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THE KNOWLEDGE COMPACT FOR ACTION: TRANSFORMING IDEAS INTO DEVELOPMENT IMPACT

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For a World Free of Poverty on a Livable Planet

April 2024



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Photo p. v: Manik, a solar pump operator for Nusra, Bangladesh. ©Dominic Chavez/World Bank.

Photo p. 22: The African Center of Excellence in the Internet of Things (ACEIoT), Rwanda. ©Kelley Lynch/ World Bank.

Photo p. 25: Community meeting, India. ©Simone D. McCourtie/World Bank.

ABBREVIATIONS

| | |
|-------|-----------------------------------------------------------|
| ACE | Africa Centers of Excellence |
| AI | Artificial intelligences |
| AI4D | Artificial intelligence for Development |
| ASA | Advisory Services and Analytics |
| CCDR | Country Climate and Development Report |
| CEM | Country Economic Memorandum |
| CEO | Chief Executive Officer |
| CGIAR | Consultative Group on International Agricultural Research |
| CLASS | Core Learning Academy and Solutions Services (SPJ) |
| CMU | Country Management Unit |
| COP | Conference of the Parties (Climate Change) |
| CPF | Country Partnership Framework |
| CPSD | Country Private Sector Diagnostics |
| CSO | Civil Society Organization |
| DEC | Development Economics |
| Dfi | Development Finance |
| DFI | Development Finance Institutions |
| DIME | Development Impact Evaluation |
| EFI | Equitable Growth, Finance, and Institutions |
| EIB | European Investment Bank Group |
| EMDE | Emerging Market and Developing Economies |
| ESG | Environment, Social, and Governance |
| ESMAP | Energy Sector Management Assistance Program |
| EU | European Union |
| FCS | Fragile and Conflict-Affected States |
| GAVI | The Vaccine Alliance |
| GCC | Gulf Cooperation Council |
| GCP | Global Challenge Program |
| GEM | Global Emerging Market |
| HD | Human Development |
| IBRD | International Bank for Reconstruction and Development |
| ICR | Implementation Completion and Results Report |
| ICT | Information and Communications Technology |
| IDA | International Development Association |
| IEG | Independent Evaluation Group |
| IFC | International Finance Corporation |
| IMF | International Monetary Fund |
| INF | Infrastructure |
| ISR | Implementation Status and Results Report |
| IT | Information Technology |

| | |
|--------|------------------------------------------------------------------|
| KML | Knowledge Management and Learning |
| LLM | Large Language Models |
| MALENA | IFC's Machine Learning ESG Analyst |
| MDB | Multilateral Development Bank |
| MIGA | Multilateral Investment Guarantee Agency |
| ODA | Official development assistance |
| OPCS | Operations Policy and Country Services |
| PAD | Project Appraisal Document |
| PCR | Project Completion Report |
| PEA | Poverty and Equity assessments |
| PSR | Project Supervision Report |
| SD | Sustainable Development |
| SDG | Sustainable Development Goals |
| SFK | Strategic Framework for Knowledge |
| SPJ | Social Protection and Jobs |
| UN | United Nations |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| WB | World Bank (IBRD/IDA) |
| WBG | World Bank Group |
| WBI | World Bank Institute |
| WPA | Work Program Agreement |

EXECUTIVE SUMMARY

- i. Today's global challenges are bigger, more complex and more intertwined than ever before—from the relentless grip of poverty and stubborn persistence of inequality to the devastations caused by climate disasters, fragility, pandemics and conflicts. Financing and investments alone cannot solve these problems in a global context of higher debt and scarce resources. Now more than ever, clients are demanding innovative ideas and successful experiences from other countries to tackle the ongoing and emerging global crises, regain the development progress of past decades and move faster towards achieving the Sustainable Development Goals.
- ii. At the same time, recent breakthroughs in technology, including the rapid advances in artificial intelligence, offer enormous potential to revolutionize development work. Policymakers and practitioners across the globe are poised to benefit from new tools to innovate, take action based on evidence and accelerate the transformation of new ideas into development outcomes that improve lives of the poor.
- iii. The World Bank Group (WBG) is adapting its knowledge architecture to meet client demand for new ideas to tackle development challenges. While there are many examples of WBG knowledge and innovations at the country level being adapted and scaled up to benefit clients in other countries, efforts to leverage knowledge for development impact remain largely ad hoc and fragmented. Learning and capacity development initiatives for clients are uneven and dispersed. Within the Bank, the Global Practices structure has not systematically fostered knowledge flows, collaboration and learning, with knowledge work often taking a siloed approach. Internal processes for knowledge work and technology platforms have fallen short of simplifying the production, curation and sharing of knowledge. In addition, staff incentives to prioritize knowledge work continue to be inadequate.
- iv. This paper articulates the strategic direction of the Knowledge Compact for Action, which seeks to empower all WBG clients—public and private—by systematically making the latest development knowledge available to respond more effectively to increasingly complex development challenges. The Compact seizes the opportunity of the digital revolution, bringing together the wealth of data analytics, research and best practices accumulated by the WBG over decades and combining this knowledge with the WBG's proven mix of public-private finance to power learning and innovative solutions. This includes capturing the tacit knowledge embedded in operations for policymakers and development practitioners to easily access lessons of development successes and failures in other countries. Ultimately, the Compact aims to take knowledge to a new level—placing it front and center of the WBG's work to end extreme poverty and boost shared prosperity on a livable planet.
- v. Guided by the Evolution Process endorsed by the Board of Governors in 2023, the Compact embraces a fresh mindset and charts a new path for the WBG to evolve into a 21st century knowledge bank. It takes a decisive step away from business as usual by redefining the WBG's approach to knowledge and strategically harnessing the power of knowledge for development. The Compact will establish a dynamic, collaborative and technology-enabled ecosystem that enhances the WBG's leadership and impact at the country, regional and global levels.
- vi. Building on the progress of past efforts, the Compact places emphasis on delivering knowledge to clients with speed, quality and impact by enhancing the foundational elements of the WBG's products, partnerships, learning and systems. Core analytics for clients will be realigned to sharpen focus on fighting


poverty and addressing the global challenges they face. These analytics will continue to be anchored in the WBG's country dialogue to ensure they remain relevant and client driven. A renewed Data Bank will better harness data through investments in data systems and rigorous analytics. The Compact will foster high-value knowledge partnerships that maximize the quality and reach of support to clients. The emphasis will be on building knowledge networks with governments, academia, the private sector and civil society, including in the Global South. The planned WBG Academy will elevate learning and capacity development as core services to clients, staff and stakeholders. Internally, a comprehensive renewal of Bank systems will support these initiatives by enhancing structures and processes and creating new incentives for knowledge creation, learning and sharing—internally as well as to and from clients and partners. The latest technology will power Bank systems to enhance productivity, innovation, delivery and evaluation. Table 1 summarizes the key actions underpinning the Compact.


vii. The Knowledge Compact for Action reflects the WBG's commitment to a 21st century knowledge architecture for transforming ideas into impact. Implementation will be guided by a one World Bank approach, with a central role for the Regions, Global Practices, industry and thematic departments, and DEC. Learning from past initiatives, management will cultivate a culture that recognizes collaborations leading to enhanced quality, accessibility and dissemination of knowledge. Options will be explored to link staff career development opportunities to contributions to innovative and scalable approaches for addressing complex development problems, including those aligned with the Global Challenge Programs.

viii. Implementation will be overseen by a collective senior leadership across the WBG under the guidance of the Senior Managing Director for Development Policy and Partnerships. Strong and unified leadership will be essential to sustained efforts to integrate knowledge in every facet of WBG work. The senior management team will review on a bi-annual basis the progress of the Compact and ensure accountability, transparency, and effective implementation of the initiatives, in consultation with the Board of Executive Directors. Implementation will be phased and dynamic: some initiatives will take effect in FY24, and others will be launched in FY25. Progress will be measured continuously and consistently across the WBG. Adaptive adjustments will be made as needed in response to client and stakeholder feedback and take into account the rapidly changing global environment and pace of technological advancements. The budget implications of the Compact will be addressed as part of the broader discussions on the budget related to the Evolution Process.



Table 1: Summary of Key Actions

| CHALLENGE | ACTION | IMPACT |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> ▪ Proliferation of reports, data—making it difficult for clients to access solutions in timely manner ▪ Impact of knowledge and financing not systematically measured across time ▪ No formal platform for testing new development ideas |  <p>Fit-for-Purpose Knowledge Products</p> <ol style="list-style-type: none"> 1. Analytics aligned with new mission 2. Impact Assessments 3. Renewed Data Bank 4. Data 360 5. Global Challenge Programs 6. Contribution to GEMs 7. WBG Guarantee Platform 8. AI4Dev Innovation and Policy Lab | <ul style="list-style-type: none"> ▪ Rapid delivery of evidence-based and tested solutions to clients ▪ Expanded access to data ▪ Stronger data systems in countries ▪ Better measurement of impact |
| <ul style="list-style-type: none"> ▪ Ad hoc partnerships, with limited strategic focus and impact for clients ▪ Operational partnerships primarily with Global North |  <p>Knowledge Partnerships to Maximize Reach, Scale, Impact</p> <ol style="list-style-type: none"> 9. Partnership review 10. Partnership Council & Charter 11. Knowledge networks in Global South 12. Promote Open Science 13. Strengthen Open Access initiatives 14. Connect partnerships to analytics, global challenges & scorecard | <ul style="list-style-type: none"> ▪ Increase in strategic, high-impact partnerships ▪ Clients benefit from relevant knowledge, experiences from Global South ▪ Expanded access to development research and knowledge for global community |
| <ul style="list-style-type: none"> ▪ Fragmented client and staff capacity development with uneven quality ▪ Learning content biased towards Global North |  <p>Learning to Fuel Innovation</p> <ol style="list-style-type: none"> 15. World Bank Group Academy 16. Connect with knowledge networks and hubs 17. KML Professional Family 18. Career-long professional learning for staff | <ul style="list-style-type: none"> ▪ Stronger client capacity supported by harmonized learning platform on critical topics with quality content ▪ Learning based on good practices from Global South ▪ Work force that adapts rapidly to new strategic direction and client demands |
| <ul style="list-style-type: none"> ▪ Uneven knowledge flows across Global Practices, industry departments and cross-cutting themes ▪ Limited and dispersed digital development offerings for clients ▪ Proliferation of tasks and bureaucratic silos and processes ▪ Outdated digital platforms |  <p>Systems to Transform Productivity</p> <ol style="list-style-type: none"> 19. New Digital Vice Presidency 20. Five vertical knowledge vice presidencies (<i>People, Planet, Prosperity, Infrastructure, Digital</i>) 21. New departments on Outcomes, Innovation & Knowledge Solutions, Knowledge Engagement & Learning 22. Effective and efficient knowledge management processes <ul style="list-style-type: none"> ○ Split analytics & advisory work ○ Split delivery & client engagement 23. AI Powered knowledge & data platforms | <ul style="list-style-type: none"> ▪ Structure fully aligned with WB mission with focus on relevant global and country challenges ▪ Enhanced digital offerings and solutions for clients ▪ Effective coordination, integration & outcome orientation across WBG ▪ Flexible and faster engagement with clients powered by latest technology |



Our knowledge is our real weapon to fight poverty. Our knowledge—our subject matter expertise on people, prosperity, planet, infrastructure and digital—that’s who we are.”

Ajay Banga



Today, policymakers in developing countries are grappling with the combined repercussions of the pandemic, geopolitical conflicts, climate shocks, natural disasters and economic volatility. Financing and investments alone cannot solve these challenges. Clients are seeking the best development ideas to address existential threats, regain the development progress of past decades and continue on the path to inclusive and sustainable growth. The World Bank Group’s knowledge agenda must remain at the forefront of a rapidly changing world. This paper maps the strategic direction of the Knowledge Compact for Action, which aims to empower all World Bank Group clients—public and private—by systematically deploying the latest knowledge needed to achieve their development goals while also tackling emerging global challenges. Guided by a new mission to create a world free of poverty on a livable planet, the Compact builds on past initiatives to take knowledge to a new level, placing it front and center of the World Bank Group’s work—on par with financing—and exploiting the vast potential of the technology revolution. It reflects a firm commitment to be a 21st century knowledge bank, delivering innovative products, partnerships, learning and systems that improve the lives of the world’s poorest and most vulnerable.

I. Introduction—Delivering Knowledge and Technology to Drive Development Impact for Clients

1. The World Bank Group’s new vision of a world free of poverty on a livable planet—combined with rapid technological leaps—renews hope for transformative change. Now more than ever, clients are demanding innovative ideas to tackle ongoing and emerging crises. The Knowledge Compact for Action seizes this unique opportunity to capture the power of the digital revolution and bring together groundbreaking knowledge and the World Bank Group’s (WBG) proven mix of public-private finance to power innovative solutions in an increasingly complex development landscape. Today’s global and country-level challenges are bigger, more complex and more intertwined than ever before—from the relentless grip of poverty and stubborn persistence of inequality to the devastations caused by climate disasters, fragility, pandemics and conflicts. The WBG holds a rich reservoir of often unique development solutions tailored to specific country contexts, honed over time. It has a vast network of local and global partnerships. It is a learning institution committed to generating and sharing the best development ideas and helping clients in turning these ideas into results. By fully capitalizing on emerging technologies, the WBG can systematically deploy its wealth of global experience, blended finance and cutting-edge knowledge to more effectively empower governments and private clients to create jobs, accelerate inclusive growth and eliminate extreme poverty—even in the face of today’s cascading crises.

2. The digital revolution holds the single most transformative potential for reshaping development. Global data usage skyrocketed from 2 zettabytes in 2010 to a staggering 47 zettabytes in 2020 and is forecasted to soar to 175 zettabytes by 2025. Corporate investment in AI has increased over tenfold. Recent studies reveal that every dollar invested in data systems generated an average return of \$32 across all sectors.¹ For the poorest countries, technology can break barriers to entry and help bridge the digital divide. Artificial Intelligence (AI) can mine 80 years of development experience in a matter of seconds, supporting the efforts of WBG and its partners to generate ideas and data-driven insights to help policymakers design evidence-based policies and programs (Box 1). These technological leaps illustrate the possibilities for enhancing the development impact of knowledge, such as energizing policy discussions in Africa, fast tracking learning in refugee camps, and elevating partnerships with the South.

BOX 1



Artificial Intelligence: Driving Development through Responsible Innovation

Advances in artificial intelligence (AI) and its integration into development work is revolutionizing the work of policymakers and practitioners worldwide. In rural areas with limited access to healthcare professionals, *AI chatbots* can provide basic medical advice and information. *Machine learning models* can analyze satellite imagery to pinpoint areas prone to natural disasters, allowing governments more time to prepare and respond. *Predictive analytics* can help farmers optimize crop yields, use resources efficiently and manage risks from climate shocks and pests. AI can *analyze remote sensing data*, such as satellite imagery, to monitor environmental changes, deforestation, and land use. The WBG has started to incorporate AI tools for development. In Rwanda, AI was used in tutoring systems to improve learning outcomes in the classrooms. In India, AI has helped healthcare worker detect disease in early stages. IFC's machine learning ESG analyst (MALENA) uses AI to provide emerging market investors with ESG analyses to conduct rapid due diligence of potential investments and manage portfolio risks. Precisely because of its powerful potential for change, the use of AI in development must be applied in an ethical, equitable and inclusive way. As part of the new AI approach under development, the WBG is developing AI as a strategic capability and will continue to responsibly expand AI use to accelerate, sustain and deepen development impact using innovative technologies.

3. Clients and development partners have long valued the WBG's knowledge for bringing impactful changes, with many declaring it more important than development financing.² Coined in 1996 by then President Jim Wolfensohn, the "knowledge bank" reflected the Bank's role as a prolific generator of knowledge—and the intent to enhance the impact of that knowledge by tapping into the technology innovations of the 1990s. The WBG not only transfers expertise and know-how through financing operations and dialogue with policymakers, but also through rigorous analytical work on issues ranging from growth, inequality and poverty to climate change, human development, and fragility, among others (Box 2). It pioneered development data, including globally standardized data on households, poverty and debt. Cross-sectoral and cross-regional work have fostered knowledge flows within the organization and

¹ United Nations (2022). *Multiplying Progress Through Data Ecosystems*. Global Partnership for Sustainable Development Data.

² Knack et al (2020). *How does the World Bank Influence the Development Policy Priorities of Low-Income and Lower-Middle Income Countries?* Policy Researching Working Paper 9225.

beyond, reflecting the WBG's global reach and convening power.³ The Open Data Initiative, launched in 2010, readily placed statistics and indicators at the fingertips of researchers, policymakers, journalists and stakeholders at no cost.

BOX 2



Scaling Up Development Impact through Country Engagement

Knowledge embedded in WBG operations and country dialogue has been one of the most valuable sources of learning and know-how for both staff and clients. The WBG's global reach has provided unique opportunities to draw lessons from interventions that worked well and those that failed in diverse country contexts. These lessons have been adapted, replicated and scaled up globally, enabling development policymakers and practitioners to apply new insights in their own countries. Productive feedback cycles from knowledge to policy and operations have helped address pressing development challenges:

- › The World Bank supported the global scale up of **conditional cash transfers (CCT)** through financing, evidence and peer-to-peer exchange. Mexico's iconic *Oportunidades* program in the 1990s inspired cross-country learning in the region and beyond. Today, over 40 countries have active and large-scale CCTs, including most of Latin America as well as Bangladesh, Indonesia, Egypt and Türkiye. During the COVID-19 pandemic, Brazil was among the countries that provided the quickest and most robust responses through social protection. The Bank supported Brazil's expansion of social safety nets through an operation and documented the country's experience with temporary cash benefits to inform similar efforts in other countries.
- › The World Bank's experience in **addressing methane emissions** in rice production, livestock and waste management projects have shown how scaled up investments can slow the rate of global warming in the near term, while enhancing resilience and improving the lives of the poor. Building on successful interventions, the Bank is scaling up low methane rice production techniques in countries including Vietnam, the Philippines and China. To accelerate methane reduction going forward, the Bank is taking a programmatic approach to low-emissions rice, sustainable livestock and waste management in at least 15 countries.
- › The World Bank's knowledge and advocacy efforts on **repurposing fuel subsidies** towards development priorities, including for climate action in its *Detox Development* report, have helped build consensus on a difficult reform topic. In 2023, Nigeria removed fuel subsidies, with World Bank support to scale up its social programs. This resulted in estimated savings of \$1.2 billion to redirect towards essential services such as healthcare and education. These various efforts culminated in the international coalition at the COP28 to phase out fossil fuel subsidies. The coalition includes countries as diverse as Antigua and Barbuda, Costa Rica, Ireland, Spain and Canada.

4. The challenge for the WBG is to adapt its knowledge architecture to meet client demand for fresh ideas to tackle cascading development challenges in a global context of higher debt and scarce resources. While there are many examples of WBG knowledge and innovations at the country level being adapted and scaled up to benefit clients in other countries, efforts to harness knowledge for development impact remain largely ad hoc and fragmented. Support for learning and capacity development for clients

³ World Bank (2021). *Realizing the WBG's Knowledge Potential for Effective Development Solutions: A Strategic Framework*.

are uneven and dispersed. The current structure in the Global Practices has not systematically fostered knowledge flows, collaboration and learning, with knowledge work often taking a siloed approach. Internal processes for knowledge work and technology platforms have fallen short of simplifying the production, curation and sharing of knowledge. Staff incentives to prioritize knowledge work continue to be inadequate. These issues are not new: a review of the WBG's knowledge services in 2011⁴ highlighted similar challenges and pointed to the importance of a robust knowledge architecture in ensuring all staff have easy access to the full range of knowledge resources and are encouraged to contribute to the WBG's knowledge base.

5. Past efforts to create a knowledge-driven institution generated progress, but a more sustained push is now needed to build on these achievements to systematically transform ideas into impact. The 2021 Strategic Framework for Knowledge (SFK) called for action in three areas: increase relevance, quality and impact of knowledge products; improve knowledge flows and collaboration across the World Bank; and realize the potential to learn from operations and lead in development innovation. The SFK stressed the need for better systems to improve quality control, evaluation and outreach for knowledge work. It also encouraged stronger incentives for staff to give greater attention to knowledge, combined with recruitment, clearer career paths and relevant training. To measure progress, the SFK called for better performance metrics and new technologies. A decade earlier, the 2010 knowledge strategy focused on developing Global Practices to increase mobility of staff and knowledge, managing the Bank's knowledge products as a portfolio for greater impact and strengthening the World Bank's role as a global connector of knowledge. It also emphasized the need for an integrated IT system to improve knowledge management⁵ (Figure 1).

6. Guided by the Evolution Process, the Knowledge Compact for Action charts a new path for the World Bank Group to become a 21st century knowledge bank. It presents a decisive step to move away from business as usual and redefines the WBG approach to knowledge, building on past efforts. The Evolution Process set the stage for a package of reforms endorsed by the Board of Governors in 2023 in response to demand from shareholders and clients for a faster, bigger and better Bank. It called for urgent action on eight global challenges, with agreement to develop six Global Challenge Programs (GCPs).⁶ The Evolution Process also recognizes the need to fully tap the potential for knowledge to leverage development finance into greater development impact.

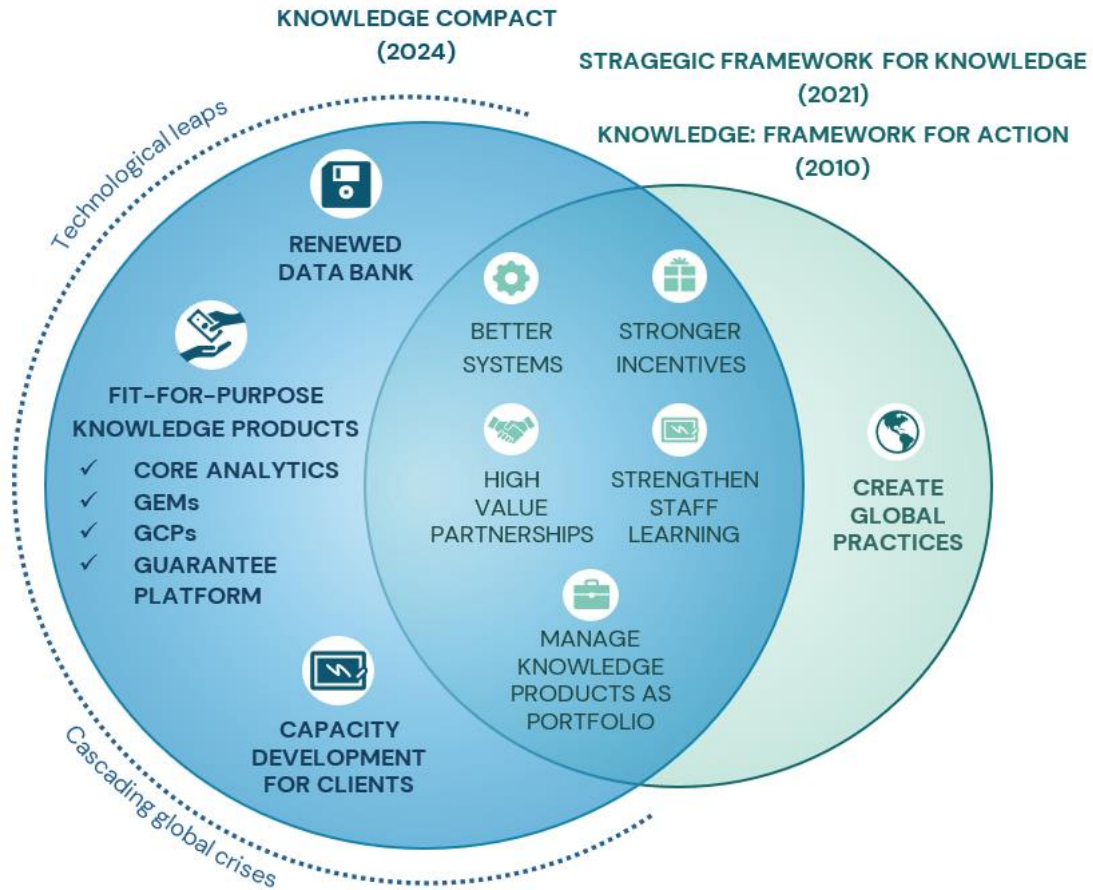
7. The Compact aims to deliver the latest knowledge to clients with greater speed, quality and impact. It looks to a future that seizes the transformative potential of the digital revolution to enable the WBG, its clients and development partners to forge ahead with high quality analytical work, research and engagement. Local and global knowledge will be connected through high value partnerships that amplify the voices and experiences from the South—a fertile ground for innovative development ideas. Driven by learning in operations, innovative projects that can be scaled up and replicated for impactful solutions will become the norm. New systems will promote faster knowledge flows to and from governments, civil society and the private sector and within the WBG, nurturing groundbreaking ideas to power development solutions to restore progress on achieving the Sustainable Development Goals (SDGs). These new approaches will help bridge the global digital divide and boost staff productivity, bringing fresh insights and development solutions to the most remote corners of the world.

⁴ World Bank (2011). *The State of World Bank Knowledge Services*.

⁵ World Bank (2010). *Transforming the Bank's Knowledge Agenda: A Framework for Action*.

⁶ World Bank (2023). *Ending Poverty on a Livable Planet: Report to Governors on World Bank Evolution*. Marrakech. The six GCPs will provide replicable and scalable approaches in the areas of energy, food, water, forests and biodiversity, health emergencies and digital development.

Figure 1: Why now? Harnessing the technology revolution to better respond to cascading global crises demands a fresh approach to knowledge.



II. Opportunities to Accelerate Development Impact

8. Bold measures are needed to enhance the WBG’s knowledge architecture and foster systematic knowledge flows through the four pillars of better products, more strategic partnerships, enhanced learning and cutting-edge systems. Learning from past experiences (see Annex 1 on IEG Perspectives on the Knowledge Compact), the Compact aims to excel in fit-for-purpose knowledge products; knowledge partnerships that maximize reach, scale and impact; learning to fuel innovation; and systems that transform productivity. By implementing this agenda, the WBG can continue to serve as a leading source of expertise in today’s rapidly changing development landscape. This section presents an ambitious and comprehensive plan of action along the four pillars.

Figure 2: The Knowledge Compact framework: synergies between pillars will leverage technology and incentives to scale up impacts for clients



2.1 Pillar 1—Fit-for-purpose Products to Better Serve Clients

9. Much of the WBG’s comparative advantage lies in the vast knowledge space it operates. This includes knowledge products, data and partnerships, as well as country and private sector engagements and the tacit knowledge embedded in the global reach and diversity of the WBG’s financing portfolio. Demand for WBG knowledge remains high as countries continue to grapple with challenges on multiple fronts—from fiscal pressures and climate change to food insecurity, pandemics and conflicts. External assessments, IEG evaluations, and client surveys consistently show that countries (both borrowing and non-borrowing members) and partners value the WBG’s knowledge as a critical dimension of its value proposition for clients.⁷ The combination of knowledge and financing enables the WBG to match innovative ideas with proven financing and implementation mechanisms, setting it apart from other lenders and consulting firms. As a global development bank with offices in 120 countries, the WBG has a unique capacity to deploy a mix of global and country knowledge to help clients tackle pressing development challenges.

10. Nevertheless, despite considerable progress in recent decades, the WBG’s knowledge work continues to be fragmented, with room to improve access and learning for both staff and clients. In some instances, the proliferation of tasks and ad-hoc approaches have diverted focus away from the core development issues that matter most to clients today. By placing client demands and outcomes at the heart of its action plan, the Compact aims to ensure that WBG’s knowledge focuses on client priorities in thematic areas central to the global goals of fighting poverty, safeguarding the planet and achieving the SDGs. It envisages a more central role for data to shape the WBG’s knowledge and financing by deploying the latest technologies, while actively pursuing new ways of delivering solutions to clients through innovative approaches to sharing and operationalizing development insights, expertise and advice.

⁷ IEG (2020a). *The World’s Bank: An Evaluation of the WBG’s Global Convening*. Washington, DC: The World Bank

Plan for Action

KNOWLEDGE PRODUCTS



| | |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Knowledge to Guide Action | <ul style="list-style-type: none"> • Knowledge to Enhanced Core Analytics Package • Programmatic Impact Assessments |
| Data-powered Knowledge | <ul style="list-style-type: none"> • Renewed Data Bank • Data 360 |
| Client Solutions | <ul style="list-style-type: none"> • Global Challenge Programs • GEMS 2.0 • WBG Guarantee Platform • AI4Dev Innovation and Policy Initiative |

Knowledge to Guide Action

11. Reforms are underway to ensure countries’ core development challenges are systematically placed at the forefront of the Bank’s knowledge work. Global, regional and country knowledge products will build on each other to support the new strategic direction and alignment with global challenges and Global Challenge Programs, while maintaining the Bank’s country focus. The scope of the corporate flagship, Poverty and Shared Prosperity series, for example, is being expanded to examine trends and progress towards a livable planet. New publications to showcase the one World Bank approach towards private capital mobilization are being explored, integrating knowledge across public and private sectors. IFC has updated its research capabilities to produce flagship reports with insights for private sector development, offering new analyses, firm-level data and investment trends. MIGA has expanded its reporting on investing in emerging markets.

12. Core analytics representing a package of priority knowledge products to shape country engagement are already being updated. The core module now includes the Country Private Sector Diagnostic (CPSD 2.0) which identifies economic sectors with opportunities for accelerated investment and private capital mobilization and measures to support an enabling environment. The core module also includes the Public Finance Review (PFR) to support domestic resource mobilization with revenue policy alongside expenditure policy and management analysis. The Country Economic Memorandum (CEM) is being recast to more squarely address broad-based, sustainable growth policies along with job creation under a new name—the Country Growth and Jobs Report. The revamped Poverty and Equity assessments (PEA) will sharpen focus on inequality and vulnerability and add a deep dive on gender, jobs and ‘livable planet’ aspects, identifying policies to boost resilience of vulnerable populations. Country Climate Development Reports (CCDR) will continue to play a key role in demonstrating that low-emission development pathways can go hand-in-hand with reducing poverty and boosting shared prosperity (See Annex II).

13. Country Partnership Frameworks will continue to be the basis for developing strategic and client-driven knowledge programs. Core analytics will remain focused on the mission-critical themes. Non-core analytics, which account for the majority of analytical and advisory work, fill additional knowledge gaps identified in country engagement work, provide just-in-time analysis, and respond to urgent client requests emerging from unforeseen events such as natural disasters or instances of fragility or conflict. Going forward, non-core analytics will be driven by greater selectivity underpinned by the litmus test of client demand and alignment with the new WBG mission. To enhance relevance, new

analytics will target knowledge gaps that are important for achieving client outcomes prioritized in the new corporate scorecard. Similarly, IFC's revamped research and evaluation program will increasingly focus on supporting private sector contributions to key development challenges. This includes IFC knowledge work at the country, regional and global levels, to inform the development of private sector solutions for areas highlighted in the corporate scorecard, from supporting job creation and entrepreneurship to enhancing gender equity and food security and enabling digitalization.

BOX 3



The World Bank's Analytical and Advisory Work - An Overview

Analytical and advisory work accounts for nearly 85 percent of the approximately \$2 billion in the Bank's annual spending on knowledge products. These products include country-level diagnostics and analyses such as the human capital reviews that provide advice to governments on reversing losses resulting from the COVID-19 pandemic and investing in health, skills and education. Additionally, global analytics, research papers and impact evaluations serve to enhance understanding of the latest economic and social trends. Corporate flagships such as the World Development Report and Global Economic Prospects are among the most widely recognized in global policy circles.

Advisory tasks deliver customized knowledge to a wide range of clients to guide their policies. For example, Bank released a report last year showcasing 25 case studies of government policies that are effectively tackling the effects of climate change from countries as diverse as Egypt, China and Peru.¹ Reimbursable Advisory Services provide tailored advice for a fee to clients such as the EU members states and Gulf Cooperation Council countries. IFC's advisory portfolio represents an important product line for the private sector, extending strategic advice and expertise to governments and businesses to improve the business environment. Internal operational guides and toolkits are developed to support staff and operational work. Underpinning this work is the foundational knowledge produced by the Bank, ranging from data and indicators to research on households, enterprises and economies. With limited exceptions, knowledge produced by the Bank is made widely available to foster public participation in development, reflecting a longstanding commitment to openness and transparency.

Strong analytical and advisory work helps scale up development programs in client countries. For example, IEG found analytical and advisory work on energy efficiency produced in coordination with ESMAP, a global knowledge convenor on energy, accelerated investments in this area. IFC's advisory services under the Green Buildings Transformation Program, has increased client commitment and resulted in more green buildings.

14. Impact evaluations, a valuable source for knowledge and learning, will pursue a more holistic approach to measuring results in analytical and operational engagements. The Bank's impact evaluations involve rigorous assessments of the effectiveness of operational work, but these are often conducted for individual interventions. To better gauge the overall influence of the Bank's financing and knowledge work on development policies and program, and to foster continuous learning and extract valuable lessons for clients, a programmatic approach will be explored to assess the influence of Bank

analytical and operational engagements. In tandem, IFC will ramp up its program of rigorous impact evaluations of its private sector investments to identify the most effective solutions for private sector development and complement them with programmatic assessments of the development results achieved in selected sectors and countries.

15. Impact Assessments will be piloted to measure the influence of Bank engagement in thematic areas over an extended period of time. The Bank has produced similar assessments in the past. Examples include the impact on nutrition in Peru or energy access in Kenya, which credibly illustrated the impact of knowledge products on changing behavior and policies on the ground. Those examples, however, remain one-off exercises and are not easy to access. As part of the Knowledge Compact's goal to scale up results for clients, the impact assessments will systematically identify examples of Bank engagement that supported positive outcomes and draw lessons that could benefit other countries. Tracking the impact of knowledge over time will help identify successful approaches that can be replicated in future projects, policies and practices in different country contexts.

Data-powered Knowledge and Operations

16. Reliable data is a critical element of knowledge: countries cannot measure the impact of their policies without data. Yet, its potential has been held back by underinvestment, particularly in the poorest countries where the needs are highest. ODA funding for data has fallen since 2015, and country data systems continue to be underfunded worldwide. Today, data gaps across top development priorities remain significant. Only one in five countries has data to report on its climate goals, despite it being the existential challenge of our times. Fewer than half of all countries are able to measure progress on gender equality. Nearly half of IDA countries have not conducted a household survey in the last five years. Similar constraints apply to firm-level data, where most IDA countries do not have updated establishment census available. The data divide threatens to hold back social, economic, and sustainable development. Poverty cannot be eradicated if countries are forced to guess what solutions are most needed now.

17. A stronger Data Bank lies at the heart of a better, more impactful knowledge bank. As the leading producer of development data and a key provider of technical and financial assistance to strengthen countries' statistical capacity, the Bank must embrace the new opportunities presented by the data revolution. New sources of data, rapidly evolving technology and the explosion of AI, and the emergence of new actors has underscored the need to evolve, invest in, and better govern development data for global leadership in knowledge.

18. The Data Bank will be enhanced through measures along three fronts, spearheaded by DEC, the Practice Groups, and Regions, in coordination with IFC's Economics and Private Sector Development Vice Presidency as well as Information Technology Services. First, the WBG will prioritize collection and access to a wider range of foundational data (household and firm surveys, international debt statistics, private investment, business environment indicators, and censuses) and frontier data from the private sector, such as satellite imaging, social media, mobile devices, and sensors to generate and share timely solutions. To start, the Bank will scale up household surveys in IDA countries during the coming three years. The Bank will also scale up longitudinal surveys and combine poverty surveys, geospatial data, and data from sensors and mobile devices for more comprehensive insights to combat climate and socioeconomic shocks. At the same time, working together, the IFC and the Bank will increase firm-level data collection within countries to produce economic statistics, such as pooled credit risk data (Box 4) and shape private investments. These initiatives will strive to make the right data available at the right time for people and planet.

19. The Data Bank will scale up operational support for country data systems, currently a small part of the Bank's overall portfolio. This second work stream will expand operational support through a "Minimum Data Package" for countries across priority topics (People, Planet, Prosperity, Infrastructure, and Digital) and cross-cutting themes (Gender and Youth, Jobs, Private Capital Mobilization, and FCV) to guide investments. It will also prioritize dedicated data sections in core country diagnostics and develop tools to better integrate data into WBG's financing operations, including development policy operations, investments and program for results. To narrow the widening data and AI gaps between rich and poor countries, support for national data systems, data capital, and data infrastructure will be increased. This will be complemented with guidance on AI regulation and harnessing the benefits of data for AI (and AI for data). The Bank will prioritize pro-poor AI models and quality training data to help generate fast and focused solutions for clients as well as to inform decision-making by development partners and stakeholders, including young generations who are drawn to innovative solutions.

20. Investments in data assets, capabilities, and innovations will be optimized. This third work stream involves consolidating data from across more than 80 World Bank databases to achieve a more coherent data landscape and provide 360-degree insights. The "Data360" initiative will integrate all relevant data and knowledge curated in the Bank's technical streams into a user-centered data platform. Bank-wide quality assurance standards will be rolled out for Bank-produced and Bank-hosted data, data flagships, data tools, and data portals. Partnerships will be scaled up to expand access to new, actionable data sources (private sector, satellite, sensor, mobile phone, and citizen-generated data). Importantly, to attract and retain top data expertise, career paths for data scientists and statisticians will be professionalized and include greater learning opportunities to build in-house expertise and skills.

Innovative Client Solutions

21. Efforts to help countries tackle critical global problems through the Global Challenge Programs are making headway. Recognizing that recent global volatility has reversed development gains for many clients, the new WBG playbook prioritizes support initially for six global challenges by bringing together speed, scalability, impact, concessionality and integration of WBG services into one program. Announced in 2023, the Global Challenge Programs (GCPs) call for faster and more effective crowding in of public and private sector solutions to tackle complex global challenges. They build on the Bank's successful COVID-19 Multiphase Programmatic Approach (MPA) platform that supported a rapid, large-scale response to the pandemic—a replicable and scalable approach that met over 100 countries' urgent needs during an emergency. Each GCP represents a "program of programs" that curate knowledge on best practices to inform replicable and scalable approaches. Working through country engagements, including in fragile states, the GCPs focus on energy, food, water, forests, health, and digital and help countries progress towards the SDGs. The GCPs are setting ambitious targets to respond to global trends and pressing development challenges. The Forest GCP, for example, seeks to reforest large swathes of land, and the Digital GCP aims to bring broadband internet to more people. The GCPs will be implemented through a one WBG approach, leveraging the comparative advantages of IBRD/IDA, IFC and MIGA—and by extension the public and private sectors. An innovative impact evaluation technology, Trial and Adopt, will be used to report on the impact of the GCPs.

22. The one World Bank Group Guarantee Platform will be established to scale up private capital mobilization. Drawing on the WBG's knowledge and experience in deploying guarantee products, this measure aims to make guarantee products more user-friendly for clients. Managed by MIGA, the Platform brings together WBG staff with expertise and knowledge on guarantees under one roof to ensure that

clients access the best possible solutions to cover various types of transactions risks. The Guarantee Platform exemplifies efforts to better integrate knowledge with financial operations to benefit clients. It has the potential to further support innovative structures that would combine current product offerings and create new ones, helping clients achieve progress towards their development goals. Supported by a cadre of staff that bring the latest expertise on guarantees, the guarantee menu will be developed with a client-centric approach that benefits both public and private sector clients.

BOX 4



GEMs: Leveraging Market Risk Data to Mobilize Private Capital in Developing Economies

The Global Emerging Markets Risk Database (GEMs) Consortium was established in 2009 as a bilateral initiative between the European Investment Bank Group (EIB) and IFC to pool credit risk data on private/sub-sovereign lending in Emerging Markets and Developing Economies (EMDEs). With the entry of new members, the Consortium has evolved into a community of practice that develops common approaches and data methodologies to record default and recovery frequencies within the GEMs consortium. It expanded into a one World Bank Group effort to harness the power of data, with IBRD joining the consortium in 2018. This knowledge-sharing initiative aims to overcome a key constraint to private investment in EMDEs by bringing greater transparency on credit risks. Today, the consortium comprises 25 multilateral development banks (MDBs) and development finance institutions. IFC is the largest contributor of private sector data to GEMs, with IBRD the single largest contributor of sovereign data. Widening of access to GEMs statistics responds to the G20 review of the MDB's Capital Adequacy Framework to disseminate GEMs statistics to the broader public, especially the private sector, to reduce the gap between perceived and real risks of investing in emerging markets. The GEMs Consortium has been publicly disseminating statistics through the GEMs website since 2020. In March 2024, for the very first time, the GEMs Consortium published recovery statistics for private and sub-sovereign lending from 1994 to 2022. GEMs statistics are just one element of a broader effort to mobilize private investment into EMDEs. The Consortium recognizes the value that these statistics can provide to unlock private capital to address pressing development challenges, and all members are working collaboratively and urgently to strengthen GEMs to support these efforts.

23. The AI4Dev Innovation and Policy Initiative will leverage the power of AI to identify and address complex development problem. It seeks to test solutions in country, learn from them and ambitiously scale up those that succeed, with focus on the key global challenges. The Practice Groups, Regions and DEC will play an important role in prioritizing the topics to be addressed, in line with client demand. With the involvement of IFC, this initiative will also connect with key private sector partners to develop AI solutions to scale up impact. Client countries interested in partnering with the WBG to test and learn from the experience will be sought. This work will serve as a policy innovator, addressing diverse challenges that include ensuring ethical and unbiased AI algorithms, evaluating and managing AI risks, addressing data privacy concerns, and promoting equitable access to AI technologies.

2.2 Pillar 2: Knowledge Partnerships to Maximize Reach, Scale and Impact

24. Stronger and more strategic partnerships are crucial to unlocking the full potential of knowledge to increase development impact for clients. Working through partnerships is already at the heart of the WBG's business model to address country development priorities and emerging global concerns. The WBG maintains an extensive network of partners at the global, regional and country levels, including, among others, the G7, G20, IMF, EU, MDBs and the UN, which have helped deliver outcomes for clients on a larger scale. The WBG also actively engages with sectoral initiatives, the private sector, and civil society as well as academia and philanthropies. Partnerships have been instrumental in pooling knowledge and resources for greater impact. These partnerships take the form of grant contributions, private capital mobilization, research collaborations including in the Global South, knowledge-sharing and joint advocacy efforts. Knowledge partnerships can include contractual relationships where the Bank outsources research work or implementation of projects in fragile states. IFC has partnered with the private sector to jointly develop upstream private sector investment opportunities that often begin with market assessments and analytics.

25. Knowledge partnerships have opened doors to expertise and new networks, including in low-income countries. The Bank's collaboration with CGIAR's consortium of agricultural research centers across regions has spurred agricultural innovations and reduced hunger. As founding member of the Joint Learning Network (JLN) for Universal Health Coverage since 2010, the Bank has facilitated knowledge exchange among the Global South, which helped inform important health sector reforms. IFC has partnered with universities and research institutions in countries around the world to promote knowledge and capacity building in the renewable energy sector, enhancing the expertise and skills of local professionals in this field. It also jointly produced reports with the International Energy Agency and the World Trade Organization that provided actionable ideas for private sector solutions. MIGA, in collaboration with MDBs, produced a handbook on partnerships, outlining systematic approaches, articulating principles, and highlighting project typologies that expand political risk insurance through joint work. More recently, the WBG launched the Private Sector Lab, a public-private collaboration involving CEOs from leading finance and business organizations, to develop solutions to address barriers to private sector investment in emerging markets.

26. The scope and urgency of today's global crises demands a shift in partnerships towards addressing key global challenges for clients. The growing number of Bank partnerships has created fragmentation and coordination challenges that impede global efforts to lift people out of poverty. It has also highlighted the need for incentives and discipline in engaging with new partners, tracking progress and impact, and establishing exit strategies. IEG has recognized the Bank's effective role in convening international partners to tackle shared development priorities, but it also concluded that the Bank could be more selective in its global partnership activities, measure outcomes more systematically and ensure that the knowledge generated is aligned with country demand.⁸

27. Clearer standards must be set to ensure global knowledge partnerships maximize development impact for clients. This requires thorough evaluation of relevance or materiality to WBG priorities such as the GCPs, the corporate scorecard, impact beyond a single country, and the ability to deliver scalable outcomes. By instilling more systematic screening and review processes, knowledge partnerships can be better positioned to enhance reach and impact, access new expertise and data, and build credibility. It is essential for the WBG to engage with trusted entities that have specific comparative advantages, including

⁸ IEG (2020). *An Evaluation of the World Bank Group's Global Convening*.

on politically and socially sensitive issues. There is also scope to further engage the Global South for knowledge flows and connect partnerships to country-based knowledge, the GCPs and corporate scorecard. Internal structures and incentives are needed to encourage coherent, strategic, and impactful collaborations that address the global challenges threatening poverty reduction and a livable planet.

Plan for Action **KNOWLEDGE PARTNERSHIPS**



| | |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Rethink Partnerships | <ul style="list-style-type: none"> • Conduct Partnerships Review • Establish Partnership Council and Charter |
| Share Knowledge | <ul style="list-style-type: none"> • Expand Knowledge Networks in the Global South • Promote Open Science • Strengthen Open Access Initiatives |
| Client Impact | <ul style="list-style-type: none"> • Connect Partnerships to Country Analytics, Global Challenges and Corporate Scorecard |

Rethinking Partnerships

28. With focus on knowledge partnerships, the Compact will advance efforts already underway to strengthen the WBG’s engagement with external partners. The World Bank’s reform to transition the IBRD/IDA trust fund portfolio into fewer and larger Umbrella 2.0 Programs reflects continuing efforts to improve strategic alignment and increase efficiency, while reducing fragmentation, lowering transaction costs and streamlining access to concessional finance for clients. A review of existing partnerships at the corporate level, supported by a digital platform, is an important next step. This exercise will identify gaps and opportunities to diversify partnerships, including expanding engagement with the Global South. The review will also help reassess existing partnerships to determine which ones to renew, scale up or retire. IFC has undertaken a similar mapping exercise, leading to shifts in its partnership approach, including moving from transactional to more holistic relationships, with emphasis on thematic partnerships that support knowledge programs. IFC is diversifying its partners to include more development actors that can shape private sector development—such as philanthropies and foundations, think tanks, academia and others. It will also widen coverage of partners to draw on expertise from the Global South.

29. The WBG will introduce a Partnership Charter and Partnership Council. The Charter will reinforce the WBG’s long-term commitment to partnerships and highlight core principles when establishing or strengthening partnerships with external stakeholders. Knowledge will feature as a distinct principle under the charter, highlighting the crucial role it plays in fulfilling the WBG’s vision. A Partnership Council comprised of senior leadership from across the WBG will provide strategic direction, guidance and monitoring of key operational and knowledge partnerships. By underscoring the importance of high value partnerships, the Charter and Council will foster a shared vision between WBG staff and partners on scaling up impact for clients.

Partnerships for Knowledge Creation and Sharing

30. The Compact will amplify the voices of the Global South by expanding the WBG’s support for knowledge ecosystems in developing countries. Valuable ideas and perspectives in developing countries, especially low-income countries and FCS, are often not heard due to communication barriers, lack of funds

or limited connections. The WBG will expand its network of partnerships with local institutes, academia and CSOs, systematically working with them to learn from their development experiences and research, share global expertise, and help build capacity to support researchers and local knowledge networks (Box 5). These engagements will be essential to promoting knowledge partnerships and innovation that contribute to the WBG's mission and achievement of the SDGs.

BOX 5



Accelerating Africa's Growth with a Vibrant Research Network

African policymakers are breaking new ground on a range of policy issues aimed at fostering greater integration, growth and stability across the continent as part of the Agenda 2063. A decade ago, African leaders endorsed this ambitious roadmap to transform the continent into a global powerhouse of the future. To fulfill this vision, African countries must overcome weak policy formulation and implementation capacity which are national in nature but also pose challenges for addressing problems that go beyond borders such as high youth unemployment, limited intra-regional trade and the rising costs of doing business. This is where regional coordination and knowledge-sharing can play a crucial role. Africa's think tanks have a unique opportunity to enrich public policy debates and promote evidence-based decision-making, but the region continues to lag in the number of think tanks and the knowledge products they generate. Through a \$50 million IDA grant, the World Bank is partnering with the African Union to create a platform that brings together governments and think tanks to identify pan-African economic priorities and bridge the divide between think tanks and policymakers. The Africa Think Tank Platform Project aims to empower the region's think tanks by expanding opportunities for African researchers to collaborate on policy research, innovate and contribute to development solutions that shape their continent's future, as well as share this knowledge with the rest of the world.

31. The implementation of the Open Access initiatives will be expanded to signal the importance of partnerships that promote knowledge as a public good. Immediate, equitable and free access to World Bank knowledge and research is key to exchange ideas and build capacity. High quality journal articles, datasets, and research code are often locked behind publisher paywalls, embargoed for months, or simply not shared, hindering meaningful knowledge partnerships. Broadening access to knowledge and data enables co-creation with partners, more equitable and inclusive collaboration, and faster, more efficient use of scarce resources. The Bank is in the process of updating the Open Access policy for formal publishing and will explore possibilities for producing a higher-level Open Access policy that covers more than formal publishing, with greater involvement of stakeholders.

32. Open Science will be leveraged to energize knowledge co-creation. Also known as Open Research, this encompasses partnerships, collaboration and co-creation of scientific knowledge. It transforms research from fragmented silos into an approach centered on reusability, interoperability and inclusion—fostering greater transparency and impact. UNESCO is leading a global Open Science initiative, with 193 countries signing the UNESCO Recommendation on Open Science (2021) demonstrating the clear value countries see in collaborative approaches. The Bank will explore the application of this approach for

both its research and operational knowledge. This could involve formal partnership with other organizations in the development space and contributions to the UN Conference and other Open Science pioneers. This will pave the way for the Bank to mainstream this approach in development, particularly in emerging cross border challenges such as food security, climate change, and health.

Partnerships for Client Impact

33. At a time of multiple crises in climate, health, food security and fragility and conflict, the Bank's collaboration with development partners such as the UN can promote knowledge and impactful interventions, particularly in FCS. The Bank enjoys a longstanding partnership with UNICEF, working together in more than 160 projects that include emergency cash transfers, delivering essential vaccines and ensuring learning quality—and there is scope to do more. Collaboration with the World Food Programme (WFP) is exploring ways to scale up food security and social protection in conflict-affected countries and in promoting joint knowledge. IFC is working with UNHCR to create inclusive economic opportunities to benefit refugees and their host communities. This joint initiative aims to support private sector projects over the next five years to demonstrate the viability of private investments in forced displacement contexts. Knowledge emerging from these partnerships will inform the design of programs that contribute to the corporate scorecard indicators on social safety nets, food security and fragility, among others. In addition, partnerships with research institutions, think tanks and other development agencies will be sought and replicated, with focus on key global challenges affecting clients.

2.3 Pillar 3: Learning to Fuel Innovation

34. Rising client demand for knowledge and capacity development has outpaced available learning activities. Development policy makers and practitioners have demonstrated continued interest in keeping up with the latest skills and knowledge on trends, technological advancements and best practices to develop strategies that improve outcomes. Experience has shown that weak institutional capacity—particularly in fragile countries—is one of the main barriers to achieving development impact. Weak capacity has a detrimental effect on development, draining scarce resources and limiting access to basic services such as electricity, healthcare and education, especially to those most in need.

35. The WBG is one of many providers of capacity development for governments and the private sector in developing countries, including in FCS. Each year, the WBG delivers training on hundreds of technical topics to clients, led largely by Global Practices and DEC through training programs, workshops, and online courses. IFC's partnership with the Milken Institute trains central bank staff from EMDEs on capital market development. Capacity development also occurs in financing operations, where clients and WBG staff work together to design solutions and solve implementation bottlenecks. This boutique model of delivery, however, has led to fragmentation, higher costs and uneven quality with limited measurement of impact. While the broad range of WBG's capacity development activities provides a good foundation to expand client learning, there is scope for pursuing a more strategic, systematic and structured approach to fulfill the WBG's ambition to help clients deliver results at scale.

36. Technological innovations promise to vastly expand learning opportunities for both clients and staff. Digital platforms using the latest knowledge and data can deliver learning at greater scale than ever before. During the COVID-19 pandemic, restrictions on movement and travel propelled the WBG to tap into digital technologies to provide remote training for clients and staff. This highlighted the sustained

client interest in capacity development even at a time of crisis. It also underscored the powerful potential of digitalization to expand content and reach a broader audience. The Compact will embrace a more integrated approach to learning that harnesses technology to readily deliver know-how—including tacit knowledge from operational and country experience—to government officials, development practitioners and WBG staff.

Plan for Action

LEARNING

| | |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Clients | <ul style="list-style-type: none"> Establish World Bank Group Academy |
| Partners | <ul style="list-style-type: none"> Connect with Knowledge Networks and Hubs to Exchange Development Best Practices |
| Staff | <ul style="list-style-type: none"> Create Knowledge Management and Learning Professional Family Introduce Career-long Professional Learning for Staff |



Capacity Development for Clients

37. A new World Bank Group Academy will be launched to elevate capacity development as a core service to clients, alongside analytics and financing. The Academy will deliver to clients, in locations across the world, cutting edge knowledge that addresses both persistent and emerging challenges such as climate finance, measuring poverty, and competitiveness of utilities, among other topics. It will serve as a premier global learning hub to professionalize capacity development with its own distinct branding. It will offer a one-stop-shop for professional support services, including pedagogy, administration, delivery platforms and evaluations. The Academy will leverage the WBG’s comparative advantage as a leading repository for comprehensive development data and producer of analytics on a wide range of development issues.

38. As part of a new global department, the Academy will draw on technical expertise across the WBG, including the Practice Groups, DEC, IFC and MIGA. The Academy will leverage the global footprint, regional hubs, and external partners, including from FCS. It will formulate solutions to maximize reach, scale and impact. New hubs will be identified in Africa and South Asia to meet growing regional demand. A one WBG approach will support joint delivery on cross-cutting topics such as private capital mobilization, jobs, FCV, climate and gender. Foundational data and data analytics will be prioritized in support of the Data Bank. Cutting-edge technology, including the use of AI, will play a central role in identifying capacity development needs, innovating content, reaching new target audiences and monitoring impact.

39. The Academy will raise the bar on knowledge co-creation and co-learning, working closely with partners. It will do so by tapping into the WBG’s extensive network of policymakers, development practitioners, the private sector and partners. It will work with regional teams to identify client demand and develop content based on emerging good practices in countries and flagship programs. For example, the Social Protection and Jobs (SPJ) Global Practice represents an important content provider through its Core Learning Academy and Solutions Services (CLASS). The CLASS reflects twenty years of knowledge creation and sharing, client capacity-building and South-South learning on effective social protection systems. Similarly, DEC, through its newly established Institute, will contribute its vast repository of

research and data to the Academy with structured training, curated knowledge products and learning events, working closely with a large network of partners including think tanks, academia and researchers in the Global South.

40. The Academy will be on the frontlines of WBG’s efforts to decentralize ideas, expertise and solutions by ensuring that learning flows to and from clients and partners worldwide. Leveraging its global reach, the Academy will actively seek opportunities to share learning content produced by clients, development partners, academia and other stakeholders—making capacity development accessible to a wider audience regardless of location. To achieve this, a governance structure will be set up to provide shared services, set priorities, endorse annual workplans and ensure quality and strategic alignment. The Academy will operate through a “hub-and-spokes” model with a strong administrative center affiliated with training initiatives and hubs. The aim is to ensure the robust quality and relevance of programs under a new branding, building on lessons gained through previous experiences with providing capacity development to clients.

Connecting with Knowledge Networks and Hubs

41. The WBG Academy will draw upon and invest in knowledge networks in developing countries to showcase their development experiences as catalysts for change. Knowledge networks and external partners provide powerful learning platforms through decentralized learning and South-South exchanges for clients and stakeholders. New partnerships will prioritize Sub-Saharan Africa, where nearly 70 percent of IDA resources are allocated. These will build on existing partnerships, such as the Africa Centers of Excellence (ACEs) to improve higher and postgraduate education on transformational themes such as green growth, innovation and technology. Expanding knowledge networks in Africa presents unique opportunities for hands-on learning for solving the continent’s complex development problems, including domestic revenue generation, job creation, private investments, climate adaption and fragility. Partnerships with capacity development providers will also be explored such as the Global Evaluation Initiative which supports developing countries to strengthen their monitoring and evaluation systems.

42. Learning from successful development experiences will be leveraged through the existing knowledge hubs. The hubs in Italy, Japan, Malaysia and South Korea, among others, represent longstanding partnerships and important learning resources. They feature technical expertise driven by client demand, such as the Singapore Infrastructure and Urban Hub, and the Rome Hub of DEC’s Institute. The Singapore hub is a prime example of learning that draws on the small island nation’s experience in achieving economic growth through infrastructure and other investments and embracing sustainable urban planning. The Academy’s collaboration with regional knowledge hubs will enhance the range of solutions not only within those regions but also to a broader global audience.

Knowledge Management and Learning Professional Family

43. A professional community for Knowledge Management and Learning (KML) staff will be established and mobilized to deliver on the learning ambition of the Compact. As of January 2024, nearly 200 staff across the WBG carried Knowledge or Learning titles. Profiles differ greatly within this community, making mobility and talent management a challenge. Investing in the professional development of KML staff will help the WBG to attract, retain and develop talent, while harmonizing overall knowledge management and learning strategy across the WBG. The KML professional stream will play a pivotal role in staying abreast of technology trends, and contributing to a culture of continuous learning, which is essential for sustained success in today’s fast-paced development landscape. The

creation of a KML professional family will involve developing a KML competency framework; establishing a dedicated KML Talent Board; investing in professional development programs tailored to KML staff; and implementing advanced KML systems and technologies to automate routine tasks, streamline information retrieval, and foster cross-sectoral learning and collaboration.

Career-long Professional Learning for Staff

44. The WBG will foster a culture of continuous learning for staff. The goal is to ensure that staff are equipped to serve clients with the latest development and private sector knowledge and world class technical skills. The WBG has a pool of talented staff, but many of them have limited opportunities for continuous learning or structured training to maintain and build core skills required for their jobs. Continuous professional learning will offer a new gateway for professional growth across the organization starting from onboarding. This will include opportunities for technical learning as well as training in foundational skills, such as language, management, digital, corporate knowledge, communication and business effectiveness. Tailored individual learning plans will have a two-to-three-year horizon, updated annually to improve readiness for current roles and new assignments. Staff learning needs will be incorporated into performance objective and evaluations.

45. New formal accreditation programs will be developed for technical staff, unlocking fresh opportunities for professional growth. The Global Practices, cross-cutting themes such as gender and fragility, and industry departments will identify learning priorities and develop technical content and curricula for staff who choose to become accredited at various stages in their careers. In some cases, technical accreditation programs will be developed for staff to take on new roles or next level of responsibilities (e.g., managerial training and communications skills), building on the select accreditation programs for operational and trust fund roles already offered by the Bank and IFC. The menu of offerings for accreditation will be expanded to include online, in-person training, job shadowing, and peer-to-peer learning, among other modalities. The technical content will be shaped by global and regional corporate priorities as well as client demand. In some instances, partnerships with external training providers will be formed, including leading universities, think tanks and the private sector. Expanded accreditation will ensure that staff keep up with global industry and sector knowledge, enhancing the value of knowledge and learning delivered to clients.

2.4 Pillar 4: Systems to Transform Productivity

46. Transforming development knowledge into impact at speed and scale will be critical for achieving the Compact's vision. Clients cannot wait years for advice and information. Delivering the Compact's ambition of 21st century knowledge products, partnerships and learning relies on a foundation of robust internal systems that transform how the WBG generates, curates, and shares knowledge. This requires an organizational structure anchored in the new strategic direction and processes that facilitate knowledge flows internally and to clients, along with systems powered by the latest technology to unlock productivity and innovation. Institutional incentives that prioritize knowledge work matter too. Approvals, commitments and outputs related largely to projects draw more attention from management and the Board. Stronger signaling by management, together with enhanced incentives for staff to create and share knowledge can help foster a stronger culture of collaboration, continuous learning and

innovation. A robust foundational system will enhance the ability of WBG staff to draw on the latest insights and provide clients with timely and scalable solutions to inform their development policies.⁹

Plan for Action SYSTEMS



| | | |
|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Structure | <ul style="list-style-type: none"> Establish New Digital Vice Presidency Launch 5 Vertical Vice Presidencies - People, Planet, Prosperity, Infrastructure, Digital | <ul style="list-style-type: none"> Create new departments on Outcomes, Innovation & Knowledge Solutions, Knowledge Engagement & Learning |
| Processes | <ul style="list-style-type: none"> Enhance Effectiveness and Efficiencies of Knowledge Management Processes <ul style="list-style-type: none"> › Separate analytical and advisory work | <ul style="list-style-type: none"> › Separate delivery of knowledge work from client engagement |
| Technology | <ul style="list-style-type: none"> AI-powered Data and Knowledge platforms | |

Structure

47. Digital will be established as a new vice presidency (VPU) to reinforce thought leadership and development solutions in this frontier area. The Evolution Roadmap identified digital development as one of eight global challenges that plays a critical role in poverty reduction and increasing prosperity on a livable planet. As a one-stop shop for the World Bank’s product offerings for clients to build the foundations of a digital economy, the new Digital VPU will bring together Bank teams working in a range of areas from digital infrastructure, ICT sectors and digital entrepreneurship to digital government services, and from data platforms to AI solutions and governance. It will weave a network of digital knowledge brokers across the Bank that promote digitalization in their core activities. The digital teams will support the Regions in leading the country dialogue related to building the foundational and cross-cutting elements of the digital economy and adopting a whole-of-government approach to digital transformation. The Digital VPU will also assume responsibility for external engagements related to data for development and cybersecurity, while hosting the AI4 Development Innovation and Policy Lab team. IFC will continue to leverage its Telecom, Media and Technology team, its Disruptive Technologies team, and cross-cutting efforts to develop digital solutions for clients.

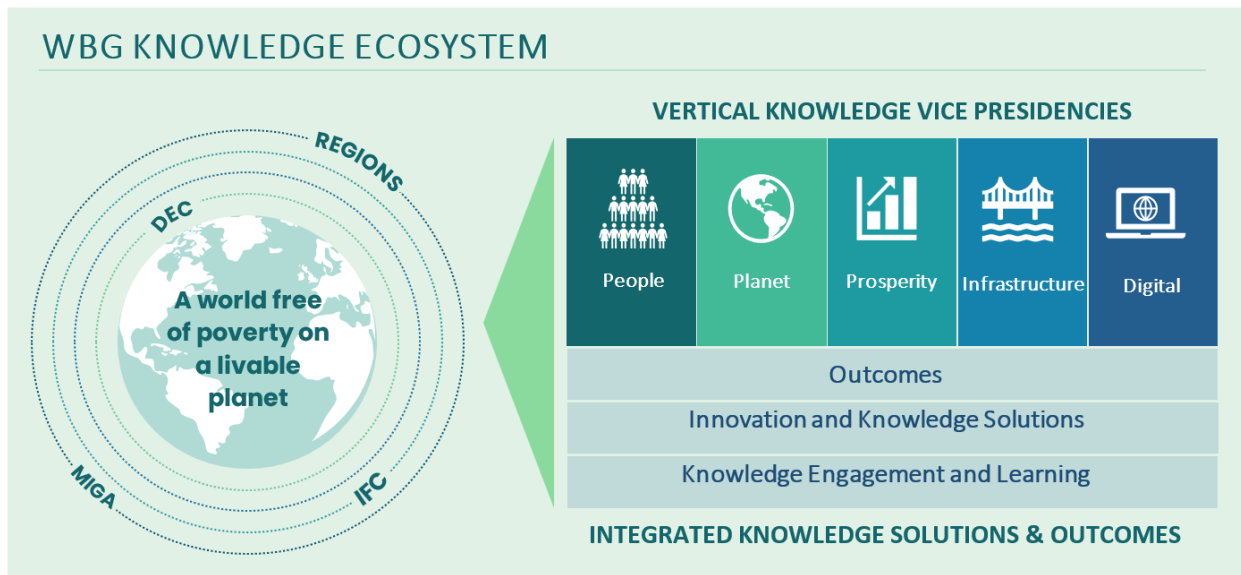
48. To energize the Bank’s work with cutting edge knowledge and data, Practice Groups will be organized into vertical vice presidencies aligned with the WBG’s new mission—People, Prosperity, Planet, Infrastructure and Digital. The verticals, which include the new Digital VPU, will aim to strengthen coordination among staff with the same technical expertise and largely mirror current Practice Groups (EFI, HD, INF, SD) in terms of staffing. They will provide fresh perspectives to expand their knowledge base and develop solutions for global, regional and local development challenges, in partnership with leading public and private knowledge institutions and civil society. IFC will further strengthen its research program housed in the Economics and Private Sector Development VPU, leveraging partnerships with academic institutions and the private sector.

49. Three new departments will be created to enhance coordination, integration, and outcome orientation across the WBG. The Outcomes department will integrate the work across five verticals and

⁹ IEG (2020). *The World Bank Outcome Orientation at the Country Level*.

across the WBG in specific cross-cutting themes, avoiding silos and ensuring that WBG engagements lead to measurable impacts central to the mission. These include measuring the number of girls in school, the number of jobs created, including for young people, the magnitude of carbon emissions avoided, and the volume of private sector resources mobilized alongside WBG financing. The Innovation and Knowledge Solutions department will host a small team to develop and pilot new initiatives and drive forward-thinking approaches to address complex development challenges facing the world today. The Knowledge Engagement and Learning department will manage the technical learning and professional development of clients and staff. This department will supervise the WBG Academy, oversee the professional development of the Knowledge Management and Learning Staff, and coordinate the work of this technical stream across the institution (Figure 3).

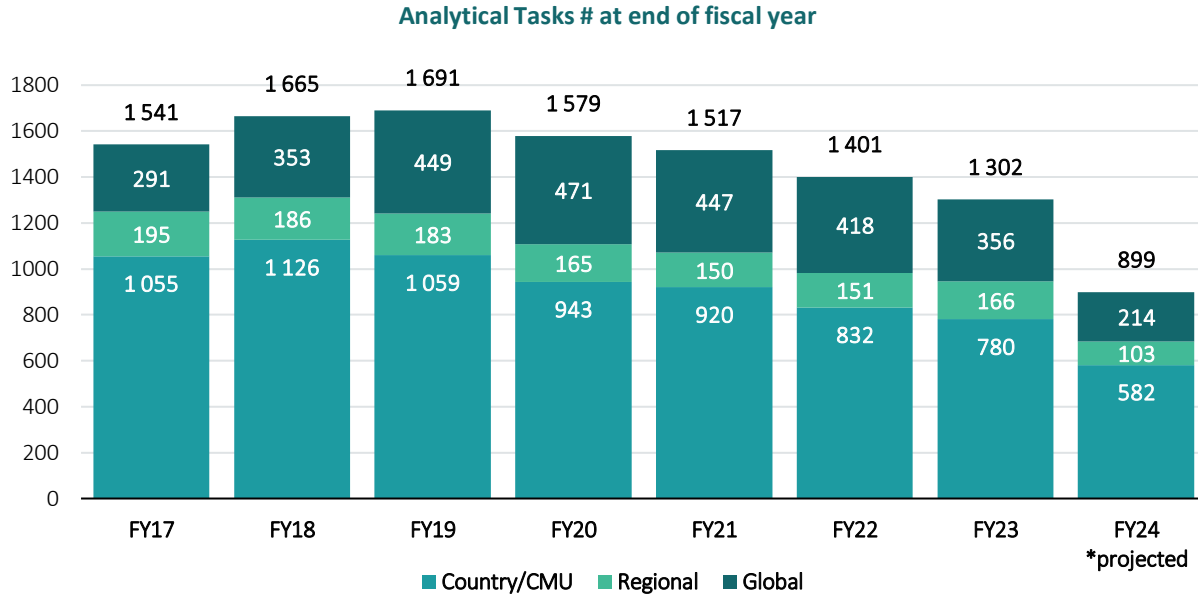
Figure 3: An organizational structure aligned with the WBG’s strategic direction will enhance development impact for clients



Processes

50. The proliferation of World Bank knowledge products in recent years has cast a spotlight on quality assurance, delivery and budget. Recent efforts to consolidate analytics has reduced the number of products (Figure 4). Fragmentation of tasks, bunching and overreliance on trust funds have affected the quality of reviews. Knowledge work varies widely in scope and therefore also in terms of quality control needs. Flagship reports and country diagnostics are subject to extensive review, while advisory notes and toolkits do not generate the same level of attention. Deliveries of analytics continue to be concentrated in the end of the fiscal year. Recent client feedback surveys suggests that timely delivery of products—critical for influencing country policies and programs—should be improved. Eighty-two percent of clients agreed that IBRD/IDA’s knowledge products were provided in a timely fashion—the second lowest rating among the six dimensions of feedback in the survey. Moreover, the use of trust funds for analytics has raised questions about quality and relevance to country priorities. Between FY19 and FY23, the share of country and regional analytics and advisory work financed by trust funds increased from 59 percent to 64 percent.

Figure 4: Analytics are being consolidated, creating space for client-driven knowledge products



51. To enhance the Bank’s efficiency and effectiveness of both knowledge production and knowledge flows to clients, analytical work will be separated from advisory products. The aim is to simplify and strengthen the quality assurance process, with greater attention directed towards generating innovative ideas. Analytics slated for disclosure and for generating cross-country data, in particular, will benefit from stronger oversight. Distinguishing between analytical work and other knowledge tasks will improve task planning and reduce year-end bunching.

52. Knowledge delivery will be separated from client engagement, to place greater focus on disclosing and disseminating new analytical findings and solutions. The Bank’s advisory services and analytics on average take two years to complete and many are not publicly disclosed. In FY23, only 44 percent and 58 percent of completed advisory services and analytical work respectively were disclosed. Going forward, client engagement-related activities will represent a distinct component of the preparation process with a separate budget for communications and dissemination. In addition, a concerted effort will be made to increase disclosure in compliance with the Access to Information Policy.

53. Steps will also be taken to enhance the quality and relevance of analytics and other knowledge work. To improve quality and relevance to clients, Bank budget will be prioritized for country diagnostics that elevate the quality of data and research, contribute to cutting-edge analyses and advice and advance the GCPs. Additionally, pipeline planning for new knowledge products will be made more rigorous through the work program agreements between Regions and Global Practices, validating alignment with client demand and relevance to the new WBG mission.

Technology

54. The Bank will invest in its digital capabilities and modernize its knowledge platforms to provide clients, staff, partners and stakeholders with more efficient access to its vast knowledge base. The WBG’s knowledge is increasingly sourced from both within and outside the organization and ranges from research, reports, and analytical products, to blogs, videos, podcasts, learning courses, datasets, satellite imagery, and code. All these forms of knowledge need to be curated, stored, managed, connected, and accessed safely and easily for the best of the Bank’s knowledge to be brought to bear in real time—for every client and development challenge.

55. The WBG’s next-generation knowledge platforms will leverage advances in information and data management technologies to support an integrated, dynamic and reliable knowledge ecosystem. This includes a robust content management platform that can support the organization of multi-format knowledge resources for clients around specific geographies, sectors, verticals, and challenges. Flexible learning platforms will support the client capacity development goals of the new WBG Academy and the continuous learning required to keep staff up to date. A modernized data platform will be essential to achieve the Data Bank vision by providing enhanced data management capabilities for exponentially growing volumes of traditional and frontier data.

56. Building on pilots launched in 2023, the WBG is investing in AI-powered tools to integrate data and knowledge into its work for greater effectiveness and efficiency (Box 6). As the volumes of content, information, and data continue to increase exponentially and as knowledge is deployed faster than ever, the WBG is working to harness innovative approaches powered by the responsible use of machine learning and AI to equip staff and clients with just-in-time, contextual, and personalized knowledge to enhance decision making and problem-solving. Machine learning algorithms can analyze development trends, identify patterns, and predict potential challenges, enabling more informed analyses to distill key lessons, monitor progress, and identify potential risks or delays in project implementation.





BOX 6

How the AI Revolution is Transforming the Way the WBG Works

AI technologies and products are being deployed to transform how staff work across the WBG. Generative AI-powered chatbots that leverage Large Language Models and conversational interfaces are creating easier access to knowledge from WBG document repositories. Machine learning and AI-models are processing data in new ways, detecting patterns and providing predictive analytics and insights to inform decision-making and project design. Purpose-built AI-powered products are automating a broad range of tasks and processes:

- › **ACCESS TO KNOWLEDGE.** AI-powered chatbots, including the WBG's Mai, ChatIFC, Malena (IFC-ESG Analyst) and Google Vertex allow staff to ask questions across the WBG knowledge base to receive AI-powered answers. CausalAI, developed in collaboration with Google, will sift through the vast volumes of impact evaluation literature, to extract causal evidence and make them available to development practitioners and policymakers. These initiatives allow staff and clients as well as the millions of visitors to the WBG's external website to access information in the WBG's substantial database of data, ASAs and project documents such as project appraisal documents, Country Partnership Frameworks and CCDRs.
- › **STAFF PRODUCTIVITY.** AI-powered solutions, including Microsoft Copilot and customized WBG AI products are being explored to automate routine tasks to generate first drafts of project documents, as well as to perform certain analytical tasks.
- › **DATA AND ANALYTICS.** Machine learning and AI, coupled with satellite and drone imagery, social media and high velocity data, are encouraging new data-driven approaches to project design, remote supervision, results reporting and risk management.
- › **AI APPROACH.** The WBG is integrating AI into client engagements through sector-specific solutions, building AI capacity in client countries, and providing global advocacy and thought leadership in this area. Among other benefits, these initiatives can also strengthen the WBG's convening power by bringing together governments, industry experts, and academia to shape future AI policy and implementation.

III. Monitoring Progress of the World Bank Group Knowledge Compact

57. This paper outlines the strategic direction of the WBG Knowledge Compact for Action and the roadmap to build a 21st century knowledge architecture that delivers the latest knowledge to clients with speed, quality and impact. This will be achieved through the package of measures outlined above to enhance knowledge products, forge strategic knowledge partnerships, promote continuous learning for clients and staff, and optimize systems and technology infrastructure. These measures will facilitate knowledge generation and flows as well as collaboration, making it easier for staff, clients and partners to contribute to and tap into the WBG's global knowledge space in a deliberate and systematic manner. This includes connecting country knowledge and experience with global platforms as well as ensuring clients benefit from global best practices and lessons.

58. A one World Bank Group approach will guide implementation, with an integral role for Global Practices, Regions, DEC and IFC's industry and thematic departments. Joint accountability will rest with IBRD/IDA, IFC and MIGA, to work together, alongside clients and partners, to bolster the knowledge agenda effectively and efficiently in line with the WBG's new mission. Progress will be measured across the WBG to ensure that implementation efforts collectively advance the Compact's vision of the Bank as a 21st century global thought leader that delivers on creating a world free of poverty on a livable planet.

59. Learning from past initiatives, management will cultivate a fresh mindset for collaboration and an organizational culture that fully recognizes quality knowledge work. Past IEG evaluations and knowledge strategies have highlighted the need for stronger incentives to share knowledge and to prioritize collaboration and results.¹⁰ Internal incentives will be strengthened to reward staff working in teams to generate ideas and innovative solutions that deliver demonstrable impact for clients. Annual staff evaluations and promotions will recognize and equally value knowledge work alongside project delivery, with a premium on successfully integrating knowledge and finance for clients. A dedicated recognition program will be implemented to encourage staff and managers to contribute to knowledge creation, including with clients and external partners—similar to IFC's KNOWbel awards program which recognizes exceptional knowledge-sharing. Options will be explored to link career development to active participation in initiatives that develop innovative approaches for solving complex development problems.

60. Strengthening the WBG's human capital to support the knowledge bank is key to the Compact's success. Strong staff capacity is essential to generate new insights and facilitate collaboration on knowledge. WBG staff bring diverse skills sets to their work. Strengthening skills and creating incentives for staff to operate at the knowledge frontier in their respective fields can help bring about more effective solutions for tackling global challenges. This requires prioritizing new recruits with diverse technical expertise and skills, in knowledge generation, collaboration and client engagement. Training programs will be enhanced to equip staff responsible for knowledge-related activities with analytical, problem solving and digital technology skills, among others to strengthen foundational skills required for advancing the knowledge agenda.

61. Implementation will be overseen by a collective senior leadership across the WBG, under the guidance of the Senior Managing Director for Development Policy. Strong and unified leadership will be essential in ensuring that a sustained effort is made to integrate knowledge in every facet of WBG work. The senior management team will review on a bi-annual basis the progress of the Compact and ensure accountability, transparency, and effective implementation of the initiatives. It will provide strategic guidance and bring coherence and synergy across the four pillars, with a focus on creating a dynamic knowledge ecosystem that facilitates knowledge flows within the Bank and externally.

62. Given that knowledge permeates every aspect of the Bank's work, implementation will be phased and dynamic. Some initiatives such as the virtual launch of the World Bank Group Academy will take place in FY24. The creation of the vertical vice presidencies, including the new Digital VPU, will take effect on July 1, 2024. Other initiatives will involve ongoing effort, including the work related to the Data Bank, and AI-powered knowledge and data platforms. An indicative implementation timeline is provided in Figure 5 below. An adaptive learning approach will be taken and adjustments made as needed in

¹⁰ IEG (2020b). *The World Bank Outcome Orientation at the Country Level*; World Bank (2021). *Realizing the WBG's Knowledge Potential for Effective Development Solutions: A Strategic Framework*

response to the rapidly changing global environment, evolving client demands and the fast pace of technological advancements.

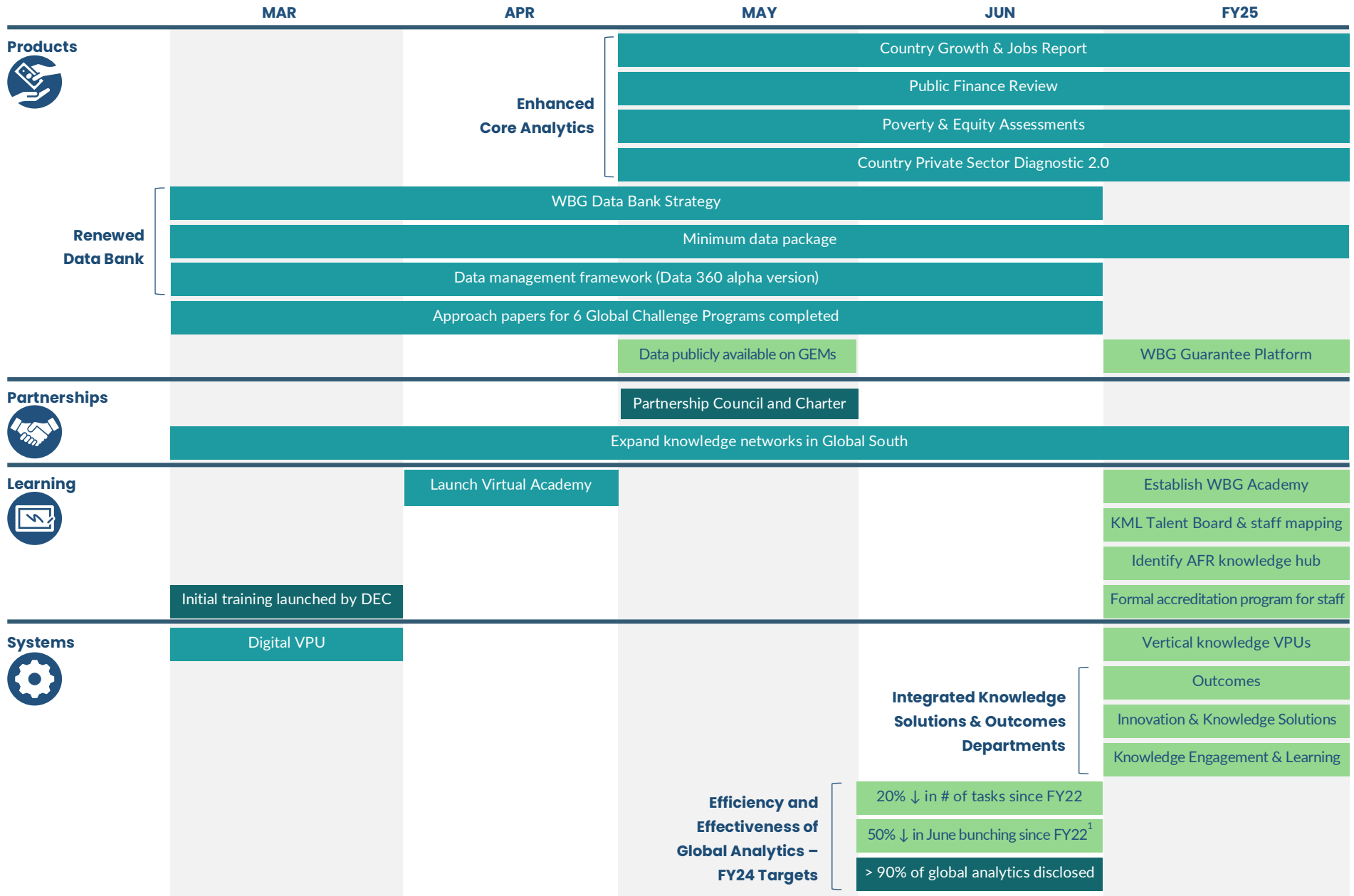
63. Budget allocation for implementation must be commensurate with the Compact's level of ambition. This will be crucial to empower clients with the knowledge, learning and capacity development needed for more effective development solutions. A deep dive on costs related to the knowledge work will be undertaken to ensure adequate financing and incentives to implement the Compact. The budget implications will be addressed as part of the broader discussions on the budget for measures linked to the Evolution Process.

64. The first review of the Knowledge Compact will be undertaken after one year of implementation. The review will take stock of lessons learned and feedback from clients, partners and staff. Management will report to the Board on the progress achieved following the findings of the initial review and on an annual basis thereafter.



Figure 5: Indicative Implementation Timeline
as of March 2024

● COMPLETED ● IN PROGRESS ● PLANNED



¹Bunching: FY24 target is to deliver less than 25% of analytics in June.

Annex I: IEG Perspectives on the Knowledge Compact

IEG evaluations have pointed to the challenges of changing culture and incentives around knowledge.

The evaluation of *country program's outcome orientation* found that the practices and behaviors of staff are shaped by their intrinsic motivation to achieve impact, but also by incentives created by what is measured and tracked by the institution, and by signals that staff receive from management and the Board. These signals and incentives often center on approvals, commitments, and output delivery more than on results achieved, learning, or adaptive management. The *Knowledge Flow and Collaboration* evaluation found that differences in Global Practices' attention to knowledge often reflects the availability of trust funds and leadership support, and that the Bank's mechanisms for learning such as Global Leads and Global Solutions Groups have met with mixed results. Based on this background, the World Bank may consider increasing its focus on culture, incentives, and managerial signals that prioritize knowledge and learning for results.

IEG's evaluation of the WBG's global convening role found that global efforts sometimes fail to achieve country-level buy-in.

The evaluation recommended closer links between global efforts, such as the Global Challenge Programs, and country programs. Management could articulate the kinds of links or country uptake expected for particular global issues. Regions and Practice Groups could jointly determine priorities and act to support the integration of global work into country programs, reinforced by regular monitoring systems.

The same evaluation found that the most effective convening approaches have involved long-standing flagship programs that, over extended periods of time, built staff expertise, external networks, and reputation. This suggests that realizing the Global Challenge Programs' potential to promote global knowledge excellence linked to operations within the defined themes may require sustained efforts over a longer period.

The Knowledge Flow and Collaboration evaluation recommended reforms to budget processes to create more favorable incentives for collaboration. Global Practices compete for budgets, business, and "seats at the table," and having ASA tasks and trust funded partnerships help them achieve these things. The pressures that lead to task proliferation are therefore to some extent built into the Bank's operating model. Budget reforms that provide better incentives in favor of collaboration might lessen some of those pressures.

Sources

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IEG (2020a). *The World's Bank: An Evaluation of the WBG's Global Convening*.

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Annex II: CCDRs - Crowding in Knowledge from Across the WBG to Tackle Climate Change

Under the 2021-2025 Climate Change Action Plan, the World Bank Group took a decisive step to connect the dots in its efforts to improve the lives of people in developing countries. Recognizing “the interconnections between people, the planet, and the economy,” it introduced a formal diagnostic tool—the Country Climate and Development Report (CCDR) to tackle those challenges in an integrated way.

In the past two years, the Bank Group has published CCDRs for 42 economies and is at work on 18 more. These reports already cover more than half of the population, three quarters of the GDP, and two thirds of the GHG emissions and disaster losses in developing countries. In Bangladesh and Nepal, governments are using the CCDRs to create coordination platforms with development partners. In Türkiye, the government adopted a key CCDR recommendation by making climate change the focus of the country’s 12th National Development Plan. In Cote d’Ivoire, the government also formally adopted the CCDR and the Prime Minister’s office is leading its implementation. The IMF is also using the CCDRs to design its Resilience and Sustainability Trust operations, and its recommendations have served as a basis for coordination across multilateral development banks and other development partners.

The CCDRs bring the full force of the Bank Group’s intellectual firepower—across IDA/IBRD, IFC, and MIGA. How are the CCDRs generating and disseminating knowledge at scale? Key to success was teamwork and collaboration. The Practice Groups developed the methodology, built capacity, ensured quality control, and aggregated lessons from country studies; the Country Management Units (CMUs) customize diagnostics to client needs and bring in technical expertise across the WBG; and DEC strengthens analytic rigor and connection with the latest knowledge outside the Bank. The result has been reports that deliver practical recommendations to policymakers for integrating climate change into broader development goals, backed by robust technical analyses.

Each CCDR is customized to specific country contexts, engaging all relevant sectors. The core CCDR team in the Sustainable Development (SD) Practice Group developed technical guidance for front line teams, while a climate economics team in the Equitable Growth, Finance and Institutions (EFI) Practice Group developed guidance on macro-modeling as well as the economywide implications of climate change and climate action including fiscal, trade, financial, and distributional implications. The Infrastructure and Human Development Practice Groups brought their respective knowledge and modeling capacity—for instance on power sector planning, or the assessment of social protection systems. IFC and MIGA contributions ensured the challenges and opportunities for the private sector were fully mainstreamed into the final product. Task-team leadership is shared across multiple Bank Group thematic areas. As a result, CCDRs have developed a WBG consensus on the key priorities for aligning climate and development in each country, making engagement more focused, consistent, and impactful.

Being a new core diagnostic, these are early days in transforming climate knowledge to impact on the ground through Country Partnership Frameworks, country dialogue and WBG financing. The CCDRs are increasingly being used by country teams to engage with clients and partners, including other MDBs and the IMF—for the design of integrated climate and development approaches.

