region</td>
<td>3</td>
</tr>
<tr>
<td>Social Development Department</td>
<td>14</td>
</tr>
<tr>
<td>World Bank Institute</td>
<td>2</td>
</tr>
<tr>
<td>Legal Department</td>
<td>1</td>
</tr>
</tbody>
</table>

It should be noted that although the Social Development Department task manages several activities, the work is of a global and multi-sectoral nature which benefits all the regions, and implementation is carried out closely with colleagues from the regions and other networks. Table 1 below shows the number of activities approved each year (excluding the co-terminous staff position to oversee the Social Development Window) and their status, as well as the number of activities that are implemented within the Africa region (including global activities which include the Africa region).

### Table 1: TFESSD Social Development Window activities as of January 31, 2007

<table>
<thead>
<tr>
<th>Call/year</th>
<th>Activities approved</th>
<th>Activities ongoing</th>
<th>Closed activities</th>
<th>Activities in Africa (total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY00-FY02</td>
<td>13</td>
<td>0</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>FY03</td>
<td>18</td>
<td>1</td>
<td>17</td>
<td>9</td>
</tr>
<tr>
<td>FY04</td>
<td>20</td>
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<td>16</td>
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<td>FY05</td>
<td>24</td>
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<td>14</td>
<td>14</td>
</tr>
<tr>
<td>FY06</td>
<td>15</td>
<td>15</td>
<td>0</td>
<td>9</td>
</tr>
<tr>
<td>FY07</td>
<td>15</td>
<td>15</td>
<td>0</td>
<td>11</td>
</tr>
<tr>
<td>Total</td>
<td>105</td>
<td>45</td>
<td>60</td>
<td>58</td>
</tr>
</tbody>
</table>

### 4.1.1 Progress of ongoing activities

104. Activities funded under the Social Development Window have generally progressed well over the period under review. A few activities related to implementation of the Social Development strategy experienced delays in the second half of 2006, due to the intense discussions and uncertainty related to the integration of the ESSD and INF networks, but the pace of implementation has now picked up. The activities in the current portfolio are well aligned with strategic and country priorities, reflecting the priorities in the recent calls for proposals, and the Bank’s Social Development Strategy. Implementation and disbursements are also mainly on track. All projects funded before FY04 (with the exception of the Social Development Strategy...
funded in FY03) have closed with desired results. FY07 activities have all been set up and several have begun implementation, with a few still in the process of holding discussions with clients and hiring consultants, preparatory to starting implementation.

### 4.1.2 Closed activities

105. Thirty activities closed between November 30, 2005 and January 31, 2007 with outcomes highlighted in Section 3.2 of the report:

- TF051253 Investing in Social Capital through CDD
- TF051322 Capacity Building Network for Community Empowerment
- TF051722 CDD in Conflict
- TF051773 Gender and Conflict in Mindanao
- TF051835 Promoting Social and Public Accountability in Africa
- TF051836 Participatory Monitoring and Social Accountability in Armenia
- TF051845 Review of CDD Impacts in EAP
- TF051861 Chad PRSP n Rural Areas and Stakeholder Capacity Building
- TF052023 Mainstreaming Social Development in the West Bank and Gaza
- TF052550 Empowering China’s Small Farm Households
- TF052580 Strengthening Local Governance and Accountability in ECA
- TF052596 Indigenous People and Poverty in Latin America
- TF052597 Race and Social Inclusion in Population Information Gathering
- TF052671 Benin Strengthening Participatory Monitoring of PRSP Implementation
- TF052767 Africa Cotermious Positions
- TF052781 Intangible Benefits in Tanzania Social Action Fund
- TF053792 Chad, Promoting Citizen Empowerment
- TF053859 Yemen Country Social Analysis
- TF053871 Knowledge Sharing on Integrative Country Social Analysis
- TF053881 Ecuador Governance through Social Accountability
- TF053890 Information Campaigns to improve Public Services in India
- TF053919 Africa Conflict and Development Capacity Building Program
- TF053926 Enhancing Social Accountability in Kenya
- TF053969 Niger Delta Conflict Analysis and Management
- TF053970 Cambodia Village Level Justice and Dispute Resolution
- TF053982 Change Governance in Africa
- TF054103 Africa Municipal Radio Program
- TF054117 Morocco Country Social Analysis
- TF054202 Civil Society Capacity Building
- TF054260 Human Rights and Basic Services

### 4.2 Disbursements and commitments

106. Social Development Window expenditures have been commendable to date as shown in Table 2 below. As of January 31, 2007, the Social Development Window has disbursed or committed $24.8 million (91%) of the total $27.3 million received. Of this amount, $10 million (41%) has gone towards activities in the Africa region—this is slightly lower than in the past, but several Africa-focused activities (including those in Chad, Malawi, Madagascar and Sudan) faced implementation delays over the past year and were included in the strategic progress review conducted by the Sector Board (detailed in the next paragraph). The Chad activity has now been
closed and implementation pace of the other activities is now on track. All activities approved prior to FY03 have closed, with 100% of total receipts either disbursed or committed. One activity from FY03 is still ongoing (the Social Development Strategy) and 97% of total receipts have been either disbursed or committed to date. Activities approved in FY04 show 96% of total receipts either disbursed or committed to date; FY05 activities have disbursed or committed 87% of total receipts, FY06 activities indicate 77% of total receipts either disbursed or committed; and activities from FY07, many of which are just beginning implementation, show 42% of total receipts either disbursed or committed.

Table 2: Disbursements and Commitments

<table>
<thead>
<tr>
<th>Social Development Window</th>
<th>Receipts (US$)</th>
<th>Cumulative Disbursements / Commitments as of 1/31/07</th>
<th>Commitments as of 1/31/07</th>
<th>% of receipts disbursed / committed</th>
<th>Africa Portion of Disbursements/ Commitments</th>
<th>Africa % of cumulative disbursements/ commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activities approved prior to FY03</td>
<td>6.092</td>
<td>6.092</td>
<td>.000</td>
<td>100%</td>
<td>2.785</td>
<td>45.7%</td>
</tr>
<tr>
<td>Activities approved in FY03</td>
<td>7.053</td>
<td>6.844</td>
<td>.060</td>
<td>97%</td>
<td>2.157</td>
<td>31.5%</td>
</tr>
<tr>
<td>Activities approved in FY04</td>
<td>5.055</td>
<td>4.873</td>
<td>.245</td>
<td>96%</td>
<td>2.167</td>
<td>44.5%</td>
</tr>
<tr>
<td>Activities approved in FY05</td>
<td>5.226</td>
<td>4.572</td>
<td>.535</td>
<td>87%</td>
<td>1.780</td>
<td>38.9%</td>
</tr>
<tr>
<td>Activities approved in FY06</td>
<td>2.656</td>
<td>2.042</td>
<td>.441</td>
<td>77%</td>
<td>0.971</td>
<td>47.5%</td>
</tr>
<tr>
<td>Activities approved in FY07</td>
<td>0.780</td>
<td>0.328</td>
<td>.232</td>
<td>42%</td>
<td>0.162</td>
<td>49.4%</td>
</tr>
<tr>
<td>Window Account</td>
<td>0.392</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>27.253</td>
<td>24.750</td>
<td>1.513</td>
<td>91%</td>
<td>10.021</td>
<td>40.5%</td>
</tr>
</tbody>
</table>

4.3 Actions taken or recommended

4.3.1 Annual strategic review by sector board

The annual strategic review continues to be an important opportunity to review progress of activities, identify any implementation bottlenecks, and take corrective action as appropriate. This year, following a review of the active portfolio by the Social Window secretariat, the Sector Board reviewed eleven projects that met the criteria set by the TFESSD Secretariat. Detailed implementation plans were requested and approved for five projects, five activities were given four months to improve implementation progress, and one activity was closed, as summarized below:

TF051589 SD Strategy (regional budget allocations made and activity approved for extension for a further year)
TF053243 MNA SD Strategy (continued implementation and one year extension approved)
TF053889 Participatory Budgeting Knowledge and Action Centers (implementation plan approved)
TF053792 Sustainable Conflict Recovery (inclusion of Rwanda and continued implementation approved)
TF055631 Social Analysis and Participation in DPLs (revised proposal with task management by LCR/AFR approved)
TF053792 Chad Promoting Citizen Empowerment (closed as scheduled with no further extension)
TF055505 Malawi Building Resilient Communities through Empowerment (no action needed, as implementation progress improved after four months)
TF055744 Madagascar Community Poverty Monitoring and Analysis (no action needed, as implementation progress improved after four months)
TF055592 ECA Participatory Monitoring (no action needed, as implementation progress improved after four months)
TF055615 Youth Inclusion and Development in MNA (no action needed, as implementation progress improved after four months)
TF055766 Community Action and LG Development for Improving Service Delivery (no action needed, as implementation progress improved after four months)

108. The Sector Board met in early April 2007 to discuss reallocation of available funds of $727,000 (consisting of $367,000 from savings from closed projects, and $360,000 unallocated from the FY07 call). The Board reviewed several requests for additional funding which were made in activity progress reports, and approved the reallocation of $310,000 as follows:

TF052785 EAP Sustainable Development in the Urban Fringe - $35,000 approved for additional country workshops for dissemination of findings
TF053796 Uganda Community Empowerment: $50,000 approved for completion of community scorecard process
TF053891 Guatemala Capacity for Inclusive Governance - $25,000 approved for external evaluation
TF055744 Madagascar Community Poverty Monitoring and Analysis - $150,000 approved for scaling up social accountability
TF055616 Nigeria CDD - $50,000 approved for support on harmonization of CDD tools and approaches

The MNA Region is also seeking an additional year’s funding for the coterminous position (TF053853) and they have approached the Norwegian Staff Fund, who is awaiting donor approval for this request. The balance of $417,000 will be held in the Social Window for reallocation to FY07 and other activities based on progress and need during the coming year.

4.3.2 Extensions, fund reprogramming and cancelled activities

109. In general, all ongoing trust funds require some period of extension, and in keeping with TFESSD procedures, the Social Window secretariat has usually granted extensions of up to one year, based on requests by task team leaders. These extensions are typically requested due to delays in implementation because of country-specific situations, or to allow for completion of dissemination activities. Extensions beyond a year are granted by the SD Sector Board in exceptional cases (as in the MNA SD Strategy, where the SD Board agreed to a further year’s extension to allow for completion of activities which had been delayed due to the network integration). Activities which receive additional funding under the SD Board’s strategic review and reallocation of funds are also granted additional time to use the funds.

110. As noted earlier, one activity funded in FY07 (TF057336 - Inclusion of Vulnerable Groups in Pastoralist Development Programs in Ethiopia, Kenya and Sudan) has been cancelled, as task team leadership of the country teams has changed, and there is no demand for the activity in Ethiopia and Kenya, while Sudan lacks capacity to absorb the fund.
B. ENVIRONMENT WINDOW REPORT

1. Summary

1. As of January 31, 2007, the Environment Window has 46 active projects and 69 completed (see Figure 1). As shown in the regional distribution graph of active and completed projects (Figure 2), the Africa region manages 15 (33%) of the total active projects and the rest are managed by the other regions and central units of the Bank. Most activities, managed by the other networks, target work on Africa.

2. Over the review period, TFESSD continued to support the Bank's work towards meeting the objectives of the Bank's Environment Strategy and, in particular, enable analytical innovation and capacity development in key strategic themes: natural resource management; environmental health; poverty-environment linkages; environmental policies, institutions and programs and reducing vulnerability to climate change and natural disasters. Combined with other trust fund programs and the Bank's own budget, TFESSD is facilitating knowledge sharing in client countries fostering in many instances strong collaborative programs and partnerships.

2 Strategic objectives and value added

2.1 TFESSD's role and value added in the sector (compared to other TFs and BB financed work)

3. The World Bank's overarching objectives in addressing environmental sustainability center on articulating the linkages between poverty alleviation, the quality of growth, and the synergies between local and global challenges. A stock-taking of progress made since the 2001 Environment Strategy indicates that the institution has made significant progress on various fronts. First, the volume and depth of analytical work linking poverty with environment and natural resources has increased and is informing design of poverty reduction programs. Second, policy dialogue and analytical tools, such as Country Environmental Analyses, have enhanced policy advice on priority environmental issues at the country level. This is facilitating the integration of key environment issues in policy decisions and investments intended to promote economic growth, such in infrastructure, energy, agriculture, and water supply. Lastly, the
Bank's convening power and resource mobilization capabilities have placed it at the center of key global environmental issues, such as climate change, deforestation, and fisheries management.

4. This progress has by no means been automatic and without significant effort. The technical complexity, cross-sectoral and inter-generational nature of environmental issues coupled with the tremendous institutional weaknesses facing clients demanded securing and deploying significant resources to properly study, plan, and implement suitable responses. The Bank has combined its own resources, including approximately 200 environment staff with a deliberate effort to raise external funds to meet the demand for its environmental work. In particular, funds provided by TFESSD are combined with those from the Bank Netherlands Partnership Program (BNPP) (approximately $6 million each CY) to support in three main areas:

- **innovative analytical work at the country level:** engaging very early in assessing a country's key environmental issues in the context of future policy reforms and/or major investment plans. Examples include Country Environmental Analyses (CEAs), economic studies linking environment with energy, agriculture, tourism, forests; etc. – see para. 2.2 below).

- **knowledge generation and sharing:** developing toolkits; summaries of lessons learned; program websites. These activities maximize the impact of the substantive work developed by better communication and outreach to country audiences (para. 2.3).

- **client awareness raising and capacity building:** most TFESSD activities include a strong element of capacity development, both for the purposes of increasing technical skills and for raising awareness in broader audiences (see para 2.3).

5. The net result is improved quality in policy dialogue and improved Bank operations. While there is not a fixed formula for how these resources complement each other, staff use the results from one program as platform for subsequent work. Activities on land management provide an illustration (see Box 1).
Box 1: Trust Fund Complementarities: Sustainable Land Management (SLM)
BNPP-Environment supports the TerrAfrica program; a region-wide platform for coalition building, knowledge management and programmatic investments. TerrAfrica has successfully established a partnership with functioning governance, reporting, and external communication. Analytical work has been carried out in Senegal and Niger. This has been complemented by third party funds used to establish a cost-benefit framework for analyzing SLM, with initial applications in Ethiopia and Ghana.

One perennial issue in the SLM debate is the role of tenure security and its impact on the adoption of more sustainable land use practices. An important contribution to that debate came through TFESSD TF024693: Community-based Mechanisms to Enhance Land Access & Tenure Security for the Poor. One of the highlights of that activity was a Policy Research Report on Land Policies for Growth and Poverty Reduction. This report has been translated into six languages and formed the cornerstone of an extensive capacity building program. Specific country-level impacts have been traced to China, India, and Uganda.

Moving on from the conceptual foundation laid through the previous TF, the new TFESSD TF057147 on Ethiopia Sustainable Land Management & Tenure Security takes on an analysis of the land certification process in Ethiopia. While this analysis started only in 8/06, it has already impacted land administration components in operations in Tanzania and Uganda that the World Bank is currently supporting.

Hence, TFESSD-supported analysis are providing profound insights into one of the key aspects in the broad agenda that TerrAfrica takes on, supported by BNPP as well as other sources of funds.

2.2 Impact on the Bank and in client countries

As for the results at the country level and its influence on Bank operations, the active portfolio of TFESSD-supported analytical work has had clear contributions. The examples provided below illustrate the nature of the impacts achieved with TFESSD support:

- **Cambodia, Lao PDR, Vietnam**: Poverty-environment studies help develop natural resource-based poverty maps which inform PRSPs.
- **China**: Environment-health analysis of rapidly growing regions and associated impacts raises public awareness of unchecked industrialization.
- **Congo**: Socioeconomic and environmental studies in the forest sector and associated dialogue help influence concession policies and promote forest certification.
- **Egypt**: Energy-environment review highlights costs of pollution and contributes to design of innovative pollution abatement project.
- **Guatemala and Peru**: Country environmental analyses help identify priorities on health impacts linked to environmental conditions and lead to request from governments for Bank support for institutional reforms.
- **Mauritania**: Fisheries work enables better integration of this sector into PRSP and CAS.
- **Nigeria**: Analysis of mining and land management issues is being integrated into a mining investment project and on land, forms the basis for support under TerrAfrica.
- **Zambia**: study of tourism potential with community-based NRM is helping preparation of business plans for National Parks that include a conservation tax.

In addition to obtaining results at the country level, some regions have used TFESSD and BNPP strategically to achieve business development goals. For example, the South Asia Region...
has set out to expand its environmental activities by building a strong program of analytical work. Starting from almost no dialogue on environment with relevant agencies, the region now has an active pipeline of 19 projects focusing on environment and a solid record of related economic and sector work (see Box 2 below).

2.3 Capacity Building, Knowledge Sharing and Partnerships

8. It is apparent that knowledge sharing and dissemination, capacity building, and partnership all go hand-in-hand if we are to achieve our objective to improve management of natural resources, environmental governance and institutions, poverty-reduction and achieve growth.

9. Strengthening national and local governments, empowerment of local communities and civil societies are an integral part of all the activities under the environment window. For example, the hands-on activities and workshops funded under the “Community Empowerment for Cultural Tourism and Heritage Protection in Georgia & Uzbekistan (TF053903)” project which helped preserve and restore cultural assets and develop skills among the local youth has resulted in increased flow of tourists which has generated income for the local community members.

10. Another notable example was the use of TFESSD-funded work on the health and non-health costs of water and air pollution in China to inspire a high profile cultural event – “A Call for Green China,” held on March 2 – sponsored by China’s State Environmental Protection Agency (SEPA), the Government of Norway, and the World Bank. The event drew a large audience and was featured prominently in local media. Knowledge sharing and dissemination within our client countries, international/bilateral organizations, and the Bank are done through country dialogues, hands-on training, workshops and conferences, websites, policy papers, brown bags. Examples of knowledge sharing and dissemination and website links are included in the synopsis of the individual activities.

11. Most of the activities under the Environment Window would not have been able to achieve their objectives without the engagement of local and international institutions and other bilateral agencies and TFESSD has been a catalyst in forging new partnerships and strengthening existing ones. The extent to which Environment Window activities engage in partnerships vary significantly depending on the objective of the activity and scope of work. For example, PROFISH supports dialogue among donors and specialized agencies (e.g., FAO, IUCN, NORAD, World Fish Center) on the global fisheries crisis and facilitates coordination of country-level work. In addition, given the emphasis on transfer of knowledge and local capacity building Environment Window TTLs are reminiscent to engage more local institutions rather than international. Based on the information provided by TTLs in their GRMs, local institutions account for the biggest share with 51% followed by international with 39%. Engagement of Norwegian and Finnish Institutions and other bilateral agencies (e.g., GTZ, AfDB, SIDA, IAIA, CIFOR) has remained constant at about 5%, and UN agencies at 2%.
Box 2: Trust Fund Complementarities: South Asia

In South Asia, two TFESSD TFs are implemented along with four BNPP-Environment TFs, covering a comprehensive scope of activities. Against the backdrop of the South Asia Environment Strategy, a set of upstream analytical work has been implemented. This includes Country Environmental Analyses (CEAs) in the major countries in the region: India, Bangladesh, and Pakistan, as well as in Nepal.

The broad analytical work done for the CEAs has put an economic price tag on various forms of environmental degradation. In the case of Pakistan, the cost is estimated to at least 6 percent of GDP, and the burden falls disproportionately on the poor. The most significant factors in order of economic weight are: (i) air pollution, both outdoor and indoor; (ii) inadequate water supply and sanitation; and, (iii) soil degradation. In the case of Bangladesh, the aggregate cost of environmental degradation is estimated to be in the order of 4 percent of GDP. The most significant factors behind that figure are in order of weight: (i) poor water supply and sanitation; (ii) urban air pollution; (iii) indoor air pollution; and, (iv) poor quality of surface water specifically in Dhaka.

The links between this analytic work and operations are many. They include the Dhaka Water and Environment Project, the Air Quality Management Project and, a pilot to address indoor air pollution, all three in Bangladesh. For India, a multi-sectoral program for natural resource management in the North-East, and a sanitation program in Orissa. Finally, for Pakistan, a planned Air Quality Management Program, an Industrial Pollution Management Project, as well as some further analysis through the Punjab Strategic CEA, are linked to upstream analytic work. Climate change has also been the focus of analysis that is expected to have operational implications. Technical assistance has been given to the Andhra Pradesh Drought Adaptation Imitative, which is a pilot expected to be scaled up. On an even broader scale, support has been given to the India Adaptation and Vulnerability study, which is expected to result in a National Adaptation Project.

3  Summaries of ongoing and recently completed activities

3.1  Ongoing activities

12. The key focus areas of Environment Window activities encompass four major themes, i.e., Natural Resources Management; Environmental-Health; Poverty-Environment Linkages; Environmental Policies, Institutions and Programs and Climate Change. The Mozambique Integrated project is presented at the end of this section.

Natural Resources Management

13. Several natural resources management activities funded by TFESSD have led to environmental interventions, improvements of the enabling environment for sustainable natural resources management, local participant, and gender equity. Below are activities TFESSD has financed under this theme.

14. TF051328 Mauritania, Technology Fosters Tradition (TFT) ($184,500): The objective of this project is to foster effective sustainable resource management and environmental protection through participatory law making and Global Information Systems (GIS) which are based on rural use-rights registries. TFESSD financed a feasibility study of the TFT approach in selected villages and herders’ zones and an area assessment was carried out. The project identified suitable local partners to formulate use-rights regulations by the local population and
established a rural registry-based on optimal land use patterns and user rights and definition of regulations to empower local communities to implement such usage. The project has had significant impact on the continued sustainability of camel herding and helped reduce conflict between herders and new farming activities in the wetlands. For reports: http://ssrn.com/abstract=906985 and http://dlc.dlib.indiana.edu/archive/00001939/00/Kirsch_Jung_Karl.pdf (Website: www.supras.biz/library/web/tft).

15. TF051598 Egypt, Poverty and Natural Resources ($300,000): This activity has contributed to a better understanding of the role of improved water resources management in reducing poverty, improving household health through prevention of waterborne diseases in rural Egypt (Qena and Damietta). In addition, TFESSD funded the costing options of environmental degradation in 4 priority areas (i.e., agriculture degradation, solid waste, rural water supply, sanitation and hygiene, indoor air pollution) using alternative methodologies. This innovative work will enable the ministry of environment and the governorates to "monetize" the environmental impacts and use it as a tool for planning their investments on the basis of decreasing the cost of environmental inaction using cost benefit analysis. The results of the assessment done will be used to enhance the design of the Integrated Water and Sanitation Project and will be part of the Egypt CAS which calls for environment protection and natural resources management.

16. TF052540 Mainstreaming WB/WWF Forest Alliance Targets in Africa Regional Country Programs ($600,000): The objective of this activity is to help reduce the rate of loss and degradation of all forest types to meet the diverse objectives of forest conservation, poverty reduction, biodiversity conservation, protection of the rights of forest-dependent communities, and adequate resources for forest dependent industries. It will seek to improve local capacity and institutional framework for sustainable forest management with a view to independent certification for production forests; strengthen law enforcement and combat illegal logging. With TFESSD’s support, protected areas are effectively managed and consolidated, creation of conservation corridors to stabilize ecosystem processes were explored; long-term funding mechanisms and management plans were developed. This activity had significant influence in bringing forward the forestry initiative in the Congo Basin and the studies undertaken have become important milestones for integrating forestry into the CAS and PRSPs of countries in the Africa region, mainly the Congo Basin region, Gabon and Cameroon.

17. TF052914 Building Local Capacity and Institutions for Managing Natural Resources at an Ecosystem Level ($300,000): The development goal of this activity is to promote sustainable rural development through improved management of natural resources and the ecological processes that maintain them. The activity focuses on the Sub-Saharan Africa (Senegal, Burkina Faso, Chad, Burundi, Cameroon, Nigeria, Liberia, Ghana). TFESSD has supported studies and analyses that provided an overview of institutional issues, options and existing experience. The program made a significant contribution to strengthening the capacity of country counterparts who will serve as mentors and leaders for multi-stakeholder country teams. In addition, contact between French-speaking and English-speaking countries has significantly increased, thus laying a sound basis for discussion of cross-boundary environmental issues. For example, the policy on Sustainable Land Management in Ghana contains many of the principles discussed during the learning activities of this project. The reports from the workshops and case studies will be scanned and made available on the World Bank Website.
18. **TF054364: The Catalytic Role of Women in Effecting Sustainable Development in Egypt ($100,000):** The objective of this project is to build capacity of local communities, particularly rural women, to conserve, rehabilitate, and use their water resources in a sustainable manner. With TFESSD support, stakeholders and rural women participated in skills building workshops and outreach programs that focused on the causes and effects of water pollution inside and outside the household, sanitation and related diseases and hygiene promotion. In addition, cooperative partnership with the media was established to raise environmental awareness and disseminate lessons learned. The findings from this activity will be mainstreamed into the natural resources component of the Egypt CAS and into the CEA business plan for Egypt.

19. **TF055858 Program for Sustainable Fisheries (PROFISH) ($392,500):** PROFISH supports upstream analytical work, helps mainstream the fisheries sector into national and regional strategies, raises awareness of the sector’s economic contribution thereby fostering sector reform and good governance, and promotes donor harmonization at the national level. Based on dialogue with the Africa Region, requests from client countries, and relative importance of fisheries, the following countries were selected: Congo Gambia, Gabon, Guinea-Bissau, Guinea (Conakry), Kenya, Mozambique, Senegal, South Africa, and Tanzania. Substantial progress has been achieved. An audit of fisheries sector in Madagascar was completed indicating major capacity deficiencies and a Concept Note for a technical assistance/capacity building program is in preparation. In South Africa, a study on the contribution of fisheries to the GDP is under way. In Sierra Leone, a fisheries sector strategy is under discussion. Legal advice was provided to improve fisheries governance within the context of the Bank's GiRMAC project in Senegal and donor alignment has been established. The NEPAD Action Plan for the Development of African Fisheries and Aquaculture; and The Abuja Declaration on Sustainable Fisheries and Aquaculture in Africa has been prepared and adopted by the NEPAD Heads of State meeting. These instruments were adopted by the NEPAD "Fish for All Summit" Abuja, in Nigeria. Fish for All: [http://www.fishforall.org/ffa-summit/africasummit.asp](http://www.fishforall.org/ffa-summit/africasummit.asp)

20. **TF056130 Managing Key Natural Resources in Africa ($250,000).** The objective of this activity is to expand the analytical base related to key issues in natural resources and environmental management in Nigeria and Kenya. The analysis gives particular emphasis to sustainability of natural resources, impacts on poverty and governance issues related to key resources (e.g., land, forests and minerals) and environmental services e.g., solid waste). The studies cover growth potential and links to poverty; assessments of the existing regulatory
frameworks of each sector and flag issues such as rent-seeking and lack of transparency. The study on land and mining in Nigeria has already uncovered that new land regulations ignore customary rights thus creating a potential source of conflict. The key findings of this study will be incorporated in the Nigeria CAS. A Kenya CEA to help develop a focused approach on solid waste management is under preparation.

21. **TF055456/TF056786 Zambia Nature Tourism ($305,000).** In Zambia, tourism is registered as the third pillar for economic development. The objective of this project is to undertake analytical work to estimate the potential contribution of nature-based tourism to economic growth and poverty reduction in Zambia. This activity is being implemented under two separate TFs: TF055456 ($170,000), Bank-executed; and, TF056786 ($135,000) executed by the beneficiary, the Central Statistic Office (CSO)—mainly to collect and enter household data. Primary analysis of the tourism data has already demonstrated some of the impacts of nature-based tourism on the economy and potential priorities for investment and policy decisions. For example, the tourism demand survey showed that tourists, on average, are willing to pay a $20 conservation tax. Such a tax, even if set at $10, and if captured into an endowment, has the potential to finance protected areas and thus improve the country tourism products. Setting up this mechanism could be one of the next DPL’s triggers. The information obtained is being used in CAS discussions in Zambia as part of the growth and equity pillar. Issues, such as "demystifying leakages" are expected to receive the attention of the ministry of finance whose staff tend to believe that tourism is an industry whose profits are made overseas.

22. **TF057147 Ethiopia Sustainable Land Management & Tenure Security ($140,000):** The project aims to understand the characteristics, including the costs of land certification in Ethiopia and determinants as well as magnitude of the program’s impact on (i) land-related investment, (ii) productivity of land use, (iii) land market activity; (iv) women’s asset ownership; and (v) conflict which provides a basis to modify and/or expand the program and inform similar efforts at designing interventions that could help increase land tenure security in other African countries. The project has made considerable progress by completing a nationwide survey of 2,300 households that has laid the foundation for a thorough description of the different ways in which the certification program was implemented across regions and a rigorous evaluation of the program’s impact. The lessons from this activity already had a significant impact on two land administration projects (Tanzania and Uganda) supported by the Bank. Some of the results from this study have been featured in the 2008 World Development Report. Two papers prepared under the project have been presented at a 2-day conference organized by the World Bank in early Nov. 2006 (see [www.worldbank.org/landpolicies2006](http://www.worldbank.org/landpolicies2006))

23. **TF057349 Yemen – Land Tenure for Social and Economic Inclusion ($150,000):** The overall objective of the proposed activity is to promote rural land policy reforms for equitable access to land resources, greater empowerment of vulnerable groups and sustainable pro-poor economic growth. It aims to contribute to enhancing Bank and Government knowledge on potential policies reforms and to develop an action plan for land policies reform and related institutional reforms to enhance equitable and secure access to productive land and greater inclusion of vulnerable groups. To enhance capacity of various stakeholders such as Government officials, NGOs, local administrations and rural communities, the activity will be implemented through a participatory approach. Although this activity was activated last September 2006, the work program was scheduled to start around the third quarter of FY07. A concept review meeting is scheduled for end-April, early May, 2007.
Environmental Health

24. One of the objectives of the Bank’s Environment Strategy is to improve the quality of life in our client countries by reducing environmental risks and pollution, thereby reducing child mortality, respiratory disease, blood lead levels, deaths due to malaria, and exposure to toxic substances. Several TFESSD activities have been influential in strengthening the focus on environmental health issues, facilitating a better understanding of, and developing tools to address, environmental-health linkages. Activities that fall under this theme are listed below.

25. TF052820 LCR Strategic Program on Environmental Mainstreaming ($750,000): The three main areas of LCRs environment strategy identified for TFESSD support are (i) Health - Environment Linkages; (ii) Natural Resource Management linkages with Environment and Forestry; and (iii) Environmental Sustainability Indicators and Public Disclosure. Estimates of the cost of environmental degradation in Peru and Guatemala show that the most significant environmental costs to the country are associated with inadequate water supply, sanitation and hygiene, and ambient and indoor air pollution that disproportionately affect the health and productivity of the most vulnerable. Based on these analyses, the governments have requested support in carrying out institutional reforms and incorporating environmental considerations in key sectoral programs. During the second phase of the program, a public environmental expenditure review in Peru; SEA training in Colombia; assessment of the impact of the Colombia CEA on public perception and policy; examination of the effectiveness of environmental regulations in Brazil; dissemination of improved hygiene (environmental health) interventions in Colombia; and studies on the costs of environmental degradation in Ecuador and Honduras have been carried out. Work under these CEA s have helped identify environmental priorities that are currently being supported under the Bank-financed Sustainable Development Policy Loan (DPL) Programs in Colombia and Peru.

26. TF052912 Diesel Pollution Reduction Strategies for Cities ($200,000): The objective of this program is to enhance the capacity of local stakeholders in understanding the factors affecting in-use diesel vehicle emissions and assess affordable policies and measures to reduce diesel vehicle emission and maintain or improve overall accessibility of the transport system. This program has experienced delays in part due to competition for use of the laboratories and our need and requirements about the quality of testing. Despite these delays many of the fundamental development objectives have been met. A large number of vehicles have tested in base line measurements. City specific data have been obtained and city and national agencies have developed a comprehensive understanding of in-use diesel vehicle emissions and control options to assist decision making within the reality of developing country.

27. TF055878 Deepening the China Mainstreaming of Environmental Sustainable Development (MESD) Program ($407,650): The objective of this activity is to deepen the impact of the MESD by supporting policy integration, refining methodologies, enhancing institutional effectiveness and facilitating cross-sectoral coordination among the government agencies such as Health, Water and Environment. The implementation is highly satisfactory and ahead of schedule. A well attended and highly successful conference on “Cost and Management of Air and Water Pollution in China” was held on March 2, 2007. It included presentations of the environmental cost model (ECM), valuation of environmental health risk (VEHR), management of water quality and strategic environmental assessment (SEA) work implemented under the TFESSD-funded China MESD program. The key lessons from the policy integration studies will have impact on the next Chinese and Bank planning cycles. Lessons and recommendations from the studies on health impacts from air and water pollution have been included in the 2006-2010 China CAS and the China Environmental - Health Action Plan (CEHAP). The Cost of Pollution
Poverty-Environment Linkages

28. Recognizing the imperative of linking good environmental management and poverty reduction, this priority theme strongly emphasizes the need for better understanding of poverty-environment linkages in setting priority interventions. Below are activities that fall under this theme.

29. **TF052779 Africa Strategic Environment and Poverty Program ($1.52 million):** This activity helped build the analytical basis and the capacity of key stakeholders for improved understanding of the relationships between environmental improvements and poverty outcomes in two key areas: (i) the management of natural resources (particularly soil fertility, water, and biomass) and poverty and health outcomes; (ii) policies and institutional rules (including improved understanding of trade and environment issues; access to information, participation, and justice in decision-making; better environmental management and governance systems; and mainstreaming environmental issues into NEPAD. The work program is mostly completed. TFESSD resources helped respond to a GoZ request to carry out an update of the Zambia Wildlife Authority (ZAWA) strategic plan covering the years 2007-2011—the report is being used in GoZ discussions on the steps needed to foster the growth of nature tourism in Zambia. The set of activities done in Lesotho has been mainstreamed in PRS and the World Bank CAS, and has directly contributed to the sector strategies of the Ministries of Local Government, Finance and Development Planning, Agriculture and Food Security, and Forestry and Land Reclamation. Several consultations were held with a range of stakeholders, including ZAWA Board and staff; government institutions (including Ministry of Finance and National Planning, Ministry of Tourism, Environment and Natural Resources); civil society organizations concerned with natural resources and environment; private sector operators and trade associations. The outputs are available in the World Bank's electronic filing system and can be made available upon request.

30. **TF053885 Integrating Environmental Issues in PRSs, Country Policies and Programs in the EAP Region ($300,000):** The main objective of this proposal is to evaluate some existing key policies and programs that address poverty alleviation and environmental issues, suggesting improvements and identifying good practices for potential replication elsewhere in the East Asia and the Pacific (EAP). The implementation progress has been satisfactory. The initial studies done have resulted in new developments. For example, EAP will undertake a flagship on rural/urban linkages as an integral part of policy improvement, this will open up a new venue to exploit the poverty/environment linkages in the context of the urbanization process. There is also a demand in South East Asia for capacity building on programs of public information provision related to beach and coastal resource quality. As the demand for DPLs in the region increases, the demand for CEAs has also picked up. As such, CEAs in Timor Leste and the Philippines are underway. As a follow up to the Vietnam CEA discussions are being held with the Ministry of Finance to support them in the elaboration of environmental taxes with an international workshop on the subject likely prior to the end of this FY. Outputs are available under the World Bank's website: [www.worldbank.org/eapenvironment/](http://www.worldbank.org/eapenvironment/)

31. **TF53903 Community Empowerment for Cultural Tourism and Heritage Protection in Georgia and Uzbekistan ($290,000):** This activity empowers communities, and youth in particular, to participate and benefit from tourism linked to cultural heritage. Progress of implementation is highly satisfactory and several outcomes have been achieved since. For
example, local youth outside the major urban centers have obtained enhanced capacity for preservation and restoration of cultural assets and skills development efforts have stimulated incomes. Several cultural assets were preserved during the process of hands-on-training exercises and the consultative mechanisms established to promote cultural tourism are being used to address other community concerns. The results of this activity are documented in an ECA-wide review of World Bank investment in cultural tourism and heritage protection. A brown bag will be scheduled in the coming months to discuss the project outcomes, lessons learned. The link to the Georgian language website is www.sighnaghi.org.ge.

32. **TF057168 Central America Integrated Indigenous Land Administration and Natural Resources ($200,000):** This activity aims to strengthen the capacity of indigenous communities in Central American countries where the Bank has a strong land administration portfolio to fully participate in creating a common property regime, articulated with the respective national regulatory frameworks, within which viable economic alternatives could be developed. The activity is well underway and deliverables are on schedule. The program is helping to improve existing and future Land Administration operations dealing with processes of Indigenous Peoples land regularization by helping articulate social and cultural criteria; and using already generated land survey and information technology. TFESSD is financing technical assistance to support land administration projects in Guatemala and Nicaragua to establish participatory monitoring and evaluation in their work with Indigenous Peoples. The CASs and PRSPs of the countries in the Central American region all highlight secure land rights for indigenous and Afro-descendant groups as a key component of their rural poverty reduction strategies. The program supports community-based institutional development on the capacity to administer access and use rights within communal boundaries. Before this TFESSD initiative, none of the land administration projects in the region had deepened support on this level.

33. **TF057388 Liberia: Using a Sustainable Livelihoods Approach to Define Land Tenure Priorities in a Post-conflict Environment ($120,000):** The main objective of the proposed activity is to develop an action strategy for land reform and related institutional reforms that would enhance and create sustainable livelihood opportunities for disenfranchised post-conflict communities. The focus of this proposed activity would be on 3 post-conflict communities (i) ex-combatants, (ii) the youth, and (iii) returning/previously displaced refugees. Implementation of the project is currently well underway, a land legislative review was conducted and a field work to understand the customary land tenure system is underway. Now that Liberia is eligible for IDA, the team was asked to submit the results of their activity which may feed into a CAS.

34. **TF057612 Pro-Poor Tourism in Zambia and Ethiopia ($100,000):** This project will aim to assess the extent to which tourism benefits the poor and examine how the different types of tourism can affect development and reduce poverty. This activity will also define policy interventions needed to enhance the livelihood benefits to the poor and highlight these dimensions through policy recommendations. In view of the reduced grant amount (requested $400k), it was decided to use the TFESSD funds to implement/pilot a methodology that would contribute to the design of the Ethiopia Sustainable Development Tourism program. A joint program with the Africa PREM will fund a literature review: “How does tourism impact poverty reduction? a review of the evidence.” The analytical framework to be piloted in Ethiopia will emerge from the report. Though there have been no disbursements, project implementation is well underway.
Environmental Policies, Institutions and Programs

35. A key tool of the Bank’s work on integrating the environmental dimension of development is the Country Environmental Analysis (CEA). With over 10 CEAs completed, this tool is proving essential for designing priority interventions, including those supported by DPLs. Below are activities that fall under this theme.

36. **TF051310 Preparation of a Toolkit for Country Environmental Analysis ($690,000):** The main objective of this activity is to support guidance and methodology development for CEAs, support CEA pilots, facilitate dissemination of lessons and good practices across regions, and support collaboration between development partners relating to CEA preparation. This grant is near completion with a toolkit up and running. Reviews of lessons learned and results are currently underway. Preliminary indications show that CEA has been a successful tool in mainstreaming environment in CASs, PRSPs and operations, and guide environmental dialogue in countries and to help approach safeguard concerns in a strategic way. CEA recommendations are increasingly being incorporated into CASs (e.g. Nigeria, Egypt, Tunisia, Colombia, Peru, and Ghana) and PRSPs (e.g. in Bangladesh and Ethiopia). A CEA review paper, expected to be completed by June 2007, will provide more details. CEA website: [www.worldbank.org/ceatoolkit](http://www.worldbank.org/ceatoolkit)

37. **TF053858 Implementing Environmental and Social Accountability and Governance in SMEs ($155,000):** This project will support local small and medium-sized enterprises (SMEs) implement their environmental and social accounting and governance structures, leading to increased firm-level competitiveness by working closely with existing and/or selected local partners in SME intermediaries. The program initially intended to work in Russia and Ghana, however, due to the political situation in Ghana, the program has been moved to Ethiopia. But then following the elections, the political climate in Ethiopia has changed and the program was asked to drop its activities. After consultations with the local Private Sector Development counterparts, it was agreed that the program would focus on Tanzania. Due to this change in country, the deliveries planned are a little behind schedule compared to the ones in Russia. Therefore, a one year extension would enable the program to complete all the activities planned in Tanzania. The program has made progress towards achieving the grant's objectives in both Russia and Tanzania. In Russia, a series of events were organized jointly with the Higher School of Economics, the World Bank Country Office and Business Russia Association. The events brought together Russian businessmen and SME representatives with practitioners and academia to define a strategy that SMEs should endorse to support sustainable company development. Information on the project can be found at [http://web.worldbank.org/WEBSITE/EXTERNAL/WBI/WWIPROGRAMS/CGCSRLP/0,,contentMDK:20296032~pagePK:64156158~piPK:64152884~theSitePK:460861,00.html](http://web.worldbank.org/WEBSITE/EXTERNAL/WBI/WWIPROGRAMS/CGCSRLP/0,,contentMDK:20296032~pagePK:64156158~piPK:64152884~theSitePK:460861,00.html)

38. **TF053892 South Asia Environment Strategy Implementation ($600,000):** The South Asia Environment Strategy Implementation program is an umbrella program that continues to deepen and expand efforts initiated under the South Asia Strategic Program supported by TF024692. Its main focus is on improving governance and reducing vulnerability related to the management of environment and natural resources with the view to promoting sustainable broad-based growth. All activities have progressed well, four reports were completed: (i) Bangladesh Country Environmental Analysis; (ii) Pakistan Strategic Country Environmental Assessment; (iii) India Country Environmental Analysis: Strengthening Institutions for Sustainable Growth; and (iv) the Development and Growth in Northeast India: The Natural Resources, Water, and Environment Nexus. Several follow-up programs of lending and technical assistance have emerged due to this grant. To name a few: Dhaka Water and Environment project; Air Quality Management Project in Bangladesh; a pilot program on Addressing Indoor Air Pollution in
Bangladesh; an expanding program in Pakistan is expected to include Air Quality Management Program, Industrial Pollution Management Project, and the Punjab SCEA, following the Pakistan SCEA. The success of the India CEA led to a programmatic CEA dialogue with the Government of India and the concept of a flagship India CEA2 (India Environment 2030), which will help GoI develop a long term vision and strategy for environment management is underway.

39. **TF053901 Support to Participatory Planning in Chinese Cities ($250,000):** The project aims to support the efforts of the Government of China and the Bank in strengthening accountability and transparency of urban governance by promoting participatory planning processes that enable inclusion of citizens in the local policy-making processes, and to ensure the creation of a sustainable urban environment. The project is progressing satisfactorily and is fully aligned with Pillar 2 (reducing poverty, inequality and social exclusion) of the China Country Partnership Strategy (CPS) as well as with the Bank's corporate environmental and social strategies. Several reports have been completed. Pilot stakeholder dialogues to promote participation for addressing urban social and environmental issues programs in 20 communities have been organized and were covered by local media. A workshop to disseminate the project experiences is scheduled in June 2007. Upon completion of the project, the final project report will include policy recommendation and procedures that Chinese governments and communities can adopt. Some links on media coverage: [www.hbj.hd.gov.cn/hbj/product.asp?id=2656](http://www.hbj.hd.gov.cn/hbj/product.asp?id=2656) & [www.xlhb.gov.cn/articleview/2006-8-7/article_view_1655.htm](http://www.xlhb.gov.cn/articleview/2006-8-7/article_view_1655.htm)

40. **TF053902 Environmental Governance in Upstream Environmental Analytical Tools (CEA & SEA) ($350,000):** The main objective of the activity is to support the methodological development and practical application of environmental governance and environmental vulnerability analyses in upstream country- and policy-level studies. There has been steady progress on the policy-based SEAs and their application to mainstream environment into programmatic lending. On CEAs, there has also been progress, on strengthening methodologies and providing training for institutional assessment. However, progress has been slower (but is now underway) in strengthening vulnerability analysis in CEAs. However, only once these SEA and CEA pilots are well-underway and lessons are drawn from their application will grant objectives be satisfied. The grant objectives remain important for the updated Environment Strategy and this TF is a crucial to help strengthen CEA and SEA as strategic tools in the Bank.

41. **TF054365 Good Governance for Sustainable Development ($200,000):** The program will familiarize stakeholders with approaches that integrate social, economic and environmental considerations for good governance of resources; promote institutional changes that encourage transparency, accountability, and inclusion; enhance the capacity of decision makers to design and implement sustainable policies in environmental and non-environmental sectors. Despite minor delays due to changes in leadership in key partner institutions in China and Morocco, the implementation is still highly satisfactory due to the very active partners. A number of workshops were delivered in North Africa, South and East Asia and in China where the program has been embraced by the National Development Research Commission (NDRC). The program included seven successful workshops, one of which was delivered at the national level for the 11th Five Year Plan.

42. **TF055775 Policies and Incentives for Miombo Management ($250,000):** The objective of this activity is to develop a framework for an improved understanding of the linkage between rural livelihoods and miombo woodlands, to better inform the development of social and economic policies which have poverty alleviation as their primary objective. Overall implementation performance is satisfactory. The activities have generated new policy research linkages with regional organizations in Southern Africa, including the Center for Scientific and
Industrial Research (CSIRO) and with the WWF-SARPO Miombo Ecoregion Conservation Program. TFESSD support has leveraged additional support from the Program on Forests (PROFOR), for publication and dissemination of the research findings. A final workshop of all the researchers who have worked on these studies is planned for end-October, 2007 will be held in Zambia.

43. **TF057150 Land Distribution and Access to Tenure Security in Africa ($100,000):** This activity will respond to the increasing demand for capacity-building and policy dialogue in the area of land reform and administration in Sub-Saharan Africa through regional land course toward an inclusive and client driven partnership. This initiative will increase information sharing and dissemination on land and property rights issues between practitioners and stakeholders of land reform and administration at regional and national levels. Although this activity is only in the inception stage, some progress has already been made towards the grant objectives to address the capacity building needs of Africa for effective programs on land administration and land redistribution. Work has started on the curriculum and toolkit development, and course design, with delivery of initial courses and formalization of partnerships ready for early FY08.

44. **TF057155 Strengthening Social Accountability in Vietnam’s Hydropower Sector ($200,000):** The objective of this activity is to assist the Government of Vietnam’s implementing authorities and affected communities to develop, pilot and replicate effective practices for social accountability in Vietnam’s hydropower sector and thereby support the sustainable development of the country’s water resources. The project is progressing satisfactorily in terms of the creation of government counterparts and the development of detailed work programs it has raised awareness and built consensus amongst key government counterparts. Though disbursements are relatively low at this point, a number of important milestones have been achieved. The activities supported by this grant are relevant to energy sector development strategies and to the national social and environment agenda of Vietnam. The Bank is currently working directly with EVN on the development of new investments in hydropower and this work will directly support the development of a long-term capacity building strategy for EVN.

45. **TF057343 Nigeria: Social Inclusion in Water Resource Management and Irrigation (WRMI) ($75,000):** This project aims to develop guidelines to better identify social dimensions in WRMI and implement social practices to include vulnerable groups. Unless sufficient measures are taken, WRMI initiatives could benefit more middle income and richer groups at the expense of poorer and vulnerable groups such as women, small farmers and pastoralists. Under this trust fund, the inclusion/exclusion practices of two major WRMI programs would be studied, and new guidelines regarding better and more inclusion of vulnerable groups would be developed. There is some political unrest due to the scheduled National Election in Nigeria which has affected travel which is causing some delay in the implementation activities/process.

46. **TF057353 Valuing and Protecting Water Services ($500,000):** Funded by FY07 earmarked resources, this activity seeks to use the results of the Millennium Ecosystem Assessment at the national level by developing necessary information to allow interventions in addressing degradation of water resources. This information will enable adequate economic valuation of ecosystem services. The project is focusing on water services, such as water supply, irrigation, and ecological functions linked to river systems in Madagascar, Tanzania and Ghana. These service contribute to well-being both directly (through consumption) and indirectly (as an input into productive processes and through its effect on other ecosystem services). The project has experienced some delays in the identification of case study countries and suitably skilled consultants; however, work on the case studies has commenced.
Climate Change and Disaster Risk Management

47. Activities under this theme focused on helping client countries improve understanding of the development risks associated with climate change assessing risk-mitigation measures, and identifying and implementing adaptation responses to reduce vulnerability to current and future climate change. Below are activities that fall under this theme.

48. TF052552 Adaptation of Agriculture to Climate Change in Africa ($400,000): The goal of the overall project funded by GEF and WBI/TFESSD was to develop multipliable analytical methods and procedures to assess quantitatively how climate affects current agricultural systems in Africa, predict how these systems may be affected in the future by climate change under various global warming scenarios, and suggest what role adaptation could play in 11 countries (Burkina Faso, Cameroon, Ghana, Niger, Senegal, Egypt, Ethiopia, Kenya, South Africa, Zambia, and Zimbabwe). TFESSD helped support clinics and workshops for building capacity in local institutions of the 11 countries and in the dissemination of findings. This activity is almost complete, it has strengthened the Bank's efforts to mainstream adaptation to climate change in country operations through training of in-country professionals. The project activities have culminated into several databases which can be used for further country, sub-regional and regional analysis of climate impacts and adaptation. All outputs and knowledge products in various forms are available at the project website [http://www.ceepa.co.za/climate_change/index.html](http://www.ceepa.co.za/climate_change/index.html).

49. TF053884 Adaptation Screen and Design Tool ($275,000): To reduce the vulnerabilities of poor people to the impacts of climate variability and change, this activity will raise the awareness of Bank staff and our clients to the risks to projects arising from climate change and provide a screening/design tool to screen projects for significant risks or opportunities arising from climate change and advise an appropriate design to fully incorporate climate considerations. The project would support a consistent set of assessments across all regions of the vulnerabilities of different sectors and groups within a country. A screening tool is being developed for projects to help indicate which activities might be subject to high risk from climate change and a design tool to help identify the elements of best practice in avoiding or adapting to these risks. This tool will also have value to the GEF, bilateral donors and regional Banks. Progress implementation is satisfactory and knowledge bases have been expanded to include water sector and biodiversity management in the Africa region. After further consultation with potential users the scope of the tool has been widened to include simple access to core information on climate change projections and impacts.

50. TF055510 Policy Research Report on Forests, Livelihoods and Environment ($142,500): The grant's objective is to contribute to the production, publication, and dissemination of a Policy Research Report, entitled “At Loggerheads? Agricultural Expansion, Poverty Reduction, and Environment in the Tropical Forests.” TFESSD funding was crucial to successfully securing a larger funding package for the report production and dissemination, with contributions from the Knowledge for Change Program, and the Research Support Board. The Report’s most immediate impacts among stakeholders and policymakers has been to contribute to the current intense worldwide policy discussions on the role of carbon finance for reduced deforestation in the global climate regime. The Report's findings and analysis have been used and cited prominently in the highly influential Stern Review of Climate change; it has informed World Bank staff who are exploring the potential for pilot programs in forest carbon; it was cited in the European Commission's Green Paper on "Limiting Climate Change to 2 degrees Celsius," and has informed negotiators for the Coalition for Rainforest Nations, a group representing

51. **TF055594 Social Development Outcomes of Rural Finance ($190,000):** This activity will assess key social development outcomes including reduction in vulnerability, resulting from access to financial services on clients and other stakeholders of rural financial institutions in Malawi, India and Kyrgyzstan. The study will evaluate outcomes on three indicators: household vulnerability, expenditures on health and expenditures on education. The study will analyze if the choice of delivery channel for rural financial services has a significant impact on social development outcomes. The designs of the case studies in Malawi and India have been completed, local partners have been trained and the surveys will be evaluated in early summer 2007. However, due to unexpected significant growth in microfinance activities in Kyrgyzstan, the project encountered difficulty in identifying qualified control groups for the survey, causing some delay. A group has now been identified, survey will start in May.

52. **TF057211 Rural Hazard Mitigation and Management Strategy ($80,000):** The objective of this project is to reduce the impact of natural disasters on the poor living in rural areas of Moldova. It will help strengthen the policy framework, enhance capacity for inter-sectoral cooperation and coordination between the national and local levels to improve preparedness to mitigate risks and respond to the impacts of natural hazards. A delay in completing key analytical work to assess the relative impacts and costs of the various hazards impacting rural areas in Moldova caused a brief slippage in the implementation start-up, but is now back on track. As a first step to achieving the grant objective, the Government of Moldova has established the national hazard mitigation strategy committee to work with the Bank in overseeing progress of the project.

53. **TF057243 Madagascar: Mainstreaming Hazard Risk Management ($200,000):** This activity aims to assist the Government and Bank operations to mainstream hazard risk management into Madagascar’s key economic and social sector with a special focus on prevention and adaptation. The grant is still in its early phases but has already had some promising results. Phase I carried out a sectoral vulnerability analysis in the context of the new Madagascar Action Plan, as well as a preliminary analysis of climate-proof norms used in different sectors (to be continued in Phase II). The study has started to strengthen coordination between the Prime Ministers risk management bureau, the Meteorological Department and the climate change group. If these efforts are maintained, it is envisaged that Madagascar could start preparing for a Special Climate Change Fund operation to mainstream climate change norms and standards in the infrastructure sector. The Madagascar Phase I study results will be discussed at a session of the ProVention Consortium 2007 forum at [http://www.proventionconsortium.org/forum2007](http://www.proventionconsortium.org/forum2007).

54. **TF057355 Computerized Tools for Contingency Planning and Fund Management ($140,000):** This project aims to enhance national and local capacity for disaster management by equipping key decision-makers in each sector and organization with the tools, skills and funding mechanisms to be able to manage disasters effectively. Start up was delayed due to procurement bottleneck, but implementation has now started.

55. **TF057357 Responding to Climate Changes in West Africa ($300,000):** This activity will aim to develop a strategy including a framework of actions for adaptation to Climate Change in the Senegal and Niger River Basin. The trust fund was activated in November 2006; preparatory work has started and a detailed action plan is ready. The implementation of the first phase will commence very soon.
56. **TF057358 Adaptation to Climate change in the MENA Region ($200,000):** The objective of this project is to improve the policy makers’ understanding of how and where MENA’s rural populations might be affected by climate change (with emphasis on the increasing frequency and severity of drought events); and of the conditions in which existing adaptation mechanisms may not be resilient to climate change. The issues addressed are relevant for the region as a whole, but they will be investigated with particular regard to Morocco, Tunisia and Yemen. This project is at early stages of implementation with detailed TORs being agreed with counterparts.

57. **TF057385 Natural Disasters and Risk Management in Rural Vietnam ($150,000):** The objective of this activity is to strengthen the Government of Vietnam’s move towards integrated disaster risk management based on sound data-based disaster risk analysis and evaluation. The data collected will be analyzed against various dimensions of risk preparedness, mitigation and response, and actions to address current institutional and policy weaknesses will be developed. The project is at the early stages of implementation, delays have been experienced due to difficulties hiring suitable local consultants to assist with the data retrieval.

**Integrated Country Proposal**

58. **TF055906 Mozambique Integrated Country Proposal ($500,000):** The objective of this activity is to help the Government of Mozambique ensure that long term policy reform and consequent development programs embedded in its national poverty reduction strategies (PARPA) carry effective and sustainable long term positive impact on the poor, vulnerable, civil society and the private sector. TFESSD will help build the knowledge and analytic base as well as participatory consultation capacity in Mozambique to effectively and strategically engage in assessment and evaluation of current and planned policy reforms. Project implementation is progressing satisfactorily. A Country Integrated Poverty, Social and Gender Analysis (Component II) was completed in October 2006 and is expected to be used by the government and donors as an important input in the revision of the PRSC. A study identifying the pro-poor services and effective ways to deliver services (Component IV) was completed. Various technical pieces have been used to put together a report entitled “Better Health Spending to Reach the MDGs.” The report has influenced government strategy in the health sector and has led to a request for Bank financing to implement its recommendations. Initial conclusions are influencing the Ministry of Health strategy in the direction of providing more cost-effective and better targeted services to the poorest groups. A pilot project is being prepared in three Northern provinces, aiming at strengthening the outreach and community-based service delivery. The next steps will be the completion of the pilot design, workshops to build local capacity in planning and organizing service delivery and training of outreach teams. Two activities will not be carried out due to the following reasons: Components I (Poverty and Social Impact Analysis of Urban land lease marketability) will be funded by other resources and III (Review of the Legal and Institutional Environment for natural resource management) due to change in staffing. The funds allocated for these two components will be used to do follow up work on Component II & IV.

**3.2 Completed activities**

59. Fourteen projects closed between the period of December 2005 to December 2006, and 20 more are scheduled to close on June 30, 2007. We are pleased to report that all activities have successfully met their development objectives. Below are summaries of these closed activities.
Natural Resources Management

60. **TF023532 WB/WWF Alliance for Forestry ($1,199,127) Closed June 30, 2006:** The Alliance’s Regional Program works in Africa and South Asia, as well as in East Asia supporting the three targets of creating new protected areas, increasing effectiveness of protected area management, and encouraging production in independently certified forests. As part of its efforts to reach its goal to significantly reduce the loss and degradation of all forest types, the Alliance has established two Protected Area (PA) targets: (a) 50 million hectares of new forest PAs and (b) 50 million hectares of existing but highly threatened PAs secured under effective management. The targets of the first phase of the WB-WWF Alliance on Forest Conservation and Sustainable Use have been achieved. The lessons learned from this TF will shape the direction of Alliance II to focus on bringing 200 million hectares of forests outside PA.

61. **TF054440 Africa Region Land and Property Rights, ($138,404) Closed June 30, 2006:** The goal of this activity is to increase awareness and knowledge in client countries’ about the centrality of land and property rights issues to development by disseminating and exchanging international experience on land and property rights issues through exploratory missions, conferences, workshops, country-to-country exchanges and training courses. The stakeholders and intended beneficiaries are Government staff, academics, civil society representatives and the private sector stakeholders. The objective was successfully met. TFESSD facilitated the work on land in Africa and has raised awareness and knowledge of land issues. The Bank, while often regarded with much skepticism in land circles in Africa, was able to make a credible case for its comparative advantage by sharing and helping to create knowledge. An increasing number of CASs are highlighting land issues and several countries, including Uganda, Tanzania, Madagascar, Ghana, Malawi and Ethiopia have included land policy and administration as important elements of their national development strategies and have embarked on implementation of land reform and administration projects as pilots or scaled-up operations. Land Summit in South Africa, website [http://land.pwv.gov.za/Land_Summit/](http://land.pwv.gov.za/Land_Summit/)

Environmental Health

62. **TF51785 Coordinating Environment and Health in MENA, Djibouti and Yemen ($387,935) Closed March 31, 2006:** The overall objective of this activity was to determine and reduce the critical environmental health risks affecting both children under 5 and women in rural areas through coordinated environmental infrastructure and health interventions; and piloting a cross-sectoral action program in two districts in Yemen and Djibouti. The project met its development objective successfully. The pilot projects in Djibouti and Yemen helped improve the well-being of rural populations; especially the poor. Communities were empowered and understood the environmental health transmission risks and formulated action plans, which are now being implemented. In addition, several priority interventions were implemented in Djibouti including water and hygiene, an access road, health center, school rehabilitation, and new wells powered by solar energy. The evaluation in Djibouti showed a dramatic drop in critical environmental health-related diseases due to behavioral change.

63. **TF052653 China Valuation of Environmental Health Risk and Poverty-Environment Linkages, ($368,483) Closed June 30, 2006:** This project helped strengthen the Government of China’s effectiveness in mainstreaming environmentally sustainable development (MESD). The objective of this activity was met satisfactorily. It helped increase the credibility and confidence in the China Environmental Cost Model (ECM), and increased China’s capacity to undertake such valuations. There is also an increased understanding of water pollution-health relations (especially carcinogens and other toxins) among poor vs. non-poor in a selected
province. It has filled a long-standing gap in the Bank's analytical knowledge in the wake of increasing client country demand for in-developing country valuation work rather than benefit transfer from high-income countries, and the Poverty - Environment Nexus work within the MESD program through actual poverty - environment planning at local levels is being applied. Project related web-links:

www.worldbank.org/eapenvironment

Poverty-Environment Linkages

64. TF051607 Poverty Environment Nexus (PEN); A Strategic Approach for Cambodia, Lao PDR, and Vietnam, ($589,635) Closed June 30, 2006: The objectives of this project were met satisfactorily. It built on the initial poverty-environment nexus (PEN) work initiated in Vietnam, Lao PDR and Cambodia. The findings of the national analyses and case studies in each country showed that environmental deterioration affects mainly poor people. Based on these findings, PEN-related work has been integrated into poverty reduction plans for each of the country. In Lao PDR, PEN findings are integrated in the PRSP and it formed the basis for a separate poverty-environment chapter in the poverty assessment. In Vietnam, PEN findings have been integrated into the CAS for the 2007-2011 period and an investment proposal addressing industrial pollution control, health improvements and poverty alleviation is being developed. In Cambodia, the PEN findings are being used at the strategic policy level. For project report and conference(s), refer to the following website:


Environmental Policies, Institutions and Programs

65. TF024692 South Asia Strategic Program ($1,621,150) Closed December 31, 2005: The objective of this project was to provide strategic support to environmental management in South Asia, mainly in Bangladesh, India, and Pakistan. The activity achieved its objective with great success as evidenced by increased recognition of the importance of addressing environmental issues for growth and poverty reduction in South Asia, resulting in a rapidly increasing pipeline of environmental lending operations.

66. TF024922 MNA Energy/Environment Window, Egypt and Iran, ($747,772) Closed June 30, 2006: The objective of this activity was to assist the Governments of Egypt and Iran in better integrating environmental objectives with energy sector development and investments, and develop an approach in estimating the cost of inaction which is considered in the Bank as good practice for Strategic Environmental Assessment in the Energy Sector. This activity consisted of two sub-activities: Energy Environment Review (EER) in Egypt and Energy Environment Review (EER) in Iran. The activity has achieved its objective to mainstream the environment objectives in the energy sector in Iran and in Egypt. The EER of Iran and Egypt were an excellent example of a strategic environment assessment in the Energy Sector.

67. TF051800 Environmental Performance Disclosure in China, ($266,429) Closed December 31, 2005: Disclosure programs are expected to help generate pressures on polluters to improve their environmental performance, enhance the effectiveness of environmental institutions, improve air and water quality, and promote transparent and democratic governance in
China. The project was completed and has successfully achieved its objectives. TFESSD helped China establish several environmental performance rating and disclosure programs and promote adoption of the public disclosure strategies in environmental management. Some of the achievements of this activity include: (i) the development of guidelines and methodologies to implement the environmental performance disclosure strategy in China which was officially adopted by China State Environmental Protection Administration (SEPA); (ii) computer software system for the strategy was developed for local environmental authorities; (iii) three workshops were organized to promote the use of disclosure strategy in China; (iv) an international workshop was organized to promote the use of disclosure approach in Asia; and (v) pilot disclosure programs were established in 20 cities, which cover more than 8000 polluters.

68. **TF052554 Gender Impacts and Practice in Bank Land Administration Projects, ($180,000) Closed December 31, 2005**: This project is completed and has successfully achieved its objectives. TFESSD supported studies that helped identify gender issues in Land administration projects--accepted as an ESW product by ARD but due to the lack of substantial and comprehensive data to determine the impacts, the study focused on gender issues and best practices in Land Administration projects. It has identified best practices for scaling-up, and provided guidance for future project preparation. Main output was an ESW study titled “Evaluating Gender Impacts and Practice in Bank Land Administration Projects” ARD External report 6/2005. Other outputs include: Land Administration and Gender Issues: Portfolio review. ARD Internal report, 5/2004, and Gender issues in Land Administration Projects in Bolivia, Azerbajdhan, Laos and Ghana. ARD Internal report. Reports and other information about the project are available at: [www.worldbank.org/gender-rural](http://www.worldbank.org/gender-rural); [http://info.worldbank.org/etools/vod/EventView.asp?EID=762](http://info.worldbank.org/etools/vod/EventView.asp?EID=762)

69. **TF052721 The Environmental Millennium Development Goal in ECA ($250,000) Closed December 31, 2006**: This activity developed robust data and methodologies for mainstreaming the environmental goals within an MDG-driven framework, by linking present indicators to poverty and health, showing what new indicators need to be brought on board, and by analyzing the fiscal impacts of meeting the environment MDG targets. The project focused on: Albania, Armenia, Georgia, Kazakhstan, Kyrgyz Republic, Moldova, Serbia and Montenegro, and Tajikistan. It has succeeded in supporting multi stakeholder process in identifying environmental priorities in the study countries (Albania, Tajikistan, and Georgia). It facilitated stakeholder’s dialogue identify and develop complementary indicators for measuring sustainable access to safe water and sanitation and a loss of critical environmental resources. The findings from this activity are feeding into ongoing discussions on indicators used in CAS and sector strategies. Project related links: "Expected follow-up activity" Environment for Europe process [http://www.unece.org/env/efe/wgso/Belgrade/welcome.html](http://www.unece.org/env/efe/wgso/Belgrade/welcome.html) Inter-Agency and Expert Group (IAEG) on MDG Indicators [http://mdgs.un.org/unsd/mdg/Host.aspx?Content=IAEG.html](http://mdgs.un.org/unsd/mdg/Host.aspx?Content=IAEG.html)

70. **TF053874 African EA&M Services ($181,035) Closed December 31, 2006**: This project helped consolidate and expand the ability of African private-sector, non-profit institutes, associations and NGOs to define and deliver environmental assessment and management services, training and capacity building to their public and private sector development partners in support of environmentally sustainable development and poverty reduction. This activity achieved its objectives successfully. TFESSD helped establish a strong foundation for the Southern African Institute for Environmental Assessment (SAIEA)—now an effective and financially self-sufficient SADC-wide institute. SAIEA is capitalizing on its excellent record of service by delivering environmental assessment and management (EA&M) guidance, review and
training services to the SADC region; implementing targeted donor-funded initiatives; and providing strong leadership within the larger African EA&M Network. Details of the project can be found at www.saiea.com

71. TF055650 Africa Building Environmental Sustainability ($275,000) Closed December 31, 2006: This project was designed to deepen and expand the initial collaboration with Alliance for Religions and Conservation (ARC) and develop a more systematic framework for African Faith Based Organizations (FBO) to work with governments and donors. The grant was structured as a single contract with the Alliance for Religions and Conservation as a follow on activity of other grants. The project successfully achieved its objective and was completed ahead of schedule, with $35,000 left unspent. The single most important activity for this grant was the preparation and holding of the conference in Oslo, where leaders from FBOs, academics, government representatives, and representatives from multi-lateral organizations met to discuss current and future models of engagement. As a result of this conference, it is expected that major faith leaders will meet in summer 2007 with President Wolfowitz invited to discuss further long-term collaboration. Project related web-link: www.arcworld.org

72. TF055774 M&E for Measuring Social and Environmental Sustainability of ARD Projects ($100,000) Closed June 30, 2006: This project provided project management to client governments, stakeholders and World Bank Task Teams, with practical tools for assessing and tracking environmental and social sustainability of rural development and agricultural (ARD) programs and projects in different sub-sectors (rural finance, research, extension, etc.). The project implementation facilitated knowledge exchange between ARD, ENV and SDV. It has generated interest in the ECA and SAR regions and in the forestry team in ARD. Both the framework paper "Watching out for People and the Planet" and the toolkit: "Social and Environmental Sustainability of Agriculture and Rural Development Investments: A Monitoring and Evaluation Toolkit" were produced. The framework report and the toolkit has been used by the learning team in ARD to carry out M&E training with the regional staff. The toolkit focuses mainly in supporting projects and programmes in rural space to integrate sustainability indicators, rather than to supporting upstream strategic documents like CASs. The reports are available at: http://intranet.worldbank.org/WEBSITE/INTRANET/SECTORS/INTARD/0,,contentMDK:21129433~menuPK:3170499~pagePK:210082~piPK:210098~theSitePK:335808,00.html

Climate Change

73. TF052822 Adaptation to El Nino Impacts in Ecuador and Peru, ($259,087) Closed January 31, 2006: The project sought to identify conditions necessary for improving the adaptive capacity of rural communities in Ecuador and Peru to the climatic impacts associated with El Nino events and general climate variability. Building on desk studies about institutional disaster preparedness and seasonal climate forecasting, the project explored through in-country hazard risk perceptions of selected communities, their coping and adaptation strategies, their use of climate and traditional information and their capacity building needs. The project was successful in identifying capacity building needs of communities to address climate hazards within the context of their livelihoods and in obtaining a comprehensive overview of community perceptions on their hazard risk exposure and vulnerability, insights into current coping and adaptation strategies. For example, one community in Peru has taken the initiative to incorporate some of the recommendations into a regional development plan. A portfolio of physical and biological indicators used to assess forthcoming weather and climate was also identified. Reports are publicly available on the World Bank’s climate change team website: www.worldbank.org/climatechange
4 Overall implementation progress of the Environment window

4.1 Overview of activities

Overall progress of all ongoing projects has been highly satisfactory in terms of strategic alignment and financial performance. Since inception, TFESSD has funded a total of 115 activities. After FY03 when TFESSD began to support other sectors, the number of approved Environment activities has remained steady at about 15 projects. All the earlier approved (PR03 & FY03) activities are now completed and fully disbursed and the remaining seven FY04 activities are expected to be fully completed soon.

Table 1: TFESSD Environment Window activities as of January 31, 2007

<table>
<thead>
<tr>
<th>Call/year</th>
<th>Activities approved</th>
<th>Activities ongoing</th>
<th>Closed activities</th>
<th>Activities in Africa (total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY00-FY02</td>
<td>30</td>
<td>0</td>
<td>30</td>
<td>0</td>
</tr>
<tr>
<td>FY03</td>
<td>30</td>
<td>3</td>
<td>27</td>
<td>0</td>
</tr>
<tr>
<td>FY04</td>
<td>15</td>
<td>7</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>FY05</td>
<td>11</td>
<td>11</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>FY06</td>
<td>14</td>
<td>10</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>FY07</td>
<td>15</td>
<td>15</td>
<td>0</td>
<td>9</td>
</tr>
<tr>
<td>Total</td>
<td>115</td>
<td>46</td>
<td>69</td>
<td>18</td>
</tr>
</tbody>
</table>

4.1.1 Progress of ongoing activities

The 46 ongoing activities under the Environment Window are mostly on track. Some FY07 activities have taken some time to begin implementation due to country factors and normal inception time requirements. However, most are on track at this time.

4.1.2 Closed activities

As discussed above, 14 projects closed from December 2005 to December 31, 2006 (see list below). These activities have made significant impacts in the countries/regions that they have worked on as noted in the summaries above. Three closed activities (TF052721, TF053874 & TF055650) have generated $55,000 from unused balances.

- TF023532  WB/WWF Alliance for Forestry
- TF024692  South Asia Strategic Program
- TF024922  MNA Energy/Environment Window, Egypt and Iran
- TF051607  Poverty Environment Nexus (PEN); A Strategic Approach for Cambodia, Lao PDR, and Vietnam
- TF051785  Coordinating Environment and Health in MENA, Djibouti and Yemen
- TF051800  Environmental Performance Disclosure in China
- TF052554  Gender Impacts and Practice in Bank Land Administration Projects
- TF052653  China Valuation of Environmental Health Risk and Poverty-Environment
- TF052721  The Environmental Millennium Development Goal in ECA
4.2 Disbursements and commitments

77. The Environment Window portfolio is performing very well. As of January 31, 2007, the Environment Window received $33 million of which $31.1 million (95%) has been committed and disbursed. Of the $31.1 million, $13.5 million (44%) was allocated to Africa activities. Although the percentage of Africa activities is still below the 50% target, we are optimistic that this number will increase in the coming years since more than half of the projects approved in FY07 are allocated to Africa activities (see Table 2 below).

Table 2: Disbursements and Commitments

<table>
<thead>
<tr>
<th>Environment Window</th>
<th>Receipts (US$)</th>
<th>Cumulative Disbursements/Commitments as of 01/31/07</th>
<th>Commitments as of 01/31/07</th>
<th>% of receipts disbursed / committed</th>
<th>Africa Portion of Disbursements/Commitments</th>
<th>Africa % of cumulative disbursements/commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activities approved prior to FY03</td>
<td>13,783,859</td>
<td>13,788,850</td>
<td>4,991</td>
<td>100%</td>
<td>6,098,732</td>
<td>44%</td>
</tr>
<tr>
<td>Activities approved in FY03</td>
<td>6,880,195</td>
<td>6,851,976</td>
<td>158,845</td>
<td>100%</td>
<td>2,382,645</td>
<td>35%</td>
</tr>
<tr>
<td>Activities approved in FY04</td>
<td>6,164,055</td>
<td>5,784,410</td>
<td>308,313</td>
<td>94%</td>
<td>2,797,158</td>
<td>48%</td>
</tr>
<tr>
<td>Activities approved in FY05</td>
<td>2,485,500</td>
<td>2,088,786</td>
<td>528,795</td>
<td>84%</td>
<td>436,644</td>
<td>21%</td>
</tr>
<tr>
<td>Activities approved in FY06</td>
<td>2,642,554</td>
<td>2,323,528</td>
<td>780,226</td>
<td>88%</td>
<td>1,595,025</td>
<td>69%</td>
</tr>
<tr>
<td>Activities approved in FY07</td>
<td>671,300</td>
<td>242,552</td>
<td>126,951</td>
<td>36%</td>
<td>207,715</td>
<td>86%</td>
</tr>
<tr>
<td>Window account</td>
<td>373,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grand Total</td>
<td>33,000,463</td>
<td>31,080,102</td>
<td>1,908,121</td>
<td>95%</td>
<td>13,517,919</td>
<td>44%</td>
</tr>
</tbody>
</table>

Note: Window receipts exclude pro rata allocations of $4.385 million available funding from parent account.

4.3 Actions taken or recommended

4.3.1 Annual strategic review by sector board

78. The Environment window conducted its annual strategic portfolio review covering all active projects, with special focus on activities closing in three months. The projects were assessed against the set criteria agreed across the four windows, namely:

- Slow movement in implementation and disbursement:
  - No disbursement in the past 6 months or more
  - Outstanding commitment that are more than one year
- One year extension has already been granted, but activity is not likely to be accomplished within the deadline.
- Failure to deliver satisfactory progress report on time
This resulted in 10 projects being put on a watch list. The Sector Board focused its review on these 10 projects which consisted of: 5 projects from the Africa region, 3 from MNA, and 1 each from the Environment and Legal department. Comments and decisions on these 10 projects are in Annex 2.

### 4.3.2 Extensions, fund reprogramming and cancelled activities

79. Twenty projects are expected to close by June 30, 2007 (see list below) of which 5 projects (TF053858, TF053885, TF053902, TF055456, and TF055775) have requested for an extension of closing date. The Sector Board acknowledged that in some cases delays are beyond the task team leader’s control (e.g., political and economic events, climate conditions) and as a general rule a cap of no more than two extensions for a maximum one year with sufficient justification for the reason for delay will be granted. Thus, the Board agreed to grant all the requests for extensions with a caveat that their progress will be monitored closely (see Annex 3 for more details). The Sector Board also reviewed the following requests for reprogramming of funds:

- TF052779 - request to reallocate $50,000 from the bush encroachment to a desk assessment linking climate change & poverty assessment in SSA. Given the slow progress of the project in the last year, the Sector Board felt that this project will not be completed in three months, for this reason, the request was declined. The Board also agreed the unused funds of $330,000 will be reflowed to the Environment window.
- TF055906 – given that other sources of funding became available for the PSIA in Urban Land Lease and Review of the Legal and Institutional Environment for NRM, the TTL requested to reprogram the funds to do more follow up on the analysis on Integrated Poverty, Social and Gender and the Prop Poor Services. Given the good progress of this activity, the Sector Board approved the reallocation request.

#### Projects Scheduled to Close by June 30, 2007

TF051310 Preparation of Toolkit for CEA  
TF051598 Egypt: Poverty & Natural Resources  
TF052540 Mainstreaming WB/WWF Alliance Targets into AFR Country Programs  
TF052552 Adaptation of Agro-Ecological Systems to Climate Change in AFR  
TF052779 Africa Strategic Environment & Poverty Program  
TF052820 Environmental Mainstreaming Phase II  
TF052912 Diesel Pollution Reduction Strategies for Cities  
TF052914 Bldg Local Capacity & Inst for Decentralized NRM  
TF053858 Implementing Environmental & Soc Accountability & Governance in SMEs  
TF053884 Adaptation Screen & Design Tool  
TF053885 Poverty Reduction Strategies, Country Policies & Programs in the EAP Region  
TF053892 South Asia Environment Strategy Implementation  
TF053902 Upstream Environmental Analytical Tools (CEA & SEA)  
TF053903 Community Empowerment for Cultural Heritage Protection in ECA  
TF054302 Community Based Drought Mgmt for the Sustainable Use of Pastoral Resource in the Arid and Semi-Arid Zones of SSA
80. It is still too early to assess progress of activities approved in FY07. We envision that a clearer picture would emerge by fall 2007 to determine which activities could benefit from more funds. Therefore, the $340,000 corresponding to the unallocated balance of the FY07 proposals, will be distributed accordingly at that time. In addition, the window’s total savings of $400,000 from closed activities and unspent balance from TF052779 will be used to cover any funding gap in the FY08 approvals that exceed allocation to theme 1 and 2. Furthermore, a new proposal is being considered to utilize part of the savings to look at the impacts of climate change on Asian cities which would expand activities under an existing program. Donors will be provided more information as soon as more details are available.
C. POVERTY WINDOW REPORT

1 Summary

1. The poverty window implementation has proceeded well during the reporting period. A number of activities have been successfully completed. Those ongoing do not report major implementation issues.

2. The trust fund is focused on four strategic areas: (i) Capacity building for Poverty Analysis; Monitoring, and Evaluation; (ii) Poverty and Social Impact Analysis (PSIA) and Impact Evaluation; (iii) Poverty reduction programs and their linkage with other sectors; and (iv) Empowerment.

3. Trust Fund activities have focused on strengthening in-country capacity and analytics. Most of these activities are upstream (Bank studies that influence policy formulation and assessment) but the Trust Fund also supports downstream monitoring and evaluation, using participatory and quantitative mechanisms. The poverty window continues to finance numerous in-country PSIAs. Increasingly, the window is also funding activities to strengthen monitoring and evaluation systems, impact evaluations, and empowerment.

Capacity Building for Poverty Analysis and Monitoring

4. Projects have focused on developing practical guidance tools and country examples for the design and implementation of PRS monitoring systems and identifying more effective policies for addressing and preventing the number of extreme poverty in low income countries. Two recently closed projects focused poverty analysis in Africa.

PSIA/Impact Evaluation

5. The poverty window has continued to support the implementation of PSIAs and increasingly, impact evaluations throughout the Bank. A number of PSIAs and Social Assessments are ongoing or have recently been completed. In many cases, the analysis fed into policy dialogue with government on a number of key issues. In some instances, it resulted in policy changes.

Poverty Linkages with Sectors

6. The projects have focused on strengthening the institutions of the state on all levels. Other projects have focused attention on informal aspects of shared growth, perceived inequality of existing production systems, barriers to inclusion of poor in accessing economic opportunities, and analytical work on household vulnerability to extreme food shocks. Recently, an additional focus on the role of labor income in shared growth and labor market diagnostics has been introduced.

Empowerment

7. These projects have contributed to developing a methodology for measuring empowerment and social inclusion (MESI); monitoring and analyzing the empowerment and social inclusion impact of Bank-supported CDD projects, piloting diagnostic tools that measure and analyze how specific country programs have impacted empowerment. Two projects have provided financing for 16 comparative country studies, research and outreach program to explore how people move out of poverty permanently from the perspective of men and women who have experienced it first-hand.
2 Strategic objectives and value added

2.1 TFESSD’s role and value added in the sector (compared to other TFs and BB financed work)

8. The World Bank mission is to deepen understanding of the relationship between policies, institutions, and the poverty reduction process. Bank support for sustainable poverty reduction centers on action to broaden opportunity, enhance empowerment, and strengthen security. Within this framework, promoting broad-based growth is a critical priority, considering its proven importance in reducing poverty. Through its Poverty Window, the Trust Fund supplements the World Bank budget for poverty-focused analytical work and non-lending services as well as activities within the following areas:

- Strategic Guidance in Understanding Poverty: to feed into the conceptualization and design of Bank operations and analytical work;
- Poverty Reduction in Practice: target implementation of CASs, PRSs, PRSCs, and other assistance operations;
- Poverty Analysis, Monitoring and Evaluation: measuring and understanding poverty as well as helping clients track the results and evaluate the impact of development initiatives.

9. The Poverty Window supports activities related to the development of poverty reduction strategies, to poverty analysis, and to the design, implementation, monitoring, and evaluation of poverty reduction programs.

10. The trust fund is Bank executed unlike other major funding sources that support PRS implementation (i.e. PRSTF). This has helped in addressing the analytical needs of country teams when supporting countries to prepare and implement second generation PRSPs and related operations. Unlike the BNPP (financed by the Netherlands for priority topics in gender and governance), TFESSD focuses on core priorities within the poverty sector, including empowerment, PSIA, and support for the PRSP process in countries. Another trust fund, the Diagnostic Facility for Shared Growth (DFSG) focuses on enhancing growth analytics in Bank work. TFESSD, on the other hand supports a much broader range of priorities in the poverty sector.

11. TFESSD supports a number of activities within the PREM Poverty Anchor unit. These include work on impact evaluations, monitoring and evaluation, empowerment and the “moving out of poverty” study. In addition, TFESSD is particularly important to the Africa region. Nine of the nineteen ongoing projects deal exclusively with African countries. Three other projects look at cross-regional issues but use some African case studies.

12. Trust Fund activities have also focused on strengthening in-country capacity and analytics. Grants have funded research to define and measure empowerment, as well as training and capacity-building activities to support the decision-making and planning processes at the grassroots level. Most of these activities are upstream-Bank studies that influence policy.

1 TF053886-Moving Out of Poverty; TF055856-Monitoring Empowerment in Four Countries; and TF057289-Addressing Extreme poverty in Low Income Countries.
formulation and assessment. The Trust Fund also supports downstream monitoring and evaluation, using participatory and quantitative mechanisms.

13. The trust fund allows to further explore key areas and disseminate findings widely which would not be possible simply with BB resources. An example of this is TF055589 (Library of Resources for Quality Impact Evaluations) which seeks to enhance the capacity of Bank staff and their counterparts to evaluate the development impacts of their activities and, as a result, to increase the number of quality evaluations informing Bank operations. This is helps to sharpen the results focus of projects. The programmatic nature of the trust fund also allows for flexibility in transferring funds to those projects which are making good progress. In TF053878 (Poverty Monitoring Systems) for example, additional funds were given to look at two additional areas of institutional arrangements for poverty monitoring which are of concern to client countries: poverty maps and integrating the PRS with national budgets. Also, under TF053880 (Integrating Social Dimensions into Poverty Analysis in Africa), additional funds were given to the project under the spring 2006 portfolio to allow for greater focus on dissemination of activities in Africa.

2.2 Impact on the Bank and in client countries

14. Many projects have fed into country work and dialogue, including Bank lending, ESW, and the PRS process. For example, under TF055629 (Chad Integrated Country Poverty Gender and Social Analysis), the study supports an ongoing Poverty assessment which is part of the Bank’s Country Assistance Strategy. In TF052913 (East Africa Poverty and Data Analysis Initiative), the results fed into the Kenya CAS and into lending operations. TF057365 (Zambia Country Study) has direct operational linkages to the Bank financed Zambia Agricultural Development Support Project. Its results will feed into preparation of a new lending activity supporting agricultural commercialization in Zambia. It is also expected to provide analytical input for the preparation of the agriculture section for the new Zambia CAS.

15. More broadly, many projects have had an impact in terms of informing policy making processes in countries. For example, under TF052965 (Groundnut Sector Liberalization in Senegal), some of the results from this task were instrumental in the adoption of measures by government authorities. TF057151 (Mauritania Strategic Country Gender Assessment) findings have been used by the PRSP team (subsection on gender) and the gender section of the CAS was based on the SCGA report. Under TF053883 (Malawi Food Vulnerability and Governance), following the seminar, the Government implemented several of the recommendations from the paper. Furthermore, under TF053880 (Integrating Social Dimensions into Poverty Analysis in Africa), Chad’s poverty and social assessment reports influenced the government’s strategy in the cotton sector.

2.3 Capacity Building, Knowledge Sharing and Partnerships

16. TFESSD projects build local capacity mostly in the form of ongoing, hands-on involvement with local counterparts and by undertaking joint work with the government agencies and local partner—-institutions. Many projects also develop partnerships by including dissemination activities for donors and partner organization. In some grants, activities are undertaken jointly with partners. The findings of much of the analytical work carried out under the grants are disseminated via workshops, publications, distance-learning videoconferences, study tours and the web.
17. For example, **TF053900 (Nepal Empowerment and Social Inclusion)** has built local capacity by training MA students from Nepal who spent 6 months in villages and worked on a baseline survey and detailed case studies. MESI Phase I findings were disseminated through numerous publications (unequal Citizens: Gender, Caste and Ethnic Exclusion in Nepal- section, Rural Nepal. Empowerment in Practice: from Analysis to Implementation- chapter 11), presentations to local and international forums in Nepal to DFID, UNDP, UNFA, UNCIF, RWSS Fund Board, SDC, various local and international NGOs.

18. Under **TF053918 (Good Governance for Poverty Reduction Strategies)** specific capacity building interventions included DL Regional Dialogue consisting of 4 sessions, four workshops and two videoconferences organized as part of Grupo Promotor efforts in Nicaragua. Partners included the Carter Center, Honduras Comision Macional Anti-Corrupcion and the Tribunal de Cuestas, and Grupo Promotor (includes 15 Nicaragua organizations from civil society and public sector). TF057110 (Promoting Shared Growth from the Bottom –Up in Africa).

19. **TF053886 (Moving Out of Poverty [MOP]),** jointly funded with DFID) benefited from collaboration with local research institutions, government and senior experts. The institutions include the Center for Social Research in Malawi, Senagrosol in Senegal, the Economic and Social Research Foundation in Tanzania, the Economic Development Institute in Tanzania, and Center for Basic Research in Uganda. The Global Development Network, an international network of research and policy institutes, is a partner in the study. The MOP project built local capacity in two ways. Local researchers were intensively trained through field based workshops in each of the instruments of the mixed method research. Second, since the MOP is producing local level results, the findings could have important implications for local leaders and should help government and policy-makers to reallocate resources more effectively and efficiently to promote movement out of poverty.

20. Under TF055795, the study will be undertaken using an MDG-linked SAM-based model developed in the Bank, in close collaboration with the Ugandan economic policy think-tank EPRC, which is keen to develop a SAM-based CGE model.

3 Summaries of ongoing and recently completed activities

3.1 Ongoing activities

Capacity Building for Poverty Analysis and Monitoring

21. **TF053878 Poverty Monitoring Systems ($215,000):** The project, jointly funded by DFID and Bank Budget, aims at developing practical guidance tools and country examples for the design and implementation of PRS monitoring systems. This work program is making excellent progress on achieving its objectives. The cornerstone of this work, an overview and country case studies on institutions for poverty monitoring (in the context of the Poverty Reduction Strategy (PRS)) has been published as a book, *Beyond the Numbers*, and the team is now engaged in active dissemination. The team has broadened the focus to look at two additional areas of institutional arrangements for poverty monitoring which are of concern to client countries. The first of these looks at the policy uses of poverty maps, examining how they inform the poverty

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dialogue, policy and resource allocation. To meet this goal, the project has prepared a series of 
14 country case studies, which illustrate examples of how poverty maps have changed the nature 
of the policy dialogue and informed policymaking and resource allocation. In addition, the team 
is working with the India country team to look at poverty mapping in the context of a 
decentralized system. Results are available at (www.worldbank.org/povertymonitoring) The 
second initiative aims to examine the experience of integrating the PRS with national budgets 
with the aim of providing recommendations on how to bridge the gap between PRS and budget 
processes in poor countries. The activity consists of a nine country case study exploring the 
challenges of better linking PRS and budgets. The report has been finalized and together with the 
Beyond the Numbers study will be disseminated during the Spring Meetings of the World Bank 
and the IMF.

22. **TF057289 Addressing Extreme Poverty in Low Income Countries: Risks and Shocks ($267,000):** The activity aims to identify more effective policies for addressing and 
preventing the number of extreme poverty in low income countries. Existing policies focus 
almost exclusively on protecting the living conditions of those most in need, e.g. through social 
assistance and targeted transfers. While these measures are important, the study will argue for a 
broader strategy, having a greater and complementary focus on policies that help poor households 
cope with unforeseen events and thus prevent them from descending into extreme poverty, as 
well as more focus on addressing structural factors that create barriers to upward mobility. The 
study is just getting underway: the list of case study countries has been finalized (India, Ethiopia, 
Nicaragua) and the work is being discussed with all three country teams including country and 
sector management. Initial work is underway using panel data from all three case study 
countries to look at main causes of extreme poverty, with particular focus on risk and shocks. 
The team is also looking at poverty trajectories over time in the context of shocks and behavioral 
responses. The team is developing plans for collecting additional qualitative data in all three 
countries, to complement quantitative analysis of shocks leading to extreme poverty and coping 
mechanisms.

**PSIA/Impact Evaluations**

23. **TF053879 Impact Evaluation of Tanzania Social Action Fund 1 ($380,000):** The project seeks to evaluate the poverty and social impact of the CDD mechanism of financing 
development in Tanzania. The Government and country team have shown great interest in the 
results of this work. The project is proceeding according to schedule. The first drafts of all 
consultant reports were discussed with key government officials in a workshop in November 
2006. The consultants are revising the reports to take account of the findings. In the case of the 
costing study, more data needs to be collected. The survey instrument for the TASAF villages is 
ready and consultant procurement will be completed shortly for this last task. Work on the 
overview report will begin once the new data for the cost study are available.

24. **TF055589 Library of Resources for Quality Impact Evaluations ($142,500):** The 
proposed activities are part of a broader program to support teams in the implementation of 
impact evaluations. The main objectives are to enhance the capacity of Bank staff and their 
counterparts to evaluate the development impacts of their activities and, as a result, to increase 
the number of quality evaluations informing Bank operations. This is crucial to the ongoing 
efforts to promote results-based management approaches to development and to promote results 
orientation in Bank operational work. Preliminary findings indicate that there has been a sharp 
increase in the number of impact evaluations under way at the World Bank. As part of the 
program of activities supported under this trust fund, the team has done a stock taking of impact 
evaluations. This database has 173 evaluations in various stages. The team continues to promote
staff capacity through this initiative, moving to dissemination on some products while developing new products at the same time. A large number of the modules outlined in the original proposal have been transformed into a series of papers entitled the Doing Impact Evaluation Series (www.worldbank.org/impactevaluation/).

25. **TF055629 Chad Integrated Country, Poverty, Gender, and Social Analysis ($225,000):** The main objective of this trust fund is to carry out a qualitative study of poverty, vulnerability, and gender issues in Chad to help further develop and update the country’s PRSP. Based on the results of the qualitative study, this TF will support the dissemination of gender issues to help mainstream gender in Government activities and in Civil Society. The intended beneficiaries of this activity are Government authorities, other Chadian stakeholders, the World Bank and other development partners. The Chad government with the support of the WB designed a system of qualitative monitoring and evaluation of the country’s Poverty Reduction Strategy (SNRP). This system seeks to collect information on core qualitative indicators of the strategy by offering a mechanism through which people can express their opinions on any changes in their well-being. The implementation of this system has been delayed due to financial constraints. However, some financial aid from a Swiss Trust Fund in addition to TFESSD funding has become available to help set up a pilot phase for its implementation and to support the establishment of the M&E system for SNRP with the objective to offer in time information to revise the poverty strategy.

26. **TF055795 Uganda Poverty and Inequality Analysis of Growth Strategies ($200,000):** The objective of this project is to guide Government of Uganda in their revisions of the Poverty Eradication Action Plan. The Government of Uganda has completed a comprehensive update of their PRSP, which places new emphasis on the importance of enhancing growth, competitiveness and incomes to reduce poverty. Given resource limitations, prioritization of proposed investments is needed, based upon their likely impacts on growth and poverty reduction. This study will be undertaken using an MDG-linked SAM-based model developed in DECPG, in close collaboration with the Ugandan economic policy think-tank EPRC, who are keen to develop a SAM-based CGE model. Implementation has thus far been slow because there was a initial delay in accessing the BB funds.

**Poverty Linkages with Sectors**

27. **TF053880 Integrating Social Dimensions into Poverty Analysis in Africa ($815,565):** This grant focuses on integration of social dimensions (including an understanding of social and cultural diversity; social exclusion due to gender, age, ethnicity and disability; tensions and conflict between social groups; the political economy; civil society structures, enabling environment for civic engagement) into poverty analysis. The project is active in 12 participating countries and work has been completed in four. The project contributes to local capacity building by using local consultants for field work and report writing. In Sierra Leone and the CAR, teams from the NSOs came to Washington D.C to work in the Bank and get hands-on training. In Guinea, a 3-day seminar attended by more than 100 participants to discuss the results of the analysis was held in October 2005. In Uganda, joint local research-Bank teams reviewed the consultant reports, and the conclusions were discussed with Government in June, 2005. The poverty and social assessment report in Guinea-Bissau contains a detailed analysis of the sources of livelihoods of households combining quantitative and qualitative insights with an analysis of the institutional issues that are constraining growth and development in the country. The report was discussed in a workshop in country February, 2006.
28. **TF053918 Good Governance for Poverty Reduction Strategies ($170,000):** The grant’s objective is to strengthen the institutions of the state on all levels, to provide public information and to efficiently and effectively deliver key public services to citizens and enhance the capacity of citizens to participate in policy formulation and monitoring. The World Bank supported a diverse set of activities during 2006 that have contributed to having a more informed discussion for the drafting of the FOI legislation, including the organization of transparency workshops, distance learning regional dialogues and technical assistance. Bolivia continues to experience social unrest and an unstable political context which has led to concentration of work in Honduras and Nicaragua. Specific activities include: i) a Distance Learning Regional Dialogue (4 VC sessions); ii) four workshops and two videoconferences in Nicaragua, reaching to a wide audience in different parts of the country and in the region; iii) in Honduras, Jornadas on Transparency and Access to Information, and on Social Accountability (June 2006). One learning exchange for Nicaragua was organized with Peru, Mexico, Ecuador and the Dominican Republic, all countries with FOI legislation; a second exchange involved Argentina.

29. **TF057151 Mauritania Strategic Country Gender Assessment ($50,000):** The grant’s objective is to help to reduce the weaknesses of mainstreaming gender and the inclusion of vulnerable groups to the country program, to integrate these groups into the poverty reduction activities and to help Government to implement its national gender strategy. The capacity building program which brings tools, methodology and technical capacity to the different stakeholders to integrate gender into government policies and projects will help to make gender mainstreaming effective at the policy level. The first grant component was completed highly satisfactory, SCGA report is being completed and the translation is ongoing. The implementation of the second component (training plan program and evaluation report) is planned for March 2007 after the presidential elections since the most of the beneficiaries are involved in election programs for municipalities, parliament and president. The grant contributes to the building of local capacity by involvement of the Women Secretary group, mayors, and parliament in the analytical work during the focus group discussions.

30. **TF053905 Madagascar: Service Delivery, Governance and Local Accountability Monitoring Program ($150,000):** The Government of Madagascar has pledged in the PRSP to substantially improve the quality and accessibility of local services and governance institutions, particularly for poorer households. The proposed program combines various types of surveys to assess the impact of policy interventions on local service delivery and governance and to identify reforms to strengthen their accountability. The first component of the grant Commune Census was completed in 300 communities including in 652 schools and 324 health centers between October and November 2004. Five policy briefs were prepared as planned. The second component, Expenditure Tracking in Health and Education is under implementation. An expenditure tracking survey in health and education is ongoing with the first round finished in October-December 2006 and a second round planned for March-April 2007. The first round data set is available and second round will be available in late May 2007. The third component Participatory Monitoring of Local Service Providers and Governance Institutions was cancelled given the additional work being done in this area.

31. **TF057365 Zambia Country Study ($500,000):** Two of the four components of the grant have prepared Concept Notes: "Value Chain Management for Poverty Reduction in Zambia"; and "Maize Market Policy Dialogue" which were discussed during Bank internal review meetings. In order to reap synergies and reach a wide audience, there has been cooperation on both components with the Zambian Agricultural Consultative Forum, a local think tank which combines 45 public and private member organizations. Two workshops in Lusaka in February and March 2007 will provide the opportunity to further sharpen the analytical design
and inform about adequate dissemination strategies. The two other components, "Informal Sector Analysis" and "Integrated Financial Flow and Poverty and Social Impact Analysis of the Copper Sector" are currently conceptualizing the analytical work.

**Empowerment**

32. **TF053886 Moving Out of Poverty ($460,000):** Moving Out of Poverty, Understanding Freedom, Democracy and Growth from the Bottom Up, is a 16 country research and outreach program to explore how people move out of poverty permanently from the perspective of men and women who have experienced it first-hand. The TFEESD grant was given to support partial findings of six country studies (Tanzania, Uganda, Senegal, Malawi, and Rwanda). Country data collection is complete and Tanzania, Uganda, Malawi teams finalized or nearly finalized their national synthesis reports. Work in Rwanda has been suspended due to government sensitivities. Technical review discussions took place at October 2006 workshop in Washington DC. Two presentations of preliminary and early findings of Moving out of Poverty Study (MOP) were held in Brookings Institute/Ford Foundation workshop (June 2006) and in Global Development Network annual conference in Beijing (January 2007). The project has worked through many local institutions (Economic Development Institute in Tanzania, center for Social Research in Malawi, Economic and Social Research Foundation in Tanzania, Centre for Basic Research in Uganda and Sengrasol in Senegal). A report on the indicators of good governance at the local level as the integral part of the MOP study is under preparation (senior researcher has been contracted) and will be produced by the end of 2007. Major findings are expected to be released in June 2007 and Africa workshop at the end of 2007. Results are available at [http://www.worldbank.org/movingoutofpoverty](http://www.worldbank.org/movingoutofpoverty)

33. **TF053900 Nepal: Empowerment and Social Inclusion ($220,000):** This TF provides financing for the development of methodology for measuring empowerment and social inclusion (MESI); response to country prioritization of social inclusion in PRSP and CAS; and monitoring and analysis of the empowerment and social inclusion impact of Bank-supported CDD projects. Recent work has been primarily focused on the qualitative dimension of the MESI research. Nine MA students of Tribhuvan University, were hired, trained and sent to 8 of the 60 villages where the baseline survey has been done and the follow up survey is about to commence. These students have produced detailed case studies on the more subtle aspects of empowerment and social inclusion as dynamic processes that could not be captured in the survey. In addition, they have been able to observe the impact of Maoist insurgency while it was underway and the changes after the peace accord in these villages. The MESI Phase I findings have been shared and disseminated through publications and numerous presentations in Nepal and international forums.

34. **TF055851 Africa: Economic Empowerment ($150,000):** The Grant objectives are: (i) to develop a better understanding of individuals as empowered economic actors and of the ability of formal and informal institutional structures to impact the ability of individuals to make economic choices; (ii) to suggest ways to use that understanding into programs for integrating youth into the labor market (GHANA), and (iii) to operationalize new legislation (ZAMBIA) to economically empower vulnerable or marginal groups. Since the last reporting period, an international consulting firm (Overseas Development Group) was contracted to manage the research in both countries. To date, ODG has completed scoping missions in both countries and produced detailed research plans. The study was launched in GHANA in January. The local research partner has taken a very active and constructive role in fleshing out the research plan. In Zambia, a second mission will be undertaken at the end of February to contract the local research partner and launch the training and piloting. Because of the sensitive nature of discussions around
the empowerment legislation, a review will be organized with the country team and donor group during the mission.

35. **TF055856 Monitoring Empowerment in Four Countries ($298,040):** The objective of this four-country (Bangladesh, Jamaica, Ethiopia and Ghana) initiative has been to develop and pilot diagnostic tools that measure and analyze how specific country programs have impacted empowerment. By piloting indicators of empowerment the activity should result in practical guidance for operationalizing and measuring empowerment, particularly in relation to PRSP monitoring. In Bangladesh the team provided extensive input for a survey the Bangladesh Bureau of Statistics will use to evaluate a range of social safety net programs. In Ethiopia, a planning for the Woreda Benchmarking and NGO-administrated Citizen Report Card has been accelerated, and both should begin over the next months. In Ghana, the team is working on the Community-Based Rural Development project and the Ghana Education Sector Project to complement social accountability work in the project, follow up with the education sector on social accountability initiatives and identify possible collaboration with institutions which are involved in social accountability work. The activity is most advanced in Jamaica, where it is supporting an ongoing Cabinet initiative on community based policy monitoring of youth-police relations.

36. **TF056122 Impact of Empowerment ($200,000):** The proposed project uses in-depth study of three DPIPs in Andhra Pradesh, Tamil Nadu, and Sri Lanka, together with case studies of select aspects of similar interventions in Rajasthan and Madhya Pradesh to provide insights that will be directly relevant to improve the outreach and impact of existing programs and provide task managers with a practical and proven tool to assess the impact of CDD projects. Surveys in all three projects (Sri Lanka, Tamil Nadu, and Andhra Pradesh) have been implemented and assistance was provided to development of the survey instruments, data entry software. The project has made considerable progress by providing input into the collection of primary data in all three countries in addition to analysis of existing data in the case of AP. Specific activities include the cleaning and analysis of baseline data, field testing of improved survey instruments and preparing a draft report for Andhra Pradesh.

37. **TF057110 Promoting Shared Growth From the Bottom Up in Africa (160,000):** This TF provides money to do comparative analysis of 8 MOP Africa studies, Malawi, Morocco, Niger, Rwanda, Senegal, Tanzania-Kagera, Tanzania-Ruvuma, and Uganda. This includes financing for junior analysts to do cross-country analysis, publication of 8 country reports, a technical review workshop, and two regional dissemination workshops. The grant supports partial funding of a comparative analysis of 8 Moving Out of Poverty studies. The countries/regions include Tanzania-Ruvuma, Tanzania-Kagera, Uganda, Senegal, Malawi, Niger, Morocco, and Rwanda. In the past seven months, the study has progressed from completion of field work to analysis and completion of reports to the release of initial findings. Specific accomplishments include: i) Preparation and Review of Country Reports; and ii) Completion of data collection and synthesis reports for Tanzania, Uganda, Morocco, and Malawi. A multidisciplinary peer-review process for the National Synthesis Reports has been established to assure high quality reports. The cross-country synthesis report is expected to be ready by the end of 2007. Results are available at http://www.worldbank.org/movingoutofpoverty
3.2 Completed activities

Capacity Building for Poverty Analysis and Monitoring

38. TF051975 Revisiting the Role of Agriculture in Reducing Poverty in Africa ($229,246): The study sought to revisit the role of agriculture in reducing poverty in Sub Saharan Africa and addressed two overarching questions: (i) what is the relative role of agriculture in poverty reduction in SSA compared with other sectors; and (ii) how can agricultural growth be improved with a particular emphasis on the situation of poor people. Identification of the particular topics of each case study was preceded by wide in-country consultations followed by an internal World Bank review process in the spring of 2004. Draft versions of the different case country studies were discussed in a series of national workshops in the spring of 2005, followed by World Bank workshop in DC where all the different studies were presented, reviewed and discussed among World Bank colleagues and the different team members. The findings of the Review paper were also presented at the international conference on “Shared Growth in Africa” in Accra, Ghana, July 2005, co-organized by ISSER, Ghana, Cornell University and the World Bank. Deliberate efforts were undertaken to build domestic capacity in undertaking and presenting empirical research by linking domestic and international researchers on each of the teams. The empirical finding that many poor households in Madagascar are actually net buyers of rice, the major staple, surprised many policy makers and influenced the policy debate about the appropriate rice import tariff, which was reduced by 10%. Other World Bank units and agencies already drawing on the findings in preparing their reports and strategies include the Independent Evaluation Group (World Bank) in drafting its 2005 Report on Development Effectiveness and the World Food Program in informing its Board on the desirability of weather based insurance. Further dissemination activities are being planned following the internal Bank review of the synthesis report (i.e. as part of the Africa Working Paper Series, World Bank Policy Research Working Paper series, World Bank book publications and the World Bank Economic Review).

39. TF052913 East Africa Poverty and Data Analysis Initiative ($265,000): The project has strengthened local and regional capacity for poverty policy formulation based on sound poverty analysis. The project is on track to achieve its grant objectives. The PADI East Africa Impact Evaluation workshop held in Mombasa, Kenya from August 31 - September 2, 2005 has resulted in substantial and lasting impacts. For instance, two of the participating WB project teams [The Western Kenya CDD project ($88.5 m) and the Natural Resource Management project ($69.2 m)] have explicitly build-in impact evaluation components in their PAD results frameworks based on the recommendations and analysis conducted during the workshop. These project teams have also taken on board the PADI modus operandi on establishing strong linkages between policy making, data collection and data analysis by establishing project PADI teams and financing research & data collection centers. The project did not use all of its allocated funds due to alternative financing sources available.

40. TF053899 Reducing Poverty and Vulnerability of Pastoralists in East Africa ($100,000): The project deepened knowledge of the livelihood systems of pastoralists and their changes over time and helped to strengthen linkages between policy makers, researchers, development practitioners, and communities. The grant was implemented as planned. The arid land dataset was cleaned, a detailed description report and codebook prepared, and the dataset made available to the public for research through CD and the World Bank. The conference “Pastoralism in East Africa: A Policy Conference”, was held in Nairobi June 26 and 27, 2006.

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3 Activities closed between November 30, 2005 and January 31, 2007
Policymakers, researchers, practitioners, and development partners from Ethiopia, Kenya, Tanzania, and Uganda participated as did researchers from U.S. and European universities. Some of the papers are being processed for publication in peer-reviewed journals.

41. **TF054265 Northeast of Thailand Sustainable Development ($68,992)** Poverty is concentrated in the Northeast region of the country, where 60 percent of the country’s poor live and where most of the progress will be needed to reach the Government’s goal of eradicating poverty by 2009. NEED offered a systematic, policy-oriented analysis of Northeast economic development and drew lessons for balanced regional growth in Thailand. NESDB uses the report’s findings as an input into the preparations of 10th National Economic and Social Development Plan (2006-2010). The report is available at the WB Thailand website as well as at NESDB’s Northeast website. The project was implemented as originally conceived. All the main outputs were delivered: the dissemination workshop; the synthesis report; and four background studies (two value chain studies on rice and silk; a regional public expenditure study; and a regional labor market study). The Northeast office of NESDB funded independently a special training workshop on value-chain analysis conducted by the international experts for the NEED value chain work. The capacity building enabled them to conduct similar analyses for other sectors and regions.

42. **TF052966 Urban Poverty in Mongolia ($137,465)**: The project sought to understand urban-rural linkages and the living conditions and challenges of recent migrants (mostly in ger areas). The project has been done in partnership with the National Statistical Office, several local NGOs, the ADB and UNDP. A lot of training sessions were provided to the local NGOs staff and Government officials involved in the activities. Capacity building has been a strong and integral part of this project. The results of this Grant have been widely discussed and disseminated among the Government officials – line ministries, Parliament members, Steering Committees, Prime Minister Office --- as well as the wider civil society. Furthermore, the team has been innovative in disseminating by printing pamphlets and holding workshops throughout the entire project period. The most important impact that the team would like to attain is that these findings relevant for particular changes in policies will have the momentum to sustain/initiate the necessary changes. This is an on-going effort beyond the Grant’s duration, and the team is using Bank Budget and other vehicles (e.g., WB AAA, WB project) to try to sustain and achieve this.

**PSIA/Impact Evaluations**

43. **TF052699 Poverty and Social Impact of Tea Factory Privatization in Rwanda ($137,965)**: The projects main achievement has been an overall increase in awareness of the reforms among stakeholders in the sector and a change in the pricing mechanism for tea. It is also expected that the results of the PSIA will be used as the basis for consultations during the preparation of the EDPRS (second PRSP). Pricing is now linked to the quality of tea leaves and the Government decided to re-examine the privatization strategy using the results of the PSIA. The PSIA has been used to inform the design of budget support operations to Rwanda (in particular the PRSC) and monitor the impact of previous adjustment operations and the Institutional Reform Credit. In particular, results of the qualitative work have been instrumental in the Government’s decision to modify the pricing of tea to reflect quality.

44. **TF052872 Thailand Village Fund ($76,564)**: The Thailand Village Fund Evaluation’s (VIFE) objective was to assist the Thai government in improving its policies on community development, one of the key pillars of the Ninth Economic and Social Development Plan, by conducting an impact evaluation of the Village and Urban Community Fund (“VUCF”; “Village
Among the key initiatives, which featured prominently in the Government’s 2001 election campaign, is the Village Fund. VIFE is conducted under the umbrella of the World Bank-NESDB “Country Development Partnership on Poverty Analysis and Monitoring”, in partnership with the Thai Development Research Institute (TDRI). The National Statistical Office was in charge of data collection, and (i) fielded a special Village Fund module together with the Socio-Economic Survey 2004, the national household survey; (ii) visited for Quarter 2 and Quarter 3 the same households in rural areas as for the SES 2002, creating a panel of 8,000 households; and (iii) entered additional information from the hard copies of the questionnaires for the SES 2002. The complete data set was transmitted in August 2005 to the World Bank. The data analysis and report writing was finalized in the third quarter of 2006. VIFE has a high potential, but it is too early to tell what policy lessons the VIFE analysis will produce, and whether the public will be receptive to the messages.

45. TF052965 Groundnut Sector Liberalization in Senegal ($100,021.09): Substantial analytical work has been conducted on the link between the groundnut sector and poverty, and this work has informed policy in the country. A survey of groundnut producers was implemented, and data from the national survey with detailed consumption data was used to assess the impact of tariff protection on the poor for SONACOS’ privatization. Results were presented in the country at the highest levels of government, and dissemination was undertaken, with a brief recently prepared and published in the Bank’s magazine for Senegal. The team is in the process of finalizing the full report. The grant was implemented and the work completed broadly as expected. The results obtained from this analysis have contributed to a more thorough assessment of government policies in this area.

46. TF053904 Social Poverty Impacts of Land Consolidation Policies in Vietnam ($125,000): The objective of this study was to support the Government and the responsible line ministries in formulating appropriate land policies which take full consideration of their potential social and poverty impacts. The project objective is likely to be achieved. There was a delay compared with the work plan. Pilot interventions to improve the land consolidation process were conducted and the final report was produced in early November 2006. Data collected from VLHSS 2008 will allow the Bank to conduct a more comprehensive and quality analysis that provides better understanding of effects produced by the decentralized land consolidation program in Vietnam. At that time, the lessons and evidence-based recommendations will help the Government make necessary improvements in the programs and formulate appropriate policy.

Poverty Linkages with Sectors

47. TF051323 Poverty and Environmental Management ($373,412): The goal of this project was to help World Bank operations and our clients to improve health outcomes through better environmental management, by (i) distilling lessons from other countries on the management of environmental hygiene and vector control, and (ii) designing projects for applying these lessons in India. In particular, the focus was on issues of environmental management — drainage, waste management and water management — essential for controlling malaria and gastro-intestinal diseases. The project was conducted in partnership with the Institute for Social and Economic Change in Bangalore, India, and the State Institute for Panchayats and Rural Development, Kalyani, India. These partnerships have helped to build local capacity for addressing these issues. Through workshops and web dissemination of the project findings, the project has stimulated attention to issues that have been largely neglected despite their importance for enhancing development outcomes. This is reflected in the development of considerable interest in these issues amongst our clients, our development partners (especially DFID and
WHO), as well as Bank staff. The outputs from this project have also fed directly into the preparation of two new World Bank health sector loans to India. They are also being used in distance learning courses developed by the World Bank Institute. The reports are available on the web, at:


and at:


48. **TF0052553 Survey Based Work Linking Poverty and Environment in Montenegro and Serbia ($58,177):** The project produced comparable poverty data for the PRSP implementation period (creating a baseline for environmental and social outcomes of PRSP focused on the link between poverty and environment) and provided analytical inputs to the reform process. All work was conducted in partnership with local research institution (NGO) and in constant consultations with the Government. Local researchers were trained in Montenegro and at the WB headquarters to conduct poverty and environmental analysis. All results and outputs are fully shared with local partners. Outputs/Achievements are: (i) 2004 representative household survey which served as a major input to the PRSP’s first progress report; (ii) paper on energy sector reform linking poverty and environment which was discussed and disseminated; and (iii) training courses, working sessions on data analysis, literature reviews, consultations, and focus groups with local stakeholders conducted over 2005. The activities were the mainstay of Programmatic Poverty Work in Montenegro and provided data to feed into the CAS update, the design of operations in the energy sector and policy dialogue. The local UNDP office benefitted form a number of outputs: data sets were used in their reports and the theme of poverty and environment has become a focal issue (see http://www.undp.org.yu/montenegro).

49. **TF052873 Education and Health Service Delivery in Lao PDR ($120,070):** The analytical work supported by the grant has fed into the preparation of the 2006 Poverty Assessment in Lao. It offers a systematic, policy-oriented analysis of poverty reduction in Lao PDR and draws lessons for meeting the poverty alleviation targets as proposed in the 6th National Socio-Economic Development Plan (NSED) for 2006 to 2010. The TF-financed activities were implemented as originally conceived. This work is also relevant to the operations of international donors, which support poverty reduction and poor area development in East Asian countries through project and budget financing, as well as by assisting governments to improve public policies and promote private investment. The PRSO includes the bi-annual implementation of PETS which was carried out as part of the work as one core expected action. Public expenditure management is an important cross-cutting issue highlighted in the national development programs such as the 6th National Socio-Economic Development Plan (NSED) for 2006 to 2010. From the World Bank's point of view, satisfactory progress in this area is also essential for success of the Nam Theun II Hydropower project which will generate large amounts of additional government revenues. All the main outputs were delivered: the synthesis report as well as two background studies (one on education and one on health). The background studies were disseminated in three workshops. The synthesis report was disseminated in May 2006.

50. **TF053883 Malawi Food Vulnerability and Governance ($131,282):** The analytical work supported by the grant has fed into the preparation of the 2006 Poverty and Vulnerability Assessment, which was finalized in June 2006. The report has been prepared jointly by the WB and the government (MEPD and NSO), and in close collaboration with FAO, IFPRI and Statistics Norway. The dissemination of the report started in 2006, and is still ongoing. The report has provided analytical input into the preparation of the new PRSP (the Malawi growth and Development Strategy, MGDS, finalized in late 2006), as explicitly acknowledged in the text of
the new strategy. In practice, however, the input has largely been limited to the use of updated data and statistics, while the policy advice is expected to filter more slowly into government programs. However, the government is already making progress in the adoption of key policy recommendations contained in the reports. In particular, the government has started a process to review its Social Protection policies, to improve their coverage and targeting. Component (2) of the trust fund (Examine Use of Public Expenditures in agriculture sector by carrying out Public Expenditure Tracking Survey) was not implemented because the government implemented radical reforms in the Public Expenditure Management system in July 2005 which rendered the PETS useless. The work on Component 1 (Analytical Research on sources of vulnerability and food insecurity) was completed satisfactory.

51. **TF054275 Conflict, Social Inclusion and Poverty in Nepal ($110,000)** Grant objectives --to provide analytical underpinning for determining the major constraints to poverty reduction in Nepal and develop policy options to rectify the situation -- have been successfully achieved. A set of topic-specific papers (four of them funded by this grant) have been prepared and incorporated in the Poverty Assessment report. In turn, they were incorporated in the Government’s own PRSP progress report. Wide dissemination activities took place during 2005-2007 in Katmandu and districts in Nepal. Analytical work funded (in part) by this grant has been incorporated in the interim Nepal CAS. Additional funds from reflows were made available and were used for additional work to link analysis conducted for the Poverty Assessment (now completed) with the Public Expenditure Review (ongoing) as well as for the deepening dissemination activities in the districts. Both of these are being produced jointly with the GoN and are reflected in the GoN own PRSP progress reports. The Nepal Poverty Assessment has been produced jointly with the Nepal Planning Commission and Nepal Central Bureau of Statistics. A number of activities funded by this Grant have been implemented by local consultants thereby increasing local capacity. DFID and ADB have been involved in the preparation of the Poverty Assessment report thereby harmonizing donors' advice to the GoN. Selected results funded by this Grant were instrumental in producing Poverty Maps (jointly with the WFP and Nepal Planning Commission). Widespread dissemination activities took place in Katmandu and districts of Nepal.

**Empowerment**

52. **TF051784 Measuring Empowerment ($239,734):** The work under this TF has exceeded the original expectations of generating indicators and instruments for measuring empowerment. The need to revisit existing definitions and analytic structures enabled the development of a robust framework for understanding and operationalizing empowerment. This framework has been tested in five countries (Ethiopia, Honduras, Indonesia, Nepal and Brazil) under the TF initiative and is being used in a number of other countries for analytic, monitoring and applied work. It is being used for PRS monitoring, as the basis for taking empowerment forward in CASs. It also has been used for Poverty Assessments and has provided the basis for several lending operations. Two Policy Research Working Papers\(^4\) and a book\(^5\) have been published and a learning module is ready for printing. Furthermore the experiences with developing the framework and using it in the country studies have been used to develop a new Trust Fund Initiative (TFESSD 055856 ‘Monitoring Empowerment in Four Countries), which builds on the findings of this work to develop indicators of empowerment and strengthen the focus on empowerment in national level policies in four countries.

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\(^5\) Empowerment in Practice: From Analysis to Implementation (Alsop, Bertelsen and Holland 2006)
4 Overall implementation progress of the Poverty window

4.1 Overview of activities

53. The Poverty sub-window, which was launched in November 2001, has funded 64 activities so far, 46 of these are completed and 18 ongoing. Of these 64 activities, 19 were selected through a call for proposals held in FY02, specifically for the poverty sub-window (none are ongoing); 9 activities were selected in FY03 through two calls for proposals joint with the social and environmental windows (none are ongoing); 13 through the FY04 call for proposals (one is ongoing); 12 were selected through the FY05 call (7 are ongoing); 6 were selected through the FY06 call; and 5 were selected through the FY07 call. Of these activities, 48 were/are managed by regional staff and the rest by network/research staff.

Table 1: TFESSD Poverty Window activities as of April 30, 2006

<table>
<thead>
<tr>
<th>Call/year</th>
<th>Activities approved</th>
<th>Activities ongoing</th>
<th>Closed activities</th>
<th>Activities in Africa (ongoing)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY02 (poverty)</td>
<td>19</td>
<td>0</td>
<td>19</td>
<td>0</td>
</tr>
<tr>
<td>FY03 (joint)</td>
<td>9</td>
<td>0</td>
<td>9</td>
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<td>2</td>
</tr>
<tr>
<td>FY06 (joint)</td>
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<td>6</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>FY06 (joint)</td>
<td>5</td>
<td>5</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>64</td>
<td>18</td>
<td>46</td>
<td>8</td>
</tr>
</tbody>
</table>

4.1.1 Progress of ongoing activities

54. Most ongoing activities funded under the Poverty sub-window are progressing satisfactorily. Activities continue to feed into the country dialogue and the development and implementation of Bank assistance strategies. Activities are strategically focused on four main areas and results are visible, in terms not just of reports and studies being completed, but also in terms of in country dissemination and dialogue, input to policy making processes, capacity improvements and feedback into Bank programs.

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6 Note, many ongoing activities partially cover activities in Africa as well.
4.1.2 Closed activities

Over this period and the previous reporting period, fifteen activities were closed. They are highlighted in Table 2.

Table 2: TFESSD Poverty Window Activities that closed over the reporting period

<table>
<thead>
<tr>
<th>TF number</th>
<th>Activity name</th>
<th>Closing date</th>
</tr>
</thead>
<tbody>
<tr>
<td>TF051323</td>
<td>Poverty and Environmental Management</td>
<td>2/28/2006</td>
</tr>
<tr>
<td>TF051784</td>
<td>Measuring Empowerment</td>
<td>3/31/2006</td>
</tr>
<tr>
<td>TF051975</td>
<td>Revisiting the Role of Agriculture in Reducing Poverty in Africa</td>
<td>3/31/2006</td>
</tr>
<tr>
<td>TF052553</td>
<td>Survey-based Work Linking Poverty and Environment in Montenegro and Serbia</td>
<td>12/31/2005</td>
</tr>
<tr>
<td>TF052699</td>
<td>Poverty and Social Impact Analysis of Tea Factory Privatization in Rwanda</td>
<td>12/31/2005</td>
</tr>
<tr>
<td>TF052872</td>
<td>Thailand Village Fund Evaluation</td>
<td>12/31/2005</td>
</tr>
<tr>
<td>TF052873</td>
<td>Education and Health Service Delivery in Lao PDR</td>
<td>3/31/2006</td>
</tr>
<tr>
<td>TF0529913</td>
<td>East Africa Poverty and Data Initiative</td>
<td>4/30/2007</td>
</tr>
<tr>
<td>TF052966</td>
<td>Urban Poverty in Mongolia</td>
<td>1/31/2006</td>
</tr>
<tr>
<td>TF054625</td>
<td>Northeast of Thailand Sustainable Development</td>
<td>12/31/2005</td>
</tr>
<tr>
<td>TF052965</td>
<td>Groundnut Sector Liberalization in Senegal</td>
<td>8/31/2006</td>
</tr>
<tr>
<td>TF053883</td>
<td>Malawi Food Vulnerability and Governance</td>
<td>6/30/2006</td>
</tr>
<tr>
<td>TF053899</td>
<td>Reducing Poverty and Vulnerability of Pastoralists in East Africa</td>
<td>9/30/2006</td>
</tr>
</tbody>
</table>

4.2 Disbursements and commitments

A review of the poverty window portfolio indicates continued high disbursement ratios as projects are moving forward. Overall, 85% of the funds received by the Poverty window have been disbursed\(^7\). Projects prior to FY05 are at nearly 100% disbursement. Activities approved in FY05 are disbursing at 79% and those in FY06 are disbursing at 64%. For FY07 approved projects disbursement ratios through end January have been low at 19%, but are expected to improve for the remaining fiscal year as projects have started implementation.

Table 3 provides an overview of disbursements and commitments under the poverty window over the last years. The window shows consistently high disbursements ratios in the Africa region over the years. FY07 projects are particularly high with almost 70% of disbursements going to the Africa region.

\(^7\) Includes commitments and disbursements as a percentage of total receipts
Table 3: Disbursements and Commitments

<table>
<thead>
<tr>
<th>Poverty Window</th>
<th>Receipts (US$)</th>
<th>Cumulative Disbursements / Commitments as of 1/31/07</th>
<th>Commitments as of 1/31/07</th>
<th>% of receipts disbursed / committed</th>
<th>Africa Portion of Disbursements / Commitments</th>
<th>Africa % of cumulative disbursements / commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activities approved prior to FY03</td>
<td>2.125</td>
<td>2.126</td>
<td>.000</td>
<td>100%</td>
<td>1.144</td>
<td>53.8%</td>
</tr>
<tr>
<td>Activities approved in FY03</td>
<td>1.699</td>
<td>1.673</td>
<td>.004</td>
<td>98%</td>
<td>0.887</td>
<td>53.0%</td>
</tr>
<tr>
<td>Activities approved in FY04</td>
<td>1.807</td>
<td>1.750</td>
<td>.005</td>
<td>97%</td>
<td>1.053</td>
<td>60.2%</td>
</tr>
<tr>
<td>Activities approved in FY05</td>
<td>2.709</td>
<td>2.140</td>
<td>.408</td>
<td>79%</td>
<td>1.270</td>
<td>59.3%</td>
</tr>
<tr>
<td>Activities approved in FY06</td>
<td>0.715</td>
<td>0.456</td>
<td>.346</td>
<td>64%</td>
<td>0.272</td>
<td>59.6%</td>
</tr>
<tr>
<td>Activities approved in FY07</td>
<td>0.570</td>
<td>0.111</td>
<td>.065</td>
<td>19%</td>
<td>0.077</td>
<td>69.5%</td>
</tr>
<tr>
<td>Window Account</td>
<td>0.053</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9.679</td>
<td>8.255</td>
<td>.827</td>
<td>85%</td>
<td>4.702</td>
<td>57.0%</td>
</tr>
</tbody>
</table>

Note: Window receipts exclude pro rata allocations of $1.286 million available funding from parent account.

4.3 Actions taken or recommended

4.3.1 Annual strategic review by the poverty reduction sector board

58. In June 2006, $110,000 of refloows had become available to be assigned to existing projects under the TFESSD poverty window. A request went out to task managers on June 26, 2006, to apply for additional funding for activities that fit within their project proposals and would provide value added. The Poverty Board TF sub-committee reviewed the three requests received by TTLs and agreed to reallocate the funds among them with some modifications.8

59. In addition, a portfolio review of the TFESSD was carried out on November 13, 2006, assessing the performance of slow disbursing projects and following up on request for the additional funding by TTLs. Additional refloows of $145,000 were generated by two projects, TF052913 (East Africa Data and Poverty Analysis Initiative) and TF053880 (Impact Evaluation of TZ CDD/Social Action Fund). In addition, $90,000 of funds was received as a result of additional allocations to the poverty window from the FY07 Call for proposals.

60. Of these funds, the Poverty Board the TF sub-committee decided to immediately reallocate $80,000 to projects in need for additional funding, TF057289 (Addressing Extreme Poverty in India, Ethiopia and Nicaragua), TF053886 (Moving Out of Poverty), and TF057649 (Data Systems for Disasters). Another $120,000 was tentatively reallocated to be released in spring 2007, conditional on the progress of individual activities. We are planning to follow up on additional requests for allocations in time for the May review meetings.

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8 Additional allocations included: TF053878 Poverty Monitoring Systems-$40,000; TF054275 Conflict Social Inclusion and Poverty in Nepal-$35,000; and TF053886 Moving Out of Poverty-$39,000.
4.3.2 Extensions, fund reprogramming and cancelled activities

61. Four projects were granted extensions in this period to complete the analysis or to allow for the completion of dissemination activities. Extensions continue to be requested, and are granted wherever there is a good justification and work is progressing. We do not generally grant extensions beyond a year from the original closing date, but are implementing this "rule" flexibly to make sure that no opportunities are lost because of it, for example, to support better dissemination of results. The following projects were granted extensions:

TF052965  Groundnut Sector Liberalization in Senegal, from April 30, 2006 to August 31, 2006 (four months);
TF053878  Poverty Monitoring Systems, from June 30, 2006 to June 30, 2007 (one year);
TF053880  Integrating Social Dimensions into Poverty Analysis in Africa, from June 30, 2006 to June 30, 2007 (one year);
D. SOCIAL PROTECTION WINDOW REPORT

1 Summary

1. This chapter documents progress under the Social Protection (SP) Window between April 30, 2006 and January 31, 2007. The Social Protection Window was created in FY05 with a special allocation of $1 million targeted for work on extremely vulnerable groups, in particular the disabled, at-risk children and youth. Social Protection became part of the general call in FY06. As noted in previous reports, the Social Protection Window is new as compared to other windows, and overall allocations to window-managed activities have been modest to date ($4.43 million spread over 33 activities). Most of these activities are still underway.

2. The current Social Protection portfolio is organized under three broad themes:

   - Activities to address the needs of **highly vulnerable groups, at-risk populations** including (i) the disabled; (ii) children and youth at-risk; elderly persons; (iii) ethnic minorities, socially excluded groups; (iv) extreme poor and destitute.
   - **Risk and vulnerability assessment, country strategies and evaluation** including (i) analytics, poverty and wealth dynamics; (ii) Social Protection responses to natural and man-made disasters, including climate shocks; (iii) support for country-level Social Protection strategies and policies, Social Protection in PRSPs; (iv) impact evaluation and learning, also country pilots.
   - **Employment generation, labor markets** including (i) protection for informal sector workers, (ii) expanding rural non-farm activities, especially in low-income settings.

3. There are ten active projects under **Vulnerable Groups and At-Risk Populations**, the majority focused on mainstreaming disability and social protection at the World Bank. Encouraging progress has been achieved in this area and TFESSD support has been instrumental in this regard; TFESSD provides the only source of funds that TTLs can easily access to support work on disability. There are thirteen active projects under the **Risk and Vulnerability Assessment, Country Strategies, and Evaluation** theme, including one project that closed during the reporting period. Notable under this theme is a cluster of seven projects on Social Protection responses (including CDD/Social Funds) and natural disasters, jointly managed by Social Protection and Social Development. Several of the projects mapped to this theme have shown considerable success at building support for national social protection strategies in low income countries, also addressing the needs of at-risk population and vulnerable groups as part of PRSPs and other national strategy documents. **Employment Generation and Labor Markets** is a relatively new theme: three projects are currently underway and, as a result of the FY08 Call, the topics covered under the theme will be broadened and new projects added.

4. In assessing progress to date and looking forward, Social Protection Window management wishes to highlight two issues:

   (i) **TFESSD has had substantial and positive impact in several Social Protection priority areas**, including projects managed under the Social Protection Window (noted above) as well as projects managed under other windows (e.g. Poverty, Social Development). For example, Social Protection has a substantial portfolio of CDD/Social Fund
operations. A number of the projects under the Social Development Window’s CDD and Local Governance theme have helped to broaden and improve Social Protection’s social fund activities, particularly for countries in Africa. Similarly, projects managed under the Poverty Window supported risk-focused Poverty Assessments, Risk and Vulnerability Assessments (RVAs), and these have led to more risk-focused Poverty Reduction Strategies (PRS) in low income countries.

(ii) While acknowledging some very positive impacts, the level of support provided to Social Protection focused activities under the Social Protection Window has been modest – so modest, we would argue, that it has been difficult to make the kind of progress we would have wished in some high-priority areas of shared interest with the donors. Moreover, due to the procedures currently in place, it has been challenging at times to maintain coherence and focus in our portfolio of projects. Procedural concerns include e.g. (i) the lack of consistency in priority themes over time; (ii) the very limited role given to the Social Protection Board/regional Social Protection managers in preparing the program of proposals submitted each year to the donors; (iii) in a related point, difficulties in ensuring coordination between proposals, particularly across different windows; and (iv) continuing lags between the initiation of a proposal, approvals, and availability of funds. Social Protection Window management is keen to continue working with TFESSD donors and will offer concrete suggestions on how to improve procedures – and impact -- at the next donors meeting (May 2007).

2. Strategic Objectives and Value Added

2.1 TFESSD’s role and value added in the sector (compared to other TFs and BB financed work)

5. A wealth of interesting and innovative work has been financed under TFESSD, which has contributed to a better understanding of Social Protection concerns both at the country level as well as in wider global debates. As noted above, TFESSD’s role and value-added in the Social Protection sector is not limited to activities mapped to the Social Protection Window. Considerable support was provided for Social Protection topics even before a separate window was opened in FY05: for example, Social Protection has a substantial portfolio of Social Fund projects that use a CDD approach. Many of the CDD activities supported by TFESSD (prior to FY05 as well as after) involve lending activities and issues that are central to Social Protection’s social funds portfolio (e.g. the Angola Social Action Fund, Malawi Social Investment Fund/MASIF, the Zambia Social Investment Fund/ZAMSIF, design of the new Zambia Local Development Project; see para. 16, Social Development Window report). Similarly, TFESSD has provided substantial support for analytic work on risk and poverty reduction (e.g. in Zambia, Malawi), as well as supporting a number of PSIAs linked to Social Protection themes. Both areas are central to the work of the Social Protection sector albeit historically managed and reported under the Social Development (CDD/SFs) and Poverty (risk and poverty reduction, PSIA) windows.

6. It remains to be shown whether and to what extent TFESSD’s “role and value-added” to the sector improved with the opening the Social Protection Window in FY05. The purpose of the new window – Social Protection for the Vulnerable in Development -- was “to advance a streamlined and comprehensive work program to address the critical needs of highly vulnerable groups. The consolidated Social Protection window would fund work on (i) vulnerable children and youth, including orphans, child laborers, and the unemployed youth,
and (ii) disabled persons.” This focus was maintained in the FY05 Call. In 2006, however, Social Protection became part of the general Call for Proposals and the specific focus on vulnerable children, youth and disability was lost. Priority themes changed each year and new proposals on children and youth were as likely to be mapped to the Social Development Window as they were to Social Protection.

7. In summary we would highlight two issues:
   - Projects managed under other windows contribute in important ways to Social Protection priorities, and this contribution could be enhanced through better coordination between windows;
   - However, the Social Protection Window itself – which arguably should have direct links with Social Protection concerns – is not operating according to initial agreements with the donors. Moreover thematic priorities have changed each year. This has limited its value-added to the sector. In the future we would argue for more consistency in thematic priorities over time, including but not necessarily limited to the window’s initial thematic priorities (i.e. highly vulnerable groups, including at-risk children and youth, disabled).

8. Returning to the question of sectoral impact, the contribution of TFESSD to the Social Protection sector is jointly determined by the relevance and timeliness of issues covered coupled with levels of funding.

9. TFESSD has made important contributions:
   - CDD/Social Funds, including the role of local institutions and actors in managing shocks, improved service delivery, equity and addressing the needs of the poorest, socially excluded;
   - Disability, ensuring mobility and access for the disabled, mainstreaming disability in the Bank’s operational work;
   - Addressing the needs of other poor and highly vulnerable groups e.g. children and youth, OVCs, youth employment, elderly persons;
   - Risk and vulnerability in the context of poverty reduction, poverty reduction strategies, support for pilots and programs to manage risk, address needs of the poor, also links between risk and economic growth, Social Protection instruments promoting efficiency;
   - Employment and labor issues, particularly focused on the needs of the poor; employment generation, the informal sector, labor market transitions.

10. As noted above, overall levels of TFESSD support for Social Protection issues are modest in comparison to other sources (e.g. other trust funds, Bank budget), and continuing changes in the priority themes reduces the scope for developing a strong and continuing body of work along specific Social Protection themes. As a result, the Social Protection Window portfolio tends to be somewhat fragmented, and funds are spread over many themes. In a number of cases TFESSD has helped to leverage additional funds and thus contributes to a general pool of funding e.g. for analytic work on vulnerability and poverty, employment and labor markets, also children and youth.

11. TFESSD support for the Bank’s work on disability has been more substantial and predictable, and there is growing evidence that these funds are having an impact. Continuing

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and adequate levels of funding are important if the aim is have real impact on how the Bank works and what it achieves: note again the contribution of TFESSD to the Bank’s work on social funds and CDD, not surprising in light of the quite substantial resources allocated over time.

### 2.2 Impact on the Bank and in Client Countries

12. The impact of pre-2005 activities that support Social Protection priorities is discussed in relevant window reports (Social Development and Poverty). Suffice it to say that the substantial TFESSD funding made available for CDD and Social Fund (SF) initiatives has clearly begun to pay off i.e. in terms of improvements in the enabling environment for community-driven development, better integration in sectoral programs, and support for more effective social accountability mechanisms. A solid body of work on risk and poverty has been developed both in the context of free-standing Risk and Vulnerability Assessments (RVAs), especially for countries in Africa, and increasingly through mainstreamed treatment of Social Protection concerns (risk and vulnerability, social inclusion, safety nets including Conditional Cash Transfers -- CCTs) in conventional Poverty Assessments. For example, TFESSD financed work on vulnerability and HIV/AIDS for the Zambia Poverty and Vulnerability Assessment (TF052651). TFESSD also provided support for better analysis of risk, food security concerns, and a new Social Protection strategy for Malawi, also in the context of the Malawi Poverty and Vulnerability Assessment (TF053883). Both projects were managed under the Poverty Window.

13. Since the SP Window was created in FY05, TFESSD has continued to support activities linked to CCD/SFs, also risk, vulnerability and poverty reduction under the Social Protection Window (FY06 and FY07 approved projects) as well as Poverty and Social Development Windows. However most of these projects are still ongoing and while we see encouraging albeit early impacts on the Bank’s work, it is premature to assess their impacts on country outcomes.

14. Over half the projects approved in the special FY05 Call have been completed and the remainder will be completed by June, 2007. Only one activity has closed since the last strategic donor’s report (Nov 1, 2005 – April 30, 2006) viz. TF053971 – Preparation of a Social Protection Strategy for Rwanda. Work carried out under this TF contributed to the development of a new, decentralized social assistance program for Rwanda planned to be implemented in 2007 with PRGF budget support. The Government recently announced plans to scale up the scope and coverage of the PRGF-supported program by combining social assistance with local public works, micro-finance, agriculture productivity improvements, and training – all part of a new community-focused national poverty reduction effort. Note that additional funds have been allocated through the FY08 Call to continue this work in Rwanda. Another FY05 project on Disability and Poverty among Children in Cote d’Ivoire (TF054118) will close in June, 2007. Work carried out under this project provided important inputs for preparation of Cote d’Ivoire’s PRSP; in addition, the project is contributing to larger report on disability in West Africa, which will be finalized shortly.

15. TFESSD support has had noteworthy impact on how the Bank deals with disability. It has been instrumental in helping to move forward and mainstream disability in the Bank. Under an umbrella activity on mainstreaming disability (TF053963), progress is being made integrating elements of disability’s inclusion agenda in country level policy discussions, also in several lending activities in countries in the East Asia region and Latin America, and there have
been impressive gains on the disability front in the Bank’s work in Eastern Europe. Specifically, TFESSD supported the development of an inclusive education component in a forthcoming education loan for Indonesia, also helped to identify measures to improve mobility for the aged and disabled as part of a transport operation in Latin America. Unlike other themes, TFESSD is the primary source of external support for work on disability at the Bank.

16. In preparation for the next donor’s report, the Social Protection Window plans to undertake an assessment of the overall impact of TFESSD-sponsored work on disability, also at-risk children and youth, including OVCs in Africa. All FY05 projects will have closed and early results of follow-on projects should be available.

2.3 Capacity Building, Knowledge Sharing and Partnerships

17. Capacity building, knowledge sharing, and partnerships have been strongly encouraged under TFESSD. TTLs report on these and related activities in their individual project reports. Highlights are discussed below.

18. **Knowledge sharing and dissemination** are an integral part of all activities managed under the Social Protection Window. There are many channels used for knowledge-sharing e.g. through workshops and other events, internal and external websites, CDs, press releases, and other media channels. Moreover many projects are linked to major pieces of economic and sector work (e.g. Poverty Assessments; Country Economic Memorandum; Expenditure Reviews) and increasingly linked to lending preparation. This means that finding will be disseminated widely and discussed through normal Bank channels as well as through specific events financed under TFESSD. The Bank itself emphasizes effective knowledge-sharing and dissemination. Dissemination typically comes towards the end of a project and most Social Protection Window projects are still underway. While many have robust dissemination plans, achievements can only be assessed after they close. Our interim assessment of knowledge-sharing is encouraging: many projects already have organized consultation and dissemination events e.g.

- A three-day knowledge-sharing stakeholder workshop was organized in Rwanda to discuss emerging plans for the country’s Social Protection strategy (TF053971);
- A national stakeholder’s workshop has been organized in Indonesia (with complementary support from the Dutch) to discuss issues linked to children’s disabilities and inclusion in education services (TF053963);
- Key policy papers and presentations coming out of the LAC policy toolkit for youth at-risk are available on a CD, and the team is working with the Bank’s external relations staff to organize knowledge-sharing events, also in coordination with dissemination and discussion of WDR2007 on Children and Youth (TF057003 – additional funds were allocated for knowledge-sharing);
- A workshop was hosted by the Bank in Delhi (March, 2007) to disseminate the initial findings and data from a TFESSD financed capacity building and research project on poverty dynamics and risk in rural India (TF055617).

19. Knowledge-sharing activities are best assessed in combination with **partnerships.** Many projects under the Social Protection Window seek to forge stronger partnerships – frequently with government agencies in the context of preparing new strategies or projects (e.g. Eritrea health project); often with other donors and aid organizations (e.g. Ethiopia productive safety nets), and sometimes with research institutes, NGOs and other civil society organizations.
In the community-focused vulnerability and health project for Eritrea: the team is working with a number of ministries in Eritrea (viz. Health, Labor, Social Welfare), have engaged proactively with stakeholders outside Government, and moreover are working to enhance synergies within the Bank by involving ESSD, HNP, and Social Protection (TF057002);

Support to governments of South Africa and Lesotho to scale-up and harmonize an approach to CDD, decentralized governance, service delivery, and participatory local development is likewise being carried out in a highly participatory fashion, with strong involvement of local stakeholders in design and implementation (TF055620);

The NEEDS project for Nigeria is highly participatory in design as well as implementation. The project aims to deepen citizen participation and institutionalize participatory processes in monitoring the Government’s national poverty eradication program, thus promoting greater transparency and accountability in implementation of programs designed for the poor. A wide range of stakeholders in government as well as outside, also among international partners, have been involved at different stages of the project (TF055842);

The ongoing study of informality, globalization, and the working poor has sought to strengthen partnerships and develop a common understanding at a more global level, first by engaging both with national and international researchers interested in these issues, second by working closely with national policy makers, and third by engaging with UN organizations (e.g. ILO) and other international partners (TF055590).

20. **Capacity building** is a component of many projects managed under the Social Protection Window. They aim to build capacity at different levels e.g.

- With support from TFESSD, the International Crops Research Institute for the Semi-arid Tropics (ICRISAT) extended its widely lauded Village Studies Program (VLS) in India to collect new panel data, build analytic capacity to use long-term panel series, and make these data and related documents available on its public use website. (TF055617);
- Obtaining better and more accessible information on disability lies at the heart of much of the ongoing work on disability under TFESSD. Several projects include capacity building components to help countries develop good data on disability, including direct support and training to statistical agencies (e.g. for Uzbekistan to collect disability data as a normal part of their statistical activities). Building capacity to improve the data on disabled persons also was a part of TFESSD financed work on disability in Yemen and Georgia. (TF053964, TF055682)
- An innovative study on the impacts of the Tsunami in Aceh is working closely with Indonesia’s statistics offices (in Jakarta as well as Aceh province) to enhance capacity to collect data in isolated, crises-affected areas, as well as working with local organizations and other agencies involved in relief efforts to improve M&E capacity, also evidence-based responses. (TF057436)
- Capacity building is also provided for local institutions. A TFESSD funded project is experimenting with citizen’s report cards in South Africa. It will directly build...
local capacity by providing technical support to local institutions on the design and implementation of report card methodologies. It will also provide a practical example to the government of effective demand-side governance strategies. Local capacity building at the grassroots level will be undertaken through empowerment training of poor rural citizens on how to push for greater local authority accountability and how to exercise demand-side governance. (TF055620)

3 Summaries of ongoing and recently completed activities

3.1 Ongoing Activities

Highly Vulnerable Groups: Focus on Disability, Youth At-Risk

21. TF053963 Support for Mainstreaming Disability at the World Bank (Kenya, Yemen, Colombia, Indonesia, post-conflict Africa). ($617,000): The goal of the project is to expand the World Bank and developing countries’ capacity to mainstream disability into development projects, programs, policies, and activities and thus work towards poverty reduction. This is accomplished through analytical studies and capacity grants. The studies are the following: (1) Quantitative Survey Development for Kenya, (2) Identifying Entry Points in Investment Lending Project Cycle to help Client Governments Ensure a Fair Integration of Disabilities Concerns, (3) Yemen Disability and Poverty Study and Action Plan, (4) Opportunities for Including Disability in World Bank Projects: A Toolkit for legal and operational staff and work on the legal implications of the UN Convention on the Rights of Persons with Disabilities Concerns, (5) Colombia Bus Rapid Transportation System, (6) Indonesia Reaching Disadvantaged Children Study (including Dutch funding for a National Stakeholder Conference) and (7) Disability in conflict-affected countries in Africa. All studies are completed or currently on track. Disability is increasingly being mainstreamed in the Bank activities. There is a growing interest on disability from regions and networks, as well as from beneficiary countries. However, the exclusion of learning activities is a relevant limitation of the potentialities of the project. The website address for activities connected to the project is: http://web.worldbank.org/WEBSITE/EXTERNAL/TOPICS/EXTSOCIALPROTECTION/EXTDISABILITY

22. TF053964 Disability and Social Protection in Two ECA countries, Armenia and Uzbekistan ($80,000): The objective of the study is to provide more insight into disability issues and people with disabilities (PWD) in Armenia and Uzbekistan. Originally, Armenia and Turkey were chosen for the program, but following Turkey’s refusal of the grant, Uzbekistan was selected. In Armenia, existing data has been used to develop a disability profile of the country. The study is (i) assessing the status of disabled people in Armenia and identifying the key risk factors; (ii) reviewing current policies and programs (both public and private) for disabled persons in the country, also assessing their strengths and weaknesses; and (iii) making relevant policy and program recommendations. In Uzbekistan, there exist no reliable data on disability incidence rates. The study is therefore conducting a Regional Disability Survey (RDS) to gather data on disability. This is being done in conjunction with a Regional Panel Survey (URPS) that is already being fielded in the country. The URPS is a household survey that also collects community-level data on the number of disabled. RDS plans to use a combined questionnaire with the wave-3 URPS survey. Website for Armenia: http://www.hra.am/eng/?page=organization&id=45
23. **TF054118 Disability among Children and Poverty in Ivory Coast ($90,625):** The program originally aimed to assess the links between disability and poverty in Ivory Coast, with a focus on Abidjan, and assess the level and type of services provided to the disabled by both public and private providers. A survey of the disabled population and service providers, in the Abidjan area, has been completed and analyzed. The information obtained will be used to inform the preparation of the full PRSP for Ivory Coast and organize a workshop on the issues in Abidjan, as part of the dissemination of the poverty assessment scheduled for the end of March 2007. Additional funding has been granted to draft an integrated background report, with additional analysis on disability based on census data in about 8 West Africa countries, using census data. The objective of the final report will be to provide a more ambitious report on disability in West Africa, including detailed analysis not only for Cote d'Ivoire but also Benin, Ghana and Nigeria, etc. An extension has been requested to be able to publish the final study by end of June 2007.

24. **TF055682 A Qualitative Study on Disability and Living Standards: Georgia, Kenya and Yemen ($170,000):** This project involved the application of a qualitative methodology to collect data on disability and well-being in Georgia, Kenya, and Yemen. It aims to improve our understanding of how disabilities create barriers to economic and social participation that can lead to poverty among disabled people and their families. In Georgia and Yemen the country studies tie directly into the development of National Disability Policies. In Kenya, it is coordinated with a major quantitative survey with the same goal. In all three instances the study will be helping build the knowledge base of government agencies that are actively working on disability issues. Local consultants will be used wherever possible to build the capacity for qualitative research in the countries. Results will be posted on [www.worldbank.org/disability](http://www.worldbank.org/disability).

25. **TF055759 Informal Support for the Elderly, Senegal, Sri Lanka and India ($200,000):** The objective of the study is to shed light on informal support arrangements for the elderly in poor countries, with the intention of designing effective programs to assist the vulnerable elderly. Although the decline of informal support systems is often cited, there is little empirical evidence on the extent, causes or trends in this area. As opposed to other groups considered vulnerable, there is almost no information regarding intra-household allocation of resources in households with elderly members. To address these informational gaps, the study is exploring the current status of informal support arrangements for the elderly in three countries: Senegal, Sri Lanka and India. Issues covered include trends in inter-generational co-residence and family support to the elderly, extent of non-resident family support (including remittances), role of community as informal support mechanism, gender dimensions including the status of widows and interactions between informal support mechanisms and public interventions for the elderly. The audience is policymakers dealing with welfare of the elderly in Sub-Saharan Africa and South Asia, as well as World Bank and other donor/NGO staff working in these regions. The survey in Sri Lanka was completed and will be processed shortly. The survey for India almost complete, data processing and analysis will begin shortly. Discussions are being held with Senegalese counterparts at the Social Security Commission which is in the process of designing a related survey. There could be delays due to the desire to cover multiple areas with the same instrument.

26. **TF057002 Tackling Vulnerability to Address Health Issues in Eritrea ($200,000):** The activity aims to address inequality and barriers to inclusion in Eritrea, with a special focus on vulnerable groups in accessing health services, by targeting on the root causes for vulnerability and implementing the technique of story telling in raising accountability in access to and usage of health services. Activities include (i) a desk review of the current types and
levels of vulnerability among the target groups in terms of access to and usage of health services; (ii) participatory rapid assessment with particular focus on the rural poor, mobile populations, women, and CSW etc. to determine factors that generate vulnerability which affect the use of health services; (iii) administering and institutionalizing story telling as a tool within HAMSET II, to enable a better understanding of roles and responsibilities of various stakeholders in promoting accountability in health service delivery; (iv) training programs to build capacity of relevant institutions, including civil society organizations to effectively implement the emerging operational framework within the two selected components of HAMSET II Project; and (v) field testing the vulnerability framework within the context of the IDA-financed HAMSET II Project. The activity will also contribute towards effectiveness of Human Development, Social Protection and Social Development Strategies by reducing vulnerability and exclusion in terms of access and use of health services through improved stakeholder participation, particularly of the lowest strata of community members. Intended audiences include (i) Ministry of Health; (ii) Ministry of Labor and Human Welfare; (iii) HAMSET communities; and (iv) local governments. Dissemination efforts are ongoing: e.g. results from the desk review and the proposed participatory assessment will be disseminated among the Country Management Unit of the Ministry of Health, government counterparts and other stakeholders through ad hoc workshops. Short briefs will also be generated for wider dissemination among the stakeholders, particularly for the hard to reach communities. The cross sectoral nature of the proposed activity presents an unique opportunity to take advantage of synergies across various WB units( ESSD, HNP, Social Protection) to develop a framework in which communities take the lead in making health service delivery more accountable to their needs and priorities.

27. **TF057391 Breaking the Barriers to Youth Exclusion in Morocco ($200,000):** The objective of project is to understand the factors that lead to youth exclusion and disenfranchisement in Morocco, then to develop and operationalize a strategy to support greater inclusion of youth. Particular emphasis will be given to gender dimensions of the issue. The project will address two specific problems: firstly, the lack of comprehensive and reliable data on the situation of youth, which makes it difficult for development actors to prioritize areas of intervention. Secondly, existing operations to support youth inclusion tend to be uncoordinated and quality of the programming is highly uneven. The project will identify different types of feasible interventions, based on an assessment of the situation of youth, then develop an approach to implementing which is based on leveraging the funds of existing programs, such as the Government's recently launched National Initiative for Human Development (INDH), programs supported under the Ministry of Youth, and related programs led by civil society organizations. Given the multisectoral nature of the activity, two main counterparts have been identified: the Entraide Nationale (Ministry of Social Affairs) which is responsible for implementing activities for marginalized youth, and the Ministry of Rural Development which has expressed interest in expanding efforts to support rural youth. Additional stakeholders, such as the Ministry of Employment, have also expressed interest in participating. Workshops and other fora for information sharing are planned so as to ensure wide participation and dialogue into the preparation of the final report. Local capacity building, especially for counterpart agencies, is key part of the activity where they will gain experience in making evidence based policies and programs.

28. **TF057435 Violence and Crime in Jamaica ($155,000):** This activity aims to provide evidence on the effectiveness of crime and violence programs, an area where there are few rigorous evaluations of what works, particularly in the case of disadvantaged youth. The team will review ongoing interventions in Jamaica, summarizing what is known about their effectiveness, and recommending possible strategies for improving the quality of the evidence
of the impact. Select interventions will then be chosen for in-depth case studies based on evaluations with rigorous quantitative designs to measure their impact and cost-effectiveness. The objectives are i) to inform the formulation of public policies to address youth violence and ii) to provide technical support on evaluation design to organizations that are operating programs that address youth violence. The long list of potential candidates has been established, and the process of selecting the case studies is underway. A consultant has been contracted to carry out a review of the existing programs, and a Project Concept Note detailing the proposed methodology and study strategy is currently under review.

29. **TF057003 Policy Toolkit for Youth at Risk ($95,000):** The objective of the grant is to provide policymakers and practitioners with a concrete set of policies and interventions across sectors that would help to reduce barriers to inclusion for at-risk youth in Latin America and the Caribbean. In terms of long-term development outcomes, activities financed under the grant will help to reduce barriers to inclusion for youth at risk in LAC and thus help them make a successful transition to adulthood. A successful transition can be measured by youth becoming educated, healthy and productive adults, citizens and parents. In the short term, the proposal’s development objective is to improve the knowledge base available to policymakers and practitioners with the aim of improving the effectiveness of their responses to reducing risks and improving prospects for disadvantaged youth in the LAC region. Implementation has progressed well: policy notes were prepared by regional and world experts on the topics identified in the grant; a workshop was held to bring together global and regional experts; proposals for priority policies and interventions were vetted with key clients and Bank experts to debate the policies proposed in the notes; a CD has been prepared with the policy notes and outputs from the workshop, and the results of the exercise were used to prepare the Policy Recommendations chapter of the study *The Promise of Youth: Youth at-Risk in Latin America and the Caribbean*, a regional study prepared under the guidance of the Chief Economist’s Office in the Bank’s LAC Region. The team is working with LAC-EXT to plan the knowledge sharing events, jointly with the WDR 2007 team and the LAC Youth at-Risk Regional Study team. Additional funds were granted to support wider discussions and dissemination.

30. **TF055675 Ethiopia Productive Safety Nets ($153,000):** As part of the implementation of the Productive Safety Net Program in Ethiopia, which has shifted from an emergency food-aid system to a multi-annual predictable cash-based safety net, three activities are being supported: The first is an evaluation of the purchasing power of the PSNP cash wage rate in rural areas; the second is a benchmarking exercise based on a representative household survey to develop a quantifiable evidence-based definition of graduation from food insecurity; the third, related to this is an analysis of issues related to household graduation from food insecurity. Five discussion papers will explore policy questions including (a) graduation and dependency; (b) the impact of increased integration between the PSNP and other food security initiatives; (c) the impact of the FSP on child labor and schooling; (d) the differential impacts of cash and food transfers; and (e) the impact of public works activities on community and household welfare. Activities on under the first two components are well underway and the all activities are expected to be completed by the end of the calendar year.

**Risk and Vulnerability Assessment, Country Strategies and Evaluation**

31. **TF055617 Risk, Growth and Poverty Reduction in Low Income Countries ($170,000):** The Social Protection (SP) Anchor, in partnership with Bank staff from other sectors as well as external actors, is working to develop new thinking and research on the links between risk, growth, and poverty in low income countries. The objectives of the work are three-fold: first, to analyze and obtain convincing evidence (including new and innovative
research) on the longer-run links between uninsured risk and shocks on the one hand, and growth and poverty on the other, both at a macro and micro level. Second, to assess what can be learned from evaluations of existing \textit{ex ante} risk management instruments, and to support the development and piloting of new and more effective instruments. And third, to build and support a community of researchers and practitioners around the themes of risk, growth, and development, with the dual aim of promoting more policy-focused research and improving the effectiveness of Social Protection programs and policies. The project will support knowledge sharing e.g. between development practitioners and research institutes, and improve the capacity of governments and non-government entities to respond to risk and exogenous shocks. The core team has been identified and a launch workshop was held last year. Two think-piece papers were prepared and disseminated for discussion. A study of poverty traps and aid traps in Africa was recently launched, subsequent to an internal workshop and discussion within the World Bank. A workshop to promote exchange and thinking on these issues is being planned for late-2007.


32. TF055944 Risk, Social Networks, Interventions and Poverty: Investigating poverty and wealth dynamics using long-term panel data, India ($149,500): The project aims to increase the understanding of long-term poverty dynamics and its determinants, and to build capacity in ICRISAT (a CGIAR institute) to continue to collect, disseminate, and (more importantly) begin to analyze its Village Level Survey (VLS) panel data. The study will use the VLS, an innovative long-term panel data set covering 30 years and multiple generations of households and individuals in rural Maharashtra and Andhra Pradesh. Besides documenting these dynamics, it aims to assess: (i) the role of risk in shaping long-term trajectories of household activities, investment, wealth and poverty in these communities; (ii) the role of social networks in assisting or hindering these trajectories; and (iii) the effectiveness of public programs, including safety nets, in these long-term processes. The research will inform policymakers both in India and beyond on the links between risk and pro-poor growth at the micro-level, and on poverty and wealth dynamics over long periods of change. It will highlight the relative success and failure of growth strategies and policies to include the poor in particularly vulnerable settings and provide evidence to justify the use of social protection and social risk management measures as an integral part of pro-poor growth strategies. Activities began in October 2005, and since then ICRISAT has (1) expanded data collection efforts to cover 12 months in its six VLS villages for cropping years 2005/6 and 2006/7 (ongoing); (2) linked (old) data from 1975-1985 to recently collected data from 2000-2005; (3) improved its website to facilitate better access to data and current reports. In parallel, two papers have been written on (1) income dynamics and changes in living conditions between the mid-1970s and (2) access to and effectiveness of government programs in managing risk and shocks. These papers were presented and discussed at a recent seminar in Delhi (March, 2007). Information on the VLS and related research can be obtained at [http://www.icrisat.org/gt-mpi/genebank.htm](http://www.icrisat.org/gt-mpi/genebank.htm)

33. TF056362 Guinea Conflict, Risk and Vulnerability Assessment (RVA) ($25,000): The broad objective of the RVA is to help the government, civil society and the donor community better understand the dynamics of conflict in the country so as to be able to take preventive action, particularly by supporting communities in their efforts to live peaceful and productive lives. In light of these considerations, the RVA aims to go beyond purely analytical work and, in the tradition of action-research, build on the analysis to design a conflict assessment and management tool to be used at the community level. Specific activities include (a) analyzing the potential sources of conflict and fragility for Guinea and explaining the
34. **TF055620 Scaling Up and Harmonization of an Integrated Approach to CDD, Decentralized Governance, Service Delivery and Participatory Local Development, in South Africa and Lesotho ($250,000):** The primary goal of this project is to work with the governments of South Africa and Lesotho on joint reviews of their CDD policies, vision, strategies and programs in support of an integrated approach to decentralized governance, local service delivery and participatory local development. The intended audiences for this approach are: (i) planning and implementing government agencies, (ii) program and support staff working on programs that support this demand-driven, integrated approach to decentralization and local capacity building and empowerment, and (iii) communities and local governments. The main components of the project are: (a) facilitation of policy dialogues between stakeholders, (b) review of service delivery at the local level, (c) identification of key stakeholders to participate in a CDD training and to participate in service delivery community-led improvement efforts, (d) integration of community report cards as a primary tool of local level social accountability and consensus building into existing decentralization and local development operations.

35. **TF055540 CCT and Weather Risk Management in Rural Nicaragua ($372,000):** This project aims at conducting an impact evaluation of a new innovative program currently underway in Nicaragua with the support of the World Bank. The pilot program combines a traditional conditional cash transfer program with additional household transfers aimed at increasing the income generating capacity of rural poor households exposed to weather risk (occupational training and small grants). The intended audience of this activity is: (i) The Ministerio de la Familia in Nicaragua, which will use the insights learned from this pilot program to reshape its programs and operational knowledge; (ii) Other ministries and local institutions (such as Ministries of Agriculture, Rural Development, Health, Education); (iii) World Bank – The cross-sectoral elements of the program present a unique opportunity to enhance synergies across various WB units (e.g. SP, ESSD, PREM); and (iv) Development and academic institutions – the pilot’s rigorous experimental design will provide new insights about the relevance and feasibility of expanding these types of programs in the rest of Latin America and other regions.

36. **TF055842 Support to Participatory Monitoring of the Nigeria National Economic Empowerment and Development Strategy (NEEDS) ($325,000):** The main objectives of the project are to: (1) Promote accountability, transparency and effectiveness in the implementation of Nigeria National Economic Empowerment and Development Strategy (NEEDS - Nigerian PRSP), (2) enhance all stakeholder capacity – government and beneficiaries - for, and facilitate effective, sustained monitoring of a key element of the Nigeria’s NEEDS - the National Poverty Eradication Programme (NAPEP), and (3) deepen citizen participation and institutionalize participatory processes in the monitoring and evaluation of the poverty reduction programme. The main components of the project are: (1) Designing and Training on Participatory Monitoring and Evaluation for public officials and CSOs on the poverty programme, (2) capacity building for CSOs, beneficiaries and media on Participatory Monitoring and Evaluation of the Implementation of the NAPEP and (3) a pilot of the PM&E methodology and
processes. The target audience includes government policy makers and practitioners from state and local Government, Federal NEEDS team, and staff from Ministry of Finance and sector ministries, Staff of NAPEP at Federal and State as well as Local Government level representatives of CSO; and the media. Activities on the project are in the final stages. The following has been completed: (i) Designing and training of key practitioners on the PM&E framework for NAPEP as a key element of the NEEDS; (ii) training, study visits for beneficiaries, CSOs on PM&E; (iii) pilot testing of the PM&E framework on two major interventions of the Government - School Feeding and Health intervention and a Micro credit intervention. Data has been collected and are currently been analyzed and the reporting stage would follow. The following activities are planned for the rest of the year: (i) finalization of the report of the pilot test; (ii) finalization of the PM&E design (iii) production (printing) of the documents of the projects - design framework, training manuals, report of pilot test and (iv) dissemination of the documents and the lessons of experience on the PM&E (through zonal and national workshops) to the larger NEEDS team and to Policy makers, CSOs, Media and Development practitioners.

Natural Disasters Cluster

37. TF057400 Safety Nets for Natural Disasters ($60,000): The main objective of the project is to help countries and donors develop and implement appropriate Safety Nets interventions as part of a medium term response to natural disasters which follows the initial humanitarian response. The project will be informed by a series of country case studies (i.e. Pakistan, Indonesia, South Africa) which review recent government and donor experience in the provision of safety nets programs (transfers in cash or kind, public works, targeted fee waivers or subsidies for key services or goods, etc.) to populations affected by natural disaster and shocks. The project will focus not only on safety net programs put in place in response to shocks; the team will also work closely with (several) disaster-prone countries to include provisions for social protection programs that can be put in place before any emergency arises, and scaled up to address the needs of affected populations after a shock occurs. This work is a component of a larger pool of TSESSD activities that seek to provide operational know-how on different aspects of Social Protection interventions pertinent to natural disasters (TF057146, TF057288, TF057304 and TF057305). The output of the work of this component will be used together with those of the other proposals for the preparation of a toolkit that will help countries develop appropriate range of responses to the risk and the occurrence of natural disasters. Discussions and dissemination activities will take place together with those of other proposals.

38. TF057146 Mainstreaming Gender into Disaster Recovery and Reconstruction ($60,000): The objective of the activity, which is just getting underway, is to help countries coping with natural disasters better incorporate gender aspects within their disaster recovery and reconstruction policies and practices, and thereby to use these as an opportunity to promote more gender equitable development, reduce poverty, and lessen the women’s vulnerabilities to natural disasters. Many of the specific gender aspect of disasters are well recognized; however they have not been reviewed in a consistent way, nor have lessons been extracted and disseminated, particularly in disaster prone regions. The work financed under this trust fund will assess and consolidate global experiences, also finance two country level case studies (Indonesia and India) with the aim of identifying guiding principles both for central government as well as for local level actors. Particular attention will be paid to the Tsunami reconstruction experience. The team will work closely with local partners, and findings will be disseminated through local workshops in India and Thailand as well as publications having global distribution. In addition, the materials of the project will be added to WBI web-based
program as an additional course and disseminated by partner organizations delivering web-based courses.

39. **TF057436 Study of the Tsunami Aftermath and Recovery (STAR), ($150,000):** One of the main objectives of STAR is to credibly evaluate the various safety nets put in place in the tsunami affected region of North Sumatra and thus provides new information on the effective design of safety nets following a large-scale natural disaster and concomitant displacement of population. Policy lessons will come in part from a comparison of the effects of the disparate aid mechanisms that are and have been implemented in Aceh, a comparison both across affected communities and in relation to unaffected communities. A multitude of assistance rushed into Aceh from numerous sources just after the Tsunami, and this constituted a varied patchwork of aid. Safety nets that cover such diverse dimensions of welfare as housing, livelihoods, and public services have since been implemented across Acehnese communities with numerous types of delivery instruments, targeting mechanisms, and degrees of participatory decision making. This heterogeneity of assistance programs will facilitate the identification of particularly effective aid efforts in a post-disaster setting – which programs worked well, which didn’t, and why. The project involves the collection of repeated (annual) household, community, and facility surveys which will support careful analysis of the transition from emergency related aid to medium and long run reconstruction efforts. The data collection phase is nearly complete; the team is working closely with the Indonesia statistics office, and several seminars on methodology and data have already been organized for staff in statistics. The findings of the study will be used in preparing the Aceh Poverty Note, plans for which were discussed with a range of stakeholders in Banda Aceh in March, 2007.

40. **TF057304 Responding to Natural Disasters through a Community-driven Development (CDD) Approach ($100,000):** The grant objective is to improve disaster response capacity of client governments through increased preparedness of central agencies such as social funds, strengthened community and local government mechanisms, and by incorporating inclusive prevention and recovery strategies that address the needs and special circumstances of the vulnerable. The work is on track and the Socials Funds team in Social Protection (SF); and Community Driven Development (CDD) in Social Development anchors are collaborating effectively to move this work forward. There is much interest in the topic from social fund and CDD task teams as well as external partners (e.g., social fund agencies, other government agency staff, NGOs etc.). The team also is coordinating closely with the Hazard Risk Management team in the World Bank and ProVention Center. A team of consultants specializing in Natural Disasters through Kyoto University has been hired to conduct field visits and to prepare a toolkit. In addition, coordination activities have been carried out between the SF-CDD teams, various thematic groups and external stakeholders to develop a common framework, select countries of focuses, develop joint dissemination activities and the integration of gender and disability throughout the work program. Field visits to develop the Indonesia, Pakistan and Malawi case studies are underway. Additional funding were recently requested in order to expand this work to the next level and meet demands from Task teams, natural disaster specialists and agency staff. This will be to assess and recommend how sustainable Community Based Disaster Preparedness (CBDP) initiatives can be incorporated into CDD/SF operations in order to reduce vulnerability of the communities to natural hazards. CBDP has been found to be the most cost-effective risk reduction initiative but is the least funded of all risk reduction interventions globally. This work would also entail a review of how effective local governance arrangements can enhance sustainability of CBDP.

41. **TF057288 Disability and Natural Disasters ($15,000):** Because of high fragility to external shocks, special needs associated with their conditions, and unequal access to
interventions and resources, more than 600 million disabled people worldwide are typically excluded from natural disaster preparedness, emergency response/relief, and recovery & reconstruction. As part of the broader umbrella project on Natural Disasters and Social Protection (ref. TF057305), operational guidelines will be developed to support inclusion of this highly vulnerable group before, during, and after natural disasters interventions. Proposed guidelines will be discussed broadly with World Bank staff, emergency-relief agencies, government officials dealing with disaster preparedness/interventions, and Disabled People Organizations

42. **TF057305 Responding to Natural Disasters through Social Protection Instruments: Coordination Activity ($90,000):** At the request of the technical review committee, five of the ‘natural disasters’ proposals submitted in response to the FY07 Call were combined under a common framework. These included activities led by the Safety Nets and Disability teams in the Social Protection Anchor, the Social Development team in the South Asia Region, the World Bank Institute (on gender dimensions) and Social Funds/CDD teams in the network anchors for Social Protection and Social Development Department. While individual teams will be guided by a common framework, each thematic group will also undertake individual work programs -- under their own Child Accounts-- to meet the distinct objectives of their grant proposals. The Social Funds/CDD teams have overall responsibility for coordinating the work and developing and disseminating joint products, i.e. various KM products (toolkits/guidelines/studies) prepared under each of the themes. This TF has been set up to support coordination, capacity building, and overall dissemination of key findings and KM products. The individual team work programs are just getting underway (ref. TF reports, descriptions included here), dissemination and capacity building activities will take place when preparation of KM products is further advanced.

43. **TF057453 Decentralized Disaster Management and Local Governance – Bangladesh ($75,000):** The key objectives of the study, Decentralized Disaster Management and Local Governance in Bangladesh, are to: 1) offer a framework for better understanding how local governments and communities can play effective roles in natural disaster management, and what role communities can play in this context to hold the local state accountable; 2) disseminate the study findings to policy makers in Bangladesh to enhance their ability to influence policy and institutions which empower local governments and communities in disaster-prone areas to effectively manage and reduce disaster risks. The intended audience is policy makers and relevant institutions in Bangladesh. The main features of the analysis are the following: 1) A case study of the response of local governments and communities to recent disasters in Bangladesh. The Local Governance Support Project (LGSP) underway in Bangladesh will pilot the key recommendations of the case study. 2) Recommendations on policy and capacity building initiatives to improve the effectiveness of local interventions before and after disasters (including analysis and identification of risk mitigation measures). 3) An in-country workshop with policy makers and key local stakeholders to discuss case study findings and finalize the analytical framework for a Social Development Department Working Paper on Decentralized Disaster Management and Local Governance in Bangladesh. 4) Dissemination of the Working Paper to policy makers and bilateral and multilateral development agencies operating in Bangladesh. 5) Contribution of a chapter on Decentralization and Local Government in Disaster Management that feeds into the multi-sectoral strategy on local-level disaster management that is being coordinated by HDNSP.
Employment Generation, Labor Markets

44. **TF054203 Youth in Africa Poverty and Labor Market Opportunities ($146,875):** The program aims to improve the knowledge and understanding of youth (15-24 years old) unemployment in Africa. Specifically, the study objectives are: (i) explore determinants of labor market outcomes for youth groups, (ii) identify policy options and interventions to improve skills, education, and employment opportunities. To address these objectives, two papers are produced. The first is a Synthesis Volume: Youth in Africa's Labor Market—a regional study of youth employment and transitions from school to work in Sub-Saharan Africa, based on four case studies (Uganda, Ethiopia, Tanzania and Burkina Faso) and data from 13 countries where household data is available. The second volume includes four separate studies on the determinants of youth labor market in Sub-Saharan Africa. This paper explores empirically the determinants of labor market outcomes in the four countries. A World Bank and Donor workshop was held in Washington in FY06, on the topic, and the results of the study provided key inputs into the 2007 World Development Report which focused on youth. The report has been accepted to be published as a book and will be presented to key policy makers in the dissemination in Washington and Africa.

45. **TF055590 Informality, Globalization and the Working Poor ($342,500):** The objective of the project is to identify whether barriers to labor mobility and/or competitive forces triggered by globalization are preventing poor and vulnerable workers from contributing to, and reaping the benefits of economic growth. The project has three components: (1) Poverty, Exclusion and Informal Economy: This component analyses the dynamics of the informal sector, with particular emphasis on identifying: (a) whether the informal sector constitutes a poverty and exclusion traps for the workers it employs, (b) whether workers in the informal sector are excluded from social protection, (c) the institutional and regulatory features that give rise to informal employment, (d) policy options to expand social protection to informal workers. (2) Trade liberalization, jobs and work conditions. This component analyses the effects of trade reforms – opening and promotion of Foreign Direct Investment – on vulnerable workers, with a special emphasis on identifying: (a) the magnitude of job losses, particularly of formal sector jobs, associated with trade opening, (b) the effect of trade liberalization, FDI and Multinational Enterprises (MNEs) on working conditions, particularly for vulnerable workers, and (c) institutions and policies that improve working conditions in open economies while promoting productivity growth. (3) Youth study. This is a small new component (since January 2007) that initiates new analytical work to investigate youth vulnerability in the labor market. The primary audiences for the outcomes of this project are World Bank and other donors and government officials seeking to: (i) advance structural reforms contributing to inclusive growth; (ii) develop safety nets and safeguards against possible adverse effects of globalization; (iii) extend social protection to low income, vulnerable workers, and (iv) take advantage of private sector initiatives aimed at improving working conditions and demonstrating responsible corporate behavior. The project consists of both individual country studies and cross-country studies. Dissemination seminars will be conducted in each of the countries under study discussing the results with Bank staff, local academics, local representatives of employers and workers, local government officials, experts and stakeholders from other countries studied, and experts and stakeholders from high income countries.

46. **TF055676 Africa Regional Labor Market Study ($105,000):** The program is part of an ongoing research project, which aims to deepen the understanding of the causes and consequences of poor employment performance in Africa. The program covers the second phase of the research program, which is data analysis. The survey is using data from over 20
poverty/vulnerability assessments in Africa, as well as data from local research institutes. No new data will be collected. The objective is to develop a rigorous analysis of the labor-poverty issues across 15 active IDA borrowers who are developing their labor market strategies as part of their PRSP. The analysis will help these countries benchmark their situation in comparison with others, and help develop a good understanding of the links between labor market, poverty and vulnerability. Two papers are being prepared. The first paper was been finished and presented at a Labor Markets in Africa conference in Nov. 2006, with over 100 African policy makers and donor partner participants. A second and final report will be disseminated through regional workshops and training programs scheduled for FY07. This are being organized in conjunction with WBI and the ILO training center in Turin.

3.2 Completed Activities

47. TF053971 Preparation of a Social Protection Strategy for Rwanda ($60,000): The grant objective was to support government preparation of a Rwandan social protection (SP) strategy. In November, 2005, Cabinet endorsed an Social Protection Strategy document that outlined a social risk management approach and an array of consonant activities but left priority setting, an implementation program, and a budget for subsequent steps. In February, 2006, as Rwanda implemented a major fast-track decentralization initiative, the Ministry responsible for Social Protection (MINALOC) concurrently explored ways to link donor TA and funding with national policy-making and District and Local government delivery of Social Protection assistance. Between November 2005 and October 2006, close cooperation on support for Rwandan Social Protection policy developed among a core group of donors (especially World Bank, UNDP, DFID, and UNICEF) and MINALOC. This stimulated cooperation among a broader range of donors, including other UN partner agencies, and led to various policy proposals that were discussed with relevant Ministers and staff. Other grant activities supported: a knowledge-sharing stakeholder workshop on Social Protection strategy development; three data acquisition and analysis activities (two of which were successful); planning of a nutrition and multi-faceted support program for HIV+ pregnant household heads and their children for MAP funding that has not yet eventuated; and publication of Rwanda: Assessment of Risk and Vulnerability and of Vulnerable Groups in June 2005. Since the grant closed in June 2006, Rwanda has also completed a public expenditure review for Social Protection, begun a further consultancy to elaborate and operationalize its Social Protection strategy, fielded a 2006 household survey on living conditions that is comparable with one from 2001, designed a new social assistance program to be implemented from 2007 with PRSG 3 budget support and with benefit-delivery managed at the District and Cellule (“village”) levels of Government; and (in March 2007) announced a major national policy initiative that expands the proposed scope and scale of the PRSG-supported initiative by combining social assistance, public works programs, microfinance, agricultural productivity improvement, credit improvements, training, and other elements within a broadly-based national initiative to reduce poverty substantially.”

4 Overall Implementation Progress

4.1 Overview of Activities

48. There are 26 active projects under the Social Protection Window: 4 remaining from the FY05 Call, 11 from the FY06 Call, and 11 from the most recent FY07 Call. Only one project closed in the reporting period, and a number of others are scheduled to close between February and June, 2007.
49. As noted earlier, the FY05 Call focused on specific vulnerable groups (orphans and vulnerable children, youth concerns more broadly) and on improving the knowledge base on disability, as well as expanding and mainstreaming programs and policies in World Bank activities to address the needs of people living with disabilities. Ten activities were initially funded in FY05, one was cancelled, five have been completed (one activity completed in this reporting cycle), and four are still ongoing. Three of the four ongoing projects are scheduled to be completed shortly (June, 2007), and one activity (TF053963 – Support for Mainstreaming Disability at the World Bank) was given $200K additional funds under the FY07 Call and the closing date extended through June, 2008.

50. The Social Protection Window operated under the same strategic priorities as other windows for FY06 and FY07, but in FY06 additional priority was given to projects that proposed to evaluate the impact of Social Protection policies and programs (linked to the focus in the general Call on activities to support downstream monitoring and evaluation of poverty, vulnerability, social and environmental impacts of Bank-sponsored activities), exploring links between risk and growth, vulnerability in the context of labor markets, and the special needs of aging populations. Twelve activities were approved and mapped to the Social Protection Window for FY06 (one was cancelled; the remainder are still ongoing) and eleven activities were approved and mapped to the Social Protection Window for FY07 (all underway).

Table 1: TFESSD Social Protection Window activities as of January 31, 2007

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<tr>
<th>Call/year</th>
<th>Activities approved</th>
<th>Activities ongoing</th>
<th>Closed activities</th>
<th>Activities in Africa (total)</th>
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<td>1</td>
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</tr>
<tr>
<td>FY07</td>
<td>11</td>
<td>11</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>33</td>
<td>26</td>
<td>7</td>
<td>21</td>
</tr>
</tbody>
</table>

51. A total of 21 (out of 33 approved) projects managed under the Social Protection Window involve work in sub-Saharan Africa, comprising just over 50% of current disbursements/commitments. Table 2 shows a list of AFR activities:

---

10 Projects assigned to the Social Protection Window in 2007 have less than 30% of funds allocated for work in Africa. This will bring down the Window’s share of AFR spending however project allocations are outside the control of window management.
Table 2: Social Protection Window: Supported Activities in Africa

<table>
<thead>
<tr>
<th>TF #</th>
<th>Country</th>
<th>Activity name</th>
<th>%</th>
<th>FY</th>
</tr>
</thead>
<tbody>
<tr>
<td>TF053963</td>
<td>Kenya</td>
<td>Quantitative Survey Development for Kenya</td>
<td>33</td>
<td>FY05</td>
</tr>
<tr>
<td>TF053966</td>
<td>Senegal</td>
<td>Improving Support to Vulnerable Groups in Senegal’s Poverty Reduction Strategy</td>
<td>100</td>
<td>FY05</td>
</tr>
<tr>
<td>TF053967</td>
<td>Mauritania, Congo</td>
<td>Orphans and Vulnerable Children (OVC) Toolkit Testing, Mauritania and Democratic Republic of Congo,</td>
<td>100</td>
<td>FY05</td>
</tr>
<tr>
<td>TF053971</td>
<td>Rwanda</td>
<td>Preparation of a Social Protection Strategy for Rwanda</td>
<td>100</td>
<td>FY05</td>
</tr>
<tr>
<td>TF054110</td>
<td>Benin</td>
<td>Discrimination of Orphans in Benin</td>
<td>100</td>
<td>FY05</td>
</tr>
<tr>
<td>TF054118</td>
<td>Ivory Coast,</td>
<td>Disability among Children and Poverty in Ivory Coast,</td>
<td>100</td>
<td>FY05</td>
</tr>
<tr>
<td>TF054203</td>
<td>Sub-Saharan</td>
<td>Youth in Africa: Poverty and Labor Market Opportunities</td>
<td>100</td>
<td>FY05</td>
</tr>
<tr>
<td>TF055617</td>
<td>Sub-Saharan</td>
<td>Risk, Growth and Poverty Reduction in Low Income Countries</td>
<td>33</td>
<td>FY06</td>
</tr>
<tr>
<td>TF055620</td>
<td>South Africa Lesotho</td>
<td>Scaling Up and Harmonization of an Integrated Approach to CDD, Decentralized Governance, Service Delivery and Participatory Local Development, in South Africa and Lesotho</td>
<td>100</td>
<td>FY06</td>
</tr>
<tr>
<td>TF055675</td>
<td>Ethiopia</td>
<td>Ethiopia Productive Safety Nets</td>
<td>100</td>
<td>FY06</td>
</tr>
<tr>
<td>TF055676</td>
<td>Africa</td>
<td>Africa Regional Labor Market Study,</td>
<td>100</td>
<td>FY06</td>
</tr>
<tr>
<td>TF055682</td>
<td>Kenya</td>
<td>A Qualitative Study on Disability and Living Standards, Georgia, Kenya and Yemen,</td>
<td>33</td>
<td>FY06</td>
</tr>
<tr>
<td>TF055759</td>
<td>Senegal</td>
<td>Informal Support for the Elderly, Senegal, Sri Lanka and India</td>
<td>33</td>
<td>FY06</td>
</tr>
<tr>
<td>TF055842</td>
<td>Nigeria</td>
<td>Support to Participatory Monitoring of the Nigeria National Economic Empowerment and Development Strategy (NEEDS),</td>
<td>100</td>
<td>FY06</td>
</tr>
<tr>
<td>TF055944</td>
<td>Zambia</td>
<td>Zambia: Strengthening Labor Market Information and Local Government for Shared Growth</td>
<td>100</td>
<td>FY06</td>
</tr>
<tr>
<td>TF057002</td>
<td>Eritrea</td>
<td>Tackling Vulnerability to Improve Usage of Health Services in Eritrea</td>
<td>100</td>
<td>FY07</td>
</tr>
<tr>
<td>TF057304</td>
<td>Malawi</td>
<td>Responding to Natural Disasters through a Community Driven Approach</td>
<td>33</td>
<td>FY07</td>
</tr>
<tr>
<td>TF057305</td>
<td>Southern Africa</td>
<td>Responding to Natural Disasters through Social Protection Instruments Including Vulnerable Groups (Disability, Gender)</td>
<td>33</td>
<td>FY07</td>
</tr>
<tr>
<td>TF057400</td>
<td>Southern Africa</td>
<td>Toolkit: Safety Nets for Natural Disasters</td>
<td>20</td>
<td>FY07</td>
</tr>
</tbody>
</table>

4.1.1 Progress of Ongoing Activities

52. Projects are generally progressing well and the pace of implementation has been satisfactory during the review period. TTLs tend to underestimate the time required for project implementation, and many request closing date extensions (typically 6-12 months). Delays are typically caused by changes or complications in country conditions e.g. elections, civil unrest and security concerns, and only rarely by staffing changes or shifts in work program priorities.

53. As noted earlier, all but four of the projects funded under the FY05 Call have been completed, three of the remaining four projects will be completed by end-June, 2007 (two projects were given extra funds for dissemination activities), and the remaining umbrella
project on disability has been topped up and the closing date extended. All projects financed under the FY07 Call have been set up and good progress is being made on implementation.

### 4.1.2 Closed Activities

54. One project closed during the period:

- TF053971 Preparation of a Social Protection Strategy for Rwanda

### 4.2 Disbursements and Commitments

55. Disbursements under the Social Protection Window are moving well. In aggregate, Social Protection has committed or disbursed $2.47 million (56%) out of $4.43 million since the window was opened in FY05. (Table 3) Over 85% of funds initially allocated in FY05 have been disbursed and three projects have been extended and given additional funds. The FY06 portfolio is disbursing well, and new projects approved in FY07 have gotten off to a good start. As noted earlier the aggregate share of spending in Africa hovers at 50% (see fnote 2).

#### Table 3: Social Protection Window: Disbursements and Commitments

<table>
<thead>
<tr>
<th>Social Protection Window</th>
<th>Receipts (US$)</th>
<th>Cumulative Disbursements/Commitments as of 1/31/07</th>
<th>Commitments as of 1/31/07</th>
<th>% of receipts disbursed/committed</th>
<th>Africa Portion of Disbursements/Commitments</th>
<th>Africa % of cumulative disbursements/commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activities approved in FY05</td>
<td>1.139</td>
<td>0.842</td>
<td>0.095</td>
<td>74%</td>
<td>0.523</td>
<td>62%</td>
</tr>
<tr>
<td>Activities approved in FY06</td>
<td>1.749</td>
<td>1.327</td>
<td>0.590</td>
<td>76%</td>
<td>0.632</td>
<td>48%</td>
</tr>
<tr>
<td>Activities approved in FY07</td>
<td>0.553</td>
<td>0.305</td>
<td>0.165</td>
<td>55%</td>
<td>0.085</td>
<td>28%</td>
</tr>
<tr>
<td>Window Account</td>
<td>0.989</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>4.430</td>
<td>2.474</td>
<td>0.850</td>
<td>56%</td>
<td>1.240</td>
<td>50%</td>
</tr>
</tbody>
</table>

### 4.3 Actions Taken or Recommended

#### 4.3.1 Annual Strategic Review by Sector Board

56. At the request of the Secretariat, a strategic review of Social Protection Window projects was undertaken during the reporting period with the aim of identifying and addressing problem projects, also responding to requests for additional funds. Criteria for identifying problem projects were provided by the Secretariat viz.

- **Overall slow movement in implementation and disbursement;**
- **No disbursement in the past 6 months or more;**
- **Outstanding commitments that are over a year old;**
- **The activity is unlikely to be accomplished after a year's extension;**
- **Satisfactory progress report is not delivered on time.**

57. The Social Protection Window portfolio is relatively small and delays in implementation are typically addressed when they come up over the course of the project cycle.
Moreover allocations to projects are generally modest. Several projects have been cancelled for slow start-up (actually no start-up), and several TTLs have been asked to reassess their work and provide updated implementation plans. However these problems occurred and were rectified in earlier review periods. Based on the most recent strategic review, all active projects are progressing satisfactorily.

### 4.3.2 Extensions, Fund Reprogramming and Cancelled Activities

58. A number of projects requested and were granted extensions (see Section 4.1.1) based on satisfactory progress and a clear implementation plan for completing the work during the extended period. There were no cancellations during the review period.

#### Fund Reprogramming

59. As part of the strategic review, all TTLs were asked if they required additional funds, with particular focus on funds to support dissemination and knowledge-sharing. At the time (December, 2006) the Window had approximately $175,000 in reflows (e.g. cancelled projects, returned funds) available to all projects and $210,000 in uncommitted FY07 funds available only to FY07 projects. Three criteria were used to determine additional allocations: (1) performance, including spending; (2) clearly articulated needs; and (3) regional priorities.

60. As a result of the strategic review and in response to TTL’s requests, the $175,000 was fully allocated to six FY05 and FY06 projects. Only one allocation was made out of the $210,000. Several others are under consideration, pending further progress on implementation. Additional allocations and projects are listed below.

- TF054203 (FY05) Youth in Africa: Poverty and Labor Market Activities ($21,875)
- TF054118 (FY05) Disability among children and poverty in the Cote d’Ivoire ($15,625)
- TF055540 (FY06) Impact Evaluation Project in Nicaragua ($45,000)
- TF055842 (FY06) Support to Participatory Monitoring of the Nigeria NEEDS ($25,000)
- TF055676 (FY06) Africa Regional Labor Market Study ($25,000)
- TF055590 (FY06) Informality, Globalization, and the Working Poor ($42,500)
- TF057003 (FY07) Policy Toolkit for Youth At-Risk ($35,000)
III. ADMINISTRATION AND GOVERNANCE

A. SEMI-ANNUAL MEETINGS

1. The semi-annual meetings are an important meeting place for the donors, Reference Group and Bank staff where they can:
   - discuss trust fund achievements and direction (content and governance structure)
   - exchange experiences and opinions on themes related to TFESSD priorities

2. The introduction of annual (and not semi-annual) reports raises questions about how the meetings could be used more strategically in the management of the trust fund. The annual report to a large extent sets the stage for the spring meeting. The report gives a framework for discussion of achievements under the trust fund and also invites discussion of governance issues. In addition the donors give early signals of prioritized themes for the next Call for Proposals. The open conference, which is arranged in connection with the TFESSD meeting, is loosely related to TFESSD and has a broad audience.

3. With more careful timing, the fall meeting could play a more strategic role in the priorities of the trust fund. The meeting could either be a forum for discussions related to the selection of themes for the next Call for Proposals (in early October), or it could take place with the review of Concept Notes (November/December). The purpose of the meeting (and thus the timing) is closely related to which roles the different stakeholders should play. In addition, the fall meeting is an important learning event with presentations and discussion of Bank work more or less related to TFESSD.

June meeting in Helsinki

4. The annual TFESSD consultation meeting was held on June 7, 2006. The consultation meeting followed an internal workshop where participants discussed the objectives of the Fund, roles and responsibilities of the Bank, the donors and the Reference Group and transactions costs/benefits connected to administration of the Fund. The Bank had sent out a draft of new funding procedures, which had been discussed by the donors and Reference Group prior to the meeting.

5. The consultation meeting approved the new procedures with some minor changes (Annex 4). The new procedures clarify, to a larger extent than earlier, the roles of the trust fund parties. The donors set the strategic direction for the trust fund by giving early signals on overall priorities. Based on these signals the sector boards suggest priority themes to the donors, who eventually select and allocate money to each of the themes. The relevant sector board is responsible for reviewing and prioritizing concept notes, and is also responsible for managing and monitoring funded activities. A technical review team, consisting of senior Bank staff from all of the four sectors, reviews all proposals and recommends proposals for approval by the donors.

6. In connection with the TFESSD annual meeting, the Norwegian-Finnish Reference Group organized the Sixth Annual Conference of the TFESSD on June 6, 2006. The title of the conference was The Role of the World Bank in Sustainable Development and Disability. The aim of the conference was to facilitate critical and well-informed dialogue between Bank staff and those concerned with development issues in Norway and Finland – researchers, students, NGOs,
civil servants, politicians, media, consultants and others – and to inform them about the Fund. There were about 70 participants at the conference, which was open to all. The agenda and background note for the conference are attached as Annex 5.

**November meeting in Washington DC**

7. The fall semi-annual consultation meeting was held on November 29, 2006. Since the donors have now agreed to annual TFESSD reports, this was the first consultation meeting with no written report to discuss. The main part of the program was dedicated to learning events with presentations by Bank staff and follow-up discussions. The program of the learning event is attached (Annex 6).

**B. FY08 CALL FOR PROPOSALS AND APPROVED PROPOSALS**

8. At the Helsinki meeting, the donors and the Bank agreed to introduce new funding procedures in FY08 (see above). As expected, there has been some confusion about how to interpret the procedures. Shortcomings have been revealed, and some of the stakeholders are skeptical to the new procedures as such. The experiences with the new procedures will be discussed at the consultation meeting. The procedures and steps of the funding procedure are described in detail below. Repeated delays from the side of the Bank made the concept note review process difficult for the Reference Group. The Bank has taken these shortcomings seriously and has established new internal routines.

**Selection of Priority Themes**

9. According to the new procedures, the donors should give signals early to the Bank about the thematic priorities for the next call for proposals. This was done by the donors at the consultation meeting in Helsinki. Among other things environment was a topic of major political interest in both Norway and Finland. In the minutes from the meeting it says: *The donors would together discuss potential FY08 themes and inform the Bank before the end of June (from minutes).*

10. In the email from the donors to the Bank it says:

> “After discussions within the Ministries for Foreign Affairs of Norway and Finland the Donors would like to prioritize the following themes in the FY 2008 TFESSD Call for proposals:

> Support work to operationalize the WDR 2006 on Equity and Development, particular with regard to how the findings and recommendation of the report can have an impact on the these themes:

> 1. Environment, with focus on natural resource management, biodiversity, water and sanitation, toxics, climate change (especially adaptation of the poorest countries) and access to clean energy
> 2. Decent work and the social dimension of globalization
> 3. Vulnerable groups including disabled persons”
11. According to the new procedures, each of the four Sector Boards should suggest a maximum of two priority themes each, based on the priorities given by the donors.

The Poverty Board and the Social Protection Board suggested jointly the following themes:
- Addressing the Needs of the Poorest and Most Vulnerable: Improving Access to Jobs, Integration into the Wider Economy
- More and better jobs for equity and social inclusion

The Environment Sector Board suggested the following themes:
- The role of institutions in protecting the productivity and resilience of ecosystems to enhance equity and sustainability.
- Analyzing and mitigating environmental health risks to promote quality of life, productivity and equity.

The Social Development Sector Board suggested the following themes:
- Informal Urban Settlements: Challenges and Opportunities
- Strengthening Local Governance

12. The donors commented on both relevance and quality of the Banks arguments for the suggested themes. They requested more information on all themes except for the two suggested by the Environment Sector Board, which were considered suitable for funding. The Poverty Board and the Social Protection Board were asked to consider combining the two themes as they overlapped. Further, the donors asked the Bank to present the actual text for the Call.

13. Responding to the donors, the Bank suggested the following text for the FY08 Call for Proposals:

“This call for concept notes invite proposals that support analytical work, operational examples and capacity building across the following priority themes:

(1) The role of institutions in protecting the productivity and resilience of ecosystems to enhance equity and sustainability

(2) Analyzing and mitigating environmental health risks to promote quality of life, productivity and equity

(3) Tenure security, livelihoods and access to municipal services for poor, urban slum dwellers

(4) Demand for effective local governance, focusing specifically on support to local governance institutions that promote:
  - sustainable natural resource management
  - an enabling environment for local livelihoods opportunities
  - opportunities for vulnerable and disadvantaged people to enjoy increased access to and influence over local decision making and hold authorities accountable for sustained service delivery

(5) Promoting decent work, social inclusion in the context of globalization, with specific focus on:
  - Understanding links between globalization, pro-poor growth, and the quality and quantity of employment
  - Overcoming constraints, inside and outside the labor market, that prevent poor workers from accessing decent jobs.
- Promoting inclusion and equitable access to decent work for vulnerable and other disadvantaged groups
- Improving labor market policies and institutions to provide income security for poor men and women

(6) Promoting equity, addressing the needs of the poorest and most vulnerable, with particular focus on empowerment, promoting security and better livelihoods for marginalized groups e.g. persons living with disabilities, at-risk youth, elderly destitute, widows and other disadvantaged women.”

14. According to the new procedures, the donors were to select a maximum of 5 priority themes for the call. However, the donors considered all the priority themes to be both relevant and of good quality and decided to approve all six themes. They allocated 25% of the funding to each of the themes from the Environment Sector Board (themes 1 and 2) and 50% funding for the other themes. As agreed in the new procedures, the donors later specified that 12.5% should go to each of the four themes outside environment.

**Call for Proposals**

15. A joint SDV-ENV-POV-SP Call for Concept Notes was sent out on October 30, 2006 to the Environment, Social Development, Poverty, and Social Protection sector families in the Bank. The call was also posted on the Bank’s internal website as well as on the TFESSD external website. (Annex 7)

16. As with the previous year the call consisted of a two-stage application process. The first stage was a call for submission of short concept notes by November 28, 2006. This deadline made it possible for the Bank to present a first overview of the received proposals to the donors and reference group at the TFESSD consultation meeting on November 29, 2006.

17. The TFESSD Secretariat received 101 concept notes (compared to 102 proposals last year). The requested funding for FY08 totaled $14,947,000 (compared to $8.818 million last year). [See Overview in Table 1]

18. The concept notes were assessed by the Sector Boards and the donors, who selected which should go forward to the second stage, based on strategic fit with TFESSD and Bank priorities. Each Sector Board was responsible for “their” themes. The review and selection criteria for the concept notes were the same as last year. Priority would be given to proposals that had the potential to achieve significant development impact and included activities that were:

- **innovative and catalytic**, setting the stage for future operations, clearly indicating the linkages of the proposed project with, and value added over, ongoing or planned regular Bank analytical, program or project activities
- **in line with sectoral and country strategies**, indicating how the proposed activities support and integrate with the national poverty reduction strategies and monitoring systems in the countries concerned and its relevance as input into Bank CASs
- **multi-sectoral**, interlinking themes relevant to social development, environment, poverty and/or social protection and including more than one network in the proposed activity
19. The list of concept notes, which were recommended to become full proposals, was sent to the donors for review. The donors and reference group provided useful comments and guidance on individual proposals and also questioned why two of the concept notes, which scored high on the outlined criteria, had been omitted. The Bank agreed to these comments and included the proposals in the list recommended for approval. Comments from the Sector Board, the peer reviewing Sector Board and the donors on individual concept notes were conveyed to the TTLs to serve as guidance in the preparation of full proposals.

20. Sixty-three finalists from the first round were invited to submit full proposals by March 5, 2007. The requested amount would represent approximately 1.5 times the amount available for FY08.

21. An overview of received and recommended proposals, as well as grant amounts by theme, is provided in the table below.
**TABLE 1: OVERVIEW OF FY08 TFESSD FUNDING**

<table>
<thead>
<tr>
<th>CN STAGE</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Concept Notes</td>
<td>Theme 1</td>
<td>Theme 2</td>
<td>Theme 3</td>
<td>Theme 4</td>
<td>Theme 5</td>
<td>Theme 6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>29</td>
<td>7</td>
<td>8</td>
<td>18</td>
<td>16</td>
<td>23</td>
<td>101</td>
</tr>
<tr>
<td>TFESSD TOTAL GRANT REQUESTED BY TTLs</td>
<td>12,910,000</td>
<td>2,092,000</td>
<td>2,835,000</td>
<td>3,555,000</td>
<td>2,770,000</td>
<td>1,675,000</td>
<td>25,837,000</td>
</tr>
<tr>
<td>TFESSD FY08 REQUESTED BY TTLs</td>
<td>7,375,000</td>
<td>1,042,000</td>
<td>1,735,000</td>
<td>1,720,000</td>
<td>1,920,000</td>
<td>1,155,000</td>
<td>14,947,000</td>
</tr>
<tr>
<td>TOTAL TFESSD FY08 APPROVED</td>
<td>3,820,000</td>
<td>842,000</td>
<td>910,000</td>
<td>1,475,000</td>
<td>1,190,000</td>
<td>1,035,000</td>
<td>9,272,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FULL PROPOSALS</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Proposals Received</td>
<td>Theme 1</td>
<td>Theme 2</td>
<td>Theme 3</td>
<td>Theme 4</td>
<td>Theme 5</td>
<td>Theme 6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>22</td>
<td>5</td>
<td>3</td>
<td>8</td>
<td>8</td>
<td>11</td>
<td>57</td>
</tr>
<tr>
<td>Number of Proposals Approved/Conditionally Approved</td>
<td>Theme 1</td>
<td>Theme 2</td>
<td>Theme 3</td>
<td>Theme 4</td>
<td>Theme 5</td>
<td>Theme 6</td>
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<td></td>
<td>15</td>
<td>5</td>
<td>2</td>
<td>6</td>
<td>6</td>
<td>11</td>
<td>45</td>
</tr>
<tr>
<td>TOTAL TFESSD GRANT RECOMMENDED BY SECTOR DIRECTOR</td>
<td>4,590,000</td>
<td>1,502,000</td>
<td>1,600,000</td>
<td>2,275,000</td>
<td>1,150,000</td>
<td>1,190,000</td>
<td>12,307,000</td>
</tr>
<tr>
<td>TOTAL FY08 GRANT RECOMMENDED BY SECTOR DIRECTOR</td>
<td>2,645,000</td>
<td>737,000</td>
<td>575,000</td>
<td>1,050,000</td>
<td>623,000</td>
<td>865,000</td>
<td>6,495,000</td>
</tr>
<tr>
<td>AFRICA SHARE FY08</td>
<td>59%</td>
<td>40%</td>
<td>57%</td>
<td>59%</td>
<td>59%</td>
<td>57%</td>
<td>56%</td>
</tr>
</tbody>
</table>
22. The TFESSD secretariat received 57 full proposals. TTLs of six concept notes did not submit full proposals within the deadline, or chose to withdraw the proposal. An amount of $6.5 million would be available for new activities in FY08 ($500,000 more that originally estimated).

23. The Bank asked the donors for some flexibility in the allocation to themes. The request was based on the result of the first stage of the Call. In view of the increasing importance of theme 4 (local governance) within the Bank, and an extensive demand for work under this theme, the Social Department Sector Board recommended to the donors that funding for theme 3 be reduced and the balance reallocated towards theme 4. The donors supported this and also agreed that the Environment Sector Board could consider a more flexible allocation between themes 1 and 2 until the full proposals were developed and evaluated. Demand for theme 1 exceeded the demand for theme 2, partly because the emphasis on Africa tilts the balance towards natural resource management issues.

24. This resulted in the following allocation to themes in the second stage (based on the early $6 million estimate):

<table>
<thead>
<tr>
<th>Theme</th>
<th>Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Theme 1 &amp; Theme 2</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>Theme 3</td>
<td>$550,000</td>
</tr>
<tr>
<td>Theme 4</td>
<td>$950,000</td>
</tr>
<tr>
<td>Theme 5</td>
<td>$750,000</td>
</tr>
<tr>
<td>Theme 6</td>
<td>$750,000</td>
</tr>
</tbody>
</table>

25. Last year all proposals competed across the different themes. With earmarked funding by themes, the proposals would this year compete only within the same theme.

26. The full proposals were reviewed by an independent technical review team. The team consisted of three technical reviewers appointed by the Environment, Social Development and Social Protection and Poverty Sector Boards.

27. The selection criteria for full proposals were the same as last year:

- realism and doability, clearly defined outcomes and discussion of development impact (30%)
- technically sound proposal, costs commensurate with work plan and products (30%)
- innovative and catalytic (20%)
- collaboration with (as appropriate) and capacity building within institutions in developing countries (20%)

Proposals that did not include a satisfactory plan for knowledge sharing and dissemination of the results would not be accepted for funding.

28. The TFESSD sector directors based their recommendations to the donors on the result from the technical review. The technical reviewers raised concerns about the quality of the proposals and overlap between some of them. This is reflected in the conditional approval of several proposals. In some cases, the sector directors disagreed with the technical reviewers where the director considers the proposal to be of corporate strategic importance to the network or the Bank.

29. Of the 57 received proposals the Bank recommended 23 proposals for approval and 22 proposals for conditional approval with a total funding of $6,495,000 for FY08 and $12,307,000
over the whole period. The Africa share is 56%. The Environment Sector Board indicates that they will allocate $132,000 more than what is allocated to theme 1 and 2. The additional allocation will come from savings from closed projects under the Environment Window. Social Protection and Poverty will allocate the remaining $137,000 to the FY08 activities based on good performance. Social Development has allocated the exact amount which was made available for themes 3 and 4.

30. The recommended list was sent to the donors for formal approval. The Finnish donor approved the recommendation for FY08 funding. The Norwegian donor approved the Bank's recommendation, given that the proposals which were recommended for conditional approval would be revised, resubmitted and approved by the Sector Boards. The Norwegian donor required a brief report on the process during the May meeting. The recommended list is attached. (Annex 8).

C. OTHER WORK/ISSUES

TFESSD reporting

31. In an attempt to reduce the administration costs of TFESSD and at the same time increase the quality of the strategic reporting to the donors, it was agreed to introduce annual reporting instead of semi-annually reporting to the donors.

32. In earlier years the fall report had focused more on concrete activities and results of individual activities, whereas the spring report had concentrated one overall direction and impact of TFESSD. These two aspects are now combined in one annual report. The intention is that the annual report should be a basis for discussion of strategic issues of concern to the trust fund administration and the donors and challenges under the trust fund. Last year the spring report included a special chapter on knowledge sharing and learning activities under the Environment and Social Protection windows (a similar stocktaking was done for the Social Development and Poverty windows in the 2005 spring report). This year we have included a chapter on “TFESSD's role and value added in the sector” in each of the window reports.

33. This is the first year that TFESSD used the web-based Grant Reporting and Monitoring (GRM) system, which is a Bank-wide reporting system developed for trust fund reporting. The GRM reports hopefully will provide more valuable information about individual activities than former progress reports. In addition to standard questions on grant objective and implementation of activity, the GRM includes a set of TFESSD specific questions. The questions focus on concerns of special interest to the TFESSD donors and/or are useful for monitoring purposes. The TFESSD specific questions are:

1. Will activities be mainstreamed into CAS, PRSPs, sector strategies etc.? If yes, give country specific examples.

2. Does the activity add value to existing or planned activities at the region/country level? Does it impact on Bank's lending policy? If yes, give country specific examples.

3. Specify activities/strategies for: a) Local capacity building; b) Knowledge sharing/dissemination; c) Partnerships. Please provide links to project related web pages, reports, conferences etc.
4. Does the project contribute to cross-sectoral and innovative work? If yes, give examples.

5. What are your planned disbursements for the rest of this FY and the coming FY (if relevant)? Is your budget still realistic? If not, why?

6. What percentage of total TFESSD grant goes to a) local institutions/consultants b) international institutions/consultants? Please name local/Norwegian/Finnish institutions that are involved in the project.

34. A donor version of all GRM reports on ongoing activities or activities completed during the reporting period are posted on the donor login and will also be accessible in the database. The reports will also be sent as a separate CD-ROM to the donors (Annex 11).

35. With the new reporting system for ongoing and completed trust fund activities, there is a need to revise the templates used for concept notes and full proposals. The information required when submitting proposals should be more in line with what the TTLs later will be asked to report on. The Bank will revise the template before the FY09 Call for Proposals.

36. Common procedures across the four windows for an annual strategic portfolio review have been established. Each of the four Sector Boards is responsible for undertaking this review in the fall. According to the guidelines, all ongoing projects (except for the ones approved in the last call) will be reviewed. “If the TTL cannot justify the status of their activity, the Sector Board should consider stopping disbursement, reducing budget or closing activity in case of:

- Slow movement in implementation and disbursement:
  o No disbursement in the past 6 months or more
  o Outstanding commitment that are more than one year
- One year extension has already been granted, but activity is not likely to be accomplished within the deadline.
- Failure to deliver satisfactory progress report on time.

37. As part of the review, the Sector Boards will also consider reallocating the savings to ongoing projects. Allocation should be based on good performance and clearly articulated need for additional funds in the last progress report. If there are more available funds than there are strong requests for additional allocations, the Sector Board retains the right to respond to ad hoc requests throughout the year.

38. The results from the fall 2006 review were presented to the donors at the November consultation meeting and are also referred to in the window reports.

Web page status

39. The Bank has continued to improve the web page both in design and content. New since last year is the “Database of Activities”. The database is easy to use and makes it possible for searching for activities by country, TTL’s name, theme, year approved, etc. The database is accessible for internal as well as external users and has been appreciated by donors and Bank staff. More links to knowledge sharing products of TFESSD activities, such as reports, web pages and conferences, have been posted under the window sites.
40. The Bank has analyzed the web traffic of the TFESSD website for the period covering March 2006 through February 2007. The report is attached as Annex 9. During the period covered in the report, the website had a total of 3,777 visits by 3,092 unique visitors. Approximately 53% of the unique visitors were World Bank staff.

41. The 3,092 unique visitors originated from 95 different countries, with more than 52% from the United States, seven percent from Norway and four percent from Finland. India, with 1.6%, was the only developing country with more than a one percent share of the visitors. The average time spent per visit exceeded six and a half minutes.

42. The most popular web pages were the TFESSD Homepage, “Calls for Proposals”, “Activities”, “About Us”, “Environment” and “Social Development”. The peak period for hits was November in connection with the Call for Proposals. Since the ‘Database of Activities’ was launched on June 2, 2006, the page has had 247 visitors.

Evaluation

43. The Evaluation Department in NORAD, together with the Unit for Evaluation and Internal Audit in the Finnish Ministry of Foreign Affairs, will evaluate TFESSD in 2007. The objective of the evaluation is to assess the influence of the trust fund on the work of the Bank and on client country’s policies or beneficiaries. The evaluation will also seek to assess the influence of the fund on the Bank’s work processes, in terms of increasing cooperation in the Bank across the thematic sectors and organizational units. The results of the evaluation will be used to decide future structure and governance for the fund. The evaluation is also expected to discuss the benefits and disadvantages of this type of trust fund model.

44. An Advisory Panel has commented on the Terms of Reference (Annex 10) for the evaluation and will provide comments on draft reports. The Panel consists of stakeholders and external resource persons familiar with the workings of the World Bank in the areas of Environment, Poverty Reduction and Social Development. The purpose is to contribute to quality assurance of the evaluation and to root the evaluation among stakeholders to ensure a greater learning potential throughout the process.

45. The evaluation of TFESSD was publicly announced for international tender on March 23, 2007. Final deadline for submission of tenders was April 27, 2007.
IV. FINANCIAL SITUATION

1. As of end January 2007, cumulative disbursements and commitments reached $71.07 million (as shown in Figure 1 and Table 1 below). This amount represents an increase of $3.39 million from the prior reporting period (October 2006). It should be noted that only three months have elapsed since the last reporting period, normally the duration of prior reporting periods was six months.

2. Increases occurred across all windows (details under individual window reports) with the Environment and Social Windows generating 26% which is the highest percentage of the increase compared to the other windows (15% for Social Protection, and 11% for Poverty).

   Figure 1 Cumulative Disbursements and Commitments as of January 2007

3. Overall, the level of cumulative commitments and disbursements as a percentage of receipts reached 80% compared to 84.4% from the prior year (May 2006), most likely due to the change in reporting period. The cumulative level of receipts by window ranges from Environment with 83.1% of the total, followed by Social with 80.2%, Poverty with 75.3% and Social Protection with 49.3%.
4. The cumulative commitments and disbursements for the Africa region reached $29.5 million, up $2.6 million from the May 2006 reporting period. The amount represents 44% of the cumulative total consistent with the prior period (45%). The Poverty and Social Protection Windows have higher rates of 57% and 50% respectively, compared to the Environment and Social Windows with 43% and 41% respectively.

5. Overall, World Bank trust fund disbursements for FY06 exceeded $4 billion but only about $249 million represented Bank-executed activities. As shown in Table 2 below, TFESSD disbursements of $13 million were 5.2% of the total. The majority of TFESSD disbursements were in the Africa region, comprising 6% of the total Bank-executed resources for the region.

| Table 1 |
| TFESSD: Receipts, Disbursements and Fund Balance |
| By Window |
| As of January 31, 2007 |
| ($million) |
| | Receipts | Cumulative Disbursed and Committed | Difference (10/31/06 to 01/31/07) | Fund Balance |
| Windows | | As of 10/31/2006 | As of 01/31/2007 | As a % of Receipts | |
| Environment | 33.001 | 30.184 | 31.080 | 94.2% | 0.896 | 1.921 |
| Social 1/ | 27.253 | 23.872 | 24.750 | 90.8% | 0.878 | 2.503 |
| Poverty | 9.679 | 7.868 | 8.255 | 85.3% | 0.386 | 1.424 |
| Coordination | 1.309 | 1.139 | 1.203 | 91.9% | 0.065 | 0.106 |
| Social Protection | 4.430 | 1.958 | 2.474 | 55.9% | 0.516 | 1.956 |
| Parent | 9.882 | | | | | |
| Other 2/ | 3.311 | 2.661 | 3.311 | 55.9% | 0.650 | |
| Total | 88.866 | 67.682 | 71.073 | 80.0% | 3.391 | 7.911 |

1/ Excludes the West Africa Hub Secondment Account
2/ Includes currency gain, investment income, and disbursement for administrative fees.

| Table 2 |
| FY06 Trust Fund Disbursements |
| Comparison of TFESSD with all Bank-Executed Trust Funds |
| By Major Bank Unit |
| $million |
| | All Bank-Executed TF | TFESSD | TFESSD % of All Bank TF |
| Regions | 123 | 7.419 | 6% |
| Of which Africa Region | 47.74 | 3.015 | 6% |
| Networks | 98 | 4.463 | 5% |
| Research, Training & Others | 28 | 1.059 | 4% |
| Total | 249 | 12.941 | 5.2% |
Fund Balance and Projections

5. The total uncommitted fund balance as of January 31, 2007 was $17.8 million (Table 3 below), representing funds remaining in trust fund accounts at various levels waiting to be committed under ongoing or future projects. The projected balance of 10.8 million will be used to support cash allocations to ongoing projects (FY07 and prior) and to fund the accounts to be established from the newly-approved proposals until the FY08 receipts from the donors arrive.

<table>
<thead>
<tr>
<th>Table 3</th>
<th>Projected FY08 Cash Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>($000)</td>
</tr>
<tr>
<td>FY08</td>
<td></td>
</tr>
<tr>
<td>Current Beginning Balance</td>
<td>17,793</td>
</tr>
<tr>
<td>Projected Balance at 6/30/07 1/</td>
<td>14,276</td>
</tr>
<tr>
<td>Minus: Projected Funding Needs</td>
<td></td>
</tr>
<tr>
<td>Program Coordination</td>
<td>275</td>
</tr>
<tr>
<td>Ongoing Projects 2/</td>
<td><strong>7,395</strong></td>
</tr>
<tr>
<td>Of which: Environment</td>
<td>1,399</td>
</tr>
<tr>
<td>Poverty</td>
<td>675</td>
</tr>
<tr>
<td>Social</td>
<td>3,921</td>
</tr>
<tr>
<td>Social Protection</td>
<td>1,400</td>
</tr>
<tr>
<td>FY08 New Projects</td>
<td>7,500</td>
</tr>
<tr>
<td>Subtotal</td>
<td><strong>15,170</strong></td>
</tr>
<tr>
<td>Plus: Contributions</td>
<td></td>
</tr>
<tr>
<td>Total Donor's contribution 3/</td>
<td><strong>12,350</strong></td>
</tr>
<tr>
<td>Norway</td>
<td>10,600</td>
</tr>
<tr>
<td>Finland</td>
<td>1,750</td>
</tr>
<tr>
<td>Contribution</td>
<td><strong>11,733</strong></td>
</tr>
<tr>
<td>(net of 5% fee and invest income)</td>
<td></td>
</tr>
<tr>
<td>Projected Balance at 6/30/08</td>
<td><strong>10,839</strong></td>
</tr>
</tbody>
</table>

1/ Transfers to be made before June 30th
2/ Net of commitments and disbursements to date.
3/ Assumed equivalent to FY07 receipts from the Governments of Norway and Finland net of 5% administrative fee and investment income.
As of January 31, 2007, donor contributions to the TFESSD totaled $86.95 million as shown in Table 4 below.

### Table 4

**TFESSD**

**Cumulative Cash Contributions**

**By Donor and Fiscal Year**

<table>
<thead>
<tr>
<th>Donor</th>
<th>Contributions Received (US$)</th>
<th>FY</th>
<th>Posting Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norway</td>
<td>3,083,295.71</td>
<td>00</td>
<td>Dec. 99</td>
</tr>
<tr>
<td>Norway</td>
<td>2,419,512.00</td>
<td>01</td>
<td>Jul. 00</td>
</tr>
<tr>
<td>Norway</td>
<td>4,493,711.00</td>
<td>01</td>
<td>Dec. 00</td>
</tr>
<tr>
<td>Norway</td>
<td>5,663,970.24</td>
<td>02</td>
<td>Sept. 01</td>
</tr>
<tr>
<td>Norway</td>
<td>292,015.00</td>
<td>02</td>
<td>Feb. 02</td>
</tr>
<tr>
<td>Norway</td>
<td>4,762,174.43</td>
<td>02</td>
<td>Mar. 02</td>
</tr>
<tr>
<td>Norway</td>
<td>210,493.40</td>
<td>02</td>
<td>Mar. 02</td>
</tr>
<tr>
<td>Norway</td>
<td>2,647,889.10</td>
<td>03</td>
<td>Dec. 17</td>
</tr>
<tr>
<td>Finland</td>
<td>1,321,538.72</td>
<td>03</td>
<td>Jan. 7</td>
</tr>
<tr>
<td>Norway</td>
<td>8,830,085.99</td>
<td>03</td>
<td>Feb. 12</td>
</tr>
<tr>
<td>Norway</td>
<td>5,705,238.80</td>
<td>04</td>
<td>Nov. 19</td>
</tr>
<tr>
<td>Finland</td>
<td>1,615,787.73</td>
<td>04</td>
<td>Dec. 31</td>
</tr>
<tr>
<td>Norway</td>
<td>5,762,443.20</td>
<td>04</td>
<td>Apr. 29</td>
</tr>
<tr>
<td>Finland</td>
<td>1,899,416.67</td>
<td>05</td>
<td>Oct. 27</td>
</tr>
<tr>
<td>Norway</td>
<td>5,581,473.00</td>
<td>05</td>
<td>Dec. 27</td>
</tr>
<tr>
<td>Norway</td>
<td>4,073,482.00</td>
<td>05</td>
<td>Jan. 10</td>
</tr>
<tr>
<td>Norway</td>
<td>3,201,614.96</td>
<td>05</td>
<td>Apr. 25</td>
</tr>
<tr>
<td>Finland</td>
<td>1,757,100.00</td>
<td>06</td>
<td>Nov. 10</td>
</tr>
<tr>
<td>Norway</td>
<td>5,636,515.86</td>
<td>06</td>
<td>Dec. 19</td>
</tr>
<tr>
<td>Norway</td>
<td>4,991,795.09</td>
<td>06</td>
<td>Apr. 20</td>
</tr>
<tr>
<td>Finland</td>
<td>1,990,590.00</td>
<td>07</td>
<td>Jan. 5</td>
</tr>
<tr>
<td>Norway</td>
<td>6,351,222.61</td>
<td>07</td>
<td>Nov. 29</td>
</tr>
<tr>
<td>Norway</td>
<td>4,660,701.04</td>
<td>07</td>
<td>Jan. 19</td>
</tr>
</tbody>
</table>

**Total** 86,952,066.55

Of which:

- Norway 78,367,633.43
- Finland 8,584,433.12

As of January 31, 2007
ANNEX 1 PORTFOLIO TABLE (LIST OF ACTIVITIES) – see separate excel file
## ANNEX 2  ENVIRONMENT’S ANNUAL STRATEGIC REVIEW

### TFESSD Annual Review of Environment Window Activities

**Financial data as of March 13, 2007**

**Projects on Watchlist**

<table>
<thead>
<tr>
<th>TF No.</th>
<th>Trust Fund Name</th>
<th>TM/Unit</th>
<th>Effec Date</th>
<th>Closing Date</th>
<th>Approved Grant Amt</th>
<th>Total Receipt</th>
<th>Cum. Disb</th>
<th>Outstand- ing Commit</th>
<th>Avail Bal (net of commit)</th>
<th>Grant Bal</th>
<th>Comments &amp; Proposed Next Step</th>
<th>Sector Board’s Recommendation/Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFR</td>
<td><strong>Africa Strategic Environment and Poverty Program</strong></td>
<td>A. Bouzaher</td>
<td>Sep-03</td>
<td>30-Jun-07</td>
<td>1,520,000</td>
<td>1,390,000</td>
<td>1,191,244</td>
<td>0</td>
<td>198,756</td>
<td>130,000</td>
<td>Requesting to reallocate $50k to a desk assessment of the linkages between climate change &amp; poverty in SSA for AFR Envi/NRM strategy. This TF has been extended 2x. TF was in watchlist in FY05 &amp; FY06 for substantive unused funds and late report. <strong>Proposed Action: Decline request &amp; reflow balance.</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Policies &amp; Incentives for Miombo Management</strong></td>
<td>P. Dewees</td>
<td>Sep-05</td>
<td>30-Jun-07</td>
<td>250,000</td>
<td>190,000</td>
<td>47,500</td>
<td>0</td>
<td>60,000</td>
<td>60,000</td>
<td>No disb in FY07. Proj is closing in 3 months, never been extended. TTL reported a delay in mobilizing team in the field, therefore an extension til end-December will be requested. <strong>Proposed Action: Discuss at SB</strong></td>
<td></td>
</tr>
</tbody>
</table>

- **AFR**
  - Given the slow progress of this activity during the last year, (disbursement was only $29k in FY07) and 3 months left to closing, the SB felt that this activity will not be completed, the request was declined and any unused funds will be reflowed to the Env window.
<table>
<thead>
<tr>
<th>ID</th>
<th>Title</th>
<th>Start</th>
<th>End</th>
<th>Budget</th>
<th>Committ</th>
<th>Total</th>
<th>Project Status</th>
<th>Proposed Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>56130</td>
<td>Managing Key Natural Resources in AFR</td>
<td>Dec-05</td>
<td>30-Jun-07</td>
<td>250,000</td>
<td>250,000</td>
<td>46,257</td>
<td>53,250</td>
<td>150,493</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Low disb, so far disbursed 40% of grant amt. FY07 disb/commit = $99.5k; $150.5k to commit in 3 months. TTL assures that entire amt will be disbursed this FY. Report ok. <strong>No action needed.</strong> No action will be taken at this time, project will be monitored closely.</td>
</tr>
<tr>
<td>57355</td>
<td>Computerized Tools for Contingency Planning &amp; Fund Mgmt.</td>
<td>Sep-06</td>
<td>31-Dec-07</td>
<td>140,000</td>
<td>14,000</td>
<td>0</td>
<td>0</td>
<td>14,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>No activity since activation, start-up implementation delayed due to procurement of consultant. FY07 disbursement plan $70k. Report can be improved. <strong>Proposed action: Monitor closely.</strong> No action will be taken at this time, project will be monitored closely.</td>
</tr>
<tr>
<td>57612</td>
<td>Pro-Poor Tourism in Zambia &amp; Ethiopia</td>
<td>Nov-06</td>
<td>31-Dec-07</td>
<td>100,000</td>
<td>25,000</td>
<td>0</td>
<td>0</td>
<td>25,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>No activity since activation. Report has not been submitted, no response from TTL despite several follow-up attempts. <strong>Proposed Action: Cancel TF if we do not hear from TTL by Friday, March 23.</strong> Report was received on Friday. No action will be taken at this time, project will be monitored closely.</td>
</tr>
<tr>
<td>MNA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>51598</td>
<td>Egypt: Poverty &amp; Natural Resources</td>
<td>Oct-02</td>
<td>30-Jun-07</td>
<td>300,000</td>
<td>300,000</td>
<td>189,237</td>
<td>101,158</td>
<td>9,605</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(1) Was in Watch List in FY04 &amp; FY06 for slow disb. (2) Extended 2x for a total of 3 years. GRM was submitted late. <strong>Proposed Action: Close TF account on June 30 no extensions will be granted, remaining balance will be reflowed to Env Window.</strong> Sector Board agreed with the recommendation.</td>
</tr>
<tr>
<td>TF Number</td>
<td>Project Title</td>
<td>PI(s)</td>
<td>Start Date</td>
<td>End Date</td>
<td>Total Disbursement</td>
<td>FY Disbursement</td>
<td>FY Commitment</td>
<td>Remaining</td>
</tr>
<tr>
<td>-----------</td>
<td>---------------</td>
<td>-------</td>
<td>------------</td>
<td>----------</td>
<td>--------------------</td>
<td>----------------</td>
<td>---------------</td>
<td>----------</td>
</tr>
<tr>
<td>57349</td>
<td>Yemen: Land Tenure for Social &amp; Economic Inclusion</td>
<td>J-P Tre MSNRE</td>
<td>Sep-06</td>
<td>30-Jun-08</td>
<td>150,000</td>
<td>15,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>57358</td>
<td>Adaptation to Climate Change in the MNA Region</td>
<td>R. Cervigni MNSRE</td>
<td>Sep-06</td>
<td>31-Dec-08</td>
<td>200,000</td>
<td>40,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>53902</td>
<td>Environmental Governance in Upstream Environmental Analytical Tools (CEA and SEA)</td>
<td>K. Ahmed ENV</td>
<td>Jul-04</td>
<td>30-Jun-07</td>
<td>350,000</td>
<td>195,000</td>
<td>64,081</td>
<td>6,620</td>
</tr>
</tbody>
</table>

**SDN**

- Requesting 1yr ext to ensure quality of deliverables, this will be the 1st extension, if granted. Disb/commit ratio is low. 30% in 3 yrs. FY07 disb/comm = $19.2k. Reason for delay "slower than expected process of initiating a pilot program on institution-centered SEAs." **Proposed action: Discuss at SB**

- Given the high relevance of this TF to the Env strategy and the Bank's corporate goal to strengthen strategic tools (CEAs and SEAs) and since this is the first extension. The SB agreed to grant a 1 year extension.

**Other Networks**

- MAURITANIA TECHNOLOGY FOSTERS TRADITION | K. Hudes LEGAF | Jul-02 | 31-Dec-07 | 184,500 | 184,500 | 159,656 | 24,212 | 632 | 0 |

(1) Was in watch list in FY05 & FY06 for slow disb, extended 2x. No disb in FY07. **Proposed Action: Close TF in Dec 2007 or sooner.** The SB agrees with the proposed recommendation.
### TFESSD Annual Review of Environment Window Activities

Financial data as of March 13, 2007

#### Request for Reallocation of Funds

<table>
<thead>
<tr>
<th>TF No.</th>
<th>Trust Fund Name</th>
<th>Task Manager/Unit</th>
<th>Effec Date</th>
<th>Closing Date</th>
<th>Grant Amt</th>
<th>Total Receipt</th>
<th>Cum. Disb</th>
<th>Outstanding Commit</th>
<th>Avail Bal (net of commit)</th>
<th>Grant Bal</th>
<th>Comments &amp; Proposed Next Step</th>
</tr>
</thead>
<tbody>
<tr>
<td>52779</td>
<td>Africa Strategic Environment and Poverty Program, A. Bouzaher</td>
<td>AFTS1</td>
<td>Sep-03</td>
<td>30-Jun-07</td>
<td>1,520,000</td>
<td>1,390,000</td>
<td>1,191,244</td>
<td>0</td>
<td>198,756</td>
<td>130,000</td>
<td>TTL is requesting to reallocate $50k (initially allocated to the bush encroachment) to a desk assessment of the linkages between climate change &amp; poverty in SSA, results will be used as a key input to updating the AFR Env/NRM strategy. (See comments in table 1) Proposed Action: Decline. SB's decision: Given the slow progress of the activity during the last year and the longevity of the activity, this request was declined.</td>
</tr>
<tr>
<td>55906</td>
<td>Mozambique Integrated Country Proposal, J.J. de St. Antoine</td>
<td>AFTH1</td>
<td>Oct-05</td>
<td>31-Dec-08</td>
<td>500,000</td>
<td>373,000</td>
<td>210,135</td>
<td>161,296</td>
<td>1,569</td>
<td>127,000</td>
<td>TTL is requesting to reallocate funds from the Comp1 ($125k) - PSIA of Urban Land Lease Marketability &amp; Comp3 ($55k) - Review of the Legal &amp; Instl Env for NRM to Comp 2-Ctry Integrated Pov, Soc &amp; Gender Analysis &amp; Comp 4-Finding better ways of delivering pro-poor svcs to achieve health-related MDGs. Comp 1 &amp; 3 will not be carried out for the ff reasons: Comp 1other resources are avail, &amp; due to staffing change. Proposed action: Approve. SB's decision: Approved.</td>
</tr>
</tbody>
</table>
## ANNEX 3  ENVIRONMENT’S EXTENSIONS, FUND REPROGRAMMING AND CANCELLED ACTIVITIES

TFESSD Annual Review of Environment Window Activities
Financial data as of March 13, 2007

### Request for Extension of Closing Date**

<table>
<thead>
<tr>
<th>TF No.</th>
<th>Trust Fund Name</th>
<th>TTL/Unit</th>
<th>Effec Date</th>
<th>Closing Date</th>
<th>Grant Amt</th>
<th>Total Receipt</th>
<th>Cum. Disb</th>
<th>Outstanding Commit</th>
<th>Avail Bal (net of commit)</th>
<th>Grant Bal</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>53858</td>
<td>Implementing Environmental &amp; Soc Accountability &amp; Governance in SMEs</td>
<td>D. Petkoski/WBIFP</td>
<td>Jul-04</td>
<td>30-Jun-07</td>
<td>155,000</td>
<td>155,000</td>
<td>98,385</td>
<td>31,488</td>
<td>25,127</td>
<td>0</td>
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<td></td>
<td>Requesting another 1 yr ext to complete activities in Tanzania, extended once for 1 year. Implementation was delayed due to change in the political climate in the countries (Ghana, Ethiopia) selected. Proposed action: Discuss at SB. SB’s Decision: Given that delay is beyond TTLs control and project has made substantial progress, SB agreed to make an exception and grant the request for 1 yr extension with a caveat that this will be the final extension.</td>
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<tr>
<td>53885</td>
<td>Integrating Environmental Issues in Poverty Reduction Strategies, Country Policies and Programs in the EAP Region</td>
<td>D. Biller EASOP</td>
<td>Jul-04</td>
<td>30-Jun-07</td>
<td>300,000</td>
<td>180,000</td>
<td>127,874</td>
<td>0</td>
<td>52,126</td>
<td>120,000</td>
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<td>Requesting for a 1 yr ext to carry out 2 new CEs in Timor Leste &amp; Phils, workshop in Malaysia and a demand-driven rural/urban flagship in the Phils. This will be the 1st extension, if granted. Disb/commit ratio in 3 yrs is about 43% of grant amt. FY07 disb/comm is $127.9k. Proposed action: Discuss at SB. SB’s Decision: Approve</td>
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<tr>
<td>53902</td>
<td>Environmental Governance in Upstream Environmental Analytical Tools (CEA and SEA)</td>
<td>K. Ahmed ENV</td>
<td>Jul-04</td>
<td>30-Jun-07</td>
<td>350,000</td>
<td>195,000</td>
<td>64,081</td>
<td>6,620</td>
<td>124,299</td>
<td>155,000</td>
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<td></td>
<td>Requesting 1yr ext to ensure quality &amp; deliverables from the Institutions and Governance Team in ENV in FY08. This will be the 1st extension, if granted. Disb/commit ratio is low, 30% in 3 yrs, FY07 disb/comm = $19.2k. Reason for delay “slower than expected process of initiating a pilot program on institution-centered SEAs.” Proposed action: Discuss at SB. SB’s Decision: Approved</td>
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<tr>
<td>Project Code</td>
<td>Title</td>
<td>Principal Investigator</td>
<td>Start Date</td>
<td>End Date</td>
<td>Budget</td>
<td>Actual</td>
<td>Variance</td>
<td>Status</td>
<td>Remarks</td>
<td></td>
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</tr>
<tr>
<td>55456</td>
<td>Zambia Nature Tourism</td>
<td>J. M. Pavy</td>
<td>Jul-05</td>
<td>30-Jun-07</td>
<td>170,000</td>
<td>170,000</td>
<td>98,898</td>
<td>19,849</td>
<td>51,254</td>
<td>0 Requesting for another 6 months extension to transform ESW results into a communication campaign in Zambia. Extended 1x for 1 yr. Proposed action: Discuss at SB. SB's Decision: Approved</td>
<td></td>
</tr>
<tr>
<td>55775</td>
<td>Policies &amp; Incentives for Miombo Management</td>
<td>P. Dewees</td>
<td>Sep-05</td>
<td>30-Jun-07</td>
<td>250,000</td>
<td>190,000</td>
<td>47,500</td>
<td>142,500</td>
<td>0</td>
<td>60,000 Requesting for a 6 months. Project was delayed due to administrative bottlenecks (e.g., econsult, contracts) causing further delay in mobilizing team in the field. No disb in FY07. Proposed action: Discuss at SB. SB’s Decision: Approve</td>
<td></td>
</tr>
<tr>
<td>55858</td>
<td>PROFISH</td>
<td>K. Kelleher</td>
<td>Oct-05</td>
<td>31-Dec-07</td>
<td>392,500</td>
<td>242,500</td>
<td>117,952</td>
<td>96,028</td>
<td>28,520</td>
<td>150,000 Requesting for a 1 year extension, this will be the 2nd extension, if granted. Project implementation in Guinea has not started due to political unrest. Most activities are completed/underway. Proposed action: Revisit later, too early to grant extension. SB’s Decision: Agree with proposed recommendation to revisit request as the date gets closer.</td>
<td></td>
</tr>
</tbody>
</table>

** 20 projects closing by June 30, 2007**

1. TF051310 Preparation of Toolkit for CEA
2. TF051598 Egypt: Poverty & Natural Resources
3. TF052540 Mainstreaming WB/WWF Alliance Targets into AFR Country Programs
4. TF052552 Adaptation of Agro-Ecological Systems to Climate Change in AFR
5. TF052779 Africa Strategic Env & Poverty Program
6. TF052820 Environmental Mainstreaming Phase II
7. TF052912 Diesel Pollution Reduction Strategies for Cities
8. TF052914 Bldg Local Capacity & Inst for Decentralized NRM
9. TF053858 Implementing Environmental & Soc Accountability & Governance in SMEs
10. TF053884 Adaptation Screen & Design Tool
11. TF053885 Poverty Reduction Strategies, Country Policies & Programs in the EAP Region
12. TF053892 South Asia Environment Strategy Implementation
13. TF053902 Upstream Environmental Analytical Tools (CEA & SEA)
14. TF053903 Community Empowerment for Cultural Heritage Protection in ECA
15. TF054302 Community Based Drought Mgmt for the Sust Use of Pastoral Resource in the Arid and Semi-Arid Zones of SSA
16. TF055456 Zambia Nature Tourism
17. TF055775 Policies & Incentives for Miombo Management
ANNEX 4  NEW PROCEDURES FOR TFESSD OPEN CALL FOR PROPOSALS

TFESSD Semi-annual meeting, Helsinki June 6-7, 2006

New Procedures for TFESSD Open Call for Proposals
During the last year there have been discussions both on the donor side and the Bank side on how to make
the TFESSD more focused and result-oriented while at the same time reducing transaction costs related to
the administration of the trust fund. These issues also raise questions about what role the donors, reference
group and the Bank should play and what incentives they have to secure good governance and greater
impact from funded activities.

The Norwegian and Finnish donors have agreed with the World Bank that new procedures for an open
call for proposals will be implemented for FY08. An open call, along the lines described below, is
transparent and gives all Bank staff the opportunity to compete for funding of innovative ideas and is
preferable to earmarked funding. If desired, a focus on specific countries or regions could be done
explicitly in the call; and use of local consultants and/or cooperation with local institutions will be one of
the selection criteria.

The timeline of the new procedures is set to better integrate the call for proposals with work program
planning in the Bank. The objective is to increase the relevance of TF activities to other work in the Bank
and at the same time secure that the TTLs include sufficient time in their work program for supervision of
the activity.

New procedures for open call:
1. June: The donors give a first signal on strategic direction and priorities for the following year.
2. September: The SDV, ENV, POV and SP sector boards suggest maximum two priority themes
each for an open call for proposals. The themes have to be cross-sectoral (minimum two sectors).
The list with suggested themes is sent to the donors.
3. October: The donors select maximum 5 themes from the list and allocate amounts (per cent of
funding in FY08) for each of the selected themes. Open call for concept notes is announced.
4. November. The sector boards review, rate and rank the concept notes related to their respective
theme(s). The sector directors serve as peer reviewers on the proposals put forward by other sector
boards. A list with recommended concept notes for all the themes including endorsements from
the “peer reviewing” director, representing 1.5 times the available amount is sent to the donors for
approval. The donors make sure that the recommended proposals do not violate agreed selection
criteria. The reference group gives advice to the donors.
5. January. Call for full proposals is announced.
6. February. Submission of full proposals. Each of the four windows is responsible for selecting and
financing an independent technical reviewer for the review team. The team will review, rate and
rank all the proposals. Neither the sector boards nor the donors will be involved in the review. The
list of recommended proposals will be sent to the donors for formal approval.
8. The sector board/window will manage the activities of their respective priority theme.

The new procedures clarify, to a larger extent than earlier, the roles of the trust fund parties. The donors
will set the strategic direction for the trust fund by giving early signals on overall priorities at the June
meeting. Further, they will be responsible for the actual selection of the priority themes of the open call.
They will allocate money to each of the themes up front. This will give clear signals of donor priorities
and will also increase predictability in TFESSD funding. The sector boards’ role will be to suggest
priority themes to the donors. They will be responsible for following up on their respective theme(s) if selected by the donors. More precisely they will secure the strategic fit of potentially funded activities (at the concept note stage) and later on manage activities that are approved. This will increase ownership and at the same time reduce transaction costs for the sector board and the window administration. In order to secure cross-sectoral activities, each concept note will be peer reviewed by a sector director from one of the other sectors. Other measures to secure cross-sectoral work will also be considered.
On behalf of the Finnish Ministry for Foreign Affairs, Unit for Development Financing Institutions, we have the pleasure of inviting you to attend The Role of the World Bank in Sustainable Development and Disability -conference in Helsinki on June 6.

The aim of the conference is promoting exchange of experience of World Bank and Finnish government authorities, representatives of NGO's and researchers.

The conference will highlight results from the work of Norwegian-Finnish Trust Fund for Environmentally and Socially Sustainable Development (TFESSD), presented by Steen-Lau Jorgensen (Acting Vice President, ESSD) and Laura Tlaiye (Window Manager, ESSD), and the challenges for sustainable development with focus on environment, presented by Warren Evans (Director, Environment, ESSD).

Furthermore, the conference concentrates on disability and it's challenges for the development. TFESSD activities concerning this subject are presented by Robert Holzmann (Director, Social Protection, ESSD) and a panel discussion Disability in a development perspective is chaired by Prof. Desmond McNeill from the University of Oslo.

We are looking forward to meeting you at the conference, which we hope will provide an excellent opportunity to discuss the World Bank policy concerning development and disability.

Pekka Hukka
Director, Unit for Development Financing Institutions

Please note that you are asked to register by May 22.
Registration: Marita Kritsos, marita.kritsos@formin.fi, +358 (0)9-160 56331
General information: Elina Leväniemi, elina.levaniemi@formin.fi, +358 (0)9- 160 55164
Lotta Karlsson, lotta.karlsson@formin.fi, +358 (0)9- 160 56334
Tuesday June 6

The Role of the World Bank in Sustainable Development and Disability
- Examples from TFESSD – a Norwegian-Finnish Trust Fund

10:00-10:15 Opening remarks
   Anneli Vuorinen, Deputy Director General, Ministry for Foreign Affairs

10:15-10:30 TFESSD – a Norwegian-Finnish Trust Fund
   Steen Lau-Jorgensen, Acting Vice President ESSD

10:30-11:15 Results from TF activities and how it has influenced the Bank’s work
   - PSIA Sabine Beddies, Social Scientist, Social Development, ESSD
   - ENV assessments and policy based loans Laura Tlaiye, Sector Manager, Environment, ESSD
   - Questions/comments

11:15-12:00 Challenges for sustainable development with focus on environment
   - Questions/comments
   Warren Evans, Director, Environment, ESSD

12:00-13:00 Buffet lunch

13:00-13:30 Disability
   - Results from the TF activities
   - Disability in the Bank and future challenges
   Robert Holzmann, Director, Social Protection, HDNVP

13:30-14:40 Panel discussions: Disability in a development perspective
   Chairman: Desmond McNeill, Research Professor, Center for Development and the Environment, University of Oslo

14:40-15:00 Concluding remarks

TFESSD internal workshop – discussions (chair: Ian Bannon)

15:15-16:15 Clarification of the objectives of TFESSD (donors, RG)

16:15-17:30 New Procedures for TFESSD Funding\textsuperscript{11} (Bank)

\textsuperscript{11} Presentation by the Bank, background paper will be sent out, will serve as reference for the discussions on roles/responsibilities and transaction costs/benefits
Wednesday June 7

(TFESSD internal workshop – discussions continues)

8:30-9:30   Roles and responsibilities (donors, RG, Bank)
9:30-10:30  Transaction costs/benefits
10:30-10:45 Coffee

TFESSD CONSULTATION MEETING
Chair: Pekka Hukka

10:45-12:15 Status of the TFESSD
   - Annual report
   - web page, data base
   - presentation of new web based reporting system (Carol Bonney)

Approval of five earmarked proposals

12:15-13:45 Lunch
13:45-14:15 Signals from donors on potential FY08 themes
14:15-15:15 Discussion of TOR for evaluation (Evaluation Unit)
15:15-15:30 Concluding remarks
   - Schedule for receipt of funds
Timing of November 2005 meeting and possible themes
## ANNEX 6  PROGRAM OF LEARNING EVENTS FOR NOVEMBER 2006
### CONSULTATION MEETINGS

**TFESSD Semi Annual Consultations**  
**November 28-30, 2006**  
**Washington, DC**

All meetings and presentations to be held in the World Bank’s Main Complex, MC- C1-200

### POLICY DAY - Tuesday November 28, 2006, 9:00 am – 5:15 pm

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
<th>Presenter/Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>9:00 am</td>
<td>Breakfast</td>
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<tr>
<td>9:15 am</td>
<td>Welcome – an overview of TFESSD and the Agenda</td>
<td>Steen Lau Jorgensen, Director, Social Development Department</td>
</tr>
</tbody>
</table>
| 9:30 am | Update and emerging issues                                          | Warren Evans, Director, Environment Department  
|         | Environment                                                          | Caroline Kende-Robb, Sector Manager, Social Development Department |
| 10:00 am| Social Development                                                   | Caroline Kende-Robb, Sector Manager, Social Development Department |
| 10:30 am| Social Protection                                                    | Sandor Sipos, Sector Manager, Social Protection |
| 11:00 am| Poverty                                                              | Louise Cord, Sector Manager, Poverty Reduction |
| 11:30 am| Coffee Break                                                         |                                   |
| 11:45 am| Mainstreaming of gender issues                                      | Waafas Ofosu-Amaah, Senior Gender Specialist, PRMGE |
| 12:30 pm| Lunch boxes                                                          | Peter Little, Professor and Chair, Department of Anthropology, University of Kentucky |
| 1:00 pm | Brown Bag Lunch (Optional) (MC4-100)                                 |                                   |
| 2:00 pm | Good Governance, Corruption and Social Accountability                | Brian Levy, Adviser, PRMPS        |
| 2:45 pm | Coffee Break                                                         |                                   |
| 3:00 pm | Operationalizing Country Environmental Analyses (CEAs) and Strategic Environmental Assessments (SEAs) | Kulsum Ahmed, Lead Environmental Specialist, ENV  
|         | Ghana CEA                                                            | Jean-Cristophe Carret, Natural Resource Economist, SASES (via VC)  
|         | Bangladesh CEA                                                       | Sameer Akbar, Sr. Environmental Specialist, ENV |
|         | Mexico Tourism SEA                                                   | Ernesto Sanchez-Triana, Sr. Environmental Engr., ENV |
| 4:30 pm | Disasters, vulnerable groups and productive safety nets – experimenting in Nicaragua | Renos Vakis, Economist, HDNSP |
Wednesday November 29, 2006, 8:30 am – 5:00 pm

TFESSD CONTRIBUTION - To what degree have the projects’ goals and results responded to demands at the country level? Good and bad experiences
9:00 am – 1:00 pm

<table>
<thead>
<tr>
<th>Time</th>
<th>Activity</th>
<th>Speakers</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:30 am</td>
<td>Breakfast</td>
<td>Vera Wilhelm, Senior Economist, PRMPR and Aline Coudouel, Senior Economist, LCSHS</td>
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<tr>
<td>9:00 am</td>
<td>The PRS Institution and Capacity Building Agenda: PRS-budget links and monitoring systems</td>
<td>Jean Jacques de St. Antoine, Lead Operational Officer, AFTH1 (via VC) Trond Vedeld, Sr. Social Development Specialist, AFTS1</td>
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<tr>
<td>9:45 am</td>
<td>Integrated country activities – ongoing activities. Experiences from working on integrated projects (local capacity building, connection to other Bank work, potential for mainstreaming partnership with other institutions, dialogue with local authorities) Mozambique Malawi</td>
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<tr>
<td>11:00 am</td>
<td>Coffee Break</td>
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<tr>
<td>11:15 am</td>
<td>Poverty, Vulnerability and HIV/AIDS in Zambia</td>
<td>Valerie Kozel, Sr. Economist, HDNSP</td>
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<tr>
<td>11:45 am</td>
<td>Progress in Marine and Coastal Management in Tanzania.</td>
<td>Indu Hewawasam, Sr. Environmental Specialist, AFTS2</td>
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<tr>
<td>12:15 pm</td>
<td>Social Development: Lessons Learned – Social Accountability Projects</td>
<td>Robert Chase, Lead Social Development Specialist, Social Development Department</td>
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<tr>
<td>1:00 pm</td>
<td>LUNCH SPEECH: “Agriculture for Development” – update on FY08 WDR MC C1 Dining Rooms D &amp; E Host: Steen Lau Jorgensen</td>
<td>Alain de Janvry, Consultant, DECWD</td>
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Semi Annual Consultation Meeting, 2:30 pm – 5:00 pm

<table>
<thead>
<tr>
<th>Time</th>
<th>Activity</th>
<th>Speakers</th>
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</thead>
<tbody>
<tr>
<td>2:30 pm</td>
<td>Welcome Remarks and Overview of the Agenda</td>
<td>Steen Lau Jorgensen, Director, Social Development Department</td>
</tr>
<tr>
<td>2:45 pm</td>
<td>Status of TFESSD Progress under the four windows, including results from strategic review Database GRM Overview of received Concept Notes: Potential Issues?</td>
<td>Kjell Nordlander, Sr. Resource Management Officer, TFO</td>
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<tr>
<td>4:00 pm</td>
<td>Coffee Break</td>
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<tr>
<td>4:15 pm</td>
<td>TFESSD Evaluation</td>
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<td>Time</td>
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<tr>
<td>4:45 pm</td>
<td>Concluding Remarks</td>
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<tr>
<td>4:45 pm</td>
<td>Schedule for Receipt of Funds</td>
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<tr>
<td>4:45 pm</td>
<td>May 2007 Meeting and possible themes</td>
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<tr>
<td>7:00 p.m.</td>
<td>Dinner at Sam&amp;Harry’s, 1200 19th Street, NW, Host: Warren Evans</td>
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**Thursday November 30, 2006, 9:00 am – 11:30 am**
(Joint TFESSD/NTF-PSI sessions)

<table>
<thead>
<tr>
<th>Time</th>
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<tbody>
<tr>
<td>9:00 am</td>
<td>Separate Program for the donors and RG12</td>
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<tr>
<td>10:30 am</td>
<td>The Sustainable Development Network (SDN)</td>
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<td>Katherine Sierra, SDN Vice President</td>
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12 Joint meeting for the TFESSD and NTF-PSI (Norwegian TF-Private Sector Infrastructure) with the Executive Director of the Nordic-Baltic chair

9:00-10:30 am The Role of TFs in board work:

- Brief introduction on TFESSD (Desmond McNeill, Reference Group Chair)
- Brief introduction on NTF-PSI (Jannik Lindbek, Reference Group Chair)
- TFs and board work (Svein Aass, Executive Director, Nordic-Baltic Office)
- Questions and comments
ANNEX 7 FY08 Call for Concept Notes

Trust Fund for Environmentally and Socially Sustainable Development (TFESSD)
FY08 Call for Proposals (First Stage)

I Background

The Norwegian-Finnish Trust Fund for Environmentally and Socially Sustainable Development (TFESSD) will allocate US$6-6.5 million in FY08 for a number of strategic proposals aimed at innovative work on the environmental, social and poverty-reducing dimensions of sustainable development. The intention is to encourage inter-linkages between these dimensions while supporting the implementation of the corporate strategies. 50 per cent of the funding will go to proposals on the two environmental themes (theme 1 and 2). Half of the overall funding will go to activities in Sub-Saharan Africa.

II Concept Note

The TFESSD FY08 application process will consist of two stages. This Call is the first step and seeks the submission of a short concept note. The concept notes will be assessed according to relevance to the Priority themes for FY08 TFESSD and the Selection criteria for Concept Notes as outlined below. Please see attached template for Concept Note.

In order to be considered:

- the concept note should be submitted by 17.00 hours (5:00 pm) (Washington, DC time) Tuesday November 28, 2006; NO DELAYS WILL BE ACCEPTED!
  (FYI: The list of concept notes will be presented to the donors on a meeting Wednesday November 29)
- the concept note should be cleared by the relevant sector manager before submission
- all the eligibility criteria listed below have to be met

The selection process for this first stage will take place in December and part of January. The finalists will be invited to submit a full proposal by February 13, 2007. You are encouraged to consult with your sector board member before submitting the proposal and copy him/her when submitting it.

Priority themes for FY08 TFESSD proposals

This call for concept notes invites proposals that support analytical work, operational examples and capacity building across the following priority themes:

(1) The role of institutions in protecting the productivity and resilience of ecosystems to enhance equity and sustainability

(2) Analyzing and mitigating environmental health risks to promote quality of life, productivity and equity

(3) Tenure security, livelihoods and access to municipal services for poor, urban slum dwellers

(4) Demand for effective local governance, focusing specifically on support to local governance institutions that promote:
- sustainable natural resource management
- an enabling environment for local livelihoods opportunities
- opportunities for vulnerable and disadvantaged people to enjoy increased access to and influence over local decision making and hold authorities accountable for sustained service delivery

(5) Promoting decent work, social inclusion in the context of globalization, with specific focus on:
- Understanding links between globalization, pro-poor growth, and the quality and quantity of employment
- Overcoming constraints, inside and outside the labor market, that prevent poor workers from accessing decent jobs
- Promoting inclusion and equitable access to decent work for vulnerable and other disadvantaged groups
- Improving labor market policies and institutions to provide income security for poor men and women

(6) Promoting equity, addressing the needs of the poorest and most vulnerable, with particular focus on empowerment, promoting security and better livelihoods for marginalized groups e.g. persons living with disabilities, at-risk youth, elderly destitute, widows and other disadvantaged women

TFESSD funds will not be utilized to finance current Bank operations; nonetheless the proposals will need to demonstrate operational relevance.

**Selection Criteria for Concept Notes**

Priority will be given to proposals that have the potential to achieve significant development impact. The Sector Directors for SDV, ENV, POV and SP and their respective Sector Boards will assess and rate the concept notes within each theme according to the following strategic priorities of the TFESSD:

- **innovative and catalytic**, setting the stage for future operations, clearly indicating the linkages of the proposed project with, and value added over, ongoing or planned regular Bank analytical, program or project activities
- in line with **sectoral and country strategies**, indicating how the proposed activities support in the design, implementation and monitoring of national poverty reduction strategies in the countries concerned
- **multi-sectoral**, interlinking themes relevant to social development, environment, poverty and/or social protection and including more than one network in the proposed activity

The three criteria will have equal weight, and each criterion will be given points from 0 to 3. Activities in Sub-Saharan countries will be given extra points.

The recommended concept notes will be listed according to the rating within each theme by the Sector Directors/Sector Boards. The recommended list and all concept notes will be sent to the Donors. The Donors’ list of approved concept notes will be sent to the TTLs who will be asked to submit a full proposal.

**Eligibility criteria for TFESSD proposals**
• **Eligible Task Managers:** The Trust Fund is Bank executed and proposals can only be submitted by, and task managed by, Bank staff who are accredited to manage trust funds. The TTL is accountable for ensuring that the Bank’s fiduciary responsibilities are met. Specifically, s/he ensures that TF proposals are consistent with donor agreements and program guidelines and that progress reporting and monitoring of the achievement of the TF outcomes and objectives are carried out.

• **Eligible expenditures:** Project preparation work will not be funded, nor components which could be funded as part of ongoing operations. Funds cannot be used for staff salaries, staff travel or grants. Eligible expenditures are consultant fees/travel, workshops, training, publications etc. Bank procurement regulations apply in all cases.

• **Eligible countries:** The TFESSD is limited to financing activities in countries included in the bottom three categories in the OECD/DAC ODA list.¹³ Fifty percent of TFESSD funds shall, according to the legal agreement, go to work in/on Sub-Saharan Africa. Elsewhere, preference will be given to IDA countries.

• **Bank Commitment:** At the time of the final proposal, TTLs must indicate adequate BB commitment to execute activities (i.e. cover staff expenses) and include the activity in the Work Program Agreement (WPA).

### III Full proposals

The details for full proposal submission will be provided to the finalists after the first stage. These proposals will be assessed by a group of Technical Reviewers. Here is information on the selection criteria for the technical review and the guidelines for how to submit a full proposal – **these pertain to the full proposal, not the concept note.**

#### Selection Criteria for Full Proposal

The full proposals will be rated against the following criteria:

- Realism and doability, clearly defined outcomes and discussion of development impact
- Technical sound, cost commensurate with work plan and products
- Innovative and catalytic
- Collaboration with and capacity building within institutions in developing countries
- Satisfactory plan for knowledge sharing and dissemination of the results

#### General guidelines

- **Funds release:** Work can span up to three fiscal years (FY08-10). While an overall amount is tentatively allocated when the project is approved, funds are released in installments as needed. Funding beyond the first year will be released based on good performance as reported in progress reports.

- Proposals should indicate **milestones and monitorable indicators,** especially if they are multi-year, since progress will be reviewed annually based on progress reports. They should include a **clear budget, with planned expenditures by type of expenditure, FY, and source of funds (BB, TFESSD, other sources).** There is no minimum or maximum limit per proposal, but we require you to use the same standards for budgets that you would use for regular ESW and other analytical work.

---

• Proposals for country-level work need to be approved by the Country Director or whomever the CD has designated to give such approvals (an email is fine, and should be attached when the proposal is submitted). Innovative upstream work such as forward looking operational research within the priority areas of the call may, in some cases, be considered for funding, without explicit country demand.

• The funds from TFESSD are untied. Developing country partners (experts and institutions), as well as potential partnerships with UN agencies, and Norwegian/Finnish researchers/ institutions are encouraged and should be indicated in the application.

**Deadline:** Proposals should be sent to Joyce Chinsen, with copy to Ann Hjetland, no later than 17:00 pm (Washington DC time), November 28, 2006. Incomplete or late proposals will not be considered!

**Timetable**
- Call for Concept Notes: October 30, 2006
- Deadline to submit Concept Notes: November 28, 2006
- Results of first stage sent to TTLs, Call for Full Proposals: January 18, 2007
- Deadline to submit Full Proposal: February 13, 2007
- Submission of final selection to the Donors: March 19, 2006
- Final decisions by Donors: end of March
- Activation of TFs: July

**For further information**
- Check the TFESSD website at www.worldbank.org/tfessd
FY08 TFESSD Funding Proposal
Concept Note *(One page Maximum)*

Project:
Task Manager: Estimated Total Budget:
Priority theme that the project relates to (1, 2, 3, 4, 5 or 6):
TFESSD Grant, Total/FY08: BB Commitment FY08:
Cleared by Sector Manager/Unit: Date:
List of Beneficiary countries (incl. % of grant going to activities in Sub-Saharan Africa):
List of Different Units/Networks involved:

<table>
<thead>
<tr>
<th>1) Brief description of the activities to be carried out, including Capacity building and Dissemination strategy</th>
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<table>
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<tr>
<th>2) Fit with Sector and Country Strategy, Grant Development Objective(s), Key Performance Indicators</th>
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<th>3) Expected Outputs/Results</th>
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## Annex 8 List of FY08 Approved Full Proposals

### Environment (Theme 1 & 2)

<table>
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<tr>
<th>CN#</th>
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<th>TTL</th>
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<th>FY08 Budget Recommended</th>
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<tr>
<td>79</td>
<td>Improving Governance for scaling up Sustainable Land Management in Nigeria, Malawi and Mali: Key institutional, financing and economic elements for sustaining ecosystem services and local livelihoods</td>
<td>C. Crepin</td>
<td>400,000</td>
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<tr>
<td>78</td>
<td>Institutional Preparedness for Managing Natural Hazards and Environmental Change in Sub-Saharan Africa</td>
<td>C. Crepin</td>
<td>520,000</td>
<td>280,000</td>
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<tr>
<td>71</td>
<td>Support to Development of the Kyrgyz National Strategy on Secondary Use of Rangeland Resources</td>
<td>M. Guadagni</td>
<td>130,000</td>
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<td>61</td>
<td>African Conference on Poverty, Environment and Growth (ACPEG)</td>
<td>J. Bojo</td>
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<tr>
<td>95</td>
<td>Community-managed approaches to sustainable livelihoods in India</td>
<td>P. Shah</td>
<td>150,000</td>
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<td>5</td>
<td>Western Indian Ocean Fishery (WIOFish)</td>
<td>W. Leeds Lane</td>
<td>200,000</td>
<td>100,000</td>
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<td>11</td>
<td>Developing Guidelines for Management of Environmental Information in World Bank and IDB projects</td>
<td>K. Ashida Tao</td>
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<td>98</td>
<td>Contractual Arrangements in Forest Mgmt: Seizing economic benefits at the local level</td>
<td>D. Chandrasekhar/K. Sander</td>
<td>150,000</td>
<td>150,000</td>
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<td>35</td>
<td>Measuring impacts of public disclosure systems for pollution abatement performance</td>
<td>H. Chalal</td>
<td>250,000</td>
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<tr>
<td>91</td>
<td>China Air Pollution Control Program: Improving Environmental Health and Climate Change Adaptation</td>
<td>J. Nygard</td>
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<td>77</td>
<td>Addressing Indoor Air Pollution in SSA</td>
<td>S. Margulis</td>
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<td>63</td>
<td>Reduce Exposure and Health Risks from Industrial Lead Pollution in India and Bangladesh</td>
<td>S. Ruck</td>
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<td>90</td>
<td>Strengthening institutions for better environmental outcomes in South Asia</td>
<td>K. Lvoisky</td>
<td>750,000</td>
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<td>86</td>
<td>Strengthening institutions and governance for improved environmental management</td>
<td>P. Pillai</td>
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<td>94</td>
<td>Integrating Ecosystem Data into Disease Forecasting Models</td>
<td>G. Platais</td>
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<td>Caspian Fisheries Management</td>
<td>A. Kiss</td>
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<td>W. Africa Regional Strategic Env Assessment of the Minerals Sector</td>
<td>P. Kristensen</td>
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<td>Social Policy Dimensions of Climate Change</td>
<td>A. Norton</td>
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<td>Decision Tools to support integration of NRM into Local Government Institutions</td>
<td>C. Peter</td>
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<td>58</td>
<td>Promoting Access to Global Mkts to Enhance Competitiveness of SMEs in E. Africa</td>
<td>D. Petkoski</td>
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## SOCIAL DEVELOPMENT WINDOW (Theme 3 & 4)

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<td>15</td>
<td>Cross-country studies on &quot;Strengthening Citizenship through Upgrading Informal Settlements</td>
<td>A. Dani / R. Buckley</td>
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<td>59</td>
<td>Building Demand-side Governance by the Poor</td>
<td>Carolyn Winter / Jacomina de Regt</td>
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<td>72</td>
<td>Improving Local Government Transparency and Accountability in Sub-Saharan Africa</td>
<td>Serdar Yilmaz</td>
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<td>84</td>
<td>Regional Integration Social Inclusion and Infrastructure</td>
<td>S. Keener</td>
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<td>31</td>
<td>Building the evidence base on effective approaches to Local Development</td>
<td>Ariel Fiszbein</td>
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<td>69</td>
<td>Action Learning for Inclusive Growth and Livelihood Development Opportunities in South Asia</td>
<td>N. Hayward / P. Shah</td>
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<td>68</td>
<td>Mainstreaming Good Governance and Social Accountability in Infrastructure: Water Supply and Sanitation and Urban</td>
<td>V. Bengoechea</td>
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<td>13</td>
<td>Promoting Effective Local Governance in MNA: Strengthening Accountability Mechanisms for Sustainable Development</td>
<td>W. Wakeman / S. Yilmaz</td>
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<td>6</td>
<td>The Livelihoods of internal migrants in urban areas: Patterns of exclusion and</td>
<td>Caterina Ruggeri</td>
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<td>rural-urban linkages</td>
<td>Laderchi</td>
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<td>55</td>
<td>Promoting Decent Work in Africa</td>
<td>Harold Alderman /</td>
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<td>Louise Fox</td>
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<td>23</td>
<td>India's National Rural Employment Guarantee - How does it Help the Poor?</td>
<td>Philip O'Keefe /</td>
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<td>Rinku Murgai</td>
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<td>Youth Employability in India and Bangladesh: Successful Approaches</td>
<td>Andrea Vermehren</td>
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<td>67</td>
<td>Earning your way out of poverty</td>
<td>Pierella Paci</td>
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<td>100</td>
<td>Child Labor and Conditional Cash Transfers (also include CN 75 'Capacity</td>
<td>Jean Fares/Azedine</td>
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<td>Building Learning Programs for CCT', AFR countries)</td>
<td>Ouerghi</td>
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<td>Finding Solutions for At-Risk Youth in Timor Leste</td>
<td>Maryam Salim</td>
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<td>21</td>
<td>Empowering Disabled People for Livelihoods and Inclusion - What Works?</td>
<td>Varalakshimi Vermuru/Philip O'Keefe</td>
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<td>Strengthening Capacity for Measuring Disability across South Asia</td>
<td>Susan E. Hirshberg</td>
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<td>39</td>
<td>Building and Evaluating Social Assistance for Rwanda's Poor and Vulnerable</td>
<td>Verdon Staines</td>
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<td>51</td>
<td>Youth Exclusion and Political Violence</td>
<td>Ian Bannon</td>
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<td>70</td>
<td>Promoting Equity for Ethnic minorities in Vietnam</td>
<td>Nina Bhatt</td>
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**CONDITIONAL APPROVAL**

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<td>2</td>
<td>Development of Participatory M&amp;E Framework for Nigeria Social Safety Net Program</td>
<td>Foluso Okunmadewa</td>
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<td>3</td>
<td>Ethnic Minorities, Poverty and Human Development - A Global Assessment</td>
<td>Harry Patrinos and Gillette Hall</td>
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<td>27</td>
<td>Identifying the Poor - Learning from Bureaucrats and Communities</td>
<td>Asmeen Khan</td>
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<td>44</td>
<td>Social and Economic Impact of Disability in Post-Conflict Countries (include some work described under CN 14, joint with AFTS3)</td>
<td>Charlotte McClain</td>
<td>150,000</td>
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<td>57</td>
<td>Flagship on Skills, Labor and Productivity</td>
<td>Emanuela di Gropello</td>
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ANNEX 9  WEB STATISTICS SUMMARY REPORT

The Trust Fund for Environmentally and Socially Sustainable Development (TFESSD) Web Site

March, 2006 – February, 2007

The following is a summary of the web traffic for the Trust Fund for Environmentally and Socially Sustainable Development (TFESSD) web site, for the period covering March, 2006 through February, 2007 (please see the accompanying spread-sheets for more comprehensive details):

During the period covered in this report, the TFESSD web site had a total of 3,777 visits by 3,092 unique visitors. The World Bank's web statistics software does not record the visits of people who hide/delete their cookies, thus the above number of total visits is likely to be under-estimated by up to ten percent. Approximately, fifty-three percent of the unique visitors were World Bank staff, logging in from the worldbank.org domain.

The 3,092 unique visitors originated from ninety-five different countries, with more than fifty-two percent from the United States, seven percent from Norway, four percent from Finland and three percent from the United Kingdom. India, with 1.6 percent, was the only developing country which had more than a one percent share of the visitors.

Fifty-five percent of the return visitors came back to the site within one day, while nearly fifteen percent came back anywhere between one and three days. Other categories included: three to seven days with close to twelve percent; seven to fourteen days with approximately five percent; and the remaining return visits fell in the longer than fourteen days range.

The average time spent per visit exceeded six and a half minutes: thirty-five percent of visitors spent less than one minute on the TFESSD web site, while the same amount of thirty-five percent spent anywhere between one to three minutes browsing the different web pages. Other significant visiting time intervals included: five to ten minutes with over twelve percent; ten to thirty minutes with nearly fifteen percent; thirty to sixty minutes with more than two percent; and the remaining two percent of the visits fell in the more than one hour category.

Out of the 12,105 individual web pages viewed during the above time frame, 3,775 consisted of visits to the TFESSD Homepage. Other notable viewed pages included: “Calls for Proposals” with 867 hits; “Activities” with 840; “About Us” with 467; “the Environment Window” with 396; and “Reports”, with 370 hits.

On a different note, the most popular documents downloaded from the TFESSD web site comprised: “FY07 Calls for Proposals” with 334 instances; “FY08 Calls for Proposals” with 209; “Trust Fund Brochure” with 100; “TFESSD 2006 Annual Report” with 96; and “DAC List of ODA Recipients” with 98 occurrences.

When it came to finding methods, approximately seventy percent of visitors used Google (including Google-Finland and Google-UK) as the preferred search engine to reach the TFESSD web site. Yahoo was next as the preferred search engine for approximately nineteen percent of visitors. As for the top search keywords used to find the TFESSD web site, “TFESSD” with 115 occurrences.
SEE SEPARATE EXCEL FILE FOR DETAILS AND CHARTS
ANNEX 10 TERMS OF REFERENCE OF EVALUATION OF TRUST FUND

Terms of Reference:
Evaluation of Trust Fund for Environmentally and Socially Sustainable Development (TFESSD)

Evaluation to be carried out jointly between the Unit for Evaluation and Internal Audit, Ministry of Foreign Affairs, Finland and Evaluation Department, NORAD.

1 Background and Description of the Evaluation Object

1.1 What is the TFESSD?
The Thematic Trust Fund for Environmentally and Socially Sustainable Development (TFESSD) was initiated by the Norwegian Ministry of Foreign Affairs, and established in 1999 in agreement between the Norwegian Ministry of Foreign Affairs and the World Bank.

The stated objective of the fund is to: “…act as a catalyst for the mainstreaming of environmental and social dimensions of sustainable development and for inclusion of these cross-cutting issues into the Bank’s operations, both at headquarters and in the field”\(^{14}\).

In 2002 the Finnish Ministry of Foreign Affairs joined the trust fund as a funding partner based on existing objectives.

The TFESSD mainly finances analytical and advisory activities in the thematic areas of environment, social development, poverty reduction and social protection, which should meet the criteria of being innovative, cross-sectoral and in line with country priorities. Only Bank staff can apply for funding. The Fund was seen as innovative and a new invention in the Norwegian bilateral cooperation with the Bank when it was set up. It focuses on non-core operation Bank activities, is willing to take risks, encourages innovation and knowledge sharing and have a model of inclusive management\(^{15}\). Furthermore, it has a decision-making structure and funding criteria that aims to influence the Bank to cooperate across sectors and organisational units, both at senior management levels, and at the activity level.

1.2 The rationale for the TFESSD
The TFESSD was originally set up to replace the existing Norwegian practice of managing several small trust funds (approximately 130 trust funds), which was, after ten years of practice, assessed by the Norwegian MFA as not being coherent, strategic and transparent enough in terms of affecting the Bank’s work. The support comprised environmental

\(^{14}\) Annex 1 to the legal agreement 2002 between Norway and the World Bank, available at the TFESSD website: www.worldbank.org/tfessd

\(^{15}\) The inclusive management model refers to the use of an ‘external’ reference group comprising Norwegian and Finnish academics and government employees, outside of the two ministries of Foreign Affairs and the World Bank, to advise on decisions to be taken.
initiatives that were individually negotiated with various units in the Bank, and it was not seen to have the desired impact on mainstreaming environment into the Bank operations. Restructuring the Norwegian support by establishing an umbrella Trust Fund was assumed to speed up the process of strengthening the Bank’s environmental development agenda, both internally in the Bank and in the development policy dialogues with the client country governments. It was also seen to strengthen the strategic focus of the donor support.

Another general argument for channelling support through trust funds is related to efficiency. It is assumed that trust funds contribute to harmonisation through the simplification of procedures on the donor-side, and through reducing administrative work on the part the Bank and for the donors.

Channelling support through trust funds is now part of the donors’ strategy to impact the work (that comes out) of the International Financial Institutions. Norway funds several such thematic Trust Funds amounting in 2006 to 434.5 millions NOK. Finland has in 2006 supported TFESSD with 1 500 000 Euros and, additionally, five other bilateral partnerships in the World Bank with 1 890 000 Euros.

1.3 Intended influence of the TFESSD
The objective of the TFESSD is to influence policies and practices of the World Bank. This is sought done by the thematic activities that it finances, by the cross-sectorial design of its decision-making architecture as well as its funding criteria.

The TFESSD finances thematic activities with the intention to influence the products of the Bank (increased attention to environment, social development and poverty reduction, and its inter-linkages, in analytical and advisory services, Country Assistance Strategies (CAS), policy dialogues, projects and programmes) and the way the Bank works. Knowledge networks and cross-sectoral cooperation is seen as ways to spread knowledge and enhance integration of these themes in the Bank’s core operations. The TF funded activities can be of a global or regional nature or be country-specific (for examples of activities, please see annex I). It is expected that the activity outputs can influence the client country’s policies if they are country specific, or beneficiaries if they are integrated in country level projects.

The fund involves the World Bank senior level management in four sector boards in its decision-making concerning individual activities. The idea is that this will influence attitudes.

17 “Proposition to the Storting No 1 (2005-2006))”, page 228.
18 In addition to TFESSD, Norway and the World Bank have several thematic Trust Funds. The most important among these are per 2006; Private Sector, Trade and Agriculture; Good Governance; Gender and Social Equalisation; Peacebuilding, Human Rights and Humanitarian assistance; and Petroleum and Energy (see “Proposition to the Storting No 1 (2006-2007)”, p. 213.
19 The bilateral partnerships Finland has funded in 2006 were the following: Parliamentary Network of the World Bank, World Bank Institute, Knowledge for Change Program, IFC/Technical Assistance Trust Fund and Finland-WB Staff Program.
20 The proposals submitted to the TFESSD for funding are assessed against three criteria:
1) Innovative and catalytic; 2) in line with country and sector strategies, and 3) Multi-sectoral, interlinking themes.
and behaviours of Bank staff in terms of increased cooperation between the Sector Boards and the sectors in the different regions, which again will result in changes in Bank policies and practices.

1.4 The context of the TFESSD
The Background for the TFESSD rests on the emphasis put by the two donors on inter-linkages between poverty alleviation, environmental degradation and sustainable development and the keenness to see these reflected in Bank practices and policies. These inter-linkages have been demonstrated, and globally acknowledged since 1992 (The Earth Summit in Rio de Janeiro) but were not yet reflected in Bank practices and policies towards the end of the 1990s. The weak performance in this area was documented in a 2002 OED evaluation of the Bank’s performance in the area of environment. The evaluation attributed the reasons for this to the lack of incentives and the sector orientation of the Bank’s organizational structure. The evaluation also found that the integration of environment in policy dialogues and in Country Assistance Strategies (CAS) had been limited.

However, in 2001 the Bank’s first explicit strategy for environment, entitled Making Sustainable Commitments was approved by the Board of the World Bank. This strategy firmly placed environment as an essential part in sustainable development. Other strategies incorporating environment have later followed, especially for each of the operational regions, but also in specific sectors, such as Water, Forestry and Rural development.

Norway has, together with Finland and other donors, as well as other actors such as Non Governmental Organisations (NGOs), for many years sought to improve the way the World Bank work with these cross-cutting themes in a context of sustainable development. Through the establishment of the TFESSD, Norway, and later joined by Finland, sought to do this in a strategic and targeted manner.

2 The Evaluation Purpose, Questions, Scope and Methodology:

2.1 Evaluation Purpose and Use

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21 “There have been few efforts to establish and build upon cross-sectoral links despite the obvious impacts that most sectors have on the environment”, Ibid. p. 14
22 Promoting Environmental Sustainability in Development. An evaluation of the World Bank’s Performance, by OED, World Bank, 2002
23 Moreover, at the World Summit meeting organised by the UN ten years after the Earth Summit, in 2002, the Bank launched its second environment-related WDR; Sustainable Development in a Dynamic World.
25 This coincided with the Norwegian and the Finnish development strategies in this area. For Norway, this coincided with the new strategy for environment in development: “Strategy for Environment in Development Cooperation” (2000), which emphasises the inter-linkages between poverty orientation, the role of women in environmental and natural resource management, and local participation in environmental assistance. For Finland this coincided with their process of going over from a consultancy trust fund based co-financing policy with the World Bank, to a thematically based co-financing. Finland joined the TFESSD because environment was already one of the key priorities of the Finnish Development Policy, and Norway a like-minded country. A common trust fund was considered as an administratively effective way of cooperating with the Bank.
The purpose for evaluating the Trust Fund for Environmentally and Socially Sustainable Development is two-fold:

1) To judge the value and contribution of the Fund in improving the way the Bank works with environment, poverty reduction and social development;
2) To suggest ways to improve the Fund and its governance.

The evaluation is intended to document results. Has the TFESSD achieved what it was set up to achieve? The evaluation shall also have a learning element, in terms of how the TFESSD has achieved its objectives, and if not, why. Both elements should be reflected in the methodology of the evaluation and in the evaluation process.

Recommendations of the evaluation will feed into the Bank’s and donors’ decisions on the structure and governance of the Trust Fund.

The main users of the evaluation will be the Norwegian and Finnish MFA’s as well as the Bank management.

2.2 Evaluation questions
The evaluation will have as its objectives to:

What:
1) Determine whether TFESSD has achieved its objectives by:
   Assessing the influence of the fund thematic activities on the Bank products (analytical and advisory services, lending documents, Country Assistance Strategies (CAS), policy dialogues, projects and programmes). Assess the influence of the Fund at country level policies or projects, through selected country studies. Is it possible to trace influence in the client country’s policies, or in specific projects at country level?

How:
2) Assess how influence was achieved or not.
   Assessing the potential for influence of the TFESSD on the way the Bank is working, judged by the TFESSD and its applicants. With influence in mind, is the TFESSD strategically a good candidate? How does the influence play out, and how can it be verified? Is it reflected in the Bank products? And is it reflected in the policies and practices of the client country?

2.3 Scope
The evaluation includes the following main evaluation elements:

Provide an overview of TFESSD
a) Describe the nature and background of the TFESSD, how it has evolved, and in which organisational and policy context.

b) Describe the TFESSD’s architecture, management, and governance structure (including the interaction between the Bank, the donors and the reference group), how this is adapted to the Fund’s objectives, and how it has evolved.
c) Present an overview of the activity portfolio covering country, regional and global levels.

d) Describe the Norwegian and Finnish policy on support to the Bank’s work in environment.

e) Map users and beneficiaries of the TFESSD.

*Develop an analytical framework for the evaluation*

f) Describe the analytical framework to be adopted for assessing influence of TFESSD activities on World Bank work processes, as well as policy and operations in client countries. Separate between inputs, activities, outputs, and outcomes, objectives and means to achieve objectives. How are outputs of the activities supposed to be channelled back into the Bank’s work?

g) Analyse the objectives, the hierarchy of objectives as well as the assumptions behind them (the programme theory(ies) and the theory (ies) of change for the trust fund). How does the proposed analytical framework relate to these theories?

*Assess the trust fund mechanism*

h) Assess the relevance of the TFESSD’s architecture in relation to the organisational context, its ambitions and objectives, procedures, and criteria. Is the TFESSD structure fitted to its original purposes?

i) Assess internal coherence in objectives and criteria (additional/integrated; risk/success; results/ broad scope; themes /criteria), as well as between objectives and the implementation logic.26

j) Assess the trust fund activities and come up with a typology for these activities. Based on the typology of activities, as well as other material reviewed and interviews conducted, propose countries for case studies at field level for in-depth analysis (see section 2.2.1).

k) Assess TFESSD in relation to its context, as one of serial trust funds for ESSD work and in relation to other trust funds addressing ESSD/same sector boards (ENV, SOC, POV, SOS PROTECTION).

l) Are there other trust fund models that would serve the purposes better in terms of improving the Bank’s work with environment, social development, protection issues and poverty reduction?

m) Is the current support from Norway and Finland coherent with the respective donors’ aid policies?

n) Assess the perceptions of users and beneficiaries of the usefulness of the fund relative to the purposes stated and their needs. How is the fund perceived by the staff in the sector units (‘anchors’), regional units, country level offices, project beneficiaries? Is it useful? In what sense?

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26 As part of this, and as relevant, define and discuss the use of the terms ‘catalyst’ and ‘mainstreaming’.
Assess the effects of the trust fund and its activities

o) Conduct an analysis of the influence of the TFESSD and its activities:
   - How has the fund affected the work processes internally in the Bank (cross-sectoral) by its structure and its activities?
   - To what extent, have the thematic priorities of the fund been adequately integrated, or mainstreamed into policies, lending instruments and analytical and advisory work of the Bank?
   - Has the design and performance of the Bank’s core operations improved?
   - What is the likely influence of the TFESSD activities on the client country policies and practices concerning environment, poverty reduction and social development?
   - Has the client country incorporated environmental concerns in its policies and practices as a result of the Bank support?
   - How has the TFESSD contributed to shaping donor policies on environment and development?
   - Has the TFESSD had an influence on the World Bank working methods outside of its thematic priorities and activities?

p) Assess whether these effects correspond to investments/ inputs. Are there any unintended consequences; negative or positive from the fund’s activities and procedures? Is the TFESSD easily replaceable with other funding sources (fungibility)?

Provide overall conclusions and recommendations

q) What factors, both internal and external, has enhanced or limited the effectiveness of the fund? Regarding limitations, how might these constraints be better addressed in the future?

r) Suggest ways to improve the fund and the way it operates, based on the findings. What are the benefits, and what are the disadvantages with the existing TFESSD governance structure, and what can be improved?

The evaluation of TFESSD will be undertaken according to the DAC criteria on evaluation of international development cooperation; efficiency, effectiveness, relevance and sustainability. For reasons of scope, time and resources, the impact criteria will not be applied in this evaluation.

2.4 Methodology
A mix of qualitative and quantitative methods should be used. A combination of theory-based and results-based evaluation approaches should be used. Country studies will be used to illustrate the likely extent, or not, of the influence of the trust fund in enhancing environmental polices and practices in client countries. It will be up to the consultant to suggest the method that can best answer the evaluation questions and to deal with challenges related to establishing when and how influence has been exerted. Influencing an organisation’s policies and practices are complex processes. Linear, cause and effect thinking contradicts the understanding of how processes occur in open systems where many different actors are involved. Given the multifarious and abstract nature of TFESSD activities, it is up to the evaluation team how it will attempt to isolate TFESSD activities from other factors that exert influence or with which they will interact in exerting influence on the Bank’s policies.
and practices. In the analysis the evaluation team shall separate between inputs, outputs and outcomes.

**Guiding principles:** triangulate and validate information, assess and describe data quality in transparent manner (assess strengths and weaknesses and sources of information). Highlight data gaps. Assessments shall be based on factual findings. Findings shall be based on reliable and credible data and observations.

2.4.1 **Data collection**

The evaluation team is responsible for data-collection. Access to archives will be facilitated by the donors and the Bank management.

The *desk study* shall comprise: collection and review of documentation such as TFESSD; decision memos in the two MFAs, legal agreements, minutes of meetings, semi-annual reports, concept-notes, reviews, project reports, Country Team reports, strategy and policy documents, Country Assistance Strategies (CAS), lending country policy-documents and other relevant documents on the lending country, TFESSD window manager reports, evaluations, studies, reports, independent reports, material produced as outputs of TF funded activities, relevant best practices, and other material as relevant.

*Interviews* will comprise a broad spectrum of informants, including past and present stakeholders in the Bank and the MFAs and in client countries; including various Bank staff (trust fund managers, task managers), primary beneficiaries and affected parties, academic institutions/think thanks, client country officials, other donors in the relevant countries, and other as relevant. Both surveys and in-depth interviews will be carried out.

The selection of country case studies shall be based on typologies and the preliminary analysis conducted as part of the inception report.

Countries selected should meet the following requirements (or as many as possible):

- Have a Finnish and/or Norwegian embassy
- Reviews or evaluation reports should be available from the TFESSD activities.
- There are both ongoing and/or recently completed TFESSD activities in the country,
- The country has extensive (resources, time, sectors covered) cooperation with the Bank, both pre- and post 1999, involving at least one of the four priority themes of the fund.

Validation and feedback workshops shall be held in all of the three countries before departure, involving those that have provided information, and others who are relevant.

Where relevant, gender shall be accounted for in the report, in the data collection, the analysis, and the findings and recommendations.

2.5 **Stakeholder involvement**

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27 TFESSD evaluation – Draft Concept Note 01.06.04; DM, BA, TV, LV, GP, KM, SJ.
Stakeholders will be involved throughout the evaluation process, to ensure relevance and informed discussions and analysis of the data material around certain “stop points”, such as commenting on ToR, on the inception report and in draft reports, and dissemination of the report. Stakeholders include the donors (the relevant staff in the relevant sections in the Norwegian and Finnish MFA, as well as in NORAD in Norway), the TFESSD reference group, the management of the fund, as well as Bank country teams (in the field and HQ), and from partner institutions in the countries concerned. Some will comment in the capacity as members of an Advisory Panel for this specific evaluation, others will be interviewed or consulted during the evaluation.

3. Work Plan, organisation and requirements

3.1 Work plan
The evaluation team should work in Oslo, Helsinki, Washington, and in the three case study countries. Desk reviews and interviews must be carried out on all sites and be part of Inception report. Interviews will be carried out of relevant staff in Oslo, Washington, Helsinki and in the country offices.

It is expected that the evaluation start up will be during the spring 2007, with inception report delivered after 5 weeks. A draft final report will be presented 1 October 2007. The final report will be submitted 15 November 2007.

<table>
<thead>
<tr>
<th>ACTIVITY</th>
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<tr>
<td>Announcement</td>
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<tr>
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<td>27 April 2007</td>
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<td>Inception report</td>
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<td>Final report</td>
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<td>Publication, distribution</td>
<td>30 November 2007</td>
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<td>Presentation seminar</td>
<td>Nov. 2007</td>
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3.2 Reporting
The report will be in English. The evaluation team shall adhere to the terminological conventions of the OECD/DAC Glossary on Evaluation and Results Based-Management\(^{28}\), as well as the NORAD Evaluation Guidelines\(^{29}\) and the attached report specifications (see annex II).

Evaluation products:

Final report
Country studies report
Executive summary in Finnish


\(^{29}\) See. [http://www.norad.no/items/4620/38/6553540983/Evalueringspolitikk_fram_til_2010.pdf](http://www.norad.no/items/4620/38/6553540983/Evalueringspolitikk_fram_til_2010.pdf)
The inception report should outline an evaluation framework, evaluation questions and suggest an evaluation approach, including a detailed methodology and data-collection strategy, which should answer satisfactorily to the task as described in the ToR. The choice of methods, criteria and (if relevant) indicators should be justified. The objectives of the TFESSD should be revisited in the inception report. The evaluation team should moreover present an overview and typology of TFESSD activities in the inception report, based on which the evaluation team shall suggest countries for case studies, and a more detailed budget for this part of the evaluation. The inception report will also contain a plan for further work (for structure of the report, see the attached Report Specifications). The inception report shall be submitted for approval to NORAD’s Evaluation Department. It will be discussed in the Advisory Panel. The Advisory Panel has a separate Terms of Reference.

The process and reports will be assessed against DAC evaluation quality standards. Findings will be discussed through workshops for relevant staff in Finnish and Norwegian MFAs as well as the World Bank and various partner institutions during the autumn 2007.

If some of the country case studies need to be translated in order to better involve primary beneficiaries and receive comments, a budget for this must be included in the Inception Report.

The reports will be in the name of the evaluation team, but be a joint publication of the Unit for Evaluation and Internal Audit in the Finnish MFA and the Evaluation Department in NORAD. It will be published by NORAD.

### 3.3 Organisation of evaluation management

This is a joint evaluation, with NORAD as a lead agency. The evaluation will be carried out by an independent team of consultants. The contract will be issued by NORAD, according to standard procurement procedures. Evaluation management will be carried out by NORAD, jointly with the Unit for Evaluation and Internal Audit in the Finnish MFA, but the evaluation team will report to NORAD Evaluation Department. All decisions concerning ToR, inception report, draft final report and the final report will be taken jointly between the two evaluation departments.

An Advisory Panel is established, chaired by NORAD Evaluation Department, with representatives from the Norwegian and Finnish MFA, as well as from the TFESSD management (the World Bank and the reference group) and external resource persons, to advice and comment on the evaluation process and the quality of products. The evaluation team must take note of the comments. Where there are significantly diverging views between the evaluation team and affected parties in the management of the trust fund, or its partners, these must be reflected in the report.

Financing of the evaluation will be of joint nature, but roughly according to size of the donor funding.

### 3.4 Evaluation team


31 The Finnish evaluation unit will take part in assessing the bids.
The team must have the following qualifications:

**Team leader**

- Proven successful team leading; the team leader must document relevant experience with managing and leading complex evaluations.
- Wide and extensive experience in evaluation principles and standards and good knowledge of international development in evaluation field
- Proven capability to write concise and analytical reports accessible also to non-professionals

**Team as a whole**

- Suitability and complementarities of the Team should be related to approach and methodology
- Background in social sciences, environment and economics.
- Experience and knowledge in evaluations, research and institutional impact analysis
- Good knowledge of development cooperation instruments, international development policies and donor community
- Familiarity with the World Bank organisation, operations and procedures and work in areas of environment, poverty reduction and social development
- Proven capability and track record in carrying out similar evaluations and reviews and capability to write reports
- Familiarity with the local context in the three case countries
- Gender balance in the team is an asset
- Cultural sensitivity
- Understanding of political analysis.
- Languages: English, Norwegian and Finnish
- A representative from a developing country in the team is an asset

There should also be an adequate and competent quality assurance system in place for the entire evaluation process and its products. The professionals involved in quality assurance system should have the necessary competencies and experience and not be part of the evaluation team.

**4.0. The tender process and choice of evaluation team**

The tender process will be international and in accordance with EU rules. The main competition criteria will be the quality of the team leader and the team, interpretation of the ToR and methods proposed, quality assurance systems in place and the availability of team members, and price. The team needs a high level of competence in development issues, especially in environment, poverty reduction and social development and protection, as well as knowledge of the World Bank and methodological competence (including competence in organisational change). The team leader should have extensive experience of major evaluations. The selection criteria will be defined in the invitation for tender. The invitation for tender will also include the expected time scale for the evaluation.
4.1. Mandate
The team is entitled to consult widely stakeholders pertinent to the Assignment, but it is not permitted to make any commitment on behalf of the Governments of Norway and Finland.

Any modification to this term of reference is subject to approval by NORAD and the Ministry for Foreign Affairs of Finland.

4.2 Budget
Number of person weeks stipulated: 44.
Annex I: Description of the TFESSD

TFESSD thematic foci and funding:
The Environment is the largest “window” of the Trust Fund in terms of total funding (USD 30.8 millions). It covers the following strategic objectives (as per 2006): a) natural resource management, b) poverty – environment linkages, c) environmental policies, institutions and programs, and d) environmental health. Natural resource management includes land and forestry management, water resource management and coastal zone management.

The second largest is the Social “window” which in total has received USD 24.6 millions, and covers governance and community-driven development related topics. In 2006 the following major themes were announced: a) community-driven development and local governance b) social inclusion and diversity in decision making c) poverty, social impact and empowerment d) innovations for improved governance and social accountability e) country/macro-level social analysis and f) global and regional social development strategies and initiatives.

The Poverty “window” covers the following areas in 2006: a) Capacity Building for Poverty Analysis, Monitoring and Evaluation, b) Poverty and Social Impact Analysis, c) Developing and Testing Successful Poverty Reduction Programs, d) Empowerment. The Poverty “window” has received in total USD 8.7 million.

The Social Protection “window” has received in total 2.6 millions as of June 2006, and covers the following areas: a) Vulnerable and at-risk groups, b) Risk, Growth and Poverty Reduction, c) Labor Markets and Employment, d) Risk and Vulnerability Assessments and Country Strategies, e) Pro-poor Interventions and Pilots, including CDD, f) Monitoring Accountability and Impact Evaluation.

The average level funding per project is 273 000 USD, varying from “window to window”, with the largest average project allocations to the Environment Window: approximately USD 318 000. In total 30.5 million USD divided on 97 projects.  

Projects that receive support can be individual ideas or elements of larger programmes and they also include advocacy, capacity building and knowledge network activities inside and outside the Bank. Only 100 out of 270 activities are country specific, 104 are regional and 66 are global (for instance work on supporting awareness and compliance with environment conventions). In terms of regional focus, a requirement is that more than 50 % of the projects activities that receive funding should take place in Africa. However, only 45 % of disbursed and committed funds have gone to activities in Africa (as per June 2006).

The TFESSD has since 1999 supported 270 projects in more than 50 low – and low middle income countries. Currently there are 125 ongoing projects. As of April 30 2006, donor contributions from the Governments of Norway and Finland to the TFESSD totalled USD 32

32 In total 30,5 million USD divided on 97 projects. Ibid. page 16. 
73.9 millions, of which USD 63 millions have been disbursed or committed. Norway contributed 67,356 millions while Finland has contributed 6,594 millions (as per June 2006), or approximately 9 %.

Outputs produced by the TFESSD are mixed, thematically and geographically, as well as in terms of type of project. Some are analytical studies i.e. on land policies and meant to be used globally. Others are tools such as the Poverty and Social Impact Analysis (PSIA)\(^\text{35}\), or training activities and activities aimed at building networks of practitioners.\(^\text{36}\) Some examples of project activities are:

- **Reports** such as the Trust Fund supported Report: “Land Policies for Growth and Poverty Reduction”\(^\text{37}\).
- Contributions to World Development Reports (WDR) such as “Sustainable Development in a Dynamic World” (WDR, 2003), and “Transforming Institutions, Growth and Quality of Life” (WDR, 2006).
- Pre-CAS analytical work
- Mongolia: A Poverty and Social Impact Analysis (PSIA) of the Cashmere Industry
- Worldwide: Land Policies for Growth
- Indonesia: Environmental Management
- Albania and the Kyrgyz Republic: Local Governance and Accountability
- Zambia: Poverty and Vulnerability Work
- Senegal: Groundnut Sector Liberalisation
- Guinea: Conflict Risk and Vulnerability Assessment

**Management of TFESSD**

As Wolfowitz has decided in June 2006 to reduce the number of Networks from six to four, ESSD will be combined with the Infrastructure Network (INF) into a new network called Sustainable Development (SDN), to be led by current Vice President of INF. The Social Development Department administers the TFESSD on behalf of the Vice-President for Sustainable Development, who is the formal point of contact between the Bank and the donors.

Three Vice-presidencies are involved in the TFESSD management: the Vice-Presidency for SDN (Social Development Department and Environment Department), the Vice-Presidency for Poverty Reduction and Economic Management, PREM (Poverty Reduction Department) and the Vice-Presidency for Human Development, HD (Social Protection Department). The Sector Directors of Social Development, Environment, Poverty Reduction and Social Protection are chairs of their respective sector boards. Each sector Board comprises members from the regional units and the other sectors in the Bank. The sector boards oversee the

\(^{35}\) **Poverty and Social Impact Analysis (PSIA)** is one of the products of the TFESSD. In 2002 the TF funded the first six PSIAs in the world, in partnership with the UK Dfid. PSIA entails studying the effects of policy reforms on the well being of different stakeholder groups, but specially the poor and vulnerable, to inform Poverty Reduction strategies. It is claimed that the TF’s flexible support at a critical time provided an opportunity to move from idea to pilot to systematic reality.

\(^{36}\) Community Driven Development (CDD) covers (block grants to water pumps, community health posts) and CDD training programs. Participants from community as well as government agencies to understand what CDD means in their own context, and learn how to the implement CDD approaches in their own country to address a variety of situations. The program created a network of CDD practitioners in Africa.

management of their respective TFESSD “window”, through a Window Manager. They meet once or twice a month (an overview figure to be included in an annex).

A call for proposals is issued once a year. It specifies thematic priority areas of interest to the four sectors. These reflect the donors’ and the Bank’s priorities. The donors set the strategic direction for the trust fund by giving early signals on overall priorities. The sector boards' role is to suggest priority themes to the donors, and the donors are responsible for the actual selection of the priority themes of the open call. Every year a number of concept notes are received from bank staff in country offices and headquarter. In 2006, 102 concept notes were received. Out of these, 53 finalists were asked to submit full proposals. As it is a Bank-executed TF, only Bank staff can apply, but collaboration with and capacity-building within institutions in developing countries is encouraged. A technical review team screens and recommends proposals for final approval by the donors.

A reference group comprising specialists and independent academics in Norway and Finland working in the field of environment, social development and poverty reduction was established to “encourage and improve the dialogue” between the Bank TF management and “with donor agencies, research institutions, NGOs and other interested parties”. The reference group includes members from outside the Bank and the MFAs, for example from the University of Oslo, NORAD, and different Ministries in Finland and Norway.

The proposals are rated and reviewed by a technical review team independent from the TF management and the donors.

38 In 2005, 87 were received.
39 50 proposals were finally submitted, of which all were approved, many of them subject to budget cuts.
40 The proposals are rated and reviewed by a technical review team independent from the TF management and the donors.
Annex II: Specifications concerning the final report for NORAD Evaluation Department

General information
The report shall be elaborated in two phases: a draft final report and a final report. The draft final report shall contain all the main elements and major arguments, findings, conclusions and recommendations that are to appear in the final report. The draft final report shall follow the same outline as the final report.

The report shall strive to convey its insights in an informative, clear and concise way. Disciplinary terminology shall at best be avoided, at least defined. The reports shall be delivered edited, language vetted, and proofread, ready to be printed. NORAD Evaluation Department does nevertheless retain the right to make linguistic and numerical corrections, including editing that does not change the contents of the report, in which case the consultant shall be informed.

The synthesis report shall not exceed 40 pages, annexes excluded, which demands giving explicit priority to the descriptions, insights, conclusions and recommendations to be included in and omitted from the report. Keep footnotes to a minimum.

The text shall be written preferably in Microsoft Word. The font of the body matter shall be Timer Roman 12 points or equal. The margins shall be 2.5 cm.

Each report shall be submitted to NORAD Evaluation Department in 3 paper copies and electronically (by USB or by E-mail).

The contents of the report
The report shall be organised according to the following template:

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<td>Table of Contents</td>
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<td>Annex 1: Terms of Reference</td>
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<td>References</td>
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Explanations to the contents of the report

- Front page
  The front page shall contain the title of the report
  The name of the firms responsible for the report
  The name of the persons having worked on the report, including, if wanted, the specification of the team leader

Table of Contents
Abbreviations
Fact Sheet
  The Fact Sheet, covering ½ to one page, shall contain the name of the operation evaluated, its main objective, major activities under the operation, those responsible for implementing the operation, the time period of operation, the amounts allocated or spent on the operation, its major geographical focus, other information deemed relevant by the team to give a brief insight in the operation evaluated.

Executive Summary
  The report shall contain an Executive Summary of maximum 4 pages. The executive summary is the most read part of the evaluation report. Particular emphasis must be put on the presentation and choice of contents in the summary. It should function a self-contained unit, and not refer to other parts of the report.

Introduction or Background
  The introduction should include a presentation of the operation to be evaluated, and situate it with reference to policy documents.

Chapters containing description and analysis of the operation
Conclusions
  The conclusions should be well documented in the descriptive and analytical chapters preceding it.

Recommendations
  The recommendations should be few, and be based on the preceding description, analysis and conclusions. An effort should be made to present recommendations that are realistic, and define where responsibility for the follow-up of the recommendation should lie.

Annexes
  - Annex 1: Terms of Reference
  - Annex 2: List of institutions and persons consulted
  - Other annexes may be added at the choice of the consultant.
References

The report shall contain a full bibliography of works referred to or cited, organised alphabetically. The references shall preferably follow Oxford’s Manual of Style; In the text the last name of the author, followed by the year of publishing, shall be presented in parenthesis. At the very end of the report, the References shall be presented in alphabetical order, according to the author’s name and year of publishing as referred to in the text.
ANNEX 11 PROGRESS REPORTS OF ONGOING AND RECENTLY COMPLETED ACTIVITIES (sent separately in CD-ROM)