TRUST FUND FOR ENVIRONMENTALLY AND SOCIALLY SUSTAINABLE DEVELOPMENT (TFESSD)

ANNUAL REPORT 2011

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World Bank TFESSD Team
Acknowledgements

This Annual Report for 2011 to the TFESSD donors draws on the contributions of all the many task teams working with TFESSD funding. Based on their inputs, the Window Managers prepared the Window Reports: Pedro Olinto and Ghazia Aslam (Poverty); Remi Kini and Nenuca Munoz Robles (Environment); Kury Cobham and Abdul Salam Syed (Social Development); and Briana Wilson, Johanna Avato and Inas Ellaham (SP). Judith de Costa oversaw the financial reporting. Rasmus Heltberg led the preparation of the report and drafted the overview.
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I. OVERVIEW

TFESSD disbursed and committed USD 18.3 million in 2011, a record high. 2011 was also the year that TFESSD started phasing out its activities. This is therefore the first Annual Report that does not have any new Call for Proposals to report on. The phasing out of the TFESSD is a bittersweet moment: the Fund has been a strong supporter of sustainable development since 2000, and is a well-known and respected supporter of knowledge work in many quarters of the World Bank.

TFESSD will be missed: Despite the proliferation of trust funds in recent years, financial sources for Bank-led analytical work and capacity building in the TFESSD’s sectors (Environment, Poverty, Social Development and Social Protection) remain surprisingly few. At the same time as the global development agenda seems to be getting more complex and span an ever wider set of issues, the Bank’s own administrative budget has been stagnating and other trust funds somewhat similar to TFESSD are also closing (for example, the Dutch BNPP). Bank staff from various sectors report that it is increasingly difficult to finance analytical activities. Still, it is understandable that the donors wish to phase out TFESSD after 12 years, much longer than almost any other trust fund. Several features of the Fund’s governance arrangements today appear dated as also pointed out by the external Review conducted this year (more on this below).

**Box 1.1: What is the TFESSD?**

TFESSD is a multi-donor trust fund supported by Finland and Norway that provides grant resources for World Bank activities aimed at mainstreaming the environmental, social and poverty reducing dimensions of sustainable development into Bank work. It develops Bank and client country capacity, promotes inclusion of sustainable development issues into Bank operations, and fosters cooperation between different units in the World Bank and with external agencies and groups. Since inception in 1999, $139.5 million have been received in donor contributions, more than 500 analytical and technical assistance activities have been financed, and $134 million have been disbursed. In the last four years alone, new activities worth $50 million have been approved, with $30 million of this focused on climate change.

Half the funding is earmarked to Sub-Saharan Africa. TFESSD activities are managed in four Windows which correspond to the four Sector Boards (Environment, Social Development, Poverty, and Social Protection) managing the fund. TFESSD is now in the process of phasing out its activities.

**The Evolving Context of Sustainable Development**

Changes in leadership during 2011-12: World Bank President Robert Zoellick announced that he will step down at the end of June, 2012. Some important milestones during his tenure at the Bank included responses to the food and financial crises, various natural disasters, and his championing of issues such as gender equality, climate change, agriculture, and infrastructure. The Bank’s work in fragile and conflict-affected situations has also grown in importance. Zoellick also guided the Bank toward
becoming more open, transparent, and accountable, as part of what is known internally as the “modernization agenda”. Dr. Jim Yong Kim was elected as new President, the first World Bank President to not have a background in the financial sector or US politics. He announced his intention to “seek a new alignment of the World Bank Group with a rapidly changing world. Together, with partners old and new, we will foster an institution that responds effectively to the needs of its diverse clients and donors; delivers more powerful results to support sustained growth; prioritizes evidence-based solutions over ideology; amplifies the voices of developing countries; and draws on the expertise and experience of the people we serve.” In the Sustainable Development Network, Rachel Kyte took over as Vice President in July 2011. Andrew Steer, Special Envoy for Climate Change, has recently announced his intention to step down on July 1, 2012.

**Box 1.2: Overview of TFESSD themes in recent years**

**FY07:**
- Natural disasters
- Inequality and barriers to inclusion, including a special focus on access to natural resources and vulnerable groups
- Crime, violence and access to justice, including tenure and usufruct rights
- Adaptation to climate variability and change

**FY08:**
- The role of institutions in protecting the productivity and resilience of ecosystems to enhance equity and sustainability
- Analyzing and mitigating environmental health risks to promote quality of life, productivity and equity
- Tenure security, livelihoods and access to municipal services for poor, urban slum dwellers
- Promoting decent work and social inclusion
- Promoting equity, addressing the needs of the poorest and most vulnerable, with particular focus on empowerment, promoting security and better livelihoods for marginalized groups

**FY0:**
- Adaptation to climate change

**FY10:**
- Climate change impacts and responses.
- Food insecurity, financial shocks, and vulnerability.

**FY11:**
- Shocks and Vulnerability

**FY12:**
- Reducing inequality and social exclusion

Of direct interest to the TFESSD community, the Bank’s work on social inclusion is being scaled up and mainstreamed across multiple networks. The World Development Report 2012 focused on gender and
was launched with banners promoting a “Think Equal” campaign, accompanied by a strong push from senior management to ramp up gender inclusion across the entire spectrum of sectors in which the World Bank Group operates. Also, the new Social Protection strategy for 2012-22 titled ‘Resilience, Equity, and Opportunity’ was launched, and the Development Committee endorsed a plan to boost the work on safety nets. Much of the impetus for this comes from the realization by global policymakers of the need for development that is more inclusive and resilient, also against economic and natural disasters. Further, PREM continued its work on equity and Social Development started preparing its Flagship report on social inclusion. Marking a broadening and revival of the Bank’s traditional poverty focus, this renewed push for social inclusion aligns closely with the TEFSSD objective of ensuring a focus on vulnerable and marginalized groups. Needless to say, many TFESSD-supported activities have supported these areas with studies, capacity building, and policy work.

Box 1.3: The Knowledge Report

As part of the modernization agenda, the Bank published its first Knowledge Report with the aim of helping to reshape its knowledge business. The Bank spends more than $600 million on knowledge services each year, and aims to adapt these services to better suit client needs. A key challenge is how to measure the quality and impact of knowledge – a challenge also faced by the TEFSSD and commented upon in earlier Annual Reports.

Although the difficulty in measuring longer term impact of knowledge services is well known, the report notes that intermediate outcomes can be assessed, for example through partner feedback on technical quality, strategic relevance, and timeliness. The feedback will provide a robust first step towards a result-focused knowledge portfolio. The Bank is also working on ways to seek feedback from development partners: How timely was our intervention? How useful was a particular knowledge engagement? Was the information presented in a way that helped them move an agenda forward?

Managing Director Mohieldin notes that “Knowledge is potentially the most transformative service we provide. We saw the power of a Facebook community being formed around a Bank quality of education report, prompting citizens in Morocco to launch an email campaign to demand better schools and universities. What we don’t know is how much of the positive change over time was informed by our work—and, more importantly, what we can learn from our successful and not so successful knowledge interventions to achieve much greater results. By getting more consistent client feedback, learning more systematically from what we know works and what does not, and applying what we learn, we will be much more effective as partners in development.”

Efforts to address major global and regional environmental issues continued, despite the disappointing lack of an effective global deal on reducing greenhouse gas emissions. The new Environment Sector Strategy was approved. A global partnership on oceans was launched and the work on measuring natural wealth was scaled up. A ‘knowledge platform’ for green growth was launched as part of the Modernization agenda, and the Bank prepared for the Rio+20 Conference.
Highlight of TFESSD Results

Against this background, the core agenda of the TFESSD – environmental and social dimensions of sustainable development – remains important and continues to evolve. Many TFESSD-supported activities continue on full strength and make valuable contributions, particular in climate change, vulnerability, inequality and exclusion. The four window chapters have more detail on results, but some examples are worth highlighting:

From the Environment Window:

- Several grants helped the Bank expand its contributions to shared river basins, namely the Senegal River and the Mekong River. Support to PROFISH constituted a major input to the new global Partnership for Oceans and informed the design of the South West Indian Ocean project.
- An activity on indoor air pollution associated with household cooking fuels in Madagascar led to pilot activities aimed to substitute dirty biomass fuel with ethanol via investments in microdistilleries and ethanol stoves, combining local investment with international expertise and technology. The government is establishing policies to support the development of a household ethanol market.
- The analysis of adaptation in Kenya’s small-holder sector informed the design of the “Kenya Agricultural Carbon” project. The analysis also informed the Bank’s Technical Assistance on Climate-Smart Agriculture in Kenya”. The activity on Adaptation and Climate Forecasting in Madagascar developed the cyclone-proof building standard which is now in place to protect buildings against high wind intensities.
- Two IFC climate risk and adaptation studies helped introduce climate risk and adaptation concerns to the revision of IFC’s Performance Standards and supported IFC participation in PPCR projects. Two TFESSD-funded studies on Climate Change and Financial Institutions and Climate Risk and Business: Ports helped break new ground and provide a platform for implementation. For example, the port company in Colombia announced a $30 million investment to improve the resiliency of their ports to climate change.

From the Poverty window:

- The evaluation of National Support Program (NSP) in Afghanistan funded by TFESSD is expected to feed into NSPIII and influence the remaining life of the project.
- Analysis conducted as part of the project “Timely and Accurate Poverty and Labor Market Monitoring Work” is being incorporated in country assistance/partnership strategies of Columbia and Argentina and in analytical work in Colombia and Peru.
- Analysis on poverty, food security, nutrition and social protection in Mozambique conducted as part of the project “Mozambique: Poverty, Vulnerability, Food Insecurity, And Malnutrition” fed into the preparation of Government of Mozambique’s 5 year strategy.
• Findings of the project “Reducing Poverty, Inequality and Vulnerability in Southern Africa” on improving the effectiveness of policy and expenditure intervention in reducing the short and long-term drivers of vulnerability will feed into the upcoming PRSP in Malawi.

From the SP Window:

• An activity on agricultural insurance has promoted dialogue and sparked interest in agriculture risk management in several Latin American countries and has led to policy changes in Honduras where the government has created an agriculture risk management unit. Other activities on insurance supported groundwater supply insurance in Andhra Pradesh, India; climatic risk insurance in Mongolia; livestock indemnity insurance in Ethiopia; and rainfall insurance for herders in Northern Kenya. A well-attended seminar at the Bank showcased these activities and sparked interest from staff across a broad range of sectors.

• A workshop on Effective and Inclusive Targeting Mechanisms in Africa provided a unique opportunity for social protection practitioners in the region to meet with one another, review emerging lessons, share experiences, and discuss possible design alternatives for the safety net programs in their own countries. It benefited from rich discussions and policy debates among workshop participants and represented a true innovation in South-South knowledge exchanges dealing specifically with social safety nets in Francophone Africa.

• TFESSD has supported the Bank’s disability program for a number of years. That program produced, jointly with the WHO, the first ever World report on disability. The report has been widely disseminated worldwide and suggests that more than a billion people in the world today experience disability. People with disabilities have generally poorer health, lower education achievements, fewer economic opportunities and higher rates of poverty than people without disabilities. This is largely due to the lack of services available to them and the many obstacles they face in their everyday lives. The report provides the best available evidence about what works to overcome barriers to health care, rehabilitation, education, employment, and support services and will make a significant contribution to implementation of the Convention on the Rights of Persons with Disabilities.

• The work on integrating disaster risk and climate change considerations into SP programs informed the Bank’s new SP strategy and fed into social safety net program design in countries such as Tanzania and Nepal. In Rwanda, a grant on “Improving Rwanda’s Social Risk Management Options for Climate-Related Risks” informed a development policy grant, in particular the prior actions pertaining to safety nets and climate change.

• TFESSD helped support the Bank’s renewed strong interest in how safety nets can support energy pricing reforms and informed the scaling up of Moldova’s Guaranteed Minimum Income program and supported the reform of heating subsidies in Romania.

From the Social Development Window:

• An activity developed a participatory approach to slum upgrading based on integrated analysis of the physical, social and environmental. The project has contributed directly to operational design and implementation of ongoing and future urban and social development operations in
various countries, such as Tanzania, India, Yemen, and Brazil. In Brazil, the activity also led to the commissioning of a major study of crime and violence in informal settlements and to a Development Policy Loan (DPL) for urban upgrading. In India, it fed into a new and ambitious national policy on slums and a potential new loan for slum upgrading.

- The work on Social Aspects of the Global Climate Change Agenda enhanced the analytical capacity on social aspects of climate change including: social aspects of World Bank-supported strategies, policies and programs and relevant social development tools. Grant outputs have helped to inform policy and investment operations, analytical and advisory activities, and activities supported under the Climate Investment Funds and carbon finance in all regions.
- The Livelihoods Action Learning Fund was an innovative knowledge management activity that supported peer-peer learning on community-driven livelihoods development across South Asia. This activity contributed to the Government of India's embrace of the community-driven model of inclusive livelihoods development and the scaling up of many of the Bank’s operational and policy lessons through the National Rural Livelihood Program, which is being supported by US$1 billion of WB financing.
- An activity aiming to improve access to India's subsidized health insurance scheme among socially disadvantaged groups worked with India’s National Health Insurance Scheme to revise the beneficiary data structure to capture caste and tribe, a critical first step to improve program uptake among low-caste and tribal groups.

Events and updates

Oslo meetings May 2011

The Consultations were held in Oslo on May 30, 2011. The consultations discussed the Annual Report and the phasing out of the Fund. It was decided to arrange a Forum in Tanzania to get a sense of how TFESSD activities have been perceived by African partners and to have activities presented by counterparts from various East African institutions.

A public seminar was held in Oslo on May 31 on “Addressing Inequality”. The seminar was well-attended and focused on efforts to address inequality and social exclusion, with sessions also on aid and inequality and the role of taxation in addressing inequality.

Tanzania Forum

The Forum, titled “Green and Inclusive Development: Harnessing TFESSD Knowledge” was organized jointly with the Tanzania Social Action Fund (TASAF) and held just outside Dar es Salaam, Tanzania from November 15-17, 2011. Showcasing a number of TFESSD activities as specific examples, the Forum focused on the role of knowledge and capacity in promoting environmental and social sustainability in Tanzania and neighboring countries. In contrast to earlier events where TFESSD activities have generally been presented by their task managers, counterparts presented the activities and discussed how knowledge had been used. The presenters and participants comprised people from governments,
Among the highlights:\(^1\)

- A presentation, film, and lively panel discussion on the charcoal sector in Tanzania highlighting the adverse environmental consequences of charcoal production as well as the employment and fuel affordability benefits afforded by relatively cheap charcoal. The session pointed out the complex dilemmas of the sector in a lively and engaging format without advocating any one solution. The session afforded the participants a sense of how the Bank uses Economic and Sector Work (ESW) to convene policy dialogue.

- A session on climate change presented several TFESSD activities on climate change and disaster risk management in East Africa. These activities have been well received by counterparts and generated impacts far beyond the initial TFESSD funding. For example, work led by Sofia Bettencourt in Madagascar and Sao Tome has generated strong results in terms of disaster risk preparedness and cyclone resistant building codes, and initial support for the economics of adaptation to climate change in Mozambique has helped inform a large program supported by the Pilot Program for Climate Resilience.

- A session on Social Funds in Tanzania and Malawi generated a far-ranging discussion of issues surrounding accountability and decentralization, while also drawing links to the issues facing Kenya. A member of TASAF’s management presented three different TFESSD-supported studies that had supported the evolution of TASAF.

- One day was devoted to field visits. Two groups visited communities that have benefited from TASAF support for small infrastructure and a cash transfer pilot while one group visited NGO-led household energy projects. These field visits linked explicitly with the items on the agenda and offered participants a chance to study social funds and household energy projects and to connect to communities. The field visits were very well received by participants, who requested more of this in the future.

The Forum showed that most activities are appreciated by the counterparts who found they addressed relevant country-specific needs. The Forum showcased many good examples of how African countries can learn from each other and avoid mistakes made in other countries.

The closing discussion took stock of the presented evidence and focused on how to use knowledge for evidence-based policy making and for strengthening local institutions; this discussion is worth summarizing here in some detail as it is pertinent to ongoing discussions about a potential successor partnership to the TFESSD. The discussion emphasized that the role of the TFESSD is to support

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\(^1\) Presentations and photos are available on worldbank.org/tfessd.
knowledge generation and sharing, including South-South learning, and to support pilots that can create results beyond the initial studies. Transfer of knowledge from one country to another is highly appreciated by clients, who often look to the Bank for global knowledge more than for funding. South-South learning can work well. However, the Bank needs to be better at demonstrating the impacts of its studies and pilots. Some people would like to examine the relationship between World Bank Headquarters and Country Offices and to generate more involvement at the regional level in the TFESSD, particular in the Africa region.

To ensure country ownership, it is useful if trust funds such as the TFESSD help promote country dialogue and create evidence that can inform senior policymakers and make them receptive to local processes and issues. A key issue in this regard is the interaction between local and global expertise. It was felt that the Bank has moved away from a top-down model and become better at engaging partners, sharing and co-producing knowledge and creating opportunities for local and global expertise to interact, and this has improved the success rate. Many African countries continue to need help to translate from research into practice. Country leadership and coordination is important for this to work well. For example, Mozambique has developed a model with a center for knowledge and information sharing and use a twinning approach with both foreigners and nationals engaged in research while the country gradually builds up its domestic research capacity. However, there are many challenges. For example, not all development partners are respectful of national-led processes. Also, global knowledge usually needs to be tailored to the local context; a lot of work goes in to translating global good practices to project design. Although doing so is relatively unglamorous, it is nevertheless in high demand by clients, who appreciate when the Bank helps them build capacity and works with them to solve specific operational problems based on its global experience.

The balance between innovation and mainstreaming or consolidation of activities was discussed, with many viewing this as an important trade-off. TFESSD is often relied upon for providing the initial spark after which other resources should be used for sustaining the activities. The donors in fact see the purpose of TFESSD as innovation, with the very important 50% share for Africa. Innovation requires resources from the Bank and that is why TFESSD has started to support Bank staff time and travel in order to ensure adequate staff involvement. It was recognized that there can be tension between innovation and government ownership, and that perhaps the incentives to consolidate new initiatives need to be stronger.

Achieving results is challenging. While at project level, many studies have led to pilots or informed projects and have had an impact in this way, it is harder to demonstrate impact at the policy level. More thought has to go into sustainability because many governments lack the technical and financial capacity to sustain activities once projects close.

Summing up, the goals of the TFESSD remain valid. Strong results are created when activities are carried out with close involvement of national counterparts and integrated with the policy dialogue between the Bank and its government counterparts in a way that ensures local ownership. Co-production of knowledge with local counterparts will increasingly be the way forward.
External Review

An external Review was carried out during FY2012, focused on governance arrangements of the Fund and with an aim to identify lessons for the future. Led by NORAD, the process was inclusive and the Bank was fully involved in drafting of Terms of Reference and the implementation of the Review and was provided opportunity to comment.

The Review concluded that “The TFESSD has been an important vehicle for the World Bank’s efforts to strengthen its approaches to socially and environmentally sustainable development. The Trust fund was established at an opportune time and was a relevant vehicle to support emerging experience in all four windows addressed by the trust fund. Over its more than ten years of implementation, the TFESSD has contributed to strengthened analytical underpinnings and innovative approaches in a number of sectors and countries....The most apparent impact of the TFESSD is on Bank operations....Influence on overall World Bank strategy is less explicitly demonstrated, with close to five percent reporting to have influenced Bank strategies or policies. An important role for the TFESSD has been to fill gaps in World Bank funding. “

Some shortcomings were identified in the setup and governance of the Fund:

- Too broad: A lack of differentiated analysis of constraints across sectors blurred the objectives and limited the overall ability of the TFESSD to catalyze focused change
- Results hard to measure: indicators and reporting procedures lacking that would have enabled monitoring and learning over time
- Unpredictable funding: the Calls for Proposal procedure created unpredictability for task managers
- Attention to regional priorities: the anchor-based governance structure the Region’s ability to conduct their own allocation of resources.

The Bank’s TFESSD team agreed with many of the findings. The TFESSD has been a pioneer and a strong supporter of cross-cutting sustainable development topics during its 12 years of operation, but it should be kept in mind that the governance structures were designed in 1999 at a time when the Bank had few trust funds. TFESSD’s governance arrangements were appropriate for the time. However, since then the number of trust funds and the amount of funding housed at the Bank has multiplied many times over, leading to broader concerns within the Bank about alignment of trust funds with corporate and sectoral priorities as well as cost recovery. Trust funds set up today therefore have more streamlined governance arrangements and explicitly seek to align with key corporate priorities and embody principles of cost recovery.

Another lesson for the Bank is that while the flexible nature of TFESSD’s objectives has been instrumental in keeping the Fund relevant over so many years, they also make evaluation difficult. Both the 2008 Evaluation and the 2011/12 Review found it difficult to assess TFESSD against its objectives because of the broad nature of the goals. The Review rightly points to the lack of hierarchy and prioritization among the different TFESSD goals, which have the consequence of opening the Fund for
periodic re-interpretation and debate. Trust funds set up today define their goals and results indicators more clearly at the outset.

For any potential successor arrangements, design and governance arrangements would therefore have to be modernized. Some lessons to consider are:

- Reform annual calls process. Consider have the Regions responsible for awarding the grants in line with specified priorities. Move to more just-in-time support aligned with regional planning processes.
- Define objectives more clearly and in association with a sector or thematic strategy in a way that is measurable. Prioritize if there are multiple objectives. Maintain funding for upstream and analytical work and consider broadening to include strategic pilots.

**Charging of staff time**

The Bank and the donors decided at the November 2010 consultation meetings to allow charging of staff time and travel to the Fund on a pilot basis with the purpose of helping to ensure that implementing units take ownership of and devote adequate supervision effort to trust funded activities. Also, without external resources, it may be impossible for regional staff to contribute to the production of those types of knowledge products that are seen as global public goods. There is a ceiling of 20 percent of grant resources that can be used to fund staff time and travel. It was decided to make staff time and travel eligible expenses only during a pilot phase, with the Bank expected to report on how this funding influenced and improved the results. What follows provides the requested reporting.

During the reporting period, CY2010, USD642,110 was charged to TFESSD for expenses related to staff time and staff travel. These expenses form part of the above-mentioned pilot and were not eligible to be charged to TFESSD prior to 2011. These expenses constitute 3.5% of total TFESSD disbursements during CY2011 (see Table 1.1) and are thus well below the 20% ceiling.

**Table 1.1: Staff time and travel charges**

<table>
<thead>
<tr>
<th>Staff time charges</th>
<th>Staff travel charges</th>
<th>Time and travel, total</th>
<th>Total TFESSD disbursements</th>
<th>Time and travel in % of total disbursements</th>
</tr>
</thead>
<tbody>
<tr>
<td>406,500</td>
<td>235,610</td>
<td>642,110</td>
<td>18,323,726</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

Task managers were requested to comment on the impact of the staff time and travel pilot as part of the annual grant reporting and monitoring (GRM) that underpins this Annual Report (the GRM reports are available to the donors and provided as annex on CD-Rom). In essence, all or nearly all of the task managers were supportive of the pilot, including task managers that had not used the funding. Task managers reported that the resources allowed them to spend more time on supervision, coordination and quality control of activities and travel to the study countries. For example, one team leader stated
that “this change [the pilot] has been very positive and increased the time spent and the quality of supervision on the activity as I no longer need to do it in addition to my full work program but rather as part of my work program. This in turn will improve the quality of outputs and outcomes”.

Some teams had not used the resources but planned to do so later, for example for dissemination of results. Several teams reported that the Bank budget (BB) available for their activities is unpredictable and that access to TFESSD resources provided a sense of security in their task planning: “This flexibility is important in today's Bank uncertain BB environment. I feel more assured that the work needs not wait until BB is allocated”. Many teams were aware of the pilot but had sufficient Bank budget from regular sources to cover supervision and had made a choice to use TFESSD for consultancies and other study costs; these teams still appreciated the pilot and some of them commented that they planned to make use of it in the future.

Teams provided only limited direct evidence of how the pilot impacted the quality of outputs and outcomes. There was a general sense that the pilot helped team leaders and core team members spend sufficient time on supervision of activities, including more frequent travel to the field and that this in all likelihood would translate into stronger results. Several teams were planning to use TFESSD resources for dissemination which will also support quality of results. Thus, summing up, the pilot achieves goodwill and good impacts at a minimal cost to the program.

**Closing remarks**

The need to work toward more sustainable development is as big as it has ever been and the type of work supported by the TFESSD remains relevant and in demand by the Bank, the client countries, and the donor community. However, over time the governance arrangements of the Fund have become outdated and it is therefore appropriate to phase out the Fund and consider a new form of partnership with streamlined governance and more focused and measurable objectives. It will be important to maintain adequate administrative and governance arrangements during the phasing out period of the Fund. Although disbursements will start to decline in FY2013, TFESSD nevertheless expects to disburse $15 million over the next two years, corresponding to the amount of ongoing, approved activities. This is a sizeable portfolio and needs to be adequately managed. Most of these activities expect to close during CY2013 or early CY2014, by which time TFESSD will be ready to wind down.

Arrangements for governance during the phasing out will need to be discussed. It would be advisable to maintain essential governance and oversee the satisfactory completion of ongoing activities. At the same time, the Bank and the donors could consider a lighter governance approach, for example meeting once instead of twice per year and looking for ways to streamline certain reporting requirements.
II. WINDOW REPORTS

SOCIAL PROTECTION WINDOW

1. Summary

TFESSD continues to support the Bank’s work of meeting the objectives of the Social Protection & Labor (SP&L) Strategy and in particular, enables analytical innovation and capacity development. The projects under the TFESSD are facilitating knowledge sharing in client countries and in many instances fostering strong collaborative programs and partnerships. To date, the TFESSD has approved 88 grants under the SP&L window, among which 13 were approved in 2011. This corresponds to a substantial total portfolio of over US$17 million.

The active Social Protection & Labor portfolio addresses four themes:

i. The needs of highly vulnerable groups and at-risk populations including (i) the disabled; (ii) children and youth at-risk; (iii) ethnic minorities and indigenous groups; and (iv) the poor and vulnerable in general.

ii. Impacts of and social protection responses to natural and man-made disasters, including climate change and climate shocks.

iii. Impacts of and human development responses to shocks and crises, particularly the food, fuel and financial crises.

iv. Establishing, improving and expanding Social Safety Nets (SSN).

The projects within the first theme tackle the needs of highly vulnerable groups and at-risk populations. Many of the respective grants address the particular role of disabled people in client countries. There are both regional and country-level projects that work on creating a large knowledge body on how to mainstream disability into a range of other Bank projects and government programs, which do not necessarily focus on disabled people only (TF097686). Several other grants such as employment integration of disabled people ((TF092503) and a disability assessment covering a number of MENA countries (TF097614) also share this objective. A new project in 2011 aims at improving rehabilitation services and development opportunities for the disabled in post-war affected areas in Sri Lanka (TF010745) and there is ongoing work focusing on ethnic minorities and indigenous groups in a variety
of countries (TF090720). Children and youth have also been very important within this field. TFESSD activities include youth inclusion in Morocco (TF0657391), where the activity is trying to understand low youth participation in the labor market and in social institutions. Youth employment is also the topic of an Africa-wide flagship report (TF097666). Moreover, activities look at the effectiveness of street children projects (TF097402) and the impact of economic shocks on human capital among children and youth (TF097736).

Within the thematic area of impacts of and social protection responses to natural and man-made disasters, a number of grants have addressed the problems arising from climate shocks such as droughts, flooding and severe winters. The projects have developed guidelines on how to respond to such weather related events for example in Bangladesh and Mongolia (TF096133, TF092500). In Rwanda, climate risk management recommendations are being developed to become part of the national social protection strategy (TF094621), as they are already in several African countries, and in Senegal climate change-induced migration is being studied (TF092558). Furthermore, some projects design and test specific tools to engage in risk management strategies such as index-insurance schemes (TF094683, TF092625); an operational manual on community-based disaster risk management (TF057304, TF057305); and a bio-carbon toolkit (TF094689).

Grants covering impacts of and human development responses to shocks and crises, particularly the food, fuel and financial crises, include a number of projects that take a community-based approach to create long-term resilience against recurring shocks. For example conditional cash transfers (CCT) and livestock indemnity insurance for high value cattle are tested, and local capacity trained, in order to achieve improvement in sustainable nutrition, health and education provision (TF097955, TF095046, TF095119, TF094826). In Djibouti and Yemen, activities focus on improving food security and the ability to adapt to price shocks in nutrition (TF096163). Similarly, strengthening nutrition supply constitutes a key objective in a project in Haiti (TF097257). Other risk management strategies have been developed in East Asia, Pakistan and Moldova, the latter particularly accounting for the country's migration situation (TF095667, TF097298, TF096087). Additionally, activities concentrate on identification and targeting of poor people; and especially support improvement of registries (the administrative systems that allow for effective targeting) for SSN systems in vulnerable regions in Sub-Saharan Africa (TF094932) and Central Asia (TF095456). Also on a regional level, projects have developed successful labor market interventions for a number of governments in Africa (TF097666) and in Bangladesh (TF097673); and a new activity targets labor market participation and social inclusion in the ECA region (TF010804).

Under the last subtopic, the programs address a variety of issues of establishing, improving and expanding social safety nets (SSN). Activities have generated substantial knowledge on the technical design of productive SSNs. For example in ECA the work on ‘Smart Safety Nets’ is proceeding well and creating great learning opportunities among countries (TF097444). Moreover, social responses to energy price reforms (TF097678) as well as evaluations of safety nets are important components in the TFESSD portfolio (TF098889). New grants under this theme emphasize the equity demand within SSNs and promote increasing coverage of social protection for poor individuals. Improving registry and management information systems in LAC and ECA countries have become an important part in this respect creating comparable knowledge across countries (TF010515). One project addresses the issue of
low coverage of workers in the informal sector and a pilot is being planned in Kenya (TF010562). Overall, the new projects support greater inclusion of various groups of people in SSN within LAC, ECA and MENA, (TF010483, TF010763, TF010805, TF010807, TF010791, TF010470, TF010775).

2. **Progress toward Development Objectives**

TFESSD has continued to provide much needed support to achieving Bank-wide social protection objectives. In particular, TFESSD has contributed to the creation of a substantial body of knowledge that can be applied across many countries and regions, and support anticipated operational needs in social protection as identified in the Bank’s new Social Protection & Labor Strategy for 2012-2022. There are multiple examples of knowledge creation and sharing within TFESSD funded activities. Some programs collect knowledge from various country experiences in order to create tools that mainstream the topic and integrate it other projects. A good example for this is the work on disability (see Box 2.2). Likewise, a specific tool can be studied and tested in one or more countries, and then be applied in other similar contexts. This is done, for example, in projects on index-based insurance (see Box 2.1). The model of knowledge sharing may vary but the effect is similar: the acquired knowledge can have a multiplied impact in client countries and can serve as a basis for effective capacity building.

2.1 **TFESSD Objectives and value added**

TFESSD adds great value by providing extra resources in a financially constrained environment. Staff are now able to charge time and travel against their TFESSD grants. As a result, supervision and implementation can be improved to ensure better project outcomes. Staff reported that these resources are being used for between one to twelve weeks of their time per year. When surveyed this year on how charging staff time and travel against the TFESSD will affect the outcomes of TFESSD-supported activities, task team leaders (TTLs) in the SP&L Window again almost unanimously felt that this would improve outputs and outcomes. Reasons most often cited for a positive effect on outcomes were that TTLs will be able to travel to the field more often to supervise activities (particularly the work of consultants and local staff) and work on capacity building with local counterparts; TTLs have incentives to dedicate more time to supervision when their costs are reimbursed; and TTLs are more likely to be able to attract inputs from other Bank staff once they are able to reimburse time and costs. This shows the importance of TFESSD resources in providing a flexible tool for staff to respond as needed to requirements that occur during planning and implementing their projects.

As mentioned earlier, the activities of the first thematic area have generated important knowledge in the field of disability furthering the SP&L sectoral objective to mainstream disability in Bank projects. For example, in the MENA region a project team is conducting an extensive assessment to develop a tool on how to improve mobility, accessibility and opportunity among disabled people, and is thus creating knowledge applicable across countries (TF097614). There are a number of other projects that address disability (TF092503, TF097686, TF010745); and it has become evident that since TFESSD began funding disability-related activities, the number of lending projects that include a disability module have increased substantially.
Another good example of work that has achieved substantial and new results can be found in a grant supporting youth activities in Morocco. The project team completed the first comprehensive nationwide study on youth which includes an institutional analysis of the Ministry of Youth and related youth centers and programs; and analysis of a quantitative household youth survey and a qualitative focus group survey (TF0657391). This activity is an important step towards responding to the needs of the growing youth population in many North African countries.

Moreover, TFESSD has contributed to the production of considerable knowledge on natural disaster and climate change impacts which will ultimately help improve the response of poor people towards the challenges imposed by their environment (TF057305, TF092500, and TF096133). In particular, valuable insight is being created by projects that look into the design and piloting of index-based insurance schemes. In Kenya, an index-based livestock insurance product was developed and is now in its third round of testing. The evaluation of results will be particularly interesting as a drought actually occurred during the testing period triggering indemnity payments (TF092625). Work is ongoing to determine how to scale up this pilot, which was presented to the TFESSD donors at the Forum in Dar es Salaam. Similarly, in India an insurance option to reduce groundwater supply uncertainty is being assessed (TF097955) and a bio-carbon toolkit was designed and made available to other Bank projects, practitioners and the scientific community (TF094689). Finally, one project, completed in LAC, developed a national weather data grid and developed local capacity on its use. The latter serves as an excellent example of how knowledge is created through one activity and a platform is developed to disseminate the knowledge to other countries (see Box 2.1).

**Box 2.1: Agriculture Insurance for Vulnerability Reduction and Climate Change Adaptation (TF094683)**

The objective of this recently completed project in Honduras, Nicaragua and Guatemala was to reduce vulnerability of small and medium agricultural producers to adverse systemic weather events and climate change. The team used index-based insurance, which has increasingly gained importance in agricultural risk management strategies. The idea was to develop solutions to make weather index instruments an effective and affordable tool for the most vulnerable populations. The work included three main components: A weather grid database (synthetic historical series); a weather risk assessment and mapping for policymaking; and training in the private and public sector. The team concluded that weather index insurance has strong potential for lowering administrative costs, providing rapid financial assistance after an event and reducing financing risks. It proved difficult, however, at the small farmer level because the insurance industry has limited capacity for high levels of risk. As a result, recommendations suggest to rather target the meso and macro level as a coverage for portfolio and fiscal risk. Moreover, the team proposes to keep the regulatory authority involved from an early stage as the legal framework represents a bottleneck for approval of innovative products. In addition, it is important that reform of public sector policies occurs in a way that maintains insurers’ interest and motivation. The project was very well received within the pilot countries and on a regional level. It has promoted a dialogue on agriculture risk management and already led to policy changes in Honduras where the government has created an agriculture risk management unit. Most importantly, it also
sparked interest in several countries, such as Colombia, Argentina, Guatemala, and the Caribbean and in particular Mexico, to look at the agriculture insurance market in more detail.

A number of projects include components of data collection and data improvement, adding significantly to existing knowledge. In Moldova, the team developed a questionnaire to study the impact of economic crisis on Moldovan migrants. This output will influence succeeding statistical work within Moldova by its incorporation into a labor force and household budget survey (TF096087). A team in Pakistan is working with the statistical institute to collect the largest panel household survey data to study the dynamics of poverty and the impact of the 2008 food crisis. It is thus creating a valuable resource for many studies to come and already advised the government’s Benazir Income Support Program (TF097298). Similarly, in Bangladesh a program collects new data to expand the knowledge base and improve Bangladesh’s Employment Generation Program (TF097673). A new project in Burundi collects data on a monthly basis to find the optimal design of results-based financing for the health sector ultimately enhancing equality to access health services (TF010589). In Nigeria, knowledge on welfare losses and household responses to shocks are studied using the latest available data (TF097510). Finally, a new project will conduct a global stocktaking of social protection systems thus facilitating the harmonization of data (TF010791).

Some grants contribute to SP&L sectoral objectives by providing technical assistance for strengthening specific programs, such as conditional cash transfers (CCT). For example, the testing of community-based CCTs with mobile phone banking is already yielding results of positive impacts on health seeking behavior for youth and elderly (TF095119). On a broader level, one project looks into social responses to energy reforms and particularly generates value added in understanding the implication of phasing out subsidies (TF097678). With respect to targeting SSN programs, one project is developing guidelines on how to improve the identification and targeting of chronically poor households setting the stage for further work in the area of SSN in the project countries (TF094932). Likewise, in Tajikistan, a team is involved in the design of national registry of SSN beneficiaries (TF095456) and a new program is working on guidelines and a toolkit on how to develop a registry and Management Information System in a number of target countries within ECA and LAC. The Albanian Social Assistance Modernization Project is already benefiting from results through the implementation of its new social assistance and disability benefit program (TF010515) All these projects provide substantial value toward achieving the objectives of the new SP&L strategy.

2.2 Impact on the Bank and in client countries

TFESSD funded grants in social protection are having a positive influence on both other Bank operations and on activities in client countries on many levels. The findings provide a substantial basis for subsequent work within Bank-led projects and client country programs and help attract funding from other sources. An excellent example for the sharing and mainstreaming of results is the mainstreaming disability activity. This project gathers extensive information on disability across countries and provides resources to other projects for them to include a well-designed disability module (see Box 2.2). As a result, it not only increases work on disability but also promotes dialogue on the topic thereby sparking interest in many countries to start similar projects. Likewise, TF097686 is working to design programs for
disabled people to encourage their return into the labor market. Two country studies are already completed and resulted in agreements to do similar activities in other countries. Moreover, cooperation with the WHO has been agreed upon to operationalize the International Classification of Functioning, Disability and Health and develop a disability toolkit. Similarly, the outcomes of a flagship report assessing successful programs to improve youth employment in Africa have been directly mainstreamed into Bank policy dialogues in several countries and the topic is becoming increasingly important within Bank operations and knowledge generation (TF097666).

**Box 2.2: Support to Mainstreaming of Disability at the World Bank (TF092503)**

The goal of the ‘TFESSD Disability and Development Window’ is to promote the inclusion of disability components in Bank operations by providing a quick and flexible source of financing. Bank task managers have welcomed this grant and to date it supported 17 activities spanning a number of sectors from education and social protection to transport. Examples of this work are:

- A program on disability social insurance financed the preparation and delivery of the presentation on disability social insurance for the World Bank Core Course on Pensions. This course is one of the World Bank flagship courses, attended by Bank staff and policymakers from all over the world.
- A study on the ‘Economics of Disability Social Insurance’ provides a comprehensive review of literature on the economics of disability social insurance. The study is aimed at World Bank staff involved in social insurance work.
- In Ghana and Tanzania, a study sought to identify the main issues, challenges, and successful interventions that will facilitate access of students with disabilities to tertiary education.
- The organization of an inter-country meeting of policy makers and practitioners for promotion of inclusivity in education, employment, health and well-being of persons with disability in the South-East Asian region.

There are many more projects (also see section 3) that benefited from this grant. The above demonstrates that this project is a successful instrument for knowledge creation and sharing, bringing forward the dialogue on disability to become a permanent part in a range of programs and policies both within Bank operations and in client country programs.

In the area of social protection and risk management the output of two recently completed projects is another good example of the impact TFESSD is having on the Bank. The project developed a toolkit or operational manual on community-based disaster risk management (TF057304 and TF057305). This toolkit has become a permanent part of the Bank’s Safety Nets Core Course, held every year, and is consequently making a valuable contribution to further capacity building in this field.

Moreover, one activity was able to influence the recently approved National Social Protection Strategy in Rwanda to include climate-related risk management (TF094621). A core group of projects generated knowledge on index-based insurances (TF092625). The know-how of these projects has already inspired the planning of more projects across regions. For example, more resources have been secured to
implement the recommendations resulting from the risk assessment of the Mongolian herders and their livestock (TF096133).

Some projects influence further work within the Bank and in client countries primarily through collecting and analyzing new data. One project collected data on socio-economic indicators for indigenous peoples in various Asian and some African counties. These data are being added to existing data from LAC creating a global baseline as input for other projects (TF090720). In Cambodia, data was collected on 4,000 households for an impact evaluation of a WFP project to determine if cash or food schooling programs are more effective; an answer that is likely to influence work within and outside of the Bank (TF097678). Similarly, TF097789 studied the capacity of CCTs to reduce infection rates of sexually transmitted disease creating knowledge that is readily applicable in other countries. A new project studies data from LAC to develop flagship transfer programs that account for greater equity and inclusion (TF010646). All these activities create substantial knowledge and may influence subsequent programs and strategies as discussed.

2.3 Capacity Building

Capacity building is part of practically all projects funded by the TFESSD and one of the most important components with respect to knowledge sharing. The transfer of results to local partners goes along with ensuring local institutions are able to apply and promote them within their counties’ own agenda. Several projects have been particularly successful in involving local partners and building local capacity. In Vietnam, the Institute for Ethnic Minority Affairs and other researchers were extensively trained in quantitative and qualitative data collection, analysis and writing to ensure the project’s activities continued (TF090759). Likewise in LAC, local governments and other stakeholders have been extensively trained on how to use the weather data grid for their natural risk management (TF094683). The Association of Ethiopian Microfinance Institutions is involved in testing a livestock indemnity insurance product in Ethiopia (TF094826) and cooperation with private firms succeeded in India where the team partnered with a local microfinance insurance to give technical assistance to expand their product portfolio (TF097955).

In Haiti the TFESSD project team successfully joined forces with other organizations (UNICEF, WFP, WHO, IDB, USAID) to deliver technical assistance and build capacity within the government to strengthen nutrition security and support the revision of the National Nutrition Policy (TF097257). Another project is conducting an impact evaluation of the Street Children Project in the Democratic Republic of Congo. The project team is involving many other stakeholders, including the Ministry of Social Affairs, local researchers and statistical institutions to build capacity in impact evaluation (TF097402). In Laos, village facilitators were trained in 500 communities on basic nutrition and health issues to improve the uptake of health services (TF094825). Moreover, the same project collaborated with the Ministry of Health ensuring substantial capacity building in piloting community nutrition programs. Extensive training has also been part of other community-based projects (TF095046, TF094826, TF094689, and TF095119).
South-South learning events also supported capacity building (TF094932, TF094621). A project focusing on the improvement of identification and targeting of poor people is a good example of how to improve capacity in Sub-Saharan Africa where institutional and administrative capacity is weak. The representatives of client countries were able to participate in regional workshops and training events to ensure learning from other countries and promote partnerships (see Box 2.3). Another example of learning is a program endorsing well-targeted, equitable, flexible and incentive-compatible social protection programs in ECA. The project organizes quarterly videoconferences and includes all target countries to discuss technical issues of their programs (TF097444). Also in Djibouti and Yemen, extensive consultation workshops with ministries and other local organizations are offering platforms to exchange experiences and develop national strategies (TF096163).

**Box 2.3: Effective and Inclusive Targeting Mechanisms in Africa (TF094932)**

The objective of this project is to improve social protection programs in poor countries in Sub-Saharan Africa where institutional and administrative capacity is weak. It aims to improve identification and targeting of chronic poor, temporary poor and food insecure households affected by crises. The team is preparing guidance notes for each country. Based on the results of the country notes the project launched a series of South-South knowledge-sharing events, the first consisting of a two-day in-country technical workshop in Dakar, Senegal. The workshop was attended by over 20 representatives from technical ministries and executing agencies from 10 Francophone African countries, namely Benin, Burkina Faso, Cameroon, Guinea, Madagascar, Mali, Niger, DRC, Senegal, and Togo. In addition, 14 representatives from partner development organizations including ILO, OXFAM, UNICEF, and the WFP attended the event. The training sessions were conducted by eight technical experts from the Bank, economic think tanks, and academia, and covered the methodological aspects pertaining to targeting and social assistance. In addition, the workshop included sessions on non-technical aspects of targeting such as the political and governance aspects related to the selection of beneficiaries, the rationale for unified targeting over universalism, and a shorter presentation on the Bank’s support in the social protection sector throughout the region. The workshop provided a unique opportunity for social protection practitioners in the region to meet with one another, review emerging lessons, share experiences, and discuss possible design alternatives for the safety net programs in their own countries. It benefited from rich discussions and policy debates among workshop participants and represented a true innovation in South-South knowledge exchanges dealing specifically with social safety nets in Francophone Africa. A similar event is planned for Anglophone countries in 2012.

### 2.4 Shortfalls

It is important to keep in mind that given the complex tasks in TFESSD grants not all projects have been equally successful in advancing towards their objectives. Mostly, this occurred due to lack of local capacity. Sometimes as a result of natural events such as in the case of Haiti where the earthquake, a cholera outbreak and elections caused delays in implementation (TF097257); and other times an unstable political environment owing to changing governments and political unrest prevent the implementation from proceeding (TF094825, TF095046, TF010745). For example, the publication of the youth inclusion report is still pending due to the Government avoiding approval close to the elections.
and other important events (TF057391). Work could not be implemented or was delayed in Kyrgyzstan due to political unrest surrounding the elections (TF095456, TF097678). In Yemen, it was difficult to hold a workshop because of political instability (TF096163). Sometimes, it was difficult reaching an agreement with all stakeholders (TF096087). Lack of data also prevented the teams from including as many countries as they intended into their programs (TF092558, TF090720, TF094932) or led to modification of data sources (TF097510). A pilot in Kenya and Ethiopia gives a good example on how shortfalls in data and capacity provision affected the implementation. When testing an index based insurance product, the team both encountered and overcame these difficulties successfully (see Box 2.4).

Box 2.4: Index-Based Insurance Products for Managing Climate Risks in East Africa TF092625
This project aims to develop and test an Index Based Livestock Insurance (IBLI) product in Kenya and Ethiopia. The objective is for households to become more resilient towards climate shocks and therefore engage in more sustainable development practices. The team designed the IBLI product and conducted several rounds of household surveys to evaluate the impact of the pilot. The International Livestock Research Institute (ILRI) in Nairobi, Kenya, the main local counterpart for the project, launched the IBLI product in 2010. So far, over 3,000 contracts have been sold. The project had to overcome difficulties, which came about due to little local knowledge of insurance. The pastoralists were confused regarding the concept of insurance itself and the terms of the insurance contracts in particular. This caused some delays as well as extra cost as marketing, communication and training activities had to be intensified. Another problem encountered in Ethiopia, the second area of testing, was the fact that the data collected had too many gaps and was inconsistent with what was expected. Therefore, the team had to modify its activities and designed a contract based on a satellite-based vegetation index (NDVI) instead of data on herd mortality. Despite solving the problem, the project was delayed by approximately six months. Overall the project has been very successful, however, and is currently expanding its activities to seven other rural areas.

3. Activity Summaries

Theme 1: Highly Vulnerable Groups and At-Risk Populations

TF057391, Breaking the Barriers to Youth Inclusion in Morocco (FY06) - $260,000: The objective of this project is to understand factors of youth exclusion and promote youth inclusion, paying close attention to its gendered dimensions. The activities identify different types of interventions and propose a methodology for implementing them. The project team completed the data collection. The findings show youth in Morocco have high unemployment and informal employment, and lack education and a voice in public life and decision-making. Morocco also has an underdeveloped youth service sector. These findings emphasize the necessity to prioritize interventions and promote coordination to better address the needs of the large youth population in Morocco. The resulting report is the very first comprehensive nation-wide study on youth and include an: (i) institutional analysis of the Ministry of Youth and related youth centers and programs; (ii) analysis of a quantitative household youth survey; and (iii) analysis of a qualitative focus group survey. The report was presented to the Steering
Committee led by the Ministry of Economic and General Affairs (MAEG), the main counterpart for the World Bank, and finalized. It is available in French, Arabic and English and awaiting its official dissemination after approval by MAEG.

**TF090720, Ethnic Minorities, Poverty and Human Development (FY08) - $198,000 (completed):** The objectives of the project were to provide the first qualitative global assessment of poverty and socio-economic indicators for indigenous peoples and ethnic and cultural minority groups. Based household surveys, the project examined poverty, labor, education, health and social protection issues and created comparable country assessments for more than 10 countries in Asia and Africa. Its results are added to the existing data for Latin America to provide a global baseline. The assessment report was completed and presented at the UN annual meeting of the Permanent Forum on Indigenous Issues. It was published by Cambridge University Press in 2011 and the team issued a series of country briefs. All results can be found at: [http://go.worldbank.org/DIGEVWPWG10](http://go.worldbank.org/DIGEVWPWG10). Overall, the project was successful and met its objective. Only the lack of data in Africa prevented the team from doing much work in Sub-Saharan countries.

**TF090759, Promoting Equity for Ethnic Minorities in Vietnam (FY08) - $120,000 (completed):** The objective of this project was to undertake a desk review and in-country social assessment to investigate the relationships between ethnic minorities and natural resource development in three countries (Vietnam, Lao PDR and Cambodia) and to assess key stakeholders in managing and sharing benefits relating to natural resources and mining. The project successfully completed a Country Social Analysis (CSA) of Vietnam, which identified interlocking factors contributing to the perpetuation of ethnic minority poverty. These factors are less access to education and to formal credit; less mobility and productive land holdings; poorer returns from markets and trading; and stereotyping and misconceptions about ethnic minorities. The study was published in English and Vietnamese, shared with external and internal clients and widely disseminated. There was also extensive capacity building during this process. The local Institute for Ethnic Minority Affairs and other Vietnamese researchers were trained in quantitative and qualitative data collection, analysis, and writing and continued their research cooperation following the report. The separate desk reviews examined i) forest dividends accrued to the indigenous population located near mine operations; ii) existing Social Impact Assessments to determine the local approach to inclusion of ethnic minorities and key stakeholders; and iii) international practice in benefit-sharing through Community Development Funds. Results were reviewed and discussed in a weeklong seminar in Vientiane, Laos. The seminar included a conference attended by 150 stakeholders followed by a three days mine site visit for a group of 30 practitioners. In the longer term, the outcomes of this project will provide input to Community Development Funds in the Lao mining sector and contribute to global knowledge on best practices for design and implementation of Community Development Funds. (See [http://web.worldbank.org/WEBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFICEXT/0,,contentMDK:23007191~menuPK:208943~pagePK:2865106~piPK:2865128~theSitePK:226301,00.html](http://web.worldbank.org/WEBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFICEXT/0,,contentMDK:23007191~menuPK:208943~pagePK:2865106~piPK:2865128~theSitePK:226301,00.html) and [http://www.mmg.com](http://www.mmg.com) for more information).
**TF092503, Support to Mainstreaming of Disability at the World Bank (FY09) - $879,055:** The goal of the TFESSD Disability and Development Window is to promote the inclusion of disability components in Bank operations by providing a quick and flexible source of financing. The main audience is Bank staff in regions and networks. This grant has been welcomed by Bank task managers and to date the grant supported 17 activities spanning a number of sectors from education and social protection to transport; and covering all Bank regions. They support knowledge generation, documentation of good practice and technical assistance for institutional and policy development in the area of disability. So far, the traction gained through this grant has surpassed expectations. For instance, the Government of Morocco has requested the Bank’s assistance to improve urban transport accessibility. Disability was included in the Second Employment Project in Bosnia. Accessibility features are included in the transport project design in Columbia. The bus drivers’ accessibility training toolkit has been used in several countries. In Vietnam, technical assistance is being provided to the Government to develop a disability assessment system. A study on disability and poverty in 15 developing countries has contributed to the global empirical evidence on the socioeconomic statues of disabled people.

**TF097686, Employment Integration of Persons with Disabilities: Pathways into Disability Benefits and Back to Labor Markets (FY11) - $295,000:** The objectives of this grant are to: i) help governments strengthen protection of persons with disabilities through more efficient and effective disability support programs like disability certification (determination) systems; and ii) expand opportunities for their return to the labor market through activation policies and programs, such as reasonable accommodation, accessibility and transport. Activities include two case studies in Bosnia and Herzegovina and Albania, the latter providing inputs to the Albania Development Policy Lending Project. A case study on Ecuador has been agreed upon with the government. Furthermore, a review of international policy experience and programs aimed at labor market inclusion of disabled people is being finalized. The project further agreed on a strategic partnership with the WHO to operationalize the International Classification of Functioning, Disability and Health, which is crucial for modernization, and to develop a toolkit for disability assessment and certification systems. More country studies are planned for Ecuador, Peru, Jordan and Egypt, as well as a final capacity-building workshop.

**TF097402, Evaluating Efforts to Prevent the Phenomenon of Street Children in an African Post-Conflict Country (FY11) - $200,000:** The project’s objective is to evaluate the effectiveness of street children prevention initiatives in the Democratic Republic of Congo (DRC). The activities aim at improving the effectiveness of the Street Children Project (another Bank project) and in particular, informing social policy in DRC regarding the application of the 2009 Child Protection Law and the implementation of the 2009 National Action Plan for Orphans and Vulnerable Children (OVC). Furthermore, the team intends to draw lessons applicable to similar contexts, ultimately contributing to a reduction in the number of street children. The main activities are being undertaken by the Norwegian research organization FAFO, which partnered with the DRC National Statistics Institute (INS) and works with the Ministry of Social Affairs (MINAS) and the team of the Street Children Project. The project team completed the impact evaluation design, developed the research instruction manual and questionnaires, and carried out the collection of base line data. It also held workshops and trained staff of MINAS and INS. The first round of impact evaluation will start shortly.
TF097614, Understanding and Translating Policy into Practice: Integrating Disability into MENA Operations (FY11) - $200,000: The objective of the project is to increase the Bank’s ability to incorporate disability components into MENA operations to improve mobility, physical accessibility and opportunity among persons with disabilities (PWD). Specifically the proposed activity will: (i) accumulate evidence on the relevance of policies and legislation in addressing the barriers PWDs face; (ii) develop practical and effective options for integrating mobility and accessibility measures into Bank operations by evaluating low-cost approaches and adaptability potential; and (iii) evaluate current practices and options to expand employment opportunity and insurance for persons with disabilities. The team has developed a household measurement tool, relevant indicators and sampling frame to finalize the household study. Further, it carried out background work for a study on policy options for income protection and insurance for PWDs. A regional report is being produced covering Jordan, Morocco, West Bank and Gaza, Lebanon, Syria and Egypt to develop a common framework for integrated pensions and income protection for disabled workers. Finally, the team launched work on developing options to improve mobility and accessibility through the Morocco Transport DPL and the Egypt Airport Rehabilitation project. Overall, the project has been very successful as the number of operations and sector work positioning disability as integral part of its inclusive growth agenda and development objectives has increased significantly.

TF097736, Children and Youth in Crisis (FY11) – ($75,000): The project’s objective is to understand the impact of economic shocks on the acquisition and utilization of human capital among children and youth; identify effective crisis-response interventions to protect children’s and young people’s well-being during crisis; and minimize the adverse impacts of crisis in the long term. The team held a conference in Germany in May 2011 with nearly 50 participants from around the world. During the conference, the empirical work presented and discussed. The team prepared a book, which was approved by the peer reviewers. Following further discussions and recommendations of peer reviewers the manuscript was revised and a comprehensive chapter completed focusing on policy implications from the empirical work. In addition, the team started preparing a set of short policy notes.

TF010745, Piloting Service Delivery Innovations to Support Disabled People in Post-War Affected Areas in Sri Lanka (FY12) - $150,000: The objective of the project is to facilitate mainstreaming of rehabilitation services and development opportunities for the disabled in post-war affected areas. The major components of the project are policy dialogues, skills development for the disabled, promotion of social inclusion of the disabled, and a sustainable institutional framework that brings together actors from multiple levels. While many people suffer from the post-conflict consequences in the Northern and Eastern Provinces in Sri Lanka, the disabled are among the most vulnerable group. Despite the significant work of local support agencies, such as the Sri Lanka North East Local Service Improvement Project (NELSIP) and the Re-Awakening Project, preliminary evidence suggests that the disabled have been largely excluded from existing services, such as rehabilitation support and professional guidance. Activities in this project have only started due to delays in the contracting of consultants. Consultants will primarily address social mobilization and training; vocational training and skills development; and access to basic medical and rehabilitation facilities. Policy notes will be issued accordingly.
Theme 2: Climate Change and Natural Disaster Impacts and Responses

TF057304, Responding to Natural Disasters through a Community-Driven Development Approach (FY07) - $170,000 (completed): The objective of this grant was to build the capacity of social fund (SF)/community-driven development (CDD) task teams to be better prepared to respond to disasters. The project team developed a toolkit/operational manual on community-based disaster risk management (CBDRM). The team was supported by other TFESSD teams and coordinated with Global Facility for Disaster Reduction and Recovery (GFDRR). The toolkit was launched in May 2009 and integrated in the World Bank Safety Nets Core Course as part of a module on the role of safety nets in disaster response. The toolkit was also used as the basis of training sessions on Social Protection for Disaster Risk Management that were held at the Workshop on Social Protection, Disaster Risk Management and Climate Change Adaptation organized by the World Bank in Ethiopia in March 2011. The toolkit is available on-line at http://siteresources.worldbank.org/INTSF/Resources/Building_Resilient_Communities_Complete.pdf. The project was very well received as it combined expertise in social funds, disaster management and emergency response into one valuable resource to consult when preparing projects and responding to a natural disaster. Demand for the toolkit has been high and funds for follow-on work have already been secured. Several countries, including Tanzania and Nepal, are integrating the toolkit into their social safety net programs.

TF057305, Responding to Natural Disaster through Social Protection Instruments Including Vulnerable Groups (FY07) - $90,000 (completed): This grant aims to coordinate and disseminate the work of several teams on natural disaster risk management and vulnerable groups. The project team coordinated with various other teams on disaster (i.e., Safety Nets, Disability, WBI on Gender, and the Social Funds/CDD Anchors) and supported follow-up activities of the CBDRM toolkit, developed under TF057304. Main activities of the grant have been launching the CBDRM toolkit and organizing subsequent learning sessions as well as the dissemination of the toolkit to country teams working in emergency projects.

TF092500, Bangladesh: Improving Local Capacity to Adapt Safety Net Programs to Climate Change (FY09) - $380,000: This project supports the Government of Bangladesh to adjust and adapt selected safety net programs to respond to climate change, in both rural and urban areas. It aims to redesign safety nets in Bangladesh to increase their benefit for poor and vulnerable households coping with disasters and climate change. The grant has been linked to a pilot project that aims to test the modalities of providing conditional cash to extreme poor households to impact nutrition and education outcomes of children through local governments. The team is developing a handbook based on the outputs completed in 2010, which included a social protection administrative review; an evaluation of safety net programs in Bangladesh; an assessment of the major institutions involved in disaster management, with a particular emphasis on institutional capacity and coordination; and a review of international experience in providing social protection services during and after disasters to gather relevant lessons for Bangladesh. This handbook lays out guidelines on how to respond locally in the aftermath of disasters, and provides training on the usage of the manual to urban and rural governments where the pilot project is being implemented. Ultimately, the activities will inform a safety net operation within the Ministry of Food and Disaster Management.
TF092558, Climate Change-Induced Migration and its Impact on Youth in West Africa (FY09) - $465,000: The objective of the project is to assess the impact of climate change-induced migration on children and youth in West Africa and to provide policy guidance to national counterparts on responding to social challenges posed by the migration. The project analyzes household survey datasets and other information sources from three sub-Saharan Africa countries: Burkina Faso, Mali, and Senegal. As it proved difficult to use the data from Burkina Faso and Mali for the purpose of this study, the team is currently concentrating on Senegal only. In Senegal, a set of surveys amenable to comparison across time was available and allows measuring the impact of climate change on migration. The research was completed and a report, including possible policy implications, was finalized and translated into French. A dissemination workshop is being planned as the next step.

TF092625, Index-Based Insurance Products for Managing Climate Risks in East Africa (FY09) - $500,000: This project aims to improve the database for insurance against climate disasters. It develops and tests an Index Based Livestock Insurance (IBLI) product and promotes its application in different contexts. The objective is for households to become more resilient and therefore engage in more sustainable development practices. The IBLI product was launched in 2010 by the International Livestock Research Center (ILRI) in Nairobi, Kenya, which is the main local counterpart for the project. After two rounds of contract sales, the ILRI sold another 509 contracts in 2011. Furthermore, due to the drought in the previous year the insurance contracts triggered payments to all insured pastoralists receiving an indemnity payment in October 2011. The sales activities went along with many marketing, communication and training activities to inform about the insurance product and to overcome persistent confusion regarding the terms of the insurance contract. A third round of household surveys, covering 924 households, was also carried out in October 2011, which will allow studying the effect of the indemnity payments. In Ethiopia, following difficulties in collecting consistent data on herd mortality the team modified its activities and designed a satellite-based vegetation index (NDVI) based contract. The ILRI will undertake the following dissemination activities: (i) publications that offer insight into the conditions in which market-mediated IBLI products are possible; (ii) publications detailing the design methods of IBLI products; and iii) publications on the impact of IBLI adoption.

TF094621, Improving Rwanda's Social Risk Management Options for Climate-Related Risks (FY10) - $200,000 (completed): The objectives of this project are to: (i) strengthen climate proofing of the government's main SSN (the Vision 2020 Umurenge Program (VUP)); (ii) encourage mainstreaming of climate change and sustainable environmental management mechanisms into the National Social Protection Strategy (NSPS); (iii) support Rwanda's efforts to present a case study on experiences and forward looking strategies on social protection and climate change in a workshop in Ethiopia in March 2011; and (iv) contribute to coordination amongst government institutions and development partners on the social protection related issues of climate change. The grant objectives had been modified, and restructuring had resulted in a better focus of the activities and alignment to government programs and other Bank operations. With the technical assistance of the team the NSPS was approved by the cabinet in January 2011 and included a section on climate change adaptation and social risk management. Further the team helped the government to elaborate guidelines and terms of references to establish a Technical Working Group (TWG) that fosters identification of existing early warning systems and links
these with social protection programs to help generate related information and data and ultimately set
the foundation for climate proofing the VUP and mainstreaming the initiative into the broader NSPS.
Rwandans exposure to practices elsewhere was promoted through guiding participation and
presentation of the case study in a workshop in Addis Ababa in March 2011. The grant significantly
helped to facilitate the coordination amongst government institutions and development partners. In
particular, a functional TWG at this stage is a very significant result to foster the dialogue and continue
to improve the NSPS.

TF094683, Agriculture Insurance for Vulnerability Reduction and Climate Change Adaptation (FY10) -
$232,000 (completed): The project’s objective was to reduce vulnerability of small and medium
agricultural producers in Latin America to adverse systemic weather events and climate change.
Specifically, the grant (i) supported the World Bank’s assistance to vulnerable Latin American countries
by developing innovative weather index insurance mechanisms for the agricultural sector; (ii) built
public and private sector capacity on financial agriculture risk management; and (iii) disseminated
knowledge and skills on the design and implementation of index-based risk management tools for low-
income agriculture producers. The activities were very successful in achieving the objectives. The main
outputs include: (i) a national weather data grid in Honduras, Nicaragua and Guatemala that allows
them to undertake probabilistic risk assessments in the agriculture sector; (ii) trainings of public sector
(Ministry of Agriculture) and private sector (banks and insurance companies) on the use of the weather
data grids; (iii) the participation of representatives from Central America’s agriculture insurance sector
in the Regional LAC Agriculture Insurance Workshop (http://www.alasa-web.org/); (iv) an Agriculture
Risk Modeling Session in the Seminar on Understanding Risk (http://community.understandrisk.org/group/agriculturalriskmodeling; and v) dissemination of two
Because of these activities, the Honduran government has created an agriculture risk management unit
and the Governments of the Dominican Republic and Jamaica have also been mainstreaming the results
and trainings from this project. Furthermore, a new project planned in Uruguay drawing from
experiences of this project and a work to review the Mexican Agriculture Insurance Market and public
policies are underway. In Colombia, Argentina, Guatemala and the Caribbean similar interests have been
expressed.

TF094689, Making the Bio-Carbon Finance Market Work for the Poor in the Mid-Himalayan Rural
Communities (FY10) - $225,000: The objectives of this project are: (i) to ensure the poor and vulnerable
in mid-Himalayan communities benefit from carbon finance credits through a strategic mountain
livelihood intervention and a community-based monitoring and learning mechanism; and (ii) to share
lessons learned from the Bank’s ongoing bio-carbon finance projects and to generate practical summary
of best practices for the Bank teams who plan to introduce bio-carbon finance projects. The grant
objectives have essentially been achieved. Communities, mostly composed of poor and vulnerable
people in forest areas, benefit from a monitoring and learning mechanism implemented by the team,
which allows maximizing opportunities for carbon finance credits. The team has developed and
published a carbon toolkit that provides a sound methodology developed from the Bank and the
scientific community’s experience in quantitatively estimating carbon capture. During implementation,
two project extensions were requested resulting from technical challenges to design the highly complex carbon toolkit. The toolkit is available for other projects, practitioners and the scientific community. Its quality and acceptance exceeded expectations as demonstrated by the request to publish it under the Agriculture and Rural Development Department Toolkit series and its use in a wide range of activities, including a training activity during the Sustainable Development Network week.

**TF096133, Reducing Vulnerability of Mongolian Herders to Climaltic Risk (FY10) - $200,000 (completed):** The objective of the project was to enhance coordination and improve post-disaster responses to catastrophic livestock mortality, for example caused by extremely snowy winters called dzud, and reduce the magnitude of livelihood shocks for herder households in Mongolia. The project’s activities resulted in a number of reports: i) The Dzud Disaster Financing and Response in Mongolia; ii) Working Report on Exploring Options to Institutionalize the Dzud Disaster Response Product in Mongolia; iii) Understanding Resiliencies in Mongolian Pastoral Social-Ecological Systems – Adapting to Disaster Before, During and After the 2010 Dzud; and iv) Improving Feed and Fodder Supply for Dzud Management. In addition, five policy notes were prepared and formed the basis of consultation and discussion with the government. These include recommendations to enhance coordination and targeting of post-disaster responses to livestock mortality. Specifically, the findings addressed coping strategies of herders and factors that may constrain adaptation; recommendations with regard to strengthening animal nutrition; suggestions how to strengthen the disaster management system; and finally an innovative approach to social protection to climate risk emphasizing the concept of index-based insurance schemes as a valuable tool of reducing vulnerability. With new resources coming to Mongolia (such as the GFDRR or the PHRD grant) the likelihood of these activities continuing and translating into policy action are very high.

**TF097955, Financial Innovations to Reduce Vulnerability (FY11) - $200,000:** The objective of this project is to develop and field-test groundwater supply insurance in Andhra Pradesh, India, in order to reduce vulnerability resulting from groundwater supply uncertainty and resulting income variability. The project is in partnership with BASIX, a local microfinance institution that already offers rainfall insurance. To date, the team analyzed household survey data collected in 2010 which covered agricultural production, bore well drilling decisions and groundwater uncertainty in two drought-prone districts of Andhra Pradesh. Findings suggest that farmers make fairly informed planting decisions and take into account potential declines in water supply by reducing the area of planting. Hence, the demand for a groundwater insurance scheme could be lower than originally thought. This and other outcomes will be used to inform the next round of data collection and further assess the feasibility of such insurance schemes. The final results of the study will be disseminated through workshop and conference presentations in both academic and policy forums.

**Theme 3: Shock and Crisis Impacts and Human Development Responses**

**TF094825, Evaluating Demand-Side Incentives and Community Mobilization to Expand the Uptake of Essential Health and Nutrition Services in Lao PDR (FY10) - $190,000:** The objectives of the project are to: (i) undertake a Nutrition Situation Assessment for Laos to address knowledge gaps on the effects of
the recent food crisis on nutrition; (ii) inform the design of pilot conditional cash transfer (CCT) and community nutrition programs; and (iii) generate evidence on the impact of these pilot programs and inform government decisions about scaling up of nutrition and safety net programs. The Community Nutrition Project (CNP) supports CCTs that provide incentives for women and children to make use of health services in the catchment area of 63 health centers in 26 districts. Further, the CNP helps community-based nutrition groups inform and train village facilitators in 500 communities on basic nutrition and health issues. A Nutrition Situation Assessment, based on a 2,741 household survey, and complementary community and health facility questionnaires were drafted. The project addresses a significant knowledge gap on the nutritional status of the Laos population and involves, for the first time, the Ministry of Health (MOH) in implementing a rigorous evaluation of pilot projects in the CNP area. Data from this project contributed to a Regional Nutrition Assessment (McGuire JS, Willink A, and Pambudi E (forthcoming), Opportunities to Protect and Enhance Nutrition in the East Asia and Pacific Region, World Bank). The next step is to carry out a follow-up survey evaluating the components’ impact.

TF094826, Piloting Indemnity Livestock Insurance in Ethiopia (FY10) - $225,000: The objective of this project is to test a livestock indemnity insurance product for high value cattle that are primarily financed by credit and owned by smallholder farmers, particularly women, who produce dairy or meat for the market. The Association of Ethiopian Microfinance Institutions (AEMI), the main implementing agency, finalized and published a study on the potential for high-value livestock indemnity insurance in Ethiopia’s Oromia region: (http://siteresources.worldbank.org/EXTSOCIALDEVELOPMENT/Resources/244362-1278965574032/Livestock.pdf). AEMFI and the local partner Nyala Insurance Company (NIC) presented the results at a microfinance conference in Ethiopia and within the World Bank. A capacity-building workshop between all stakeholders (WB, AEMFI, ILO, UNCDF and local partners) is planned. Development and testing of the insurance product is ongoing and involves local experts on Rural Savings and Credit Corporations (RUSSACOs) and other microfinance institutions (MFIs). Pilot testing with NIC has started and additional funds have been secured to increase capacity-building measures.

TF094932, Effective and Inclusive Targeting Mechanisms in Africa (FY10) - $400,000: This project’s objective is to improve social protection programs in poor countries in Sub Saharan Africa where institutional and administrative capacity is weak. It aims to improve identification and targeting of chronic poor, temporary poor and food insecure households affected by crises. The preparatory work for the country studies (concept note, guidance note for country studies, methodological note) is complete and all individual country studies have been launched and are at an advanced stage of implementation. The most advanced studies are in Kenya, Ghana, and Burkina Faso. Significant progress has been made in the Mozambique and Malawi studies and the Senegal, Niger, and Cameroon studies are also entering their last stage. The country study for Cote d’Ivoire was dropped due to the current political situation. Results from all studies, which include an ex ante validation of proposed targeting methods, were presented in a dissemination workshop in Dakar, Senegal in November 2011. The workshop was the first of a series of South-South knowledge-sharing events related to this study and attended by over 20 representatives from technical ministries and executing agencies form 10
Francophone African countries, and a number of representatives of partner organizations (ILO, OXFAM, UNICEF and WFP). The synthesis report will be finalized soon and country briefs as well as training materials disseminated.

**TF095046, Reducing Malnutrition Caused by Food Insecurity in Ethiopia (FY10) - $180,000:** This project’s objectives are to develop feasibility studies to establish pilot initiatives that increase the availability and reduce the cost of nutritional products. Furthermore, the project plans to establish community-based management of acute malnutrition, and a cash/food transfer system in urban areas. Community-Based Nutrition (CBN) training started in January 2011 and by the end of the year, 238 woredas (administrative divisions) received training and have begun Growth Monitoring and Promotion (GMP) sessions and Community Conversations (CC). The GMP sessions covered 1.2 million children aged less than 24 months. Implementation of the Community-Based Management of Severe Acute Malnutrition pilot, funded by the Japanese Government, has started after an initial delay and the project team provided a consultant supporting the implementation process (funded by TFES65). A food fortification study was conducted to promote local private investments in the fortification business. The government is highly committed to promote food fortification, inviting private investments, and an action plan is being prepared based on the study. Finally, technical assistance was provided to the Ethiopia Health and Nutrition Research Institute to develop its fortified food quality assurance capacity.

**TF095456, Safety Nets in Central Asia (Kyrgyzstan, Tajikistan and Uzbekistan) Post Crisis and Beyond (FY10) - $210,000:** The objective of this project is to provide analytical underpinnings for on-going efforts of the client governments, the World Bank, and other partners to protect the poor and most vulnerable in the aftermath of the crisis. The work specifically targets strengthening social safety nets (SSNs) and facilitating employment opportunities in Tajikistan, Kyrgyzstan and Uzbekistan. The most important outcomes in 2011 were seen in SSNs Tajikistan. The team emphasized the need for reform of current targeting methods and informed the direction for the reform. A report was prepared and the Government of Tajikistan requested an IDA operation to further reform its SSN system, including the design of a national registry for SSN beneficiaries (Tajikistan: Delivering Social Assistance to the Poorest Household, No 56593-TJ; http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2011/06/16/000386194_20110616012044/Rendered/PDF/565930ESW0gray00601401100B0X361487B.pdf). In Tajikistan, analytical findings of the migrant-employment related work allowed to produce another set of results and facilitated interest from a potential donor (Russia) to fund a life-skills improvement project in Tajikistan. In Uzbekistan, the work has been less successful. The project team, together with IFC, intended to raise the issue of a weak targeting within an envisaged PPP engagement in medical testing facilities. The engagement stalled when the government decided it was no longer interested. However, the team is confident that modified activities will be continued within the forthcoming reform of SSNs. No activities have been initiated in Kyrgyzstan due to an unstable political situation and frequent changes of perspective counterparts.

**TF095667, Social Protection Responses to the FFF Crises in East Asia (FY10) - $300,000:** This project aims to: (i) fill knowledge gaps on poverty, vulnerability and crisis impacts, as well as on social protection programs and expenditures in Lao PDR, Timor-Leste, Mongolia, and Vietnam; (ii) identify social
protection priorities for engagement and policy dialogue going forward; and (iii) support learning and disseminate knowledge on thematic and cross-cutting issues through in-country workshops and international events. The country teams have carried out various activities to understand the main areas and information gaps to deal with current crisis effects and tackle future crisis and to identify the SP priorities. Focus has been on consultations and capacity building of government and other stakeholders in the respective countries. For example in Vietnam, the team performed local capacity assessments in 10 provinces, and focused on improving the delivery of social assistance in order to inform the design of a new social assistance cash transfer program that the government of Vietnam is developing with the support of the WB and UNICEF. Another capacity building event targeted to high profile individuals in Timor (civil society, the church, various government departments and the Prime Minister), who attended the Ministry of Social Solidarity (MSS) conference commemorating 10 years of social programs in Timor-Leste. This event provided an opportunity to discuss the preliminary results of the safety nets performance review with the MSS. Discussions with local governments are ongoing to provide inputs for technical policy notes and country SP assessment papers.

**TF096087, Impact of the International Financial Crisis on Workers’ Remittances, Migration and Poverty in Moldova (FY10) - $97,000:** The objectives of this project are to help the Government of Moldova evaluate and design policies to address the poverty consequences of the international financial crisis’ impact on migration and workers’ remittances. Initially, there had been a delay of reaching an agreement with the Moldovan National Bureau of Statistics (MNBS) caused by overburdened demands from donors and budget cuts. The project was modified leading to more work on evaluation of migration and less on policy design. It involved the International Organization for Migration (IOM) and the European Union (EU) in supporting the MNBS. The project produced a demographic, sociological and economic profile of the Moldovan diaspora in Russia; it prepared a survey questionnaire to study the impact of the economic crisis on Moldovan migrants in the CIS-corridor and initiated multi-level communication between Moldova, Russia and the Moldovan diaspora. The questionnaire will be incorporated into labor force and household budget expenditure surveys and thus influence further statistical work on migration. Moreover, the grant substantially supported the exchange of information and relationship building between Moldovan and Russian officials who work on migration and supported the work with the Moldovan diaspora.

**TF096163, Developing an Effective Safety Net to Cope with Price Shocks in Djibouti and Yemen (FY10) – $250,000:** The objectives of this project are to help policy makers in Yemen and Djibouti develop effective safety nets for the poor and vulnerable. This will help beneficiary households survive price shocks and address long-term food insecurity through investment in human capital. In Djibouti, the collaboration with the Ministry of Social Solidarity and the Agency for Social Development has been particularly satisfactory. The parallel implementation of the Japanese Social Development Fund’s (JSDF) grant, which supported a pilot community-driven, labor-intensive public works program, has had synergetic effects. While JSDF funds cover the pilot implementation, this project is supporting technical assistance to leverage the JSDF pilot as a platform for effective responses to price shocks. In May 2011, the project organized a consultation workshop in Djibouti. The team is now supporting the Government of Djibouti in preparing a social protection strategy to protect the poor and build resilience to crisis.
among the most vulnerable. In Yemen, the consultations on nutrition promotion focused assistance were advanced in coordination with the Ministry of Health, WFP and UNICEF. A workshop was held in May 2011 in Egypt (because of the political instability in Yemen) bringing together and promoting coordination between the stakeholders. Based on the results of the workshops, both in Egypt and Djibouti, the team designed a CCT pilot program targeting existing cash transfer beneficiaries and developed an operations manual.

**TF097257, Haiti Nutritional Security (FY11) – $200,000:** The activity will focus on improving the capacity and effectiveness of nutrition-related safety net programs to address problems of severe and chronic malnutrition among Haiti’s most vulnerable populations. The main three areas of support are knowledge generation, strengthening nutrition security, and capacity building for nutrition security. There have been delays in the implementation due to the earthquake, a cholera outbreak, and election-time unrest and uncertainty. However, the project has made progress and some areas have been successfully completed. An assessment focusing on conditions, programs and policies of nutrition security for the target group of vulnerable families (young children and pregnant and lactating women) was published in French and English and widely disseminated. Another assessment looked at the experience of community workers in Haiti in providing health and nutrition services. The results led to two additional activities. To begin, they provided the basis for capacity building components which supported the Haitian government in a consultative, participatory process to revise the National Nutrition Policy. Capacity building is ongoing in terms of working with local counterparts to improve planning and implementation of nutrition activities. Secondly, the results led to a new initiative called the Household Development Agent (HDA), which focuses on community workers. It provides a basic package of health, hygiene and nutrition services to vulnerable families and contributes to institutional strengthening for service delivery. It does this by mapping existing services, monitoring families' use of services, and fostering coordination with service providers to fill gaps in service provision (also see [http://korefanmi.net](http://korefanmi.net)). All the activities have been undertaken under the leadership of the Government team (Director of Nutrition), in collaboration with donors (especially UNICEF, WFP, WHO, IDB, and USAID), in order to ensure ownership and consensus on the process. Due to the Government’s interest in the HDA pilot discussions about a new project in this area have started.

**TF097298, Vulnerability, Crisis Impact, and Effectiveness of the Safety Net Programs in Pakistan (FY10) - $80,000:** This grant supports the development of a note, which will identify the long-term drivers of vulnerability, assess the impact of the recent food and financial crises, and provide guidance to policy makers – in particular the Benazir Income Support Program (BISP) of the Government of Pakistan - on how to scale up safety net programs in the time of crisis. Under this grant, the team has worked with the Federal Bureau of Statistics (FBS) and collected one of the largest panel surveys in Pakistan. The team analyzed the data and identified the dynamics of the poverty in Pakistan at the household level, the

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impact of the 2008 food crisis and the methods that households have been taking to mitigate such impacts. Five policy notes were produced and a draft social safety net report was completed. Report results were disseminated through seminars in Pakistan. The policy notes include the following: 1) Poverty Scorecard for Pakistan covering the technical description of a poverty scorecard, its targeting efficiency, and the rationale of the cut-off score adopted by BISP; 2) Social Protection through Health Insurance, which looks into the fundamental design questions and tested options to inform the choices of the health insurance model for the BISP and presents a strategic roadmap and modalities of setting up the selected health insurance model under the BISP; 3) Empowering Women through BISP: the Effect of Women’s Decision-Making Power on Reproductive Health Services Uptake in Pakistan, which suggests that increasing the ability of women to make decisions may increase their uptake of reproductive health services; 4) Women Decision Making Power and Human Development in Pakistan – Application for BISP, which broadens the analysis to human development by including nutrition and education issues; and 5) The Impact of Food Crisis on Consumption in Pakistan, which finds that the food crisis significantly increased inequality suggesting self-production and access to agricultural production possibilities can help mitigate the impacts.

TF097510, Welfare Cost of Risks and Risk Management Options (FY11) – $100,000: The objective is to examine the welfare cost of selected shocks prevalent in Nigeria and the effectiveness and cost of household responses. The project used the core welfare indication questionnaire data from 2006, as the Nigerian Living Standard Survey 2009/10 will not be available until spring 2012. It analyzes prevalent shocks and quantifies the associated welfare losses, isolates household responses and their effectiveness and studies options for reducing welfare losses and cost implications. Results identified climatic changes, agricultural price shock, livestock disease, loss of jobs and cultural or religious crisis as prevalent risks in Nigeria. The analysis will be repeated and extended as soon as the National Bureau of Statistics releases the 2009/10 survey data. Outcomes will be a major input to the Social Protection and Social Safety Net Dialogue that is ongoing in Nigeria and valuable insights for projects in other sectors due to the cross-sectoral nature of the analysis.

TF097666, Reducing Vulnerability Via a Labor Market Intervention in Africa: Towards Building Long-Term Resilience to Respond Effectively to Crisis and Shocks (FY11) - $400,000: The objectives of the grant are to develop an evidence-based, multi-sectoral, operational framework for engagement and identify, design and implement successful programs that improve employability and earnings, especially among youth. The project will help governments and their partners develop more successful labor market interventions. To date, the team has developed a framework for engagement with government and designed a template for capturing cross-sectoral knowledge on the topic. The synthesis of what works and what does not was completed and is being folded into an Africa-wide flagship report on

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3 See http://elibrary.worldbank.org/content/workingpaper/10.1596/1813-9450-554
youth employment. Furthermore, findings have been directly mainstreamed into Bank policy dialogues in several countries including Burkina Faso, Benin, Guinea, Cote d'Ivoire, and Senegal.

**TF097673, Impact Evaluation of the Bangladesh Employment Generation Program for the Poorest (FY11) - $200,000:** The objective of this grant is to improve the design and implementation of Bangladesh’s Employment Generation Program for the Poorest (EGPP) by evaluating the effectiveness of program targeting and the impact of the program on household outcomes, coping strategies in response to shocks and broader empowerment outcomes. To date, a baseline survey of over 3,000 households (EGPP participants and non-participants) was completed in March 2011. A preliminary analysis of the baseline data was discussed with the implementing Ministry in July 2011 and is being used to refine administrative procedures for the program. The baseline data provided inputs to the design of a payment systems pilot in which beneficiary payments will be channeled through smart cards and mobile phone based systems. Moreover, the qualitative analysis has started with a first round of focus group discussions and interviews. The team is working on the analysis and has initiated a second round follow-up household survey in November 2011. Results will be shared at a conference conducted jointly with the Ministry of Food and Disaster Management and the International Food Policy Research Institute (IFPRI).

**TF010804, Promoting Labor Market Participation and Social Inclusion through Well-Designed Social Welfare Systems in ECAs Poorest Countries (FY12) - $300,000:** The project objectives are: i) to help governments identify inequalities in labor market participation outcomes and associated social exclusion across different age, gender, and ethnic groups; and ii) to explore the role that welfare instruments can play in enabling an environment that encourages participation in the labor market while still providing security. Since the start of the project in October 2011 the team has gathered the datasets for the studies, completed the analysis for Tajikistan and is starting the analysis for Ukraine. A small country report on Tajikistan has been written and will serve as a model for subsequent county studies. Moreover, the team held discussions with Government of Georgia and has started work on one case study addressing the impact of Georgia’s social assistance, health insurance and pension programs on labor force participation. The project will address the question with a cross-country comparison and a series of country case studies in order to achieve both an understanding of the country-specific problems, and of the regional concerns in the ECA labor market, thus create a broader learning experience.

**TF010589, Using Results-Based Financing in Health to Promote Equity and Stability in a Post-Conflict Setting (FY12) - $180,000:** The objective of the project is to determine an optimal design of results-based financing (RBF) for the health sector in low-income countries to enhance equity in access to and quality of health care, and to help promote stability in a post-conflict setting. The project supports capacity building for the implementation of a nationwide RBF program for the health sector in Burundi; the implementation being co-financed by a $25 million IDA project. Multi-level discussions are held regularly and data is collected on monthly bases and used to design and improve the RBF measures in Burundi as well as other World Bank-financed RBF projects. Main questions address the impact of RBF measures on health sector equity, nation rebuilding, inclusion, ethnic harmony and national stability.
Additionally, the analysis looks at the effect of new RBF measures introduced into existing programs and specific design features of new policy measures that create feasible and desirable mixes of policy options for equity and nation rebuilding under fixed budget constraints. The focus on equity and nation rebuilding constitutes a new approach in using RBF measures.

Theme 5: Social Safety Nets (SSNs) and Social Protection Systems

**TF095119, Community-Based Conditional Cash Transfers (CB-CCT) with Mobile Phone Banking (FY10) - $435,000:** The objective of this project is to reduce poor households’ vulnerability to shocks in Tanzania by providing a financial buffer, which will allow households to invest and save more. The project is also expected to improve investments by financially constrained households in nutrition, health and education for youth, and health care for the elderly. Thus far, the team has involved the Tanzania Social Action Fund (TASAF) as the implementing agency and conducted a CB-CCT impact evaluation mid-line survey. The survey showed positive impacts on health seeking behavior for youth and the elderly, as well as evidence that the poor have reduced reliance on transfers from other households and increased savings. In addition, a follow up of the feasibility study of mobile phone transfers with a step-by-step plan for implementing mobile phone transfers has been delivered. Moreover, the report on the first round of community scorecards has been completed and a second round initialized. A final report on the focus groups carried out in six treatment villages has also been prepared. Results of the activities were presented at two conferences, one in Dar es Salam, Tanzania and one in Washington DC. Further knowledge sharing is planned at a conference in Nairobi, Kenya in the beginning of 2012.6

**TF097444, Smart Safety Nets in ECA (FY11) - $300,000:** The project’s objectives are to develop and disseminate knowledge to help governments identify and implement smart safety nets that are not only well targeted and equitable, but also flexible, incentive-compatible, and proactive. In 2011, a regional paper on flexibility was completed and peer reviewed. It will be published as a Social Protection and Labor discussion paper. In addition, an ECA knowledge brief based on the findings is under preparation. The capacity-building component (the social safety net community of practice) was implemented with an initial videoconference for ECA. Nine countries participated, bringing together policy makers, high-level technical people and World Bank experts on safety nets. Participants exchanged ideas, knowledge and experiences. These virtual meetings present an excellent South-South learning opportunity and are planned on a quarterly basis. The grant activities further include the profiling of safety net beneficiaries and four to five country profiles. A questionnaire to collect the institutional and technical characteristics and other information for safety net programs to identify design components for incentive compatibility in multiple countries is under preparation.

**TF097678, Safety Nets for Energy Pricing Reforms (FY11) - $175,000:** This project aims to support adequate and effective social protection responses to energy pricing reforms through knowledge sharing and technical assistance activities. It has three main activities: i) a review of country experiences where energy subsidies have been removed or reduced and safety nets or other compensatory measures have been put in place; ii) assessments and technical assistance in three selected countries

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6 See [http://www.cpc.unc.edu/projects/transfer](http://www.cpc.unc.edu/projects/transfer)
Cameroon, Kyrgyzstan, and Moldova); and iii) dissemination of findings, including country-level workshops and seminars. A draft stocktaking paper was prepared based on consultations with various internal and external partners. It also analyzed the drivers, factors and implications of political economy of energy subsidies. It generates significant value added to existing knowledge of phasing out subsidies and the social protection response to energy price reforms. In Moldova, the project assisted the preparation of the “Strengthening of the Safety Net” project and the scaling up of the Guaranteed Minimum Income. Findings were consolidated into one case study. In Kyrgyzstan, the grant is financing three reports of which one is finalized and two are drafted. The reports include a qualitative study of consumers’ perceptions regarding energy tariff reforms; a stakeholders’ analysis and political economy assessment; and a quantitative analysis of the impact of tariff reform. Due to the sensitivity of tariff reforms and the recent elections in Kyrgyzstan the activities have been slower than planned. Currently the team is engaged in continuous consultations and dialogue with the Ministry of Social Protection in Kyrgyzstan and with the World Bank country team members from other relevant sectors. In Cameroon, the grant activities are complementing a quantitative analysis and simulation of subsidies removal. Finally, the grant supported the recent successful reform of heating subsidies in Romania.

TF097745, Evaluation of Cash vs. Food in School Feeding Programs (FY11) – $225,000: The objective of this project is to evaluate the impact of cash vs. food assistance Cambodia’s school feeding programs. Food for education programs have been criticized for being less cost effective than alternative programs that focus more directly on either education or nutrition outcomes. The project is being carried out together with the World Food Program (WFP) and in consultation with the Ministry of Education and involves local researchers for capacity building in impact evaluation. It generates knowledge to improve program strategies of the WFP and Ministry of Education in this area. To date, the project team developed data collection instruments, conducted a baseline survey of about 4000 households and performed a preliminary analysis confirming satisfactory data quality. The program implementation has begun and a tracking survey is under preparation.

TF097789, Evaluating Conditional Cash Transfers Schemes in Africa as Safety Net Mechanisms for Vulnerable Populations (FY11) - $300,000: The objectives of the project are to pilot, test, and evaluate innovative uses of CCTs in Africa to draw lessons from those experiences and influence social protection strategies in the Africa region. The program in Burkina Faso addresses vulnerability from socio-economic shocks in a poor rural area, and compares CCTs versus UCTs while differentiating across gender as a tool to improve education and health. The project in Tanzania and Lesotho directly address one of the most important sources of vulnerability in sub-Saharan Africa, HIV/AIDS, using financial incentives to prevent the shock from occurring. Results from the study completed in rural Tanzania showed that CCTs could be effective to reduce infection rates of sexually transmitted diseases (STD). After one year, 9% of individuals receiving CCTs were infected versus 12% in the control group. Results have been widely disseminated and may lead to testing on a bigger scale. Two working papers and a report are being published. In Lesotho, the fifth round of data collection and the preparation of the sixth round have been completed. Additionally, a report was finalized from the baseline study. In Burkina Faso the impact evaluation yielded preliminary results in both areas tested (education and health). Results were presented in Burkina Faso in July 2011 and two reports were produced.
TF097983, Productive Safety Nets - What they mean for Small Holder Farmers? (FY11) - $200,000: To objective of this project is to improve the design of formal and informal social safety net interventions among small holder farming and rural communities to address food security. The project is aligned with the World Bank’s 2012-2022 Social Protection Strategy stressing the productive role of social protection. This is the first of a series of start-up projects seeking to build the evidence base on this topic. Furthermore, the team held a special plenary session at the South-South Social Protection Learning Forum in Addis Ababa with inputs from FAO, WFP, El Salvador and Ethiopia and spent considerable time building an internal constituency of cross-sectoral support within the Bank. The project established a partnership with FAO to jointly launch a collaborative effort with their Protection to Production program. The joint work program will look at the productive impacts of safety nets at the local economy level in six African countries and the TFESSD grant will support three of them. The project is being conducted largely under the technical direction of FAO and UC Davis and it has been agreed to extend the activities until October 2013 to ensure adequate time to prepare and disseminate all of the country led activities.

TF010515, Developing and Improving Social Safety Net Systems (FY12) - $200,000: The grant supports strengthening governments’ ability to manage Social Safety Net Systems (SSN) by improving registries and Management Information Systems (MIS) in 13 low-income countries where the Bank has SSN operations. The project will develop a practical and user-friendly toolkit on registries and MIS, which builds on evidence from well-established registries and MISs in LAC and ECA. The toolkit will advise on how to develop, design and implement an SSN registry and MIS. Country reports have been prepared for Albania, Djibouti, Colombia, Azerbaijan and Romania and action plans drafted for building a SSN system in Albania and Djibouti. The action plans are being used to support operational work in the respective countries. Specifically, the Albania Social Assistance Modernization Project is supported by performing an assessment of the MIS for the implementation of a social assistance and disability benefit program. Likewise, the current SSN program in development in Djibouti is receiving inputs from the assessment of the MIS and registry work to improve its performance and implementation.

TF010483, Political Economy of Redistribution, Transfers, and Taxes in ECA (FY12) - $200,000: The objective of the grant is to help government clients and World Bank task teams develop and apply diagnostics and communications tools for improving the political sustainability of redistributive reforms to reduce inequality and promote greater social inclusion. The project consists of two components. The first undertakes an analysis of perceptions and expectations of the social compact. This involves both regional diagnostics for cross-country comparisons and more in-depth analysis in focus countries. The second component focuses on the development of a comprehensive strategic communication framework including a communication strategy and a set of tools to manage the politics of reform implementation. Tailored applications will be used in focus countries.

TF010791, Global Stocktaking of Social Protection Programs (FY12) - $300,000: The overall objective of this project is to improve the information base on existing social protection programs in all low-income countries (LIC), foment a global debate on the role of social protection as a vehicle for pro-poor growth, and inform budget allocation decisions to ensure adequate funding is made available to social
protection programs. Specifically, the project plans three activities. First, it will collect global inventory of social protection systems and their financing by focusing on bridging the data gaps in low-income countries and lower middle-income countries. Second, it will develop methodology and toolkits to facilitate collection of harmonized data. And third, it will compare results achieved by social protection instruments (coverage and scale of redistribution) with their costs to identify good benchmarks for low-income countries. The output of these activities will be useful for a variety of Bank-supported and independent academic research projects and advocacy reports by clients and other partners. Since the beginning of the project in November 2011, the team has started collecting and sharing existing information through consultative workshops and organizing a thematic group working on regional inventories of social programs across regions.

TF010470, Social Safety Nets for Social Inclusion and Distributional Equity in Fragile States, the Case of Guinea (FY12) - $200,000: The strategic objective of this work is to assist the Government of Guinea to develop an effective safety net system capable of reducing inequality and increasing people’s resilience to shocks and access to socio economic opportunities. In particular, the project will: 1) identify the economic and social determinants of exclusion and inequality in Guinea; 2) provide tools and instruments to develop a safety net system appropriate to the current fragile context of Guinea; and 3) build the capacity of local institutions in key design parameters of safety net programs to be able to address inequality and exclusion in the long term as well as to face the fall-out from the severe macroeconomic and budgetary restructuring in the short term. Since the launch of the project, the team organized meetings with the National Social Protection Group (NSPG) to develop the terms of reference and the work program for implementing the grant. Several members of the NSPG, who is the main counterpart for the project team, attended a Bank sponsored technical SP workshop.

TF010775, Improving Targeting Efficiency of Social Safety Net Programs (FY12) - $250,000: The project aims to improve the design and implementation of targeted social protection programs. Acknowledging that these programs operate under limited budget, the activity proposes to quantitatively assess the tradeoffs faced by policy makers when designing and implementing social safety net programs. In particular, the choice of proxy means variables and the scale and scope of transfers are key program design parameters that determine the performance of targeted programs. The activity develops quantitative methods to determine those optimal design parameters and uses a specifically designed field survey (both qualitative and quantitative) to validate the methods during the pilot phase of a social safety net program. Capacity building and dissemination events for governments and national counterparts will be held along the way. To date, the team has started preparing the review of data for Mali and Burkina Faso.

TF010805, Graduation Strategies for Inclusion and Social Cohesion in the MENA Region (FY12) - $200,000: This grant supports improvement and innovation in SSN programs in three MENA countries: Jordan, Djibouti and Yemen. The activities have three main components. The first seeks to enhance effectiveness and redistributive impact of SSN programs by bringing innovative graduation strategies into the design and/or scaling up of existing programs. The next component intends to reduce social exclusion of vulnerable groups by extending coverage to minority groups and supporting the transition
of vulnerable groups from dependency on public support to productive life. The third component promotes dialogue among a wide range of stakeholders and country teams looking at different poverty alleviation and social protection programs in a more multi-dimensional and integrated manner. The team has done initial planning and assessments and took a mission to each country in January 2012. In Jordan, it consulted with the Ministry of Social Solidarity and after initial assessment of the ongoing programs, the graduation strategies which focus on the National Aid Fund (NAF) (an unconditional cash transfer), were developed. In Djibouti, the team discussed a new project to scale up existing SSN. The Yemen mission was suspended because of the current unstable situation.

**TF010807, Developing Effective Social Safety Nets to Reduce Inequality and Social Exclusion in the Middle East and North Africa (FY12) - $200,000:** This activity will build an engagement platform on social safety nets (SSN) for citizens in the MENA region that uses an array of tools to promote social inclusion and reduce inequality. The project plans to i) broaden the process of stakeholder consultation to more countries and deepen citizen engagement; ii) enrich regional engagement, knowledge exchange and citizen ownership of the SSN reform; and iii) enhance inclusiveness in the identification of the parameters of the SSN debate by collecting new data. In 2011, the team undertook preparations for two regional workshops held in Beirut and Tunis in January 2012. Specifically, the team prepared an innovative simulation pilot, which generates information about people’s preferences and acceptability of several alternative approaches to SSN programs. The team tested the workshop participants themselves and the simulation pilot is now being launched at the national level in Jordan. Moreover, the project team designed the questionnaire and agreed upon implementation of nationally representative surveys (“MENA SPEAKS” – MENA Social Protection Evaluation of Attitudes, Knowledge and Support) in Jordan, Egypt, Lebanon and Tunisia collecting data on citizens’ attitudes and preferences towards existing SSNs, subsidies and avenues for reform.

**TF010763, Developing and Piloting a Social Protection Systems Assessment Tool in LAC (FY12) – 150,000:** The objective of this grant is to design and pilot a Social Protection System Assessment Tool (SPSAT). The SPSAT will gather information on the main instruments and programs, documenting interactions and incentive dimensions of program rules and identifying political economy factors that prevent change. This will help develop feasible reform proposals to expand coverage and reduce the exclusion of vulnerable groups, improve distributional equity and strengthen governance of LAC’s social protection systems. The project team initiated the first activity of preparing the SPSAT. It will document the laws and mandates that underlie SP programs and policies; specify providers and beneficiaries of SP services; and identify the rules and institutional and financial arrangements. The subsequent activities will pilot the use of SP accounts in at least six out of eight LAC countries (Bolivia, Colombia, Dominican Republic, Ecuador, El Salvador, Honduras, Nicaragua, and Peru) and prepare a standard report summarizing the findings; as well as issue a final synthesis report for international dissemination. During the process, strong emphasis will be given to multi-level knowledge sharing and capacity building by organizing workshops and consulting with and training of national officials, institutions and specialists in implementing the methodology.
TF010646, Inclusive Transfer Programs: Leveling the Playfield to Address Inequality of Opportunities (FY12) - $100,000: The grant objectives are to explore innovative design and collaboration in social transfers for new insights on the linkages between social safety nets, equity and growth; and to develop new methods to operationalize the integration of equity and inclusion into the delivery of flagship transfer programs. The project team has completed the planning phase to produce three idea notes, which will then serve as the input for a synthesis report. In order to advance knowledge exchange and prevent duplication, the planning has been incorporated into larger regional work on conditional cash transfers (CCTs) with the CCT Learning Community. This included over 14 countries. The idea notes and synthesis report will isolate moments in which CCTs can promote or prevent equality of opportunities, especially in securing equal basic rights, such as civil awareness, social inclusion and human capital attainment. The work will use data on LAC, since a large part of the decline of inequality in many LAC countries (roughly 1.1% per year on average in 12 of 17 countries since 2000) has been attributed to CCTs.

TF010562, Extending Social Insurance to Informal Sector Workers (FY12) - $300,000: The grant objective is to build knowledge about the potential effectiveness of Voluntary Savings Schemes (VSS) in expanding the coverage of social insurance programs to informal sector workers. The project will design and conduct surveys to gain evidence on the individual savings behavior. This is most crucial to develop specific guidelines for the design and implementation of VSSs for informal sector workers. These will allow consumption smoothing in the presence of temporary or permanent income and expenditure shocks, and ultimately contribute to closing the coverage gap of traditional social insurance programs. Since launching the project in September, the team has held two workshops to discuss technical details of the project with experts and has drafted a questionnaire for the survey on savings behaviors, which will be piloted in Kenya. A local research institution in Nairobi has been contracted to support survey implementation. Further activities will include surveying other countries (e.g. Egypt), the design and implementation of randomized experiments, and subsequent analysis and dissemination of the results.

4. Implementation Progress of the Window

Summary of Implementation Progress

TFESSD has funded 88 activities under this window, which was opened in FY05. This averages to about 11 approvals per year. All the grants opened in FY05, FY06, FY08 and almost all of FY07 are now complete. 45 have been closed in total. In FY12, 13 new activities were approved. As presented in Table 2.1, the Social Protection Window has 45 ongoing activities, consisting of the following: 1 activity approved in FY07; 4 activities approved in FY09; 13 activities approved in FY10; 14 activities approved in FY11; and 13 activities approved in FY12.

Table 2.1: TFESSD Social Protection Window activities as of December 31, 2011

<table>
<thead>
<tr>
<th>Call/Year</th>
<th>Approved Activities</th>
<th>Ongoing Activities</th>
<th>Closed Activities</th>
<th>Activities in Africa*</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY05</td>
<td>9</td>
<td>0</td>
<td>9</td>
<td>7</td>
</tr>
</tbody>
</table>
Implementation Progress

Implementation is proceeding as planned in most cases; some projects, however, recorded delays because of difficulties in contracting firms and consultants, to carry out data collection and analytical work or to tackle more complex issues than anticipated. This is also associated with the tendency to be overly optimistic in projecting the speed of disbursements when preparing grant proposals.

During the reporting period, the following seven projects were closed:

- TF057304: Responding To Natural Disasters Through A Community-Driven Development Approach
- TF057305: Responding To Natural Disaster Through Social Protection Instruments Including Vulnerable Groups
- TF090720: Ethnic Minorities, Poverty And Human Development
- TF094621: Improving Rwanda's Social Risk Management Options For Climate-Related Risks
- TF094683: Agriculture Insurance For Vulnerability Reduction And Climate Change Adaptation
- TF096133: Reducing Vulnerability Of Mongolian Herders To Climatic Risk
- TF090759: Promoting Equity For Ethnic Minorities In Vietnam

Disbursements and Commitments

As of December 31, 2011, the TFESSD Social Protection Window almost US$17.5 million in approved grants, of which cumulative receipts are US$12.9 million, cumulative disbursements and commitments US$11.5, outstanding cumulative commitments US$1.1 million, and Africa cumulative disbursements and commitments share almost US$5.6 million (Table 2.2).
Table 2.2: SP Window Receipts, Disbursements, and Commitments as of December 31, 2011

<table>
<thead>
<tr>
<th>Year Approved</th>
<th>Receipts (US$m)</th>
<th>Cumulative Disbursements &amp; Commitments (US$m)</th>
<th>Of which Outstanding Commitments (US$m)</th>
<th>% of receipts disbursed or committed</th>
<th>Africa portion of disbursements/commitments (US$m)</th>
<th>Africa Share of cumulative disbursements/commitments (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Window Account</td>
<td>0.112</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>FY05</td>
<td>0.938</td>
<td>0.938</td>
<td>0.000</td>
<td>100%</td>
<td>0.517</td>
<td>55%</td>
</tr>
<tr>
<td>FY06</td>
<td>2.138</td>
<td>2.138</td>
<td>0.000</td>
<td>100%</td>
<td>0.954</td>
<td>45%</td>
</tr>
<tr>
<td>FY07</td>
<td>1.304</td>
<td>1.279</td>
<td>0.000</td>
<td>98%</td>
<td>0.217</td>
<td>17%</td>
</tr>
<tr>
<td>FY08</td>
<td>3.592</td>
<td>3.251</td>
<td>0.149</td>
<td>91%</td>
<td>2.096</td>
<td>64%</td>
</tr>
<tr>
<td>FY09</td>
<td>2.245</td>
<td>1.934</td>
<td>0.287</td>
<td>86%</td>
<td>1.033</td>
<td>53%</td>
</tr>
<tr>
<td>FY10</td>
<td>2.072</td>
<td>1.756</td>
<td>0.530</td>
<td>85%</td>
<td>0.689</td>
<td>39%</td>
</tr>
<tr>
<td>FY11</td>
<td>0.495</td>
<td>0.162</td>
<td>0.125</td>
<td>33%</td>
<td>0.047</td>
<td>29%</td>
</tr>
<tr>
<td></td>
<td>12.896</td>
<td>11.458</td>
<td>1.090</td>
<td>89%</td>
<td>5.553</td>
<td>48%</td>
</tr>
</tbody>
</table>

Strategic Review and Actions Taken

The SP Window carried out a strategic review of the active portfolio in the summer of 2011. There were no serious issues found with implementation or disbursement of any of the active projects; therefore, no issues were brought to the Sector Board’s attention. A review of closed grants determined that $137,771 was available from unused funds in these closed activities and could be allocated to existing projects for dissemination or to add additional activities to enhance existing work. $25,000 was allocated to each of the five following projects on a competitive basis as approved by the Sector Board:

- TF057391 - Breaking the Barriers to Youth Inclusion in Morocco
- TF097745 - Evaluation of cash vs. food in school feeding programs
- TF094689 - Making the Bio-carbon Finance Market Work for the Poor in the Mid-Himalayan Rural Communities
- TF096163 - Developing an Effective SN to cope with Price Shocks in Djibouti and Yemen
- TF094826 - Piloting Indemnity Livestock Insurance in Ethiopia
SOCIAL DEVELOPMENT WINDOW

1. Summary

TFESSD continues to support the Bank’s work of meeting the objectives of the Social Development Strategy and in particular, enabling analytical innovation and capacity development. Combined with other trust fund programs and the Bank’s own budget, TFESSD is facilitating knowledge sharing in client countries and in many instances fostering strong collaborative programs and partnerships.

As in previous years, activities funded under the Social Development window continued to progress well in 2011; providing support to analytical work, piloting critical initiatives and supporting capacity building in key areas of social development. Results and lessons learned from these various activities persist in having impact on Bank-funded programs and client countries, as detailed more fully in Section 2 of this chapter.

In 2011, activities were grouped under six broad themes as follows: (a) Reducing Inequality and Social Inclusion, (b) Shocks and Vulnerability, (c) Adaptation to Climate Change, (d) Poverty, Social Impact and Empowerment; (e) Innovations for Improved Governance and Social Accountability; and (f) Global and Regional Social Development Initiatives. The 2010 theme of Community-Driven Development and Local Governance experienced the closure of its last activities at the end of that calendar year.

The call for proposal in 2011 encouraged the submission of grant activities that focused on Reducing Inequality and Social Exclusion. Thus, as expected there was a concentration of proposals submitted in support of this theme with eight new efforts funded which served to promote equality of outcomes, equality of opportunity, and/or social inclusion through Bank Group-led activities in various sectors.

Activities focusing on Shocks and Vulnerability (theme of the 2010 Call for Proposals) remained prominent; targeting long-term drivers of vulnerability, environment, monitoring indicators for vulnerability, social policy, societal fragility and the promotion of equity, social justice and the enhanced role of women. There are 13 ongoing activities under the Shocks and Vulnerability theme which focused on testing mechanisms to prevent or better prepare target groups (i.e. youth, internally displaced people and women) in challenging socio-economic and/or environmental circumstances.

With close to 40% of the grant activity continuing to fall under Adaptation to Climate Change, this theme remained central to the portfolio; having been the focus of the 2009 Call for Proposals. There are currently 16 ongoing activities within this category, with six that closed during the reporting period. These efforts contributed to building a global knowledge base and operational practice on the social aspects of climate change; looked into greater detail at the likely social and economic impacts of potential adaptation and mitigation interventions as well as aided in the development of policies, programs and investments in climate change.
The Poverty, Social Impact and Empowerment theme has four ongoing activities; two of which closed in 2011. These efforts continued to encourage the active engagement of citizens either through creative capacity building resources or the establishment of participatory approaches to slum upgrading, for example.

The Innovations for Improved Governance and Social Accountability theme closed its remaining activities this year. The theme of governance and social accountability remains an area of corporate significance as it continues to contributing to the Bank-wide focus on Governance and Anti-Corruption, as well as developing global partnerships in support of Social Accountability.

There remains one ongoing activity and one closed activity within the Global and Regional Social Development Initiatives theme. The diverse initiatives in this window continue to support varying sector areas, namely infrastructure and social development analysis.

Box 2.5: Positive Impacts

The Madagascar Community Poverty Monitoring and Analysis (TF055744) activity featured two primary components: (i) providing an avenue for local communities to participate in the monitoring and evaluation of the Poverty Reduction Strategy Paper (PRSP) and Poverty Reduction Support Credit (PRSC) interventions, and (ii) obtaining an improved understanding of poverty and environment linkages in Madagascar. A stocktaking report on the pilot communes as well as an analysis of the data collected through the CSC process allowed the compilation of precise quantitative data to measure the outcome of both social accountability mechanisms. Outcomes in terms of capacity is evident in the development of over 200 trainers of trainers on the CSC process, the creation of regional coaches in social accountability, and the continued presence of local technical assistance (TA) on social accountability. This activity was one of the first country intensive approaches to social accountability in the Africa Region (focusing on mainstreaming across many elements of the portfolio). Due to its success, the model is being replicated in a number of other Africa countries. TFESSD funding provided much needed flexibility; allowing the team to respond to opportunities to engage in social accountability as they arose, even during the political crisis. Capacity building was built into most activities, with participants trained in techniques, graduating to being trainers, and eventually to the providers of TA.

2. Progress toward the Development Objectives

The Social Development Strategy (developed and finalized with substantial support from this trust fund) reinforced the means of empowering people by creating more inclusive, cohesive, accountable and resilient institutions. In order to mainstream these principles into the Bank’s work, the social development family has been shifting emphasis from engagement at the project level to also focus on broader program and policy dialogue. For example, Assessing the Social and Economic Costs of REDD at the Country Level (TF095272) was approved this year to aid in the design of country-based policies to reduce emissions from deforestation and forest degradation. Additionally, this year the window
supported *Mobilizing Societal Dynamics to Promote Social Inclusion and Cohesion in Fragile Settings* (TF010281) to help integrate discussion on these themes into the policy and strategy dialogues ongoing within the Bank. In this spirit, the trust fund continues to allow the Bank to innovate and undertake catalytic initiatives on key areas of relevance such as climate change, social accountability, social inclusion, country social analysis, and poverty and social safety nets.

### 2.1 TFESSD Objectives and Value Added

TFESSD funding has been irreplaceable in supporting the social development agenda within the Bank. These funds have been critical for the advancement of the Bank’s work on several fronts; ensuring that social issues remain relevant to itself and other global agendas. TFESSD has enabled the Bank to innovate and undertake catalytic research on key areas of relevance, including vulnerability, climate change, social inclusion and poverty and social impact assessments. Notably, these funds have supported the launch of two significant SDV flagship programs on “Social Inclusion” (TF095853) and “Social Dynamics and Fragility” (TF097390). In addition, TFESSD has been recognized throughout the Bank most notably through its work in ECA being awarded the 2011 ECA President’s Award as well as the 2011 Bank Green award and the window’s regional inclusion infrastructure work receiving an Africa Region Team Award.

With recent programmatic targets centered on Inequality, Inclusion, Climate Change and Shocks and Vulnerability, significant activity outputs and outcomes are beginning to take shape. Consultants have been hired; field visits planned (with many completed); background workshops, concept notes, studies and assessments concluded, all of which collectively provide the platform to attain viable outcomes and future results within this activity window. Nearly half of the initiatives being supported target analytical work, knowledge/learning products and/or capacity building. These efforts have significantly enhanced the Bank’s reservoir of knowledge and tested data (including statistics, lessons learned and best practices) that are accessible for the enhancement of current and future Bank initiatives. For example, TFESSD funding supported the development of a good practices toolkit under the *Obtaining Lessons from Community Fisheries Co-Management* (TF092922) activity. The toolkit was based on socio-economic research conducted in poor fishing communities and their dependency and at times over-exploitation of marine resources. The outputs have contributed to the knowledge base on practical approaches to engaging artisanal fishing communities and including them into climate change and core development initiatives. The deliverables have been found useful by a number of other Bank projects and external partners in the fisheries/environmental sector.

There are consistent efforts engaging and supporting women, indigenous people, youth, internally displaced people as well as other marginalized, rural populations. For example, *Impacts of Climate Change on Indigenous Peoples and Traditional Knowledge* (TF093120) is planning a major conference on climate change and indigenous peoples. Increasing women’s voice at the local level is the central objective for the *Promoting the Empowerment of Women in Local Development in CAR* (TF010391). This project partners directly with the Ministry of Social Affairs to enable direct linkages for outcomes to impact policy discussions.
As with previous years, with the successful advancements and progress noted above, there have also been shortcomings to our efforts. Challenges to activity progress continued to center on administrative constraints related to procurement of consultant or firm contracts, delays, and change of task team leadership. In addition, some activities were postponed due to programmatic shifts to address local challenges, conceptual shifts, and unexpected political activity prohibiting advancement (i.e. the Arab Spring).

Box 2.6: Progress toward Objectives and Funding Synergies

TFESSD funding served as a catalyst to a number of partnerships that featured significant co-financing. For example, the Addressing Climate Change with Low-Cost Housing (TF095008) activity was supported to help reduce the negative impacts of the urban environment on climate change by promoting existing green technologies for affordable middle and low-middle income housing; and to reduce the negative impact of natural hazards/disasters stemming from ongoing and future climate change trends on families living in low-income housing by promoting adaptive techniques for self-built and non-engineered housing that are more resilient to natural hazards. The team secured additional co-funding from IFC in addition to benefiting from their environmental experts. In September 2011 the joint IFC-WB team conducted a mission to India and delivered a final stakeholder workshop in New Delhi. The Draft Final Report was submitted in December 2011; scheduled to be completed in early 2012 coinciding with a dissemination event. Similar efforts were co-hosted and coordinated for Mumbai. The partnership team is currently preparing brochures and handouts with easy-to-read and graphically-illustrated construction guidelines for distribution among pilot informal communities in Mumbai.

Further partnership synergies proved beneficial for The Real-time Monitoring of the Impacts of the Global Economic Crisis (TF095076) activity. The objective of this effort is to assess crisis impacts and coping responses in various countries affected by food, fuel and financial crisis. Research has been conducted in 14 countries with partial co-funding from DFID. The work is intended to fill gaps in current information systems that do not allow continued tracking of impacts as the economic crisis evolves. The activity has analyzed lessons learned from the completed qualitative crisis monitoring effort and is now in the process of dissemination. A book, Living through Crises, and several supporting documents are being published, with high-level corporate reports already drawing upon the findings.

2.2 Impact on the Bank and in client countries

The TFESSD-supported portfolio has made clear contributions at the country level and on Bank operations. The examples provided below illustrate the nature of these impacts achieved with TFESSD support:

- Poverty and Social Impact (Global): Strengthening Citizenship through Upgrading Informal Settlements (TF091110) developed a participatory approach to slum upgrading based on
integrated analysis of the physical, social and environmental contexts with strong focus on supporting Bank operations (i.e., projects, loans, credits, and grants). The project has contributed directly to operational design and implementations, e.g. links to ongoing or future urban and social development operations in all other countries, such as Tanzania Community Infrastructure Upgrading Project (CIUP) and Local Governance Support Program (LGSP), India TA for Ministry of Housing and Urban Poverty Alleviation (MoHUPA), Yemen Integrated Urban Development Project (IUDP) and Brazil urban operations on upgrading. In Brazil, it has led to a AAA study of crime and violence in informal settlements, and to a $450 million Development Policy Loan (DPL) for urban upgrading. In India, it fed into a new and ambitious national policy on slums and a potential $500 million loan for upgrading.

- **Climate Change (Global):** The *Obtaining Lessons from Community Fisheries Co-Management (TF092922)* activity developed a toolkit of good practice based on research of the socio-economic status of poor fishing communities and their understanding of the need to reduce dependency on marine resources given climate change and severe over-exploitation of these resources. The findings and toolkit have been picked up by a number of Bank projects and by key players in the fisheries and environmental sectors. It has contributed significant knowledge on practical approaches to engaging artisanal fisher communities into Climate Change and core development initiatives.

- **Shocks and Vulnerability (Africa):** *Investing in Women Producers to Respond to Food Price Crisis (TF095301)* was designed to build the capacity of Zambian and Malian women farmers as members and leaders of farmer organizations and water user associations and assist them to diversify their production and improve their income and family food security. As an outcome of these efforts, gender has been successfully mainstreamed into the Bank’s irrigation lending program in these countries.

- **Poverty and Social Impact (Global):** The *initiative, from ‘land grab’ to development opportunity? (TF097626)* aims to demonstrate how, in select countries, large scale investment in agriculture and associated natural resources by the private sector can be integrated into long-term development strategies (e.g. with respect to a balance between small- and large-scale production, infrastructure access, and clustering of activities to add value) in line with a country’s agro-ecological endowment and linked to promotion of specific investments. With the development of a module for assessing relevant policies and procedures, the project placed large-scale land acquisition within the broader context of the Bank’s land governance framework. Utilizing these materials, validation workshops were held in South Africa, Ghana, Nigeria, Mali, and Georgia resulting in clear policy recommendations some of which have been included in Bank lending instruments (e.g. DPLs in Georgia). The initiative is being replicated in Malawi and Rwanda with a number of other countries in the planning stage.
• **Poverty and Social Impact (SAR):** The Livelihoods Action Learning Fund (TF090810) was designed to enable action-oriented learning among multi-country stakeholder from grassroots to national level; promoting access to inclusive growth and livelihoods development opportunities in South Asia. This was a successful, innovative and valuable knowledge management activity, critical in supporting cross-country and peer-peer learning for those countries engaged in models of community-driven livelihoods development across South Asia. The TF activity contributed to the Government of India's embrace of the community-driven model of inclusive livelihoods development and the scaling up of many of the Bank’s operational and policy lessons through the National Rural Livelihood Program, which is being supported by US$1 billion of WB financing. At the individual project level, many associated projects benefited by attending learning events, linking and networking with counterparts facing similar challenges in other countries. Lastly, communities of practice were established at different levels, from grassroots, through implementers, to policy makers and Bank staff.

• **Climate Change (Balkans and Caucuses):** The Adapting Rural Livelihoods to Climate Change Risks in the Balkans and Caucasus (TF093008) was designed to increase the resilience to climate change of vulnerable rural populations in the poorest European countries by mainstreaming adaptation into development policies, programs and investments. The analytical work has focused on identifying the exposure and vulnerability in the agricultural sector to climate change, analyzing the potential impacts, and finally linking these impacts to pragmatic adaptation responses in four countries in ECA, namely Albania, Macedonia, Moldova and Uzbekistan. The study was awarded both the 2011 ECA Vice President's Award and the 2011 Bank Green Award for its innovative approach and rigorous modelling techniques. The approach developed by the team is now being replicated in other ECA countries.

2.3 **Shortfalls**
As referenced above, some activities under the Social Window experienced constraints for an assortment of reasons. Most frequently they were administrative and often centered around issues pertaining to the delays in acquisition of consultants. For example, The Reconnecting Isolated, Vulnerable, Rural Populations in the Central African Republic (TF098227,) activity aims to address underlying factors of vulnerability and shocks by reconnecting conflict-affected rural populations in CAR into emerging economic, social and state structures. The activities will inform current IDA projects such as the Community Reintegration Program (P122099) and the Agro-Pastoral Recovery Project, as well as partner projects (such as IFAD’s Food Crops Recovery in the Savana Project). Concrete progress was made during the reporting period, however, there were some implementation delays due to issues with contracting administration and an unresponsive partner organization.

In addition, turnover of the task team leader and conceptual constraints plagued some efforts as well. For example with Enhancing Practices on Sustainable Livelihood Restoration for Displaced Persons (TF097558), is a new fund recipient, thus the activity has not had a significant amount of time to get underway. However, this status has been further hampered by the initiating Task Team Leader leaving the Bank earlier than expected. Furthermore, after further review and discussion, the team decided that the overall scope was too ambitious and that it should be narrowed down. A new updated concept note has been prepared with a new TTL identified and implementing the work.

**Box 2.7: Shortfalls**

The MENA Managing the Social Dimensions of Climate Change in MENA (TF092688) was established to focus on a multi-country, multi-stakeholder study of the relationship between climate change and migration, conflict, and gender in the Middle East and North Africa Region (MENA). Main milestones and outputs showing progress were 1) the finalisation of data collection in 5 countries (Algeria, Morocco, Syria, Egypt and Yemen); and 2) reinforcing links with international networks on climate induced migration. Implementation of grant has been slowed down by Arab spring events, which has significantly affected the efficiency of data collection to achieve the noted outputs.
2.4 Capacity Building

Local capacity building, knowledge dissemination and building of partnerships constitutes a significant part of the activities funded under the TFESSD. Most funded efforts have in-country capacity building components, such as seminars and workshops, and partner with local consultants or institutions to implement activities. Final outputs, toolkits, videos, and reports are widely disseminated to stakeholders and other interested Bank and in-country staff and clients through conferences, workshops and brown-bag lunches. For example, a new trust fund, the Mobility, Inequality and the Social Institution of Domestic Servitude: Building the Knowledge Base for a Social Safety Net Intervention’s (TF010362) primary objective is to generate knowledge on child and youth mobility to develop social safety net arrangements that can shift the incentive structure behind the phenomenon, as means of preventing the creation of inequality and promoting social inclusion.

Box 2.8: Partnership and Capacity Building

The primary objectives of the initiative, Increasing Morocco’s resilience to climate shocks through community-based disaster risk management (TF098528) is to increase national and local capacity to manage climate shocks by piloting community based disaster risk management approaches. Second-tier development objectives include: a) enhance the capacity of the communities targeted in the pilot to manage climate shocks; b) empower national and local governments to use community-based approaches, by raising awareness of their cost-effectiveness and providing implementation models with a view to replicating and scaling them up. The risk perception surveys conducted at the community levels generated awareness on the issue of climate-related risks and disaster risk management. Also, the future pilot events will engage the national and local governments together with civil society and communities thereby further building capacity of diverse, yet related constituents.

2.5 New Challenges for Social Development: Continuing our Response to Increased Demand

As noted in previous reports, World Bank volume for both Investment and Development Policy Lending have more than doubled with their composition shifting towards infrastructure, correspondingly increasing demands for social development inputs. In addition, new strategies like the 2007 Governance and Anti-Corruption Strategy, the 2010 Access to Information Policy and most recently the corporate prioritization of support to Social Accountability and the upcoming Social Development Flagship Report on Social Inclusion continue to enhance the already expanding space for social development work, particularly for strengthening demand for good governance. Further, the ongoing investment lending reforms bring enhanced focus on results and risks in operations, as well as the ongoing process of updating and consolidating the Bank’s safeguards framework necessitate attention to assessing and responding to social opportunities, impacts, and risks in both design and implementation. Support through TFESSD has served to respond to these increasing demands.
3. Activity Summaries

A. Reducing Inequality and Social Exclusion

It is critical for the Bank to re-examine and re-tool its capacity to effectively reduce inequality and social exclusion in lending, policy dialogue, and technical assistance. Thus the establishment of call which sought to support innovative and operationally relevant projects aimed at reducing inequality and social exclusion by promoting the equality of outcomes, equality of opportunity, and social inclusion via Bank led activities in all sectors.

TF099550, Enhancing Political Oversight in Resource Rich Countries in order to Reduce the Vulnerability of the Poor to Economic Shocks (FY12) - $200,000: The objective of this activity is to reduce the vulnerability of the poor in resource rich countries to the deleterious impact of economic shocks arising from inadequate political oversight of natural resource management. The aim of the project is to build the capacity of parliaments in a sample of resource rich African countries to provide constructive political oversight over the entire extractive industry value chain, with an emphasis on good governance and financial oversight. The team has successfully developed a participatory process whereby parliaments themselves map how parliamentary oversight committees engage along the extractive industries value chain in order to (a) identify where there are gaps or overlap in the responsibility of different parliamentary committees to oversee the extractive industries sector; and (b) design organic mechanisms for internal coordination with an eye to improving oversight and transparency of the extractive industries sector. This process is underpinned by the development of a toolkit for improving parliamentary oversight along the extractive industries value chain. This toolkit was completed in calendar year 2011 and consists of a guidebook on entry points for parliamentary oversight for each stage of the value chain, and a mechanism to better coordinate oversight of the sector amongst parliamentary committees. The next step of the process is to pilot the toolkit and roll it out within the region which will take place in FY12.

TF010269, Improving Social Inclusion in India's Health Insurance Scheme for the Poor (FY12) - $200,000: The objective of the activity is to improve access to India's subsidized health insurance scheme among socially disadvantaged groups. Scheduled castes (SC) and scheduled tribes (ST), women, and disabled people in India are socially disadvantaged historically and have fewer opportunities as well as weaker capacity to cope with shocks. This activity is motivated by the desire to leverage its success to ensure the equal access to quality health care among socially disadvantaged groups by improving their coverage and utilization of the scheme. It is too early to assess the progress in achieving the activity objective. One intermediate output is already materialized, namely the Nodal Ministry in charge of managing Rashtriya Swasthiya Bima Yojana (RSBY or the National Health Insurance Scheme). RSBY has revised the beneficiary data structure to add beneficiary type, which aims to capture the Scheduled Caste, Scheduled Tribe, Other Backward Caste, and other minorities. It is expected to take one year to completely furnish the beneficiary type data, but it is a critical step to take for the Ministry to systematically monitor the enrollment and utilization of RSBY program among these socially disadvantaged groups.
TF010281, Mobilizing Societal Dynamics to Promote Social Inclusion and Cohesion in Fragile Settings (FY12) - $300,000: The main objective of this initiative is to integrate into the policy dialogue and strategies of the World Bank, an understanding of how societal dynamics affect inclusion and exclusion in fragile environments. This will improve the ability of the Bank to work with governments and other stakeholders in reducing inequalities and promoting inclusion in country policies and projects. The grant is being implemented very well and disbursing fast. Analyses are proceeding well in both Yemen and Liberia, both with additional Bank Budget provided by country units. The Work in CAR will start very soon. Also, a summary of the main study on societal dynamics and fragility has been prepared to facilitate dissemination of the approach and a large dissemination event is being planned end May. Also the approach is being discussed in the case of a number of other countries, Ivory Coast, South Sudan, Honduras, Madagascar, Guatemala, and Burkina Faso.

TF010362, Mobility, inequality and the social institution of domestic servitude: Building the knowledge base for a social safety net intervention (FY12) - $200,000: The objective of the activity is to generate knowledge on child and youth mobility to develop social safety net arrangements that can shift the incentive structure behind the phenomenon, as means of preventing the creation of inequality and promoting social inclusion. The activity aims to address the lack of good data on the numbers and the underlying causes of children and youth leaving their homes to pursue such risky paths. The implementation activities are progressing as planned. The technical and financial proposals from Fafo Institute for Applied International Studies (Fafo), who will be responsible for implementing the grant, were received in early November. The contract between the Bank and Fafo was signed in mid-November and grant activities were launched shortly thereafter.

TF010372, Promoting the empowerment of women in local development in Central African Republic (CAR) (FY12) - $200,000: The activity is designed to increase women’s voices at the local government and community level, aiming at sustainable change in power structures and decision-making processes through a bottom-up approach. The team and the CAR Ministry of Social Affairs are working on the elaboration of the terms of reference, identification of the consultants and the recruitment through e-consult.

TF010391, Youth Inclusion and Empowerment in CDD in the Africa Region (FY12) - $350,000: The objective of this activity is to combine the analytical lessons from a global stock take of innovative youth inclusion, empowerment, and employment initiatives, as well as a country-level analysis of ongoing youth programs in Kenya, Sierra Leone and Nigeria, in order to generate lessons that could feed into the design of these or future CDD operations. After the grant was mobilized, the various country and sector teams partnering on this task were brought together in order to reconfirm the grant objectives and initiate discussion on scheduling of grant activities. The high demand for the proposed activities from the country teams was also reconfirmed during these discussions.

TF010401, TFESSD Agricultural Productivity (FY12) - $400,000: The activity aims to test and rigorously evaluate both innovative incremental and transformative approaches to increasing female participation and profitability in agriculture in Africa. The objective will be to provide further guidance to governments and Bank teams on what works and what does not. The work program will focus on three
key areas of agricultural operations in the Africa Region: irrigation, access to agriculture extension services and technologies, and access to financial and output markets. The first two disbursements have been made and the funds have gone towards the hiring of short-term consultants, the payments of extended-term consultants, fees for firms and other overhead costs related to the projects that this Trust Fund supports.

**TF011013-Evaluating Social Accountability and Legal Empowerment for Health Services in Nigeria and Sierra Leone (FY12) - $250,000:** The activity aims to evaluate the effects of linking social accountability tools with legal empowerment initiatives on people’s ability to claim their entitlements to health services, with particular emphasis on the effects for women. The grant has been in place (2 months) it is premature to make an assessment with respect to the outcome objectives. However good progress has been made with implementation, including the hiring of key personnel, the preparation of base documentation, and the development of relationships with clients, Bank staff and other partners.

**B. Shocks and Vulnerability**

Recent climate events, conflicts, and ongoing global economic crises compelled the World Bank and the global community to step up efforts to address the vulnerability of poor and crises-affected people. There is a widespread realization that vulnerability impedes and reverses progress, often irretrievably. The activities under this theme focus on monitoring the impacts of the various global crises, as well as understanding and building resilience against the underlying factors causing vulnerability and marginalization.

**TF093767, Violence Prevention Pilots Program (FY10) - $800,000:** The objective of this activity is to expand the repertoire of (and to build in-country capacity for) violence prevention activities that can be applied in fragile and conflict-affected contexts and to disseminate useful lessons from the implementation of these violence prevention activities. Once the two NGOs implementing the activities had been contracted at the beginning of the year good progress have been made on implementation, especially in Kenya where the program in Korogocho is moving ahead well despite the very high level of violence in Korogocho that represents a constant challenge for the implementation team. Three quarterly reports have been generated by the NGO with very interesting and rich information. IN Ivory Coast progress have been less rapid due to the difficult situation on the ground but a very detailed analysis of the situation in the areas of intervention of the project has been completed and the local team have started mobilizing the community. The international consultant in charge of providing support to the NGOs implementing the project has visited the sites of both project three times in Kenya and two times in Ivory Coast; providing very valuable capacity support to the implementing NGOs.

**TF094944, Large Scale Land Acquisition: Providing economic, social and environmental guidance (FY10) - $385,000.** The objectives are three-fold: 1) based on rigorous empirical analysis of a representative sample of cases involving large scale land acquisition, it aims to provide advice to countries that are confronted with or are interested in attracting large scale land-related investments so as to enable them to put in place transparent processes and review mechanisms (including safeguards)
that increase the probability of selecting projects with positive economic and social impacts in the long-term; 2) to identify lessons from economically and socially successful ventures to inform potential investors about ways to structure projects that will increase the likelihood of success; and 3) to provide insights for development institutions on the overall productivity of large-scale land-based activities (including the farm-size productivity relationship) to assess whether or under what circumstances standard advice to client countries may need to be adapted to new realities. The grants three objectives have been fully achieved through the following efforts: 1) the activity report has been widely disseminated noted as the most downloaded World Bank publication. Externally, the document has also been dissemination at various high-level forums to alert policy-makers of the issue. The recommendations from our analysis have been picked up by multilateral institutions, investors and civil society organizations that have included findings in their own reporting documents. In addition to dissemination activities and policy dialogue, data processing from household surveys for a range of African countries is ongoing to facilitate their link to the data on agro-ecological potential. The 2011 Annual Bank Conference had a parallel track on this topic that was extremely well attended (more than 100 participants in all of the sessions) and that provided an excellent forum for experience sharing among client country officials. In response to client demand generated from this work, the Bank is now undertaking a number of project interventions to promote agricultural investment and the principles developed under the grant are widely used in all of them, as well as the country policy dialogue. This TFESSD activity has also resulted in an effort to examine existing large scale investments and the extent to which they great interest from countries to assess in more detail the value of their lands in a way that can be used in future land price negotiations. However, although there is an agreement in principle on greater transparency, translating this into practice poses a number of challenges to define, for example, the nature of information that will be disclosed and the amount of public scrutiny that investors or country governments are willing to accede to. Making the outcomes of this effort fully operational will require a series of additional detailed discussions that will build on the learn lessons and achievements of the Bank Group has achieved in the extractive sector.

TF095076, Real-time Monitoring of the Impacts of the Global Economic Crisis (FY10) - $430,000: The objective of this activity is to establish real-time monitoring systems in a number of countries; including Central African Republic, Ghana, Senegal, Mongolia, Thailand, Lao, Cambodia, Ukraine and Kazakhstan. This will fill a gap in current information systems that do not allow continued tracking of impacts as the economic crisis evolves. A qualitative crisis monitoring was carried out and is now finished (except for additional dissemination). The activity has analyzed lessons learned and is now in the process of dissemination of its outcomes. A book and several publications are being published, and high-level corporate reports are drawing on the findings. Research has been conducted in 14 countries of which 9 funded under this grant (the activity also received co-funding from DFID). The fact that we have been able to cover this many countries far exceeded expectations. Follow-on research in Thailand has focused on post-crisis policy monitoring. A book entitled Living through Crisis: How Food, Fuel and Financial Shocks Affect the Poor contains summaries of country studies and a global overview and was published in spring 2012. Launch events are ongoing. A detailed analysis of coping responses used by the poor to deal with vulnerability has been compiled and is included in the book and is being published as a separate piece.
TF095093, Safety Nets in Fragile States (FY10) - $200,000: The primary objective of this activity is to support the development of appropriate and effective social safety net systems in fragile or post-conflict contexts. This will involve three country case studies that can demonstrate lessons learned to date. The work has largely been completed or is firmly on track, and in the case of both Sierra Leone and Liberia has triggered extensive follow up with country teams on new exercises to firm up future design aspects of the program, as well as current monitoring activities. Implementation has been overall smooth, but has required an extension owing to (i) some bottlenecks in gathering data in Sierra Leone and (ii) in parallel the deepening of work activities in Sierra Leone to address some of the underlying bottlenecks and debates related to the program.

TF095301, Investing in Women Producers to Respond to Food Price Crisis (FY10) - $210,000: The objective of this activity is to build capacity among Zambian and Malian women farmers as members and leaders of farmer organizations and water user associations and to assist them to diversify their production and improve their income and family food security. The TF activity project has successfully implemented capacity building of Ministry of Agriculture staff in the Zambia project; and conducted focus group interactions with women and men farmers to identify their key concerns. Gender was successfully mainstreamed into the irrigation lending program Project Appraisal Document (PAD) and implementation manual, a significant outcome of efforts of the TF project team.

TF097390, Engaging Societies in Responding to Fragile Situations (FY11) - $300,000 (Closed): The objective of this activity is to engage clients and country teams in Central African Republic, Yemen and Haiti to operationalize the core messages of the analytical work conducted as first phase of SDV flagship study 'Societal Dynamics and Fragility.' In CAR the result of the political economy study have been very well received, a feedback workshop organized in CAR has endorsed the findings and provided additional information that have been integrated in the final outputs. The CAR final findings have influenced the CDD project, the discussion on PRSP, and a review of the justice issues in CAR. In Yemen, the findings of the political economy analysis are being used actively for the preparation of the Bank re-engagement strategy. In Haiti, the findings of the political economy analysis are being used in the refinement of the ISN. All the analysis and findings have been used in the flagship on societal dynamic of fragility which is a complement to the WDR. In CAR and Yemen, additional financing from a variety of sources including Bank Budget have been mobilized by the country team for follow-up activities. Despite many political problems and unrest in Yemen and Haiti all the field work and analysis have been completed and well received by the noted country teams. Brown Bag Lunches have been organized to present the findings of the analysis to interested members of the Bank.

TF097516, What are the Next Steps in Supporting Youth Inclusion and Preventing Youth Violence in Vulnerable Post-Conflict Environments? (FY10) - $300,000: This activity aims to understand the causes of youth inclusion and exclusion in West Africa and to inform programmatic approaches that can best promote youth inclusion. Specific objectives are: 1) to identify contextual factors/social platform (forums to connect youth leaders to decision-makers in communities) and programmatic activities that have led to successful youth inclusion in a community's economic, social and political life; 2) to promote cross-regional learning by developing a learning tool on concrete approaches and methodologies for effective youth inclusion and participation by partnering with related work being undertaken in Latin
America on this issue; and 3) to provide practical and strategic recommendations that inform World Bank operations and client governments on findings from the study e.g., targeting, design, etc. Research firms have been hired in both countries to carry out a total of 1000 in-depth individual interviews and 100 focus groups. The team traveled to Liberia and Sierra Leone during the summer to ensure that the staff of the research firms was properly trained to carry out this research. Workshops were held in both Monrovia and Freetown with those working on youth issues in these countries. During the workshops, we met with different international and local organizations, as well as government agencies working on youth issues in both countries (ex. UNDP, Youth Commission) and gained significant insight into the current situation of youth in the two countries that would have been impossible simply based on desk literature reviews. These discussions helped understand the context of the two countries, and as a consequence of that, we modified the methodology of the study. The gained insight helped to refine the questions for individual interviews and focus groups.

**TF097839, Self Reliance for IDPs in the Caucasus (FY11) - $150,000:** The main objective of this activity is: i) formulation of evidence-based policy making by the Governments of Azerbaijan, Georgia and the World Bank on how better to support the livelihoods of IDPs; ii) design of appropriate investments to enable IDPs to overcome their social and economic vulnerability and access the resources they need to build secure and productive lives for themselves and their families. The key achievements of the reporting period are: (i) dissemination of the results of the Azerbaijan IDP livelihood assessment conducted in November 2010. In March 2011, the findings of the assessment were presented in Baku at a meeting of the Working Group on IDP Livelihoods, attended by government agencies, international and national NGOs working to support the self reliance of IDPs. As a result of the meeting, UNHCR agreed to conduct a mapping exercise of projects promoting IDP livelihoods, in order to identify key gaps and needs. The mapping was supported under the grant and was completed in June 2011. In addition, the findings of the assessment were analyzed alongside other qualitative and quantitative data, and contributed to a comprehensive analysis of IDP Livelihoods undertaken for the Economic and Sector Work (ESW), Azerbaijan. Building Assets and Promoting Self Reliance: the Livelihoods of Internally Displaced Persons.' The ESW was delivered and published in November 2011; (ii) intensive preparation work for the Livelihood Support component of the Azerbaijan IDP Living Standards and Livelihoods Project (LSLP). Preparation activities for LSLP were conducted throughout 2011, including the design of a new component funding vocational training, micro-credit and micro-enterprise for IDPs. This design was crafted in direct response to the findings of the livelihood assessment and ESW work. Given that micro-enterprise and community based livelihood support is a new venture for the Government of Azerbaijan, it was agreed to fund and intensively support three pilot micro-enterprise projects for IDPs in order to build experience and refine the project cycle on lessons learned. During the preparation period a full set of operating and implementation procedures as well as a full set of indicators and monitoring and evaluation systems were developed for the Livelihood component. The LSLP was approved by the Board in October 2011.

**TF098227, Reconnecting isolated vulnerable rural populations in the Central African Republic (FY10) - 150,000:** This activity aims to address underlying factors of vulnerability and shocks by reconnecting conflict-affected rural populations in CAR into emerging economic, social and state structures. These
pilot activities will inform current IDA projects such as the Community Reintegration Program (P122099) and the recently approved (September 2011) Agro-Pastoral Recovery Project, as well as partner projects such as the newly launched IFAD Food Crops Recovery in the Savanna Project. Since the last mission in June 2011, the implementation contract for the primary pilot activity has been signed, and the first deliverables received. Delays in implementation were mainly due to contracting administration and an unresponsive partner organization that has now been eliminated as a possible recipient of grant funds.

**TF098461, Does Participatory Development Help Communities Cope with Increased Vulnerability? (FY11) - $200,000:** The objective of this activity is to understand if collective mobilization fostered by World Bank projects can help very poor communities facing increasing vulnerability due to climate change. Data has been collected and is currently in the process of being checked and variables are being searched for anomalies.

**TF098519, Real Time Monitoring of Social Impacts of Crisis Response and Recovery in ECA (FY11) - $200,000:** The activity aims to inform crisis and recovery operational programming and policy action through more timely, disaggregated and relevant social analytic monitoring of impacts of the crisis, associated shocks in the ECA region and recovery packages launched as a consequence. Implementation of the grant has commenced through preparatory activities and consultations within the Bank and with other partners in the target countries. Procurement of an implementing partner commenced but was delayed due to discrepancy between quality and financial proposals of the suitable firm. It is expected that an implementing partner will soon be contracted allowing for completion of key activities. On a January mission to Tajikistan and Kyrgyzstan by the TTL, advanced talks were held with World Food Program building on ongoing communications, which based on its active ongoing role in food crisis monitoring, has noted willingness in taking on the role as implementing agency for the grant. This would entail a set of discrete activities undertaken by both Tajikistan and Kyrgyzstan offices of the WFP to examine and monitor the social impacts of the food crisis in both countries and produce semi-annual monitoring/analytic reports in coordination with local partners. The benefits of this arrangement will be synergies with the broader food crisis monitoring agenda in both countries, and enhancing the role of assessing social impacts in the context of broader initiatives. Challenges have been administrative in nature and related primarily to securing an effective and experienced implementing partner able to work within the required budget levels.

**TF098528, Increasing Morocco’s resilience to climate shocks through community-based disaster risk management (FY11) - $200,000:** The objective of this activity is to: Increase national and local capacity to manage climate shocks by piloting community based disaster risk management approaches. Second-tier development objectives include: a) Enhance the capacity of the communities targeted in the pilot to manage climate shocks; b) Empower Government(national and local) to use community based approaches, by raising awareness of their cost-effectiveness and providing implementation models with a view to replicating and scaling them up. The TF is well on its way in achieving the listed grant objectives. The risk perception surveys conducted at the community levels have generated awareness on the issue of climate related risks and disaster risk management. Also, the pilots to be designed by April 2012 will engage the national and local governments together with civil society and communities, thereby building capacity.
**TF099550, Enhancing Political Oversight in Resource Rich Countries in order to Reduce the Vulnerability of the Poor to Economic Shocks (FY11) - $200,000:**

The objective of the activity is to reduce the vulnerability of the poor in resource rich countries to the deleterious impact of economic shocks arising from inadequate political oversight of natural resource management. The aim of the project is to build the capacity of parliaments in a sample of resource rich African countries to provide constructive political oversight over the entire extractive industry value chain, with an emphasis on good governance and financial oversight. The team has successfully developed a participatory process whereby parliaments themselves map how parliamentary oversight committees engage along the extractive industries value chain in order to (a) identify where there are gaps or overlap in the responsibility of different parliamentary committees to oversee the extractive industries sector; and (b) design organic mechanisms for internal coordination with an eye to improving oversight and transparency of the extractive industries sector. This process is underpinned by the development of a toolkit for improving parliamentary oversight along the extractive industries value chain. This toolkit was completed in calendar year 2011 and consists of a guidebook on entry points for parliamentary oversight for each stage of the value chain, and a mechanism to better coordinate oversight of the sector amongst parliamentary committees. The challenge this project faces is being able to build the awareness of these issues amongst multiple committee members whilst helping them understand the value of coordination in parliamentary systems that are not familiar with new models and mechanisms of coordination.

**C. Adaptation to Climate Change**

Over the past few years, the issue of global climate change has come to the forefront of the global debate. While there is significant information on the natural science of climate change, there is less so on the social consequences and what it means for society. As such, Social Development is taking the lead to build a greater understanding of how climate change affects the lives of people and communities around the world especially in developing countries, and what can be done to reduce their vulnerability and build climate resilience. Activities under this theme were funded under the FY09 call for proposals. Many are nearing completion. The team is now gearing up to tailor the analytical tools and frameworks to the operational needs in the regions and is supporting regions to develop business plans for addressing social dimensions of climate change.

**TF092353, Developing Social Aspects of Global Climate Change Agenda (FY09) - $1.5 million (Closed):**

This activity is aimed at enhancing the global knowledge base and analytical capacity on social aspects of climate change including: (a) social aspects of World Bank-supported strategies, policies and programs related to climate change; and (b) development of relevant social development tools. All planned activities under this programmatic grant have been completed and disseminated, covering a wide-ranging agenda on the social dimensions of climate change. Grant outputs have helped to inform policy and investment operations, analytical and advisory activities, and activities supported under the Climate Investment Funds (CIFs) and carbon finance in all regions. There have been two broad kinds of activity: (a) knowledge generation and knowledge management activities of direct operational and policy
relevance within the World Bank, geared to supporting the implementation of the Bank’s Strategic Framework on Development and Climate Change (SFDCC); and (b) thematic studies advancing and articulating the social dimensions of climate change (SDCC) agenda globally. Major grant outputs have included: - A book entitled 'Social Dimensions of Climate Change: Equity and Vulnerability in a Warming World', launched ahead of COP15 in Copenhagen; - Thematic studies on: local institutions, area-based development and climate change adaptation; carbon rights and benefit sharing in REDD+; carbon livelihoods (development/livelihood benefits of carbon finance beyond forests); gender and climate change; and climate-responsive social protection; - Two international workshops, including one on the social dimensions of climate change in Washington, DC (March 2008), and one on social protection and climate resilience in Addis Ababa, Ethiopia (in March 2011), and a number of other learning events for external and internal audiences including on equity/human rights and climate change; migration and climate change; indigenous peoples and climate change; and the social dimensions of disaster risk management; - Methodological innovation in the use of participatory methods in scenario-based planning for climate change adaptation, and its application in six country studies under the global study on the Economics of Adaptation to Climate Change (Bangladesh, Bolivia, Ethiopia, Ghana, Mozambique and Vietnam); and - Operational guidance, tools and learning materials for use by Bank staff and external clients/partners, including: an operational toolkit for social resilience; operational guidance on the use of Poverty and Social Impact Analysis (PSIA) for climate change development policy operations (DPOs); an E-learning module on the social dimensions of climate change; a number of films produced under the ’Vulnerability Exposed’ micro-documentary film contest; and a synthesis of lessons learned under the global Development Marketplace on community based adaptation to climate change.

**TF092388-Increasing Community Resilience to the Social Impacts of Climate Change in LAC (FY09) - $468,400 (Closed):** The activity aims to contribute to the understanding of the diverse types of social impacts of climate change among poor and vulnerable rural communities in the LAC region, identifying the transmission channels that bring about those impacts and the strategies that local communities have developed to cope with those changes. All grant related objectives were achieved. The social implications of climate change were examined and presented in two final documents, "Building Community Resilience to Climate Change: Testing the Adaptation Coalition Framework in Latin America" and "The Adaptation Coalition Toolkit: Building Community Resilience to Climate Change." Both documents provide interesting findings as they relate to gender, maladaptation, and the creation of perverse incentives, the unique challenges of climate change, migration, conflict and inequitable adaptation. They also identify transmission channels and design a successful strategy for community level adaptation called the Adaptation Coalition Framework (ACF). After testing the ACF, there is substantial evidence that this approach contributes to building community resilience to climate change.

**TF092498, Gender and Local Governance in Climate Change Adaptation (FY09) - $365,000:** The objective of this activity is to integrate gender, social and local governance dimensions in the adaptation to climate change agenda, initially in Bangladesh and later in the Bank’s global strategy. During the implementation period firms and experts were contracted to conduct a case study to identify gender dimension of climate change in Bangladesh. A literature review was conducted on global studies to review findings and key issues relevant to gender and climate change. Consultations were organized in
Bangladesh to receive stakeholders’ views. Preliminary findings were disseminated previously in Oslo in 2010 and in 2011 at a Millennium Development Bank sponsored workshop in Addis Ababa in 2011 to receive feedback. The grant helped bring global experts to assist developing methodology and review findings.

**TF092521-Public International Law to Address Social Impacts of Climate Change (FY09) - $150,000 (Closed):** This activity aims at providing systematic legal analysis to assist developing countries in adapting to climate change with special emphasis on human and social impacts, including the potential use of the international human rights framework. It will explore the impact of climate change on human rights in the Maldives and survey how human rights obligations have been viewed in the context of climate change. Studies planned under the activity have been undertaken; workshops both international and local have been held and have provided opportunities for in-depth consultation as well as dissemination of knowledge products. In addition, the opportunity to support RMI in an international conference initiative on the legal implications of rising sea levels was seized to the benefit of the grant, and it too provided an opportunity for further consultation and dissemination.

**TF092688, Managing the Social Dimensions of Climate Change in MENA (FY09) - $400,000:** This activity focuses on a multi-country, multi-stakeholder study of the relationship between climate change and migration, conflict, and gender in the Middle East and North Africa Region (MENA). Main milestones and outputs showing progress are: Finalisation of data collection in 5 countries (Algeria, Morocco, Syria, Egypt and Yemen) expected in March 2012. Links reinforced with international networks on climate induced migration, with the International Organization for Migration inviting the program to participate in the editing of a book on global knowledge on the noted topic. Implementation of grant has been slowed down by Arab spring events, which has significantly affected data collection.

**TF092922, Obtaining Lessons from Community Fisheries Co-Management (FY09) - $350,000 (Closed):** The objective of this activity is to develop a toolkit of good practice. This will be based on research on the socio-economic status of poor fishing communities and their understanding of the need to reduce dependency on marine resources given climate change and severe over-exploitation of these resources. Sound progress was made towards achieving the grant objectives during the last quarter of this activity and in consolidating progress made earlier in implementation. Overall this was a very successful activity that has been picked up by a number of Bank projects and by key players in the fisheries/environmental sector. It contributed significant knowledge and information on practical approaches to engaging artisanal fisher communities into CC and core development initiatives. The main lessons include: - Engagement of communities, particularly in post-conflict countries, is very challenging and requires continuing and careful engagement, particularly where formal education levels are low and poverty levels high. The demands of the personal engagement required should be carefully selected and skilled facilitators cannot be overstressed. However, when these factors are put in place and with adequately supported, impressive results and changes occur. - The knowledge base in the environment, climate change and fisheries sectors on community engagement are limited and poorly developed. There is a great hunger for information and lessons of experience in this area, as evidenced by the strong engagement and uptake by multilaterals, bilaterals and international NGOs.
TF092960, Assessing Community and Household Resilience to Climate Change in Rainfed Areas of Yemen (FY09) - $157,000: This activity aims at building resilience at the local and household levels through increased understanding of their response to climate change, and the coping and adaptive strategies used. It focuses on monitoring the implementation of soil conservation and water harvesting interventions under the Bank and International Fund for Agricultural Development -funded Yemen Rainfed Agriculture and Livestock Project (RALP) to assess their impacts. 2011 has been a very difficult year for Yemen. Because of high insecurity and suspension of financing by the Bank most of the activities planned in 2011 could not be realized. Analytical work was discontinued. On the other hand Social fund for Development (SFD) continued to implement slowly two programs in different Governorates whose objective is improving the ability of rural communities and households to cope with climate changes in an environment of water scarcity: (i) the Labor Intensive work Program (LIP) designed as an emergency program and the RALP. In 2011, SFD managed to collect data for both programs with the objective to assess their impact. As execution of watershed management specific investments (including terraces rehabilitation) slowed down, and as data became available to assess the impact of both projects (LIP and RALP), the team proposed to revise the research proposal in order to assess the impact of both programs (not just watershed management and terraces rehabilitation) on developing community resilience to climate changes and their capacity to adapt.

TF093008, Adapting Rural Livelihoods to Climate Change Risks in the Balkans and Caucasus (FY09) - $575,950: This activity is designed to increase the resilience to climate change of vulnerable rural populations in the poorest European countries by mainstreaming adaptation into development policies, programs and investments. The analytical work focused on identifying the exposure and vulnerability in the agricultural sector to climate change, analyzing the potential impacts, and finally linking these impacts to pragmatic adaptation responses in four countries in ECA, namely Albania, Macedonia, Moldova and Uzbekistan. The study was awarded both the 2011 ECA Vice President's Award and the 2011 Bank Green Award for successfully achieving these objectives by combining an innovative approach, rigorous modelling techniques, knowledge of international and local experts, and extensive stakeholder consultations at the national and sub-national levels. This program, which has been implemented over three years, is near completion. It has contributed significantly not only to building greater awareness of the issues but also fostering increased commitment to take action by the partner governments and other stakeholders. The approach developed by the team is now being replicated in other ECA countries.

TF093061, Communities at the Sharp End of Change (FY09) - $290,000: This activity is designed to review the impacts of climate change on different social groups in order to influence the planning of national adaptation strategies in low-income countries to take into account key social dimensions of climate change. The focus will be on projects supporting adaptation to climate change in dry-land environments (pastoral and agro-pastoral livelihood systems). During the implementation period, two knowledge sharing and learning events on CDD and climate resilience were held during the reporting period, in May and November 2011. These events brought together teams from country offices in 10 countries (Bangladesh, Bolivia, Brazil, Ethiopia, India, Mongolia, Morocco, the Philippines, Tajikistan and Tanzania), and included other team members and participants at HQ in Washington, DC. Written
summaries were produced of each of these events, and made available to all Bank staff, along with the presentations on individual operations. In parallel, operationally relevant, applied analytical work has been commissioned. A wide call for proposals was disseminated in spring 2011. In the end, only one request was submitted and approved, for a study on 'Herder Resilience to Climatic Risk in Mongolia', which is being used to inform (a) the design of the third phase of the Mongolia Sustainable Livelihoods Program (an APL based on a CDD platform); (b) the nation-wide scaling up of the Mongolia Index-Based Livestock Insurance Project; and (c) AAA/ policy dialogue with Government of Mongolia on 'Structuring Dzud Disaster Preparation, Financing and Response'. The study, co-financed by this Grant and EAP region, is based on a panel survey of herder communities in 4 rural districts in 2 provinces for which high-quality longitudinal data already existed, in order to understand herder responses to dzud impacts following the devastating 2010 dzud (harsh, heavy snow storm). Two rounds of fieldwork have been conducted, and three outputs received: (a) a report based on year 1 fieldwork; (b) a 'photovoice' book, based on photographs and testimonies of herders themselves, in their own words and images; and (c) an analytical paper prepared for submission in a high-profile international journal. These outputs have already been used to inform the design of the pastoral risk management component of SLP III, during the identification mission in January 2012.

TF093062, Adapting to Climate Change in the Coastal Cities of North Africa (FY09) - $198,000: The main objective of the activity is to provide a reference and a model for the climate proofing of a major urban extension in the coastal cities of the MENA region: the one of the Bouregreg Valley in Rabat, the capital city of Morocco. This will be seen in the broader context of the urban expansion plans of the government of Morocco which will add 9 million inhabitants to its urban population by 2030. The regional study has provided national and local governments of the cities involved with detailed assessments of their vulnerability and with Resilience and Adaptation Action Plans. These were developed with a robust methodology, the involvement of national institutions, and incorporated recommendations from local stakeholders involved in the process throughout.

TF093120, Impacts of Climate Change on Indigenous Peoples and Traditional Knowledge (FY09) - $1,298,500: This activity is designed to: (i) analyse and document how indigenous peoples (IPs) are affected by climate change; (ii) identify IP knowledge and practices that are critical to mitigation of an adaptation to climate change impacts; and (iii) strengthen IP capacity for engagement and direct participation in the formulation of national and international public policies on climate change. There has been a slow but steady progress in achieving the grant objectives to date, however, activities towards meeting grant activities are now moving forward. The procurement of consultants to undertake the regional case studies has been time consuming. An agreement has been made with the First Peoples Worldwide (FPW) who is a key partner for this initiative and we have maintained a good relationship with the NGO partner. Moreover, the winning firm for two of the regional case studies was disqualified as the lead consultant already had a STC with the Bank. Procurement has been finalized for two of the three regional case studies, and is likely to be completed within a couple of weeks for the third region. The detailed conceptual framework and methodology for conducting the case studies has been prepared with input from the two consulting firms already contracted. The consulting firms are now
planning for the case studies, and their first output, a technical report including a literature review and detailed plan for the case studies, is due in February 2012.

**TF094888, Surveying Public Attitudes on Climate Change to Inform Effective Policy Making (FY10) - $260,000 (Closed):** The activity aims to support client countries in their mitigation and adaptation efforts by helping them assess public perceptions of climate change impacts and policy responses. The activity was the first to undertake a comprehensive assessment of public opinion poll on climate change in a broad set of developing countries, including Middle Income Countries and Least Developed Country. With its core results launched in the days preceding COP-15, the poll provided a platform to developing countries' voice in the negotiation framework. A range of local and global media outfits picked up the poll results in the run up to COP-15. The poll was also instrumental in positioning WB messaging on climate change internationally and in-country. Implementation proceeded according to schedule and is completed. The report containing the analysis of the results according to socio-demographic dimensions was prepared and disseminated.

**TF095002, Youth and Climate Change in MNA (FY10) - $260,000:** The objectives of this TFESSD funded project is to raise overall awareness on global climate change and support mitigation through behavioral change and green jobs, by leveraging youth networks and other stakeholders in beneficiary countries (i.e. Morocco, Tunisia and Lebanon). To meet these objectives, a workshop, inviting stakeholders (representatives from Ministries of Environment, as well as youth representatives from NGOs and networks) from the three beneficiary countries is planned and to be held in the last quarter of FY 2012. The climate change awareness raising component of this initiative collaborated with the WBI which supported the country-level implementation of the global initiative called "Youth and Climate Change Capacity Development Initiative (YCCCDI)." From January 1, 2011 to December 31, 2011, progress was made in terms of completing the development of training materials for the workshop, including those which introduced online tools and social media for climate change awareness raising.

**TF095008, Addressing Climate Change with Low-Cost Housing (FY10) - $300,000:** The main objective of this activity is to study is to reduce the negative impact of the built environment on climate change by promoting existing green technologies for housing that are affordable to middle and lower-middle income households; and to reduce the negative impact of natural hazards/disasters stemming from ongoing and future climate change on people living in low-income housing by promoting adaptive techniques for self-built and non-engineered housing that are relatively more resilient to natural hazards. The team managed to secure additional co-funding from IFC for a joint procurement process was carried out. The Request for Proposal was developed collaboratively with the added benefit of an Environmental Expert from IFC; the proposals received underwent a thorough evaluation process with technical experts from both IFC and WB. In December 2010, the winning firm was selected, and the contract issued in January 2011. The Draft Report was completed in August 2011. On September 13, 2011 the joint IFC-WB team conducted mission to India and delivered a final stakeholder workshop in New Delhi. The Draft Final Report was submitted in December 2011. The finalized version is expected to be completed by end-January 2012. Concurrently, a dissemination event is being conducted in New Delhi to present the Report to market stakeholders in late January, 2012. Mumbai-based consulting partners were identified in July 2010 and work started in August 2010. After completion of field research
and preliminary analysis, the 1st community stakeholder workshop was held in January 2011. The first draft of the Report was submitted in March 2011, and a second one - inclusive of recommendations - in July 2011. Thereafter, another community workshop in Mumbai was conducted in September 2011 to coincide with the Component 1 final stakeholder workshop in New Delhi, to optimize travel costs. The third draft of the Report was received in October 2011, and a Draft Final (incorporating WB comments) in December 2011 (attached). The final version, inclusive of WB comments is expected end-January 2012. The team is currently preparing brochures and handouts with easy-to-read and graphically-illustrated construction guidelines for distribution among pilot informal communities in Mumbai. This dissemination activity is expected to be complete in May 2012.

**TF095272, Assessing the social and economic costs of REDD at country level (FY11) - $450,000:** The objective of this activity is to Support client countries in their efforts towards designing policies and incentive mechanisms for reduced emissions from deforestation and forest degradation by helping them assess and respond to the social and economic costs of REDD activities and programs. The policy agenda for REDD+ continues to evolve, but at a much slower pace than originally anticipated. The 2011 negotiations under the UN convention climate change (UNFCCC) in Durban built on the decision at the Conference of Parties (COP) in Cancun in December 2010 and provide a general framework (Durban platform for enhanced action) to work towards a legally binding agreement in 2015. This is an important step, but a fair amount of work is yet to be performed, such as defining the modalities for REDD+ by Subsidiary Body on Scientific and Technological Advice (SBSTA). In 2011, the objectives of this grant were pursued in collaboration with and co-financing from the World Bank Institute, and the capacity building activities through its climate change program. A comprehensive manual on REDD opportunity cost analysis (5 major modules, 250pages total) that was mostly completed in 2010 was expanded, reviewed and finalized in 2011. This manual is the basis for a 5-day course held in Bangkok, Thailand with participation from 10 countries in the South and Southeast Asia region, and in Cali, Colombia with participation from 12 countries in Central and South America. These workshops were organized with regional partner organizations and development partners that co-financed workshop preparation and participation.

**TF095332, Adaptation of Rural Livelihoods to Climate Change in Southern Rajasthan (FY10) - $130,000 (Closed):** The activity aims to pilot innovative livelihood adaptation practices to climate change by poor tribal communities in Southern Rajasthan, India. No activities related to the TF activity during this implementation period. However, report prepared using TF was instrumental in the policy dialogue with the Government of Rajasthan, India.

**D. Poverty, Social Impact, and Empowerment**

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

**TF090810, Livelihoods Action Learning Fund (FY08), $250,000 (Closed):** This activity is designed to enable action-oriented learning among multi-country stakeholders from the grassroots to national level that promotes access to inclusive growth and livelihoods development opportunities in South Asia. This
was a successful, innovative and valuable knowledge management (KM) activity, critical to support cross-country and peer-peer learning for those countries engaged in models of community-driven livelihoods development across South Asia. Clients (from community members to project directors and state secretaries) benefited from opportunities to review and discuss each others' work, take advantage of thematic learning opportunities, share their experience through multiple media and brainstorm on key challenges. Critical lessons learned include: (i) pro-active KM activities, facilitating client-client (and staff-staff) cross learning and exchange, can greatly benefit implementation quality and capacity of clients in partner countries and engender considerable client response, participation and demand; (ii) though dedicated resources were invaluable, such activities also need dedicated staff time to manage and oversee the effort, which requires either available BB or TF to cover this and an acknowledgement by Management that this, in itself, is a priority activity not simply be 'squeezed in' around other 'core' tasks; (iii) In carrying out activities, draw as far as possible on locally available resources (local consultants, counterparts, institutions, etc) to further embed local CB. The most significant outcome to which this TF activity contributed has been the Government of India’s embrace of the community-driven model of inclusive livelihoods development and the scaling up of many operational and policy lessons via the planned National Rural Livelihood Program; supported by US$1 billion of WB financing. At the individual project level, many of our associated activities benefited through attending learning events, linking and networking with counterparts in other countries who faced similar challenges. As intended, communities of practice have been established at different levels, from grassroots, through implementers, to policy makers and Bank staff.

**TF091110, STRENGTHENING CITIZENSHIP THROUGH UPGRAADING INFORMAL SETTLEMENTS (FY08) - $1.5 MILLION (CLOSED):** The objective of this activity is to develop a participatory approach to slum upgrading based on integrated analysis of the physical, social and environmental contexts. This activity has a strong focus on supporting Bank operations (incl. projects, loans, credits, and grants). In the case study countries, the project has contributed directly to operational design and implementations, e.g. links to ongoing or future urban and social development operations in all other countries, such as Tanzania CIUP and LGSP, India TA for MoHUPA, Yemen IUDP and Brazil urban operations on upgrading. In Brazil, it has led to an AAA study of crime and violence in informal settlements, and to a $450 million DPL for urban upgrading. In India, it fed into a new and ambitious national policy on slums and a potential $500 million loan for upgrading. The material produced by this work and its key findings, as well as the approach used to develop and disseminate knowledge, should be of great use to the Bank’s urban learning platform. They should enhance the operational design, implementation and effectiveness of World Bank upgrading operations, and support interventions of development practitioners in partner countries and donor agencies. Through the identification of the key areas where more capacity is needed (e.g. data collection and information systems), they should also help to guide future capacity building efforts in donor agencies, partner countries, or research organizations.

**TF097558, Enhancing practices on sustainable livelihood restoration for displaced persons (FY11) - $200,000:** The objective of this activity is to enhance the understanding among practitioners of good practices in sustainable livelihood restoration for people displaced by conflict, natural disasters or development projects. This will be achieved through sharing and disseminating good practices and
lessons learned through an international conference and setting up a community of practice to support continuous learning and knowledge sharing among key institutions and practitioners. The grant implementation has really not started. Background collection of information has been done but not funded by the grant. The TTL has left the Bank earlier than expected. Also after internal discussion and review of the concept note it has been decided that the overall scope was too ambitious and that it should be narrowed down. A new updated concept note has been prepared and a TTL has been identified.

TF097626 From ‘land grab’ to development opportunity? (FY11) - $300,000: This activity aims to demonstrate how, in select countries, large scale investment in agriculture and associated natural resources by the private sector can be integrated into long-term development strategies (e.g. with respect to a balance between small- and large-scale production, infrastructure access, and clustering of activities to add value). In line with a country’s agro-ecological endowment and linked to the promotion of specific investments, outcomes from grant activities will enhance broad-based economic growth and poverty reduction through three channels: (i) enabling governments to better use the opportunities from private investment while avoiding the associated risks by establishing an appropriate regulatory environment, clarifying land rights, and having clear criteria for inviting and screening investment proposals; (ii) providing a basis for investors in specific areas or commodity groups to adopt voluntary standards that would allow result in operations taking into account social and environmental concerns; and (iii) allow multilateral institutions such as the Bank (as well as financial institutions) to identify investments that comply with a set of minimum principles and that thus could potentially be supported.

Implementation has progressed satisfactorily in a number of areas. First, it put large scale land acquisition into a broader context by developing a module for assessing relevant policies and procedures on this topic within the Bank’s broader land governance framework. This has been completed in South Africa, Ghana, Nigeria, Mali, and Georgia where in-country validation workshops have been held and resulted in clear policy recommendations some of which have been included in Bank lending instruments (e.g. DPLs in Georgia). It is under implementation in Malawi and Rwanda with a large number of other countries in the planning stage. Second, a methodology to compute notional land prices for large scale land acquisition has been developed and applied in Mozambique where there is intent of feeding it into a broader capacity building effort. The acquisition of the necessary spatially referenced household survey data is completed or in progress in a number of countries (Tanzania, Ghana, Benin, Rwanda). Third, a number of opportunities for more in-depth policy dialogue have been pursued in Tanzania (study of legal preconditions for large scale investment), Mozambique (institutional lessons from CEPAGRI), Ghana (in depth-evaluation of out-grower private sector investments schemes), in Ukraine (in-depth research on efficiency of large farms with unique data), and most recently in responding to a request from Sudan. In addition, papers have been written on efficiency of large farms and (in draft) on the history of large scale land acquisition. Moreover, wide dissemination has been achieved by having a dedicated panel on large land acquisition during the Bank’s 2011 annual land conference.

E. Innovations for Improved Governance and Social Accountability

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Tools, instruments, and methodologies for improved governance and social accountability in the public sector featured prominently in the demand for good governance approach in the Bank’s Governance and Anti-Corruption Strategy approved in March 2007. Social accountability tools include participatory budgeting, public expenditure tracking, citizen report cards, community score cards and social audits, several of which are included in this group of activities, which have a strong focus on building capacity of in-country stakeholders.

**TF055744, Madagascar Community Poverty Monitoring and Analysis (FY06) - $550,000 (Closed):** This activity has two components: (i) to provide an avenue for local communities to participate in the monitoring and evaluation of PRSP and PRSC interventions, and (ii) to obtain an improved understanding of poverty and environment linkages in Madagascar, and identification of vulnerable regions in the country. A stocktaking report on the BP pilot communes as well as an analysis of the data collected through the CSC process have allowed the gathering of precise quantitative data to measure the outcome of both social accountability mechanisms. Several of the more quantified outcomes have been summarized in the first section above on achieving grant objective. Outcomes in terms of capacity can be seen in the development of well over 200 trainers of trainers in the CSC process, the creating of regional coaches in social accountability, and the continued presence of a national Technical Assistance (TA) on social accountability in the country office. This was one of the first country intensive approaches to social accountability in the Africa Region (where the focus was on mainstreaming across many elements of the portfolio) and the model is now being replicated in a number of other Africa countries. The TFESSD provided critical flexibility in allowing the TASA team to respond to opportunities to engage in social accountability as they arose and to continue TA, training, and dialogue on downward accountability even during the political crisis. Finally, capacity building was built into most activities, with people trained in techniques, graduating to being trainers, and eventually to playing the role of TAs. Training programs were never administered as stand-alone activities, but were always associated with a subsequent pilot to test the capacity of trainees via real life application in the field.

**TF090248, Local Governance in Sub-Saharan Africa (FY08) - $650,000 (Closed):** This activity aims at strengthening accountability, transparency and participation in local decision-making processes in Guinea, Rwanda and Burkina Faso, thereby improving local governance and targeting of service delivery. The second and third component of the LOGTAFA project consisted of disseminating good governance practices through competition (COPEGOL), in-country workshops and a regional seminar. The dissemination activities have contributed to mainstream standards of good governance in project countries in terms of transparency, participation and accountability. In Rwanda, the LOGTAFA Evaluative Framework was used by the Local Government Association (RALGA) to assess district’s and sector’s achievements during the annual Innovation Day, a ceremony that rewards the best performing local governments. At Innovation Day, local representatives that scored the highest on the LOGTAFA indicators, were prized and highlighted as examples for their peers. In Rwanda, once the first pilot round was completed, the Local Government Association held a smaller version of the competition using their own funds and without the financial or technical help of the World Bank. In Guinea, while the activities could not be finalized due to the coup, some of the COPEGOL participants were inspired to run for public
office in local governments. In Burkina Faso, the first round was successfully completed, and winners were awarded. Due to demand, the team relaunched the second round with some restructuring with the remaining funds. The second round in Burkina Faso was successful and much improved on many accounts. Taking into account lessons learned, the pilot team partnered with the CDD program, and improved its communication, information dissemination and technical support to local governments in better understanding the evaluative framework and application process. As a result, total submissions improved from 13 from first round to 100 in the second round. Furthermore, the pilot initiative is now being linked to a 60 million dollar World Bank-funded Local Governance Support Project, managed by the Ministry of Local Government., so its continuity is also ensured beyond the closing date of this Trust Fund. Starting from January 2012, COPEGOL activities will be integrated into a government program in Burkina Faso. Ministry of Local Government will use $3 million of IDA funds for expanding the competition on a national scale. Therefore, it is almost certain that COPEGOL will continue in the next 2-3 years and possible after that.

F. Global and Regional Social Development Initiatives

Following on earlier TFESSD support to Social Development Strategy development, the Social Development Anchor and the regional Social Development teams have continued to implement the global Social Development and regional strategies into Bank operations and corporate priorities. This cluster also includes other initiatives to mainstream social development into country and regional portfolios.

TF090744, Regional Integration of Social Inclusion in Infrastructure (FY08) - $100,000 (Closed): The objective of this activity is to influence urban water sector programs and reforms to take social context into account in peri-urban and slum areas. The activity funded analytical work as part of the Africa Region Flagship on Infrastructure. The document is setting policy direction for the Bank over the next few years in the various infrastructure sectors. This body of work (including the paper prepared under this TF) has also been widely disseminated among clients and outside the Bank, and received the Africa Region VPU Team Award. The regional analysis of the non-connected market has now been published and disseminated as part of all of the Flagship working papers, and has been a key input to the other AICD reports that have been published on the water sector. Through the incorporation into AICD, it has achieved the additional objective of framing and influencing the Region's policy/approach on urban water supply. In particular, the findings on the gap between the supposed role for stand posts in providing for the urban poor, and the actual price and quality variability they face in practice is providing for more nuanced discussion of the policy options with regard to this mode of delivering services to the urban poor. In addition, the need to distinguish policies among different groupings of African countries has also been taken up in the broader diagnostic. This AICD diagnostic has received excellent reviews within and outside of the Region.

TF095853, Supporting Strategic Analysis for Social Development (FY10) - $400,000: The purpose of this activity is to support the World Bank Social Development (SDV) Family (Department and Regions) to
sharpen and refocus its strategic direction for maximum influence and impact in a changing internal and external environment. SDV finalized the update of the implementation of the 2005 Social Development (SD) strategy, and it was endorsed by the World Bank's Board in June 2011. This effort was informed by background papers from the regional SD units and the World Bank Institute that covered progress against the Strategic Framework and action plan, internal and external drivers of change and strategic priorities going forward. A revised Results Framework was designed to better align it with core SD sector indicators and the strategic priorities identified in the update. The flagship on "Social Dynamics and Fragility" was completed in December 2011. A final version was disseminated widely in February 2012. Follow-up activities in select countries supporting implementation of Flagship findings are ongoing. The preparation process of a new Flagship on Social Inclusion/Exclusion has been launched and a Concept Note will be discussed by May 2012. The Institute of Social Sciences in Hague launched the indices of Social Development (ISD) in March 2011. A conference featuring research and policy papers based on the ISD was organized in December 2011. ISS is in the process of procuring funding to continue to host, update and manage the ISD following the closure of World Bank Grant.

4. Implementation Progress of the Window

4.1 Summary of Implementation Progress

Since inception, the TFESSD has funded 157 activities under the Social Window, of which 36 were ongoing as of December 31, 2011. In addition, 12 activities closed between January and December 2011. All activities approved prior to FY07 have closed. Ongoing activities during this reporting period consisted of: (a) one activity approved in FY06 (which will close by mid 2011); (b) four activities approved in FY08, all of which will close; (c) 11 activities approved in FY09, four of which will close; (d) 12 activities approved in FY10, two of which will close; (e) nine activities approved in FY11, one which will close; and (f) seven activities in FY12. Table 2.3 below shows the number of activities approved each year (excluding the co-terminus staff position funded under the Social Development Window) and their status, as well as the number of activities that are implemented within the Africa region (including global activities which include the Africa region).
Table 2.3: TFESSD Environment Window activities as of December 31, 2011

<table>
<thead>
<tr>
<th>Call/year</th>
<th>Activities approved</th>
<th>Activities ongoing</th>
<th>Closed activities</th>
<th>Activities in Africa (total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY00-FY02</td>
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<tr>
<td>FY05</td>
<td>24</td>
<td>0</td>
<td>24</td>
<td>14</td>
</tr>
<tr>
<td>FY06</td>
<td>15</td>
<td>0</td>
<td>15</td>
<td>9</td>
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<td>FY07</td>
<td>15</td>
<td>0</td>
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<tr>
<td>FY08</td>
<td>8</td>
<td>2</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>FY09</td>
<td>13</td>
<td>7</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>FY10</td>
<td>12</td>
<td>10</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>FY11</td>
<td>11</td>
<td>10</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>FY12</td>
<td>8</td>
<td>7</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>157</strong></td>
<td><strong>36</strong></td>
<td><strong>124</strong></td>
<td><strong>81</strong></td>
</tr>
</tbody>
</table>

4.2 Implementation Progress

Activities funded under the Social Window have for the most part progressed well over the period under review, and implementation and disbursements are generally on track. As noted beforehand, typically, activities experienced implementation delays due to administrative constraints such as an agreed upon shift in a consultant’s scope of work, insufficient staff time allocation and deliverable printing or delays. As in previous years, some activities remained slow due to staff changes are anticipated to pick up pace during this fiscal year.
In general, the majority of trust funds require some period of extension, and in keeping with TFESSD procedures, the Social Window secretariat usually granted extensions of up to one year (18 months on an exceptional basis) based on requests by task team leaders. These extensions are typically requested due to delays in implementation because of country-specific situations, or to allow for completion of dissemination activities, particularly formal publication of reports which at times may require more time to process.

Twelve (12) activities closed between January 1 and December 31, 2011 with outcomes highlighted above in the Activity Summary (Section 3) of the report:

- **TF055744**, Madagascar Community Poverty Monitoring and Analysis (FY06) - $550,000
- **TF090248**, Local Governance in Sub-Saharan Africa (FY08) - $650,000
- **TF090744**, Regional Integration of Social Inclusion in Infrastructure (FY08) - $100,000
- **TF090810**, Livelihoods Action Learning Fund (FY08) - $250,000
- **TF091110**, Strengthening Citizenship through Upgrading Informal Settlements (FY08) - $1.5 million
- **TF092353**, Developing Social Aspects of Global Climate Change Agenda (FY09) - $1.5 million
- **TF092388**, Increasing Community Resilience to the Social Impacts of Climate Change in LAC (FY09) - $468,400
- **TF092521**, Public International Law to Address Social Impacts of Climate Change (FY09) - $150,000
- **TF092922**, Obtaining Lessons from Community Fisheries Co-Management (FY09) - $350,000
- **TF094888**, Surveying Public Attitudes on Climate Change to Inform Effective Policy Making (FY10) - $260,000
- **TF095332**, Adaptation of Rural Livelihoods to Climate Change in Southern Rajasthan (FY10) - $130,000
- **TF097390**, Engaging Societies in Responding to Fragile Situations (FY11) - $300,000

### 4.3 Disbursements and Commitments

Social Window expenditures remain on track, as shown in Table 2.4 below. As of December 31, 2011 the Social Window disbursed or committed $45.9 million (95%) of the total $48.3 million received. Of this amount, 44% has gone towards activities in the Africa region. Activities approved prior to FY08 have been fully disbursed. Activities approved in FY08 have been 96% disbursed/committed, activities from FY09 have been 87% disbursed/committed, and activities from FY10 and FY11, 78% and 43% respectively.
Table 2.4: Disbursements and Commitments

<table>
<thead>
<tr>
<th>Year Approved</th>
<th>Receipts (US$m)</th>
<th>Cumulative Disbursements &amp; Commitments (US$m)</th>
<th>Of which Outstanding Commitments (US$m)</th>
<th>% of receipts disbursed or committed</th>
<th>Africa portion of disbursements/commitments (US$m)</th>
<th>Africa Share of cumulative disbursements/commitments (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Window Account</td>
<td>0.886</td>
<td>6.092</td>
<td>0.000</td>
<td>100%</td>
<td>2.785</td>
<td>46%</td>
</tr>
<tr>
<td>PR03</td>
<td>6.092</td>
<td>6.092</td>
<td>0.000</td>
<td>100%</td>
<td>2.395</td>
<td>31%</td>
</tr>
<tr>
<td>FY03</td>
<td>7.794</td>
<td>7.774</td>
<td>0.000</td>
<td>100%</td>
<td>2.312</td>
<td>44%</td>
</tr>
<tr>
<td>FY04</td>
<td>5.273</td>
<td>5.273</td>
<td>0.000</td>
<td>100%</td>
<td>2.089</td>
<td>39%</td>
</tr>
<tr>
<td>FY05</td>
<td>5.419</td>
<td>5.419</td>
<td>0.000</td>
<td>100%</td>
<td>2.546</td>
<td>51%</td>
</tr>
<tr>
<td>FY06</td>
<td>5.025</td>
<td>5.025</td>
<td>0.000</td>
<td>100%</td>
<td>1.520</td>
<td>50%</td>
</tr>
<tr>
<td>FY07</td>
<td>3.024</td>
<td>3.024</td>
<td>0.000</td>
<td>100%</td>
<td>1.360</td>
<td>57%</td>
</tr>
<tr>
<td>FY08</td>
<td>9.955</td>
<td>9.604</td>
<td>1.067</td>
<td>96%</td>
<td>4.266</td>
<td>44%</td>
</tr>
<tr>
<td>FY09</td>
<td>2.774</td>
<td>2.406</td>
<td>0.509</td>
<td>87%</td>
<td>1.360</td>
<td>57%</td>
</tr>
<tr>
<td>FY10</td>
<td>1.125</td>
<td>0.877</td>
<td>0.237</td>
<td>78%</td>
<td>0.599</td>
<td>68%</td>
</tr>
<tr>
<td>FY11</td>
<td>0.980</td>
<td>0.426</td>
<td>0.228</td>
<td>43%</td>
<td>0.368</td>
<td>86%</td>
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<tr>
<td></td>
<td><strong>48.346</strong></td>
<td><strong>45.920</strong></td>
<td><strong>2.040</strong></td>
<td><strong>95%</strong></td>
<td><strong>20.240</strong></td>
<td><strong>44%</strong></td>
</tr>
</tbody>
</table>

4.4 Strategic Review and Actions Taken

Sixteen (16) projects are expected to close by December 31, 2011 of which six (6) projects: TF092960, TF093008, TF094944, TF095008, TF095853, and TF098227; received an extension of their closing date from 6-months to 1 year. These requests for extensions will be reviewed by the Sector Board as part of the strategic review. The ten (10) remaining projects scheduled to close by the end of the reporting year are listed below:

TF055744, Madagascar Community Poverty Monitoring and Analysis (FY06)
TF090744, Regional Integration of Social Inclusion in Infrastructure (FY08)
TF090810, Livelihoods Action Learning Fund (FY08)
TF092388, Increasing Community Resilience to the Social Impacts of Climate Change in LAC (FY09)
TF092632, Building Climate Resilient Economies in South Asia (FY09)
TF092963, A Roadmap for Adaptation to Climate Change in the Amu Darya River Basin, Central Asia (FY09)
TF092521, Public International Law to Address Social Impacts of Climate Change (FY09)
TF092922, Obtaining Lessons from Community Fisheries Co-Management (FY09)
TF093062, Adapting to Climate Change in the Coastal Cities of North Africa (FY09)
TF095332, Adaptation of Rural Livelihoods to Climate Change in Southern Rajasthan (FY10)
POVERTY WINDOW

This progress report reviews the performance of the TFESSD portfolio of the Poverty Window during the period of January 1 to December 31, 2011. The report has six sections. The next section will present a brief summary of the areas where TFESSD has helped to improve the knowledge of the development community in general and of the World Bank staff in particular for greater effectiveness of policy advice. This section will be followed by a brief discussion of how TFESSD activities have affected Bank operations. Section 3 and 4 discuss capacity building supported by the TFESSD activities and dissemination of the findings of the activities. Section 5 presents challenges and Section 6 provides a brief summary of each project financed by the TFESSD under the Poverty window. Section 7 reviews the implementation progress of the Poverty Window.

1. Increasing knowledge of the development community for greater effectiveness of development policy advice

This section is sub-divided into four areas under which staff working with grants of the poverty window is now organizing their work.

1.1 Shocks, Vulnerability and Climate Change

One of the biggest development challenges in the world today is understanding and addressing the impacts of unexpected shocks, such as financial crises, climate change, food price volatility and natural disasters. The effectiveness of how the Bank and the donor community more broadly help developing countries respond to these shocks is key for sustainable poverty reduction in the short, medium and long runs.

The TFESSD Poverty Window has supported activities aimed at analyzing the impact of such shocks. The ultimate goal is to help government and donors better respond to these shocks. Various projects undertaken with these funds increased the knowledge on short term and long-term drivers of vulnerability. They also increased the ability of the policy makers to predict and assess the impact of various kinds of crises on livelihoods, nutrition and social protection. For instance, the project “Climate Change and Volatility-Tanzania” aims to develop a framework for quantifying the impacts of climate variability and change on the poor in Tanzania. The framework is expected to be general enough that it can be applied to other countries in Africa, as well as to other parts of the developing world. Similarly, another project “Assessing Poverty and Distributional Impacts of the Financial Crisis” is attempting to explore distributional impacts of crisis across social groups and modeling behavioral responses to shocks in simple, tractable way. This work has been conducted for Bangladesh, Philippines, Mexico, Poland and Mongolia.

Some projects have explored the distributional impacts of these shocks across socio-economic groups. For example, the project “Economic and Distributional Impacts of Climate Change in ECA” analyzed climate change risks in Tajikistan and public awareness of such risks, identified which population groups and locations are particularly vulnerable to climate shocks and suggested adaptation measures to mitigate the effect of these shocks. The main findings of the project suggest that building greater resilience will require investments in agriculture and rural infrastructure, economic diversification and
preventive healthcare. Strengthening risk management will require greater emphasis on measures to improve disaster management, enhance access to financial services (particularly in rural areas) and develop safety nets and insurance products.

Projects undertaken with TFESSD funds also explored the behavioral responses of poor households to these crises. For instance, a project titled “Vulnerability to shocks, child marriage, and human development in Africa” is attempting to understand how shocks impact the incidence of child marriage among vulnerable girls in Burkina Faso. The project also aims to build analytical base to help reduce the impact of shocks on child marriage.

Some projects have also produced various data sets that will help policy makers and development practitioners alike to monitor the impact of various kinds of shocks, as well as ascertain the effectiveness of the responses by governments in the developing world. For instance, the project “Mozambique: Poverty, Vulnerability, Food Insecurity, and Malnutrition” is developing a “Socio-Economic Atlas” that reports spatial analysis of poverty and growth. The Atlas will help increase access to socio-demographic and economic information, and will inform further analysis on the distributional impact of shocks.

A number of projects explore various policy options to respond to climate change and to address its impact. For example, the project “Implications of Climate change for Economic Policies in APEC” aims at exploring the usefulness and applicability of market-based instruments and the institutional requirements for deploying such instruments in order to address climate change. The project is focused on developing APEC countries’ capacity to address climate change in a timely manner. Similarly, another project “Reducing Vulnerability through Microfinance in Egypt” is working on assessing the effectiveness of microfinance in reducing the vulnerability of households that are most affected by shocks in Egypt. Another project “Reducing poverty, Inequality and Vulnerability in Southern Africa” focused on Malawi is developing options for redirecting public expenditure more effectively toward food security, poverty and vulnerability reduction in a fiscally constrained environment. Another project “Reducing Vulnerability to Poverty” tries to answer the question if it is better to focus on ex-ante risk mitigation or on ex-post smoothing, and in which contexts.

1.2 Employment

Employment and job generation play an important role in poverty reduction. TFESSD funded activities have helped governments, donors and other development practitioners improve their understanding of the link between employment and poverty reduction, and to explore policy options for job generation. The project “Creating Opportunities for Broad Participation in Private Sector Income and Employment” aims to understand how private sector policies can create opportunities for broader participation of poor workers in private sector activities and employment in Malawi, Togo, Nigeria and the Gambia. The analysis focuses on vulnerable groups and tries to identify the specific constraints faced by these groups in the labor market. Another project “Increasing Employment for Young Women in Jordan” is trying to understand the impact of gender-inequality and social exclusion in the labor market. The project is specifically trying to explore if and how short-term wage subsidies and enhanced employability skills of college graduates can reduce gender inequality and social exclusion in the labor market.
The project “Promoting Decent Work in Africa” is exploring policy interventions to increase the potential of medium and small informal enterprises to generate jobs. Specifically, the project aims at understanding how the viability of informal enterprises can be improved to play this role, and how education and skills development can be strengthened that can boost the employability of low skill workers in both the formal and informal sectors. The project is focused on Tanzania, Nigeria, Rwanda, Kenya and Burkina Faso.

1.3 Understanding and addressing inequality of opportunity

Recent research has shown that equality of opportunity, in addition to having an intrinsic value, may also increase the effectiveness of poverty reduction interventions. Moreover, different forms of inequality can have different impacts on development of countries. Given the importance of these issues for development policy design, it is worthwhile to note that the activities funded by TFESSD aim at significantly advancing the knowledge of policy makers and the development community in these areas.

The projects undertaken with TFESSD support produced new knowledge on the determinants of inequality, such as labor market mobility, trade policies, access to education and other basic services, locality and gender. For example, the project “Promoting Inclusive Growth in the Low Income SSA Countries” explores if the emerging inequality in Sub-Saharan Africa is due to the lack of labor market mobility or is it mostly linked to trade openness, among other factors. Another project “Fostering Inclusive Development: Advancing Knowledge of Inequality and Mobility in East Asia and the Pacific” explores how social perceptions of inequality correspond with the empirical estimates of inequality. This work is focused on Vietnam, Thailand, China, the Philippines and Indonesia.

In addition to understanding and assessing inequality, it is also imperative to understand how policies can impact patterns of inequality in a country. A number of projects funded by TFESSD aim to assess the distributional impacts of various policies. The project “Redistribution and the State: Assessing the Distributional Impact of Fiscal Policy,” for example, aims to increase the understanding and capacity of regional teams and government counterparts to assess the poverty and distributional impact of fiscal policy, and particularly fiscal adjustment and fiscal reforms.

Many projects supported by TFESSD are also exploring how best to address the problems of inequality. For example, the project “Socioeconomic Mobility and Inequality of Access to Employment in Europe and Central Asia,” funded by TFESSD aims to understand how economic mobility and the growth of a stable middle class can help lower the degree of inequality, how various policies can be linked to greater mobility, and the role of labor markets in generating economic mobility.

The projects funded by TFESSD are also attempting to find ways to effectively measure and assess inequality, and ascertain its trends. A number of datasets have been constructed for various countries that will allow the policy makers to set country specific baselines to measure future progress in reducing inequality. For example, the project “Timely and Accurate Poverty and Labor Market Monitoring” aims to provide policy makers with instruments for more rapid data collection and processing framework. These instruments will allow the development practitioners to monitor poverty rates and trends, and labor market outcomes in a more timely fashion. This will also allow them to better understand the distributional impacts of the latest global economic crisis. The Labor Income Poverty Index has been
developed for 8 countries in the LAC region. Work in Peru to develop similar rapid data collection instruments is on-going. The framework developed can be applied to other countries.

1.4 Impact Evaluation for policy effectiveness

Monitoring and evaluation is critical for evidence-based policy making. To be truly effective, programmatic decisions should be supported by evidence of what works and why. TFESSD has supported several projects that have allowed governments, donors and policy makers to evaluate the impact of some very important programs.

TFESSD supported a detailed, rigorous evaluation of CDD-based approaches in achieving durable improvements in impacting food security and access to related infrastructure and services (project “Randomized Impact Evaluation of the National Solidarity Program”). The evaluation was focused on National Solidarity Program (NSP) in Afghanistan. The findings generated by the study will provide an evidentiary basis for stakeholders to design and develop more effective CDD based mechanisms to achieve sustainable reductions in vulnerability in post-conflict environments.

Similarly, TFESSD supported the project “Employment of the Rural Employment Guarantee Program in Bihar” to evaluate the impact of National Rural Employment Guarantee Act of 2005 on employment, labor earnings and other socio-economic variables. The Act created a legal “right to work” for all household in rural India. This is the first randomized evaluation of the program. In addition to understanding the impact of the specific program, the study also explores how the impact of the earnings from the program interacts with other programs in the same areas. It also explores the role of institutional and program design and implementation factors in driving the observed outcome. It also uncovers the reasons for shortfall in impact and how the program can be made more effective. While the study focuses on Bihar, India, some of the findings can be generalized to similar programs in other contexts.

2. Impact on the Bank and in client countries

The impact of TFESSD work on Bank operations in the client countries is a sustained process, where influence and change is achieved through long periods of time. Overall, the work done by the TFESSD has increased the knowledge base of the Bank staff to advise countries in formulating effective poverty reduction policies and helped build client capacity.

The adoption PREM’s Poverty Unit strategy has been helped by the TFESSD. This strategy aims at increased awareness of equity issues in the Bank and by our client countries, supporting countries in generating more jobs and improving the livelihoods of the poor, fostering evidence based policy decision making and accountability through more effective monitoring and evaluation systems, and helping countries mitigate the impact of food price volatility through monitoring of prices and malnutrition. Many of the projects supported by this window are helping our clients with this agenda.

TFESSD has affected the operations in the Bank and client countries through different channels. First, TFESSD has generated interest and excitement in the Bank and client countries to analyze issues that are critical to development and aid effectiveness. The funds have created learning that can be used by others and help us innovate, often by directing seed funding into critical issues that might otherwise
receive less attention. The TFESSD has helped fill a gap for funding without crowding out other resources and allowed the Bank staff to generate dialogue among other donors and policy makers in the client countries.

Second, the TFESSD has also shaped operation, policies and reforms by providing evidence and technical input to people who participate in the design of projects and programs. In addition to concrete output and outcomes, the implementation process itself brings a lot of learning for teams and their counterparts in the governments of the client countries.

Third, TFESSD funded activities have created opportunities for capacity building, even in cases where that is not the primary aim of an activity. We discuss this in more detail in a separate section.

Following are some examples of how TFESSD-funded activities have had direct real impact on the policies and operations.

2.1 Impact on policies and operations

- The results of the impact evaluation of National Support Program (NSP) in Afghanistan, especially impacts on governance, state-building, and social cohesion, funded by TFESSD are expected to feed into NSPIII and influence the remaining life of the project. In the long run, the project is expected to influence dialogue among policy makers on mainstreaming NSP structures and institutions, specifically the Community Development Councils, into governance.

- Findings of the project “Promoting Inclusive Growth in the Low Income SSA Countries Work” that aims to identify the new sources of inequality is expected to inform a Labor Force Module of policy documents prepared by the Namibian government. The Labor Force Module is a part of questionnaire in a household survey designed to collect consistent data to compile labor statistics and labor market analysis that will provide insight on how growth benefits population through employment and job creation.

- Analysis conducted as part of the project “Timely and Accurate Poverty and Labor Market Monitoring Work” is being incorporated in CAS and CPS of Columbia and Argentina. The research is also being used in AAA work in Colombia and Peru.

- The project “Poverty, Inequality and Conflict in West Africa” aiming to understand the linkage between income shocks, inequality and onset of conflict is expected to provide input to the poverty report in Sierra Leone, which in turn will provide inputs to the preparation of the Second Poverty Reduction Strategy.

- Analysis on poverty, food security, nutrition and social protection in Mozambique conducted as part of the project “Mozambique: Poverty, Vulnerability, Food Insecurity, And Malnutrition” fed into the preparation of Government of Mozambique’s 5 year strategy.

- The findings of the project “Promoting Decent Work in Africa” that attempts to understand the importance of informal sector in job generation are expected to inform the strategy of the Workforce Development Authority in Rwanda.
• Findings of the project “Reducing Poverty, Inequality and Vulnerability in Southern Africa” on improving the effectiveness of policy and expenditure intervention in reducing the short and long-term drivers of vulnerability will feed into the upcoming PRSP in Malawi.

2.2 Impact on dialogue and further analytical work

• Findings of the project “Reducing Vulnerability to Poverty” on managing ex-ante risk and ex-post shocks of food prices will feed into the World Development Report 2014 on Risk and Uncertainty. This work has also informed Social Protection Strategy, ARD strategy on food price crises issues and Trade Brief Notes on food price crises issues.

• Findings of the project “Increasing Employment for Young Women in Jordan” on gender inequality and social exclusion in labor market is expected to be incorporated in the WDR 2012 on gender.

• The analysis on links between climate change and economic policy, conducted as part of the project “Implications of Climate Change for Economic Policies in APEC,” has been incorporated in the World Bank’s Climate Change Public Expenditure Review Sourcebook.

• The findings of the project “Economic and Distributional Impacts of Climate Change in ECA” that attempts to explore and monitor the key sources of climate change are being widely discussed in ongoing PPCR (Tajikistan Pilot Program for Climate Change)-related deliberations in Tajikistan. The findings are being widely cited among the climate change community in Tajikistan. The Climate Vulnerability Index methodology developed for Tajikistan with TFESSD support is currently being applied in other countries in the region including Moldova, Armenia and Kyrgyz Republic, another example of how TFESSD can promote new tools.

3. Capacity building

TFESSD-funded activities have helped create and strengthen skills, not only among staff, but especially among local organizations in the client countries that partner with the Bank. That sort of learning by doing we believe is the most powerful means through which we create capacity. In many activities counterparts in the country were actively engaged in the design and preparation stage of the projects. Some of the local research institutions that the Bank teams have partnered with in executing the TFESSD funded activities are: CESAG (Senegal), University of Stellenbosch (South Africa), University of Cartagena and University of Cali (Colombia), Asia Network for Health Systems Strengthening, BDC, a business development center in Jordan, Dajani consulting in Jordon, and Social Funds for Development in Egypt. These local institutions also interact with the government in the process of conducting grant-funded activities. Therefore, these activities also provide a forum for building state-society relationships in these countries.

At the same time, TFESSD activities build the capacity of the World Bank staff as they interact with country partners and explore the relevance of the work on the ground. In many cases, experiences during activities funded by TFESSD have given staff the opportunity to innovate and come up with practical, second best solutions to implement their grant-funded activities. This includes finding ways to deal with data gaps, engaging in policy dialogue with state holders with different and competing interests, and suggesting policies that are politically feasible.
TFESSD funds have also supported the establishment of Equity and Public Policy Practice Group in the Bank to informally discuss current work in the area of equity and policy. This allows the Bank staff to share knowledge and coordinate their activities in common areas of interest.

In addition, many other activities have also held formal trainings and workshops that have served to develop local analytical capacity building and have established regional professional networks. Notable examples are the following.

- Trainings were conducted as part of the project “Financial Protection and Equity in Health.” It was a 1.5 day modular training course on health equity and financial analysis. Eight training events were conducted across five regions for 254 policy-makers and researchers and 67 Bank staff. The training materials are also posted on websites.

- Two capacity building workshops on climate change, and its agricultural and economic impacts in Africa were held in East Africa for African researchers as part of the project “Climate Change and Volatility – Tanzania” funded by TFESSD. Another workshop was held in Senegal. These workshops were conducted in collaboration with local stakeholders and development partners, including the governments of the client countries, the country offices, the UN ECA, and IFPRI.

- In addition to trainings for local stakeholders, a number of trainings were conducted in Washington. A number of teams working on TFESSD funded projects also participated in PREM Network Learning activities.

4. Dissemination

TFESSD work has been disseminated and shared widely with the Bank staff, government counterparts in the client countries, and development community. Most projects funded by TFESSD have used multi-pronged strategy of dissemination of their results, each aimed at different audiences but all jointly aiming to increase the visibility and accessibility of the knowledge in their respective fields. These forums include academic and policy reports for academic audiences, strategy reports and synthesis papers for country teams, and condensed format publications for general audiences. The teams have also presented their work on websites. Datasets constructed with support from TFESSD are also uploaded on the Bank websites. Some teams have also created interactive websites (or interactive dashboards) that allows the audience to explore the findings in greater detail. The interactive websites facilitate access and usability of the knowledge produced.

Some of the notable venues where TFESSD funded activities have been presented are: AERC (African Economic Research Consortium), CSAE (The Center for the Study of African Economics), Rio Global workshop, APEC meetings at the US Treasury, UNDP organized meetings in Bangkok for Countries from South and East Asia, UNFCC meetings in Durban, Annual Bank Conference on Development Economics in Stockholm, and Economic Update for Development Committee session of Annual Meetings of 2010.

Some academic journals where TFESSD funded research has been published or is forthcoming include Review of Development Economics, Global Environmental Change, Applied Economic Perspectives and Policy, Environmental Research Letters, and Climate Change.
5. **Challenges**

Teams face a series of implementation challenges that result in extensions and delays. However, the balance remains by and large positive. Looking at the challenges that task managers face during implementation can give inputs for future selection processes and for policies for TFESSD moving forward in order to increase the effectiveness of these funds.

The most frequent challenges faced by the task teams include the difficulty of finding adequate capacity in the client countries. This risk is mitigated by capacity building of local teams and consultants throughout the course of the project. The difficulty of getting appropriate data, and sometimes, good quality data is also an issue.

Political turmoil and political uncertainty was also reported as challenge by some task teams that sometimes impede planning. Particularly, the task teams working in fragile and conflict-affected areas mentioned the issues related to the risk of conflict and security. Another challenge reported by task teams was to manage the balance between technically sound and politically accepted solutions to the development problems. However, the teams tried to mitigate this by discussing the findings with country teams and involved units at the Bank, and national authorities throughout the process of the projects to ensure adequate delivery of key messages.

Task teams have also mentioned that it is sometimes challenging to maintain a balance between innovation and country-specific demands in a short time. Convincing country and regional teams on supporting something not tested yet was one of the main challenges reported by the task teams. Other task teams have reported that country teams and government counterparts sometimes do not sufficiently appreciate issues that could be of importance to solving crucial development problems. This means that getting commitments from the country teams is difficult, which negatively affects the project’s outreach and integration with the country operations. Large changes in personnel and delays in replacements assuming duties in country offices and within teams sometimes exacerbate this problem.

In addition to these issues, some task teams have also indicated their concerns regarding the way the grant is disbursed. Main challenge mentioned by the task teams was that the bureaucracy of grants spending deadlines sometimes does not fit well with the logistics of implementing innovative interventions.

6. **Summaries of Projects**

**TF093356 Economic and Distributional Impacts of Climate Change in ECA (started in 2008), $300,000, Mame Fatou Irene Aminata Diagne**

The main objective of the study is to better understand the key sources of climate change, related opportunities and risks in Tajikistan by analyzing the probable impact on livelihoods by sector and location, the potential impacts on household welfare, and assess the readiness of individuals, households, and communities to deal with these changes. The main findings are that in their efforts to direct funding toward areas with the highest vulnerability to climate change, policy makers in the country should focus on rural areas. Devising an effective adaptation strategy requires that adequate attention be directed towards two main areas a) building climate resilience to strengthen the ability of
households, communities, as well as local and national governments to withstand negative climate impacts, and b) improving the risk management capacity of households, particularly the poor ones, to cope with increased risks associated with climate change.

The findings have been widely discussed in ongoing Tajikistan Pilot Program for Climate Change (PPCR)-related deliberations in Tajikistan. The report is also widely cited among the Climate Change community in Tajikistan. A knowledge brief on the main findings of the report has been prepared and is being edited for publication.

**TF096949 Monitoring Impact of the Food Fuel and Financial Crisis in ECA through LITS II (started in 2010), $250,000, Mame Fatou Irene Aminata Diagne**

The activity seeks to add special module to the Life in Transition Survey (LITS) II to be carried out in partnership with EBRD in 2010 in the ECA region to help improve our understanding of the impact of the recent food fuel and financial crises on households, as well as to ascertain the effectiveness of responses of governments. LITS-I was carried out in all 29 ECA countries in 2006 by EBRD and the World Bank.

To date the data has been collected through special crisis module added to the 2010 LITS. Data cleaning, variable construction and preliminary data analysis has also been completed. Special module collected data on the following variables, including others, a) self-reported severity of impact of the crisis, b) main transition channels through which households were affected, c) main coping mechanisms used to mitigate the adverse impact of the crisis, and d) whether the household applied for any benefits from the state and whether the benefits were received. Two chapters that analyzed links between governance and service delivery and the impact of the crisis were contributed to an EBRD publication in June 2011. Further analysis is underway. Findings have also been published as World Bank working papers. The data is widely accessible in the public domain. Topics of further analysis include reliability and consistency of subjective welfare measures in the LITS, on the evolution of well being in ECA since 2006, and country specific LITS results in Moldova and Kyrgyz Republic.

**TF093403 Implications of Climate Change for Economic Policies in APEC (started in 2008), $ 465,000, Ahmad Ahsan**

This project aims to provide Finance Ministers and senior finance officials in developing APEC economies with critical information on the implications of climate change and policies for addressing climate change in some key areas of concern to finance ministries: institutions and policies to foster carbon-friendly technological progress and growth, fiscal instruments for mitigation or adaptation to climate change in developing countries, and finally, implications of climate change impacts and policies for the poor. These are relatively new and inadequately studied questions in the context of developing countries, the answers to which should help economics ministries integrate climate change in their mainstream concerns. The project is also expected to serve as a catalyst for greater regional discussion and cooperation in addressing climate change, setting the stage for future operations both at regional and country level through technical assistance, training, investment projects, policy lending etc.

To date, four reports on these topics have been prepared and disseminated. Currently, a report on market readiness for emissions trading and financing mechanism is being prepared. The objective of this report is to provide guidance to the developing countries to systematically address their readiness when
planning to use market-based instruments and to better understand the needs and obstacles for building such capacity in partnerships with emerging markets and developing countries. Preparation of Climate Change PER Sourcebook is also underway. The objective of the sourcebook is to provide practitioners with the information and tools needed to respond to public expenditure policy and management challenges arising from climate change.

Climate Change and Economic Policy issues obtained high visibility in APEC finance officials meetings, UNDP organized meetings in Bangkok for countries from South and East Asia and the World Bank staff.

TF098830 Vulnerability to shocks, child marriage, and human development in Africa (started in 2011), $250,000, Quentin T. Wodon.

This task aims to provide an empirical analytical base as well as capacity building tools to help reduce the impacts of shocks on child marriage among vulnerable girls in Africa. This will ultimately improve human development outcomes for those girls and their future families. The project proceeds in two steps. First, the project provides new analysis on the causes of child marriage, including the role of specific shocks. Second, the project will generate new data as well as capacity building tools that can be used to inform policy debates and promote interventions by government, donors, as well as NGOs and Faith-based organizations. The results also aim to provide analysis of potential prevention and coping mechanisms to help deal with these shocks and avoid child marriage.

Work is progressing as planned. The focus of the project in the last year was on the fieldwork in Burkina Faso to compile data on the incidence of child marriage, and its impact on various human development outcomes. A short note on the measurement of child marriage was published in Economics Bulletin and a paper on world trends in child marriage is under preparation. Significant work has been done on modeling the impact of child marriage on education, as well as health (infant and child mortality, as well as child malnutrition) using DHS data for many countries.

TF092567 Climate Change and Volatility – Tanzania (started in 2008), $500,000, William J. Martin

The project aims to develop a framework for quantifying the impacts of climate variability and change on the world’s poor. The case studies of Southern and Eastern Africa will catalyze more detailed analyses of that region. In addition, the framework is expected to be general and flexible enough that it could also be applied to other regions in Africa, as well as to other parts of the developing world.

The project has over-delivered in regard to the scientific research objectives. The grant proposal had targeted four research papers for completion. However, there have been nine papers published (or forthcoming) in peer-reviewed scientific journals. Four capacity building workshops were completed, three of which were held in East Africa for African researchers. These workshops have served to develop local analytical capacity and establish regional professional networks for collaboration. The project findings were also disseminated at the 2011 UNFCC meetings in Durban and at a conference in World Bank HQ.

TF094729 Assessing Poverty and Distributional Impacts of the Financial Crisis (started in 2009), $200,000, Ambar Narayan
The main objective of the activity is to support regional teams in predicting and evaluating the distributional impacts of the crisis, while exploring differences across social groups and examining inter-household behavioral responses. The ultimate goal of this activity is to provide policy advice that is evidence based and gender sensitive. The project also aims to help regional teams in evaluating the effectiveness of various policy reforms and packages in mitigating the impact of the crisis on men and women. The analytical work has been conducted in Bangladesh, Philippines, Mexico, Poland and Mongolia.

The work conducted under this project has fed into various analytical and policy documents including DPO program document for Poland, Cyclone Damage and Needs Assessment for Philippines, Economic Update for Bangladesh (2010), Philippines Development Review, joint Bank/IMF staff paper on Resilience to Crisis” prepared for the Development Committee session of Annual Meetings of 2010. A large number of workshops have also been conducted in study countries as well as in Washington to disseminate the findings of the work. The project has also conducted capacity building workshops in Tunisia, Morocco, Mexico, and Egypt among others.

**TF097908 Reducing Vulnerability to Poverty (started in 2010), $400,000, Quy-Taon Do**

The aim of this project is to answer the question if it is better to focus on ex-ante risk mitigation or on smoothing ex-post shocks, and in which contexts. This is an important empirical question. The activity started in 2010; therefore most activities of the project are still under implementation. A conference titled “Development Policy in a Riskier World” was organized in Nov 2011 to take stock of the current research and thinking. The findings of the project will also contribute to the 2014 World Development Report on Risk and Uncertainty.

**TF094766 Mozambique: Poverty, Vulnerability, Food Insecurity, And Malnutrition (started in 2009), $200,000, Antonio Nucifora**

The project aims to provide technical assistance to the Government of Mozambique to carry out analysis on poverty, vulnerability, food security, nutrition and social protection in Mozambique in order to influence the GOM’s next 5-year strategy, and the World Bank lending program. The project team also provided intensive technical assistance to the Government of Mozambique in the preparation of Third National Poverty Assessment Report. The Government of Mozambique has already disseminated the poverty analysis.

Two policy notes focusing on child under-nutrition were also produced as part of this project. The project is also finalizing the “Atlas of Social and Demographic Statistics,” which is expected to be of great value in informing debates around poverty and growth as it makes statistical information readily available in a visual format that can be easily absorbed. The project team plans to launch a workshop for the Atlas. The published Atlas will be distributed to all secondary schools, and all key institutions. Similarly, the work on malnutrition will be presented at a workshop in Maputo, jointly with UNICEF.

**TF097704 Reducing Vulnerability through Microfinance in Egypt (started in 2010), $200,000, David J. McKenzie**
The development objective of the project is to reduce vulnerability of individuals in the poorest villages in Egypt through expanding microfinance to these areas, and through specific innovative product development and targeting to teach widowed, divorced or otherwise disadvantaged women. Microfinance will enable these individuals to establish and build microenterprises, providing the financial and physical capital necessary to improve their income opportunities with an aim to reduce vulnerability and marginalization of the poor. In the process, this evaluation will also build the capacity and knowledge of impact evaluation in the partner organization, the Social Fund for Development.

It is too early to report on the progress of the project. At this point, baseline survey has been conducted in 25 villages covering 2500 business owners. Political turmoil in Egypt has delayed the implementation process.

*TF098165 Reducing Poverty, Inequality and Vulnerability in Southern Africa (started in 2010), $300,000, M. Louise Fox*

The objective of the project is to provide the government, civil society and development partners with data and analysis to improve the effectiveness of policy and expenditure interventions in reducing the short and long-term drivers of vulnerability. The project also aims to explore the option of redirecting public expenditures more effectively toward food security, poverty and vulnerability reduction, and especially the reduction of women’s vulnerability within an overall constrained fiscal environment. The project is focused on Malawi.

Local capacity building of the civil society organization has been ongoing for the past 12 months. Once the training is complete, the civil society organizations will lead the knowledge sharing with the support of the Bank staff. The analysis undertaken by this project is expected to inform the upcoming PRSP of Malawi.

*TF096793 Food Prices, Climate Change and Food Insecurity (started in 2010), $250,000, Quentin T. Wodon*

The project aims to improve the understanding of, and policy dialogue about issues related to food prices, climate change and food insecurity in Africa by making data and analytical tools freely available on the web.

The initial work of the project has been focused on conducting evaluation work in Burkina Faso, Guinea, Liberia and Sierra Leone, and setting up the data and tools for the work to proceed. The work on Liberia was instrumental in informing Bank operations, while the work in Burkina Faso helped increase government funding for appropriate policies to deal with the food price crisis. A number of papers on related topics are in the process of preparation. The topics of these papers range from the evaluation of the Sierra Leone response to the food crisis, with a detailed study now also prepared for Guinea. The project team is also starting to look at the impact of weather shocks on a range of human development outcomes, including infant and child mortality as well as child malnutrition. As part of the project, high quality training courses will be organized. These courses will not only be targeted to the Bank staff, local researchers and government staff, but also to non-profit organizations running a wide range of social protection problems.
TF010395 Increasing Employment for Young Women in Jordan (started in 2011), $200,000, David J. McKenzie

The objective of this project is to reduce gender inequality and social exclusion in the labor market in Jordan by experimentally testing the effectiveness of short-term wage subsidies and employability skills training among community college graduates. These policies are designed to encourage firms to overcome their initial reluctance to give a female graduate the opportunity of a job. The rationale of these policies is that once given a chance to overcome initial inequalities in labor market access; these young women will show they are productive. Consequently, it is expected that firms will be more willing to hire women for longer term. Since the project has just started, it is too early to detail any concrete activities.

TF090727 Promoting Decent Work in Africa (started in 2007), $600,000, Setareh Razmara

The objective of this project is to help improve the welfare of informal enterprises that provide employment and incomes to a growing number of people. The project also aims to understand ways to strengthen links between education, skills development and employment in formal and informal sector. As part of the project, country case studies for Tanzania, Burkina Faso, Uganda and Nigeria have been finalized, while the reports for Rwanda, Ghana, and Kenya are underway. Pre-fieldwork preparations have also started in Mozambique. These countries help the respective governments understand how the informal sector can be a strong player in the shared-growth agenda and skills development can help raising income of the informal sector. These country case studies also provide the basis for the Bank’s future operations and technical assistance. The synthesis report based on the results of the country case studies is in preparation.

The findings from these projects have fed into operations and other analytical work. The work on Kenya has provided inputs to the on-going AAA on “Realizing the Youth Dividend through Skills for the Informal Sector”

TF010637 Creating Opportunities for Broad Participation in Private Sector Income and Employment (started in 2011), $400,000, Florence Kondylis

The development objective of this project is to a) identify specific constraints faced by disadvantaged groups and women who are small entrepreneurs or aspiring to run their own business, and b) explore what private sector policies work to create opportunities for broad participation in private sector income and employment. The project also aims to create real-time knowledge on project impacts and the relative effectiveness of different implementation alternatives in promoting broad-based economic integration. To build capacity for evidence-based policy making, demand-driven impact evaluations would also be carried out jointly with the client and the Development Impact Evaluation Initiative. The project focuses on Malawi, Togo, Nigeria and the Gambia.

It is too early to report any progress on activity. To date the capacity building has been achieved through the project missions and placement of field coordinators for an initial set of impact evaluations.

TF010534 Socioeconomic Mobility and Inequality of Access to Employment in Europe and Central Asia, (started in 2011) $250,000, Maria Eugenia Davalos
The objective of the project is to understand better the determinants of economic mobility and the growth of a stable middle class. This analysis will include a profile of those vulnerable to downward and upward mobility, and aim to link these to policies (education, taxation and social policy) in two regions – Moldova and Tajikistan. Given the demographic transition and sharp decreases in the future population, especially in the labor force, understanding the role that labor market outcomes play in economic mobility will be an important objective. In this context, particular attention will be paid to the labor market inequalities, and the determinants of gender and age-based labor market exclusion, and analyzing which policies facilitate inclusive labor markets. Progress of the project is underway. The work thus far has mostly focused on activity planning. Significant progress is expected in the second half of FY12 and FY13.

**TF098513 Timely and Accurate Poverty and Labor Market Monitoring (started in 2010), $300,000, Joao Pedro Wagner de Azevedo**

The project’s development objective is to provide policymakers with a broader toolkit and more rapid data collection and processing in order to monitor poverty rates and trends, and labor market outcomes in a timely fashion. This toolkit will allow the development practitioners to monitor poverty rates and trends, and labor market outcomes in a more timely fashion. This will also allow the policy makers to better understand the distributional impacts of the latest global economic crisis.

The project has successfully completed two phases of the project. The Labor Income Poverty Index (LIPI) has been developed and is being frequently updated to monitor poverty trends in 8 countries in the LAC region. The project team has also produced a policy note “The Fall 2011 Poverty and Labor Brief” summarizing the main lessons learned and containing policy recommendations on how to avoid the same mistakes during the next crisis. The policy note focused on the main lessons of the 2008-2009 crisis, and on the lessons for the current global crisis. The third phase of the project that focuses on piloting the use of cellular phones to collect data in real time is progressing.

Several of the analyses conducted as part of the project are being incorporated in the CAS and CPS of countries such as Argentina and Colombia. Some of the material produced as part of the project is also being used in AAA work in Colombia and Peru.

**TF097640 Redistribution and the State: Assessing the Distributional Impact of Fiscal Policy (started in 2010), $250,000, Jose Antonio Cuesta Leiva**

The aim of this project is to increase understanding and capacity among regional teams and government counterparts to assess poverty and distributional impact of fiscal policy and particularly fiscal adjustment and policy reform. It also aims to broaden understanding of the policy makers and development practitioners of the impact of public expenditure on equality of opportunities. It is hoped that this knowledge will increase effectiveness and equity impact of policy advice and operational work by WB teams and policy design and implementation in client countries.

Analytical work has been completed for Thailand, Indonesia, Bolivia and Liberia. Work in Indonesia, Moldova, and Zambia is progressing substantively and is expected to be completed in 2012. The analytical work has also been presented and discussed within the Bank and externally in seminars and
formal presentations to client countries in Bolivia, Indonesia, Thailand and Liberia. Shorter policy notes will also be prepared and disseminated through different venues.

**TF010366 Promoting Inclusive Growth in the Low Income SSA Countries (started in 2011), $300,000, Xiao Ye**

The development objective of this project is to provide new knowledge on the determinants of inequality and opportunities. It considers factors such as lack of labor market mobility, rents from trade openness in addition to education, access to services, locality (rural vs. urban) and gender. The project aims to conduct a cross-country study that will provide insights into how and why some countries avoided rapid increases in inequality and others did not. The project relies on micro-datasets to understand the sources of inequality in Africa. This will also produce a dataset that can be used as benchmark for evaluating the evolution of inequality for several countries in the future.

The first phase of the project – improving, expanding and archiving of household surveys – is underway. The manual that includes the most critical variables from household surveys has been completed. So far the project team has processed 22 surveys from 12 SSA countries. The project team has also made a good progress in developing an internal website to disseminate the information.

**TF097866 Financial Protection and Equity in Health (started in 2010), $160,000, Caryn Bredenkamp**

The project aims to increase global knowledge of equity in health outcomes, health care utilization and the extent of catastrophic and impoverishing health expenditure. One of the few TFESSD activities in the health sector, it also aims to increase the capacity of governments and country researchers, Bank staff and the international community to effectively measure, analyze and monitor the same. To date, seven country reports and 24 datasheets have been produced, based on the original analysis of around 100 household survey datasets. A 1.5 day modular training course on health equity and financial protection analysis was developed. Eight training events were conducted across five regions for 254 policy-makers and researchers and 67 Bank staff. This is a massive undertaking and quite an achievement.

**TF010838 Fostering Inclusive Development: Advancing Knowledge of Inequality and Mobility in East Asia and the Pacific (started in 2011), $300,000, Andrew D. Mason**

Social perceptions on inequality do not appear to mirror empirical estimates of inequality. More quantitative as well as qualitative evidence is needed to ascertain inequality trends and to get a better sense of societal weights on different aspects of inequality. The project aims to explore how social perceptions of inequality correspond with the empirical estimates of inequality. It also aims to identify the factors that explain the successful upward movements of individuals in parts of the income distribution and the policy interventions that have been effective in promoting mobility across socio-economic groups. The project is focused on Vietnam, Thailand, China, the Philippines, and Indonesia. It is expected that this work will open up a more informed policy discussion on inequality and economic mobility in these countries. Since the project just started, it is too early to report on the progress.

**TF097357 Poverty, Inequality and Conflict in West Africa (started in 2010), $300,000, Andrew L. Dabalen**

The development objective of the project is to understand the determinants of conflict, welfare consequences of conflict and the policy options to reduce it. The study is focused on Cote d’Ivoire,
Liberia and Sierra Leone. One focus of the project is to examine the links between income shocks, inequality and onset of conflict on one hand, and the size of the welfare loss following a household’s experience with conflict on the other. The project also intends to identify the types of inequalities and income shocks that lead to conflict.

To date, much of the data analysis has been completed for all three countries. The findings of the analytical work are being incorporated into the country programs. The work on Sierra Leone is expected to inform the review of the country’s social protection programs. Similarly, work on Cote d’Ivoire is expected to inform its social protection programs. The project team also plans to launch dissemination of the analytical work soon.

**TF090809 Ethiopia Internal Migration (started in 2007), $150,000, Espen Villanger**

The objective of this project is to monitor urban migration in Ethiopia with an aim to deepen the empirical basis for policy dialogue by informing stakeholders about policy and program options to help address the challenges and opportunities brought about by increasing migratory processes.

In 2010, the first Migration report was completed, disseminated and presented to the Government of Ethiopia. The report suggests that the government should have a more positive view of migration to cities and utilize the migrants as a resource for further development. The report also reveals that the most common migration flow is not rural-to-urban, but rather from rural areas to other rural areas. The report also found that migration is profoundly beneficial for those who migrate. The report is a powerful tool for policy discussions with the government on several issues such as education and jobs, and housing. The second phase of the project is underway. Analytical work that explores the motives for remitting to identify reasons for the relatively low rate of internal remittances, and welfare effects of internal migration has been completed and disseminated in widely attended seminars and discussed with the Ministry of Finance and Economic Development. A policy note was also developed to summarize all the findings from the analytical work. Dissemination of the work is on-going.

The findings of the study continue to contribute to the policy dialogue on strengthening rural-urban linkages to support the Government implementation of PRSP as well as to the design of new survey instruments to cover more accurately the realities of rural urban migration.

**TF094878 Randomized Impact Evaluation of the National Solidarity Program (NSP) (started in 2009), $200,000, Elliot Wamboka Mghenyi**

The primary purpose of the project is to provide detailed, rigorous analysis of CDD-based approaches in achieving durable improvements in food security and access to related infrastructure and services. The information will provide evidentiary basis for stakeholders to design and develop more effective mechanisms to achieve sustainable reductions in vulnerability, both in rural Afghanistan and other post-conflict environments in which the administrative capacity of the central government is weak.

To date, the project team has completed the first follow up survey. The interim findings of the first follow up survey were in Afghanistan, Washington and various workshops in South Asia. The second follow-up survey is underway. The security situation in Afghanistan is providing a challenge to complete survey work. The TFESSD grant, however, allowed the project team to secure the services of a tracking
company to remotely monitor survey teams through GPS enabled devices and software that relayed
information on the location of the devices. This really helped to verify that enumerators visited sampled
households and spent sufficient time to complete the interviews.

It is expected that the report would feed into the mid-term evaluation of NSP-III and influence the
remaining life of the project. In the long term, the report is expected to generate dialogue among
donors and Afghan policy makers on the various proposals presented to parliament on mainstreaming
NSP structures and institutions into governance.

TF094803 Employment of the Rural Employment Guarantee Program in Bihar (started in 2009),
$120,000, Puja Vasudeva Dutta

The key objective of the study is to evaluate the impact of India’s program National Rural Employment
Guarantee (NREG) on employment, labor earnings and other socio-economic impacts, and to uncover
the role of institutional and program design/implementation factors in driving the observed outcomes.
The study focuses on the state of Bihar in India. NREG created a justiciable right to work for all
households in India. The findings confirm the potential for labor earnings from this scheme to reduce
poverty in Bihar, but also point to a number of specific performance issues that impede realizing that
potential in practice. The study finds that under ideal conditions the extra labor earnings from the
scheme would bring down the poverty rate in Bihar by about 12% points. In actuality, however, the
impact is closer to 1%. The findings suggest that the scheme is reaching the poor, though somewhat less
so the very poorest. It is expected that the findings would contribute toward strengthening systems for
delivery.

7. Implementation Progress of the Window

As of December 2011, 23 activities are still ongoing. 7 activities were approved last year and 7 activities
were closed. Of the on-going activities regions manage 13 and Networks and the Development
Economics Group manage remaining 10.

Table 2.5: Summary of new, closed and closed activities

<table>
<thead>
<tr>
<th>Disbursing Fund Title</th>
<th>Country Name</th>
<th>VPU Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vulnerability to shocks, child marriage, and human development in Africa</td>
<td>World</td>
<td>HDNVP</td>
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<tr>
<td>Promoting Inclusive Growth in the Low Income SSA countries</td>
<td>Africa</td>
<td>AFRVP</td>
</tr>
<tr>
<td>Increasing Employment for Young Women in Jordan</td>
<td>Jordan</td>
<td>DECVP</td>
</tr>
<tr>
<td>Economic Mobility and Pathways to Equality</td>
<td>Latin America</td>
<td>LCRVP</td>
</tr>
<tr>
<td>Socioeconomic mobility and inequality of access to</td>
<td>Europe and</td>
<td>ECAVP</td>
</tr>
<tr>
<td>TFESSD: Creating opportunities for broad participation in private sector income and employment</td>
<td>Central Asia</td>
<td></td>
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<tr>
<td>Fostering Inclusive Development: Advancing Knowledge of Inequality and Mobility in East Asia and the Pacific</td>
<td>East Asia and Pacific</td>
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**Closed activities: Jan 2011 - Dec 2011**

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<thead>
<tr>
<th>Disbursing Fund Title</th>
<th>Country Name</th>
<th>VPU Name</th>
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</thead>
<tbody>
<tr>
<td>ADDRESSING EXTREME POVERTY IN LOW INCOME COUNTRIES: RISK AND SHOCKS</td>
<td>World</td>
<td>HDNVP</td>
</tr>
<tr>
<td>ZAMBIA COUNTRY STUDY</td>
<td>Zambia</td>
<td>AFRVP</td>
</tr>
<tr>
<td>ETHIOPIA INTERNAL MIGRATION</td>
<td>Ethiopia</td>
<td>AFRVP</td>
</tr>
<tr>
<td>CLIMATE CHANGE, AGRICULTURAL PRODUCTIVITY, AND RURAL POVERTY IN INDIA</td>
<td>India</td>
<td>PRMVP</td>
</tr>
<tr>
<td>WORLD DEVELOPMENT REPORT ON CLIMATE CHANGE AND DEVELOPMENT</td>
<td>World</td>
<td>DECVP</td>
</tr>
<tr>
<td>ASSESSING POVERTY AND DISTRIBUTIONAL IMPACTS OF THE FINANCIAL CRISIS</td>
<td>Mexico</td>
<td>PRMVP</td>
</tr>
<tr>
<td>EMPLOYMENT OF THE RURAL EMPLOYMENT GUARANTEE PROGRAM IN BIHAR</td>
<td>India</td>
<td>SARVP</td>
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**On-going Activities**

<table>
<thead>
<tr>
<th>Disbursing Fund Title</th>
<th>Country Name</th>
<th>VPU Name</th>
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</thead>
<tbody>
<tr>
<td>PROMOTING DECENT WORK IN AFRICA</td>
<td>Africa</td>
<td>AFRVP</td>
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<tr>
<td>CLIMATE CHANGE AND VOLATILITY - TANZANIA</td>
<td>Tanzania</td>
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<tr>
<td>ECONOMIC AND DISTRIBUTIONAL IMPACTS OF CLIMATE CHANGE IN ECA</td>
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<td>ECAVP</td>
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<tr>
<td>Topic</td>
<td>Region</td>
<td>Country</td>
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<tr>
<td>IMPLICATIONS OF CLIMATE CHANGE FOR ECONOMIC POLICIES IN APEC</td>
<td>World</td>
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<tr>
<td>MOZAMBIQUE: POVERTY, VULNERABILITY, FOOD INSECURITY, AND MALNUTRITION</td>
<td>Mozambique</td>
<td></td>
</tr>
<tr>
<td>AADAPT - AGRICULTURAL ADAPTATIONS</td>
<td>World</td>
<td></td>
</tr>
<tr>
<td>Randomized Impact Evaluation of the National Solidarity Program (NSP)</td>
<td>Afghanistan</td>
<td></td>
</tr>
<tr>
<td>Food Prices, Climate Change and Food Insecurity</td>
<td>World</td>
<td></td>
</tr>
<tr>
<td>Monitoring Impact of the Food Fuel and Financial Crisis in ECA through LITS II</td>
<td>Europe and Central Asia</td>
<td></td>
</tr>
<tr>
<td>Poverty, Inequality and Conflict in West Africa</td>
<td>Cote d'Ivoire</td>
<td></td>
</tr>
<tr>
<td>Redistribution and the State: Assessing the Distributional Impact of Fiscal Policy</td>
<td>World</td>
<td></td>
</tr>
<tr>
<td>Reducing Vulnerability through Microfinance in Egypt</td>
<td>Egypt, Arab Republic of</td>
<td></td>
</tr>
<tr>
<td>Reducing vulnerability to poverty</td>
<td>World</td>
<td></td>
</tr>
<tr>
<td>Reducing Poverty, Inequality and Vulnerability in Southern Africa</td>
<td>Africa</td>
<td></td>
</tr>
<tr>
<td>Inequality of opportunities, exclusion and vulnerability among Peruvian and Indian children</td>
<td>World</td>
<td></td>
</tr>
<tr>
<td>Timely and accurate poverty and labor market monitoring</td>
<td>Latin America</td>
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<tr>
<td>Vulnerability to shocks, child marriage, and human development in Africa</td>
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<td></td>
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<tr>
<td>TFESSD: Creating opportunities for broad participation in</td>
<td>World</td>
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</table>
Most on-going activities under the poverty window are progressing satisfactorily. More than 50% of the grant amount was disbursed in the FY11. In the last calendar year, almost 75% of the grant amount has been transferred to the activities, of which 75% has been disbursed.

**Table 2.6. Total disbursements**

<table>
<thead>
<tr>
<th>Call/Year</th>
<th>Grant amount</th>
<th>Total Disbursements</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY02</td>
<td>2,273,677</td>
<td>2,125,479</td>
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<tr>
<td>FY03</td>
<td>1,694,732</td>
<td>1,668,492</td>
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<td>FY04</td>
<td>1,826,066</td>
<td>1,744,689</td>
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<tr>
<td>FY05</td>
<td>3,160,552</td>
<td>2,752,156</td>
</tr>
<tr>
<td>FY06</td>
<td>1,350,540</td>
<td>1,101,614</td>
</tr>
<tr>
<td>FY07</td>
<td>1,165,000</td>
<td>811,525</td>
</tr>
<tr>
<td>FY08</td>
<td>3,906,000</td>
<td>2,997,447</td>
</tr>
<tr>
<td>FY09</td>
<td>1,120,000</td>
<td>566,800</td>
</tr>
<tr>
<td>FY10</td>
<td>2,710,000</td>
<td>264,073</td>
</tr>
<tr>
<td>FY11</td>
<td>9,715,000</td>
<td>5,066,802</td>
</tr>
</tbody>
</table>

**Table 2.7. Implementation indicators Jan 2012-Dec 2012**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant amount</td>
<td>11,772,000</td>
</tr>
<tr>
<td>Total Receipts</td>
<td>8,868,174</td>
</tr>
<tr>
<td>Total disbursement</td>
<td>6,695,416</td>
</tr>
<tr>
<td>Balance</td>
<td>2,172,757</td>
</tr>
<tr>
<td>% of grant transferred to activities</td>
<td>75.33</td>
</tr>
<tr>
<td>% of receipts disbursed</td>
<td>75.5</td>
</tr>
</tbody>
</table>
ENVIRONMENT WINDOW

There has been very little change both in the number of grants in the portfolio since the last year. Only two grants resulting from the last call for proposals were added to the Environment Window. This review follows the same presentation as the FY10 Report, although the sub-section discussing the challenges attempts to take stock of the lessons learned during the last two years of implementation. The aim of this expanded discussion of the challenges is to inform future trust fund activities and partnerships. Section 1 of this report is an overview of the results of the Environment portfolio. Section 2 will discuss the portfolio’s progress towards meeting the development objective of TFESSD. Section 3 presents the implementation summary of each grant, while the final section provides a synthesis of the overall implementation progress.

1. Summary

TFESSD resources continue to provide a strong support to the Bank’s sustainable development agenda, in particular through the implementation of the 2001 World Bank Environment Strategy and the 2009 Strategic Framework for Development and Climate Change of the World Bank Group. This support comes in the form of a wide range of analytical and advisory activities that generate valuable knowledge products, and help to increase technical and institutional capacity both internally and in client countries.

The 2011 performance review covers 53 grants in five thematic areas including: (i) natural resource management, (ii) environmental health, (iii) poverty-environment linkages, (iv) environmental policies, institutions, and programs, and (v) climate change and natural disasters.

The performance of the portfolio is satisfactory, except for a small number of grants (see sub-section 2.3 for more details). Seventeen grants were extended during this review period, while 9 grants were closed or canceled. Political instability in some countries, especially in the MENA Region and delays related to the task environment are the reasons for the extension of the grant closing date and one cancelation (Yemen TF096245). However, not all extensions of closing dates were due to unforeseen adverse conditions. In a few cases, grants were extended in order to allow performing grants to use the balance of the allocated resources or co-financing from other partners with the aim to increase the expected development impacts. In fact, the Window reallocated savings from closed and cancelled grants to 7 ongoing high performance activities. See Box 2.9 for examples of activities with a noticeable positive impact.

Box 2.9: Examples of grants with positive impact:

TF095357: Policy and action-research on post-harvest loss reduction technologies for basic grains in Sub-Saharan Africa “Missing Food: the Case of Post Harvest Losses in Cereals in Africa”

The objective of this grant is to draw attention of donors and policy makers to a key food security policy issue. The results of this grant helped to generate strong evidence on the magnitude of the loss and opportunity associated with post harvest loss in sub-Saharan Africa agriculture. These postharvest losses in cereals in Sub-Saharan Africa have important welfare impacts in a continent where smallholder
farmers constitute the majority of the poor. In fact, the results of the grant revealed that physical grain losses (prior to processing) are between 10 and 20 percent of total output, with most of the losses resulting from poor harvesting techniques, field drying and inadequate drying before storage. The economic value of these losses is estimated at US$4 billion a year in Sub-Saharan Africa. This amount exceeds the total value of food aid that Africa received over the last decade. The estimated losses would allow feeding 48 million people a year at the minimum 2,500 calories per day. The report examined the evolution of public and private sector responses to postharvest losses over the last two decades, and the determinants of the uptake of technologies aimed to reduce such losses. It showed that addressing this problem will adequately yield a triple win: improved food security, greater food availability that alleviates pressure on prices, and saving scarce land, water, and labor inputs.

The publication has generated on-going dialogue and supported follow-up activities among various institutions to reduce postharvest losses. These range from FAO’s work on assessing the magnitude and causes of food losses and supporting countries to develop food loss reduction programs, the EU’s funding of its Joint Research Centre and Natural Resources Institute (NRI) to work on improving qualitative and quantitative post-harvest loss estimates in Sub-Saharan Africa, and the World Bank’s involvement in the G-20 agricultural “pull mechanism” to foster technology adoption in postharvest technologies, etc.

**TF096977 - Adaptation Potential and Socio-Economic Impact of Reducing Deforestation in the Congo Basin:** The objective of the grant is to develop robust analytical tools that will help the Congo Basin countries to conduct an in-depth analysis of the drivers of deforestation and forest degradation in the next decades. The results of the grant activities will help decision makers to understand the long-term consequences of the various economic development trajectories on the forest cover, thereby providing them with recommendations on integrating sustainable forest resource management into the formulation of sectoral strategies. Most importantly, the results will help the countries of the basin to assess and exploit the potential for different REDD incentive schemes.

### 2. Progress Toward the Development Objectives

#### 2.1 TFESSD Objectives and value added

The knowledge activities of the WBG include two types of products. The first type consists of “core knowledge” products systematically subjected to the Bank process of quality assurance, codified and tracked in the Bank management information system. The second type consists of “noncore knowledge” activities. During the last decade, the work program for knowledge products and services expanded substantially from 3,672 in FY 2002 to 5,192 products in FY 2010, an increase of 41%.

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7 These knowledge product lines include: Country knowledge services, advice; Project knowledge; Global partnerships; Technical assistance; Country and sector reports; Convening services; World Development Report and regional flagships; Research; Data, statistics, indicators.

8 Noncore knowledge consists of two broad categories of activities. One category aims to inform the Banks strategy for its operations in general, including country assistance/partnership strategies, sector strategies, knowledge activities embedded in lending operations (preparation and implementation), and impact evaluations.
During the same period, WBG management steadily increased the share of the administrative budget allocated to core knowledge work (e.g., total allocations amounted to US$606 million in fiscal year 2010). In 2011, the share of core knowledge work accounted for 31% of Bank’s budget, compared to 24% in 2002. This increased allocation of Bank’s own resources to knowledge work was paralleled by an even faster increase of trust fund financing, especially for core knowledge activities. Trust fund financing accounted for US$245 million or 40% of core knowledge spending in FY2010 (US$606 million), up from 30% in FY2005. These trust funds helped to support a wide range of core knowledge services. According to the 2011 IEG evaluation, trust funds finance about one third of expenditures related to the Bank’s core knowledge products. Three quarters of these expenditures are allocated to analytical and advisory services, a critical component of the core knowledge products and services of the WBG.

By adding resources to the Bank’s operational budget dedicated to this critical component of the knowledge services, in particular, economic and sector work, and technical assistance, TFESSD grants allow this crucial product line to deliver more and better targeted knowledge services to client countries. The 53 ongoing and closed Environment window TFESSD grants covered by this year’s performance review contributed to achieving this objective not only by increasing Bank resources, but also helping to leverage funding from other sources (other trust funds, bilateral or multilateral sources, or client countries’ own sources). These resources helped to expand knowledge products and services to client countries and to increase knowledge generation and sharing across the WBG and with outside development institutions. TFESSD resources allow a more flexible approach to resource allocation which helps to respond to the emerging knowledge needs of client countries in a timely manner. In so doing, these resources continue to support more work in areas that could not have been financed through the Bank budget alone. In particular, the increased flexibility of TFESSD resource allocation made it possible to respond to the sudden increase in countries’ needs for climate-related knowledge work.

To sum up, TFESSD grants add value to the Bank’s knowledge products for internal use, and to country-driven knowledge products and services in the thematic areas of natural resource management; environmental health; poverty-environment linkages; environmental policies, institutions and programs; and vulnerability to climate change and natural disasters. Economic and sector work, and advisory services in these areas helped (i) to strengthen the design of investment operations, (ii) to generate critical knowledge in sectors and countries where the WBG is engaged, (iii) to facilitate knowledge exchange, and (iv) to strengthen countries’ institutions for successful policy implementation.

by the Independent Evaluation Group. The other category (two-thirds of spending on noncore knowledge) consists of activities under global partnerships housed in the WBG, and for which the partnerships retain discretion for quality assurance and management.
Box 2.10: Example of progress toward objectives and synergies with other sources of funding

TF090780--Contractual Arrangements in Forest Management

This TFESSD and PROFOR financed activity focused on identifying the institutional frameworks that facilitate private investments in forestry in a manner that contributes to poverty reduction and benefits local level stakeholders. The audience for this work was the Bank, government decision-makers, and other development partners. This activity was implemented in two phases, the first focused on surveying partnerships between private investors and communities to understand their characteristics and what process factors explained their success. The output from this phase was a report titled "Rethinking Forest Partnerships and Benefit Sharing: Insights on Factors and Context that Make Collaborative Arrangements Work for Communities and Landowners". The second phase involved looking at the key issues that emerged from the first phase (specifically how to identify who to partner with, how to transfer benefits effectively to local partners, and process factors to employ when identifying suitable benefits) and packaging the analysis to inform ongoing discussions on benefit sharing and partnership in the forest sector. The second phase resulted in a four part product titled "Making Benefit Sharing Arrangements Work for Local Communities." All the products associated with this activity are available on the PROFOR website: www.profor.info

The capacity building and dissemination activities of this grant were implemented as follows:

i) Country counterpart teams involved with data collection were trained in the framework associated with this activity. Two of the country teams - in Nicaragua and Tanzania - have used this framework to inform subsequent work they are implementing in the area of forest partnerships. This part of the activity was co-financed by PROFOR.

ii) Findings from the first phase of work were distilled into three targeted briefs. The briefs were targeted to NGOs, the private sector, and parties interested in partnerships for carbon and made available to interested parties at relevant events including SDN week, PROFOR meetings, FCPF participant’s committee meetings, and FAO COFO 2010.

iii) Results of the second phase of work were shared through face-to-face discussions with a broad audience at the Issues Marketplace associated with Forest Day 5, during the Climate COP 17 in Durban, South Africa. In addition a brief on this phase of work was produced and distributed at the Issues Marketplace.

(iv) Using funds from PROFOR and FCPF, the findings of this work and the options assessment framework that was developed is being used to structure a training session for FCPF client countries. To date a frequently asked questions handout has been developed, and virtual training events are planned for early summer 2012.

The possibility to allocate 20 percent of the grant for staff time and travel has been valuable and appreciated by task teams. The additional budget helped to enhance the quality of the supervision of the grants. In particular, it helped to step-up the engagement of task team leaders with national
counterparts and decision-makers. This engagement facilitated the resolution of operational bottlenecks, for example consultants' access to databases or to senior level government officials. The additional resources also made it possible to mobilize staff from different sectors of the Bank through cost-sharing, thereby expanding the range of expertise supporting the implementation of the grants. Although, it may be too early to account for the full effect, a preliminary assessment of this innovation in the allocation of the grant resources shows a positive impact. This beneficial impact translated in an improved quality of the grant monitoring reports, stronger outreach and collaboration (donors in the recipient country, civil society, academia), and more effective dissemination.

2.2 Impact on the Bank and in client countries

Impact on Bank Operations

The active portfolio grants (including grants closed in 2010) have a positive impact on Bank's effectiveness in many ways. First, the grant resources helped to increase the support to programs and activities that are consistent with the Bank's broad mandate and strategies (i.e., poverty reduction and sustainable development), and broadly aligned with country and global development priorities (e.g., environmental health, climate change adaptation, etc.). This assessment is consistent with the findings of the recent IEG evaluation of the trust fund portfolio of the WBG. Second, combining issue-focused (mainstreaming environmental and social issues into Bank operations) support with the Bank’s country-focused business model generates valuable knowledge and learning opportunities that help to better inform policy dialogue and operations design in client countries.

Third, TFESSD grants also helped to increase the number and types of knowledge products (tool kits, good practice notes, data bases, etc.) at the disposal of operational staff across the World Bank Group, thereby strengthening internal analytical and operational capacity. Fourth, the implementation of the grants helped to expand the Bank's contribution to regional (management of shared natural resources and climate adaptation in river basins; e.g., Senegal river in Sub-Saharan Africa; Mekong river in South East Asia; Amu Darya river Basin in Central Asia; etc.) and global public goods (e.g.; the results of the PROFISH grant constitute a major input into the recently launched global Partnership for Oceans). Finally, the grants helped to further strengthen the continuing interactions with a broad array of development partners through co-financing, knowledge sharing, and policy advocacy (e.g., grant activities aimed to focus generate knowledge for greater attention to post-harvest losses of grains in Sub-Saharan Africa).

Impact on Client Country Policies and Operations

The effects that the implementation of grants has on country policies and operations are similar to, and build on those recorded in the 2010 performance review. Overall, the grants helped to raise decision makers’ awareness about the most pressing environmental and long-term development issues facing their respective countries. They produced tangible development results in some cases, either in terms of increased policy implementation capacity or concrete positive development outcome such as the
adoption of new polices or regulations. Finally, there are many cases where the grants helped to leverage internal (Bank budget) or external resources (client country or other development partners) to scale up or sustain the activities initiated with TFESSD grants. Selective and representative examples of grants having impacted country operations and polices are provided below.

**TF093683 Improving Groundwater Resiliency: Adaptation Options for the Water Sector (FY09, Closed). Approved Grant, $300,000; final disbursement $261,717.** The objective of this grant is to develop a framework for managing groundwater in a sustainable way. The grant helped to analyze the options for improving groundwater resiliency in the context of a changing climate through the following activities aimed both at increasing internal Bank knowledge on water and climate change, and using country studies to explore the most appropriate options for safeguarding groundwater. This grant leveraged resources from other sources to fully meet its objective.

**TF093684 PROFISH – Adaptation to Climate Change into Fisheries (FY09) $450,000:** The objective of this project is to integrate adaptation to climate change into fisheries policy reform. Main results:

- Produced a report on “Blue carbon” highlighting the important role of the oceans in carbon sequestration
- Produced a report analyzing the potential impact of climate change on small-scale fisheries, and reviewing the options for climate change adaptation in this sub-sector
- Helped to test a set of Fisheries Performance Indicators for adaptive capacity to climate change
- Led to the design of the South West Indian Ocean project
- Provided input for the preparation of the Global Partnership for Oceans.

**TF091250 Addressing Indoor Air Pollution in Sub-Saharan Africa (FY08, Closed), $400,000:** The main objective of this grant was to collect, analyze and disseminate data on the cost-effectiveness and health benefits of reductions in Indoor Air Pollution (IAP) in Madagascar that would result from substituting ethanol to biomass energy (firewood and charcoal) as household cooking energy. The grant was successful in raising the government awareness about the magnitude of the burden of disease resulting from indoor air pollution associated with household cooking fuel. As a result, the private sector and the government initiated pilot activities aimed to substitute high-emission biomass fuel with ethanol.

**TF092657: Climate Change Adaptation Handbook for Mayors (FY09, Closed), $405,000.** The objective of this activity is to develop and publish a Climate Change Adaptation Handbook for Mayors, including a companion web-based (that can be updated continuously) platform. TFESSD supported the preparation and publication of the “Guide to Climate Change Adaptation in Cities”. The Guide provides a comprehensive overview of key issues for climate change adaptation in cities including examples of best practices and successful experiences. The Guide has served as a resource to Bank staff for project preparation in Dakar, Senegal and Belize. This Guide was well received at the Resilient Cities Congress and at the Durban Local Government Convention during the UNFCCC COP-17.

**Box 2.11: Example of Impact**
TF092931: IFC Climate change (Climate risk) adaptation studies: Climate change and its impacts pose a series of risks to all private sector companies, including IFC clients, yet a question still remains - how to approach and mitigate those risks? This is a question the private sector has largely not addressed yet, lacking baseline information, methodology and tools for strategic decisions. This poses significant challenges, in particular in developing countries where the impacts are expected to be the most significant. Methodologies for assessing some of these risks exist, but not with data and tools tailored to the needs of private sector investors and government decision makers.

In order to help its clients understand and respond to the risks of climate change, IFC undertook to develop best practices in assessing private sector climate risk and adaptation strategies by initiating the Climate Risk Program in 2008. This Program undertook a series of pilot studies that analyze climate risks and adaptation options for projects from different sectors and regions. While these studies focus on private sector projects, they include a significant public-private partnership component and collaboration with research institutions and civil society.

**Studies supported through TFESSD**

**a) Climate Risk and Financial Institutions**

Climate change creates risks and opportunities for the private sector in emerging markets, and may impact the performance of financial institutions and the companies they invest in. Recognizing knowledge gaps in how climate change will affect the private sector over shorter time horizons, IFC has published Climate Risk and Financial Institutions, a publication that covers climate-related risks material to financial institutions, including commercial banks, institutional investors, and international financial institutions.

The publication and its findings are widely used as a reference for the topic of climate impacts in the context of financial institutions. Its conclusions are also a base for the series of "Climate Change and Financial Institutions" workshops that IFC recently held with the banks located in Sub Saharan Africa countries (Nov. and Dec. 2011, in Accra, Dakar, Nairobi, Johannesburg), and to be continued in other regions.

**b) Climate Risk and Business: Ports**

More than 80% of globally traded goods are transported by the sea and through the ports, and these installations are crucial to development in a number of countries. Physical infrastructure at ports and port activities may be highly vulnerable to changes in climate. For instance, the risks could manifest through changes in the level or patterns of shipping, increased flooding affecting movements within ports and causing damage to goods stored, reduced navigability of access channels and business interruption. Some ports will also see opportunities as a result of climate change. A port’s reputation for reliability is key to its success, so ports that are more resilient to disruption from climate events should fare better. However, a recent survey of several hundred ports found that although almost all respondents forecasted expanding new infrastructure in the next few years, most were not planning for climate change.
To understand the significance of these risks for a given port, this study assesses risks and opportunities for ports in general, and specifically for IFC’s client, Terminal Marítimo Muelles el Bosque (MEB), in Cartagena, Colombia. When published, this was probably the first study that analyzed the risks of climate to the sector in a comprehensive way. Although relatively little time has passed since the launch of the publication, it already made impacts on several levels. At the port level, the company announced multi-million dollar investments in adaptation interventions recommended by the study. In a broader context, the work was recognized by private and public sector alike as a possible blueprint for approaching climate impact and adaptation topics at the national level. Globally, the approach and findings are seen by the industry stakeholders as an important and innovative component in starting to address climate impacts.

2.3 Implementation Shortfalls

Although the majority of the grants seem to meet their objectives, shortfalls remain in some aspects of implementation. First, implementation delay seems to be systemic, though the actual delivery timeframe (18-24 months) of the majority of grants is in line with that of analytical and advisory activities funded by other sources. In general grants close successfully at the end of the (assigned) 24 month-period. However, the number of grants seeking extension of the closing date increased slightly during this year. Country-specific conditions such as political unrest (e.g., in the MENA Region), and operational issues (e.g., access to data, delay in counterpart activities, or in the schedule of co-financing) are the two main reasons. Second, though outcome indicators are part of the original grant funding request (GFR), the reporting of the monitoring usually provides little if any credible information on the progress toward achieving the agreed outcome. In many cases, the reporting on the progress of grant activities focuses on inputs and outputs, therefore making results measurement and impact assessment a daunting task.

Third, though the so-called programmatic proposals (whereby a large amount of resources is approved at once for a given Region) are seen as attractive, their implementation raises two issues: (i) when the approved grant is further divided into several smaller grants both the coherence and consistency of these grants with the specific programmatic objective put forward at the proposal level may suffer; (ii) quality control of these smaller grants (intrinsic and operational validity of objectives, responsibility for, and quality of reporting) can be problematic. Finally, in some cases the consistency of the grants with client country priorities appears unclear.

The combination of the above-mentioned shortfalls may contribute (i) to reduce or delay the usefulness of grant activities, (ii) to prevent or reduce client countries’ ownership of the grant activities and results, (iii) to ineffective deployment of grant resources, and ultimately (iv) to grant implementation failure (i.e., unsuccessful grants). Three of the grants covered by this year’s review (2 ongoing and one closed) can be viewed as unsuccessful for reasons that are specific to each of them. The summary of one of them is included in Box 2.12).
Box 2.12: Example of Shortfall—TF092963 Climate change adaptation in the Amu Darya river basin, Central Asia

The aim of this grant was to “develop a road map to help mainstream adaptation to climate change in ECSSD operations in the Amu Darya river basin, thereby assisting the riparian countries to adapt to climate change.” This grant became active on October 1, 2008 and closed on October 31, 2011. All five types of planned activities were cancelled; and an amount of US$44,000 out of the total grant of US$250,000 was disbursed after 3 years.

The completion GRM mentions several factors for the failure of this grant, including (i) political tensions among the riparian countries over the allocation of water resources, (ii) unjustified optimism of Bank Task Team about the resolution of these tensions, (iii) engagement of the Bank, the Climate Investment Fund, and other donors in bigger and highly visible investment operations in the basin (agriculture, energy, etc. (iv) poor coordination with these competing activities. While the challenges associated with this range of operational and regional issues are real, it ought to be said that the major cause for the failure of this grant was two-fold. First, the Task Team failed to correctly assess the country/regional context, and the feasibility of the planned activities on the ground. Second, in addition to failing to understanding the operational context, it would seem that the grant had a poor strategic alignment with the country programs, and therefore did not benefit from the support of the Country Team and Country Management Unit. In sum, the grant appeared to be doomed from the start.

2.4 Capacity Building

Capacity building is an important objective of all the grants, though progress toward meeting this objective would vary according to country context and the nature of the grant activities. As should be expected, technical assistance (TA) grants hold the greatest potential for contributing more decisively to capacity building than economic and sector work. The results of the 2008 IEG evaluation (of Bank ESW and TA) support this fact. These results also show that the demand for TA is higher than that for economic and sector work for most countries. Unfortunately, the portfolio of the Window includes very few TA grants (more detail in sub-section 2.5 below).

Nonetheless, the grants contributed to capacity building in many ways during this review period. They did so by funding many activities that helped to generate and disseminate new knowledge and action-oriented recommendations, through training workshops, knowledge platforms, development of technical guidelines, good practice notes, learning-by-doing, etc. Examples include (i) bringing together foreign private sector manufacturers of ethanol cooking stoves and micro-distilleries with Malagasy investors, (ii) training of the Moroccan National Meteorological Service, (iii) relying on the local experts and scientists of the International Sava River Basin Commission to perform hydro-meteorological modeling and to review technical studies produced by consultants (i.e., learning-by-doing), (iv) internal brown bag lunches on benefit sharing in REDD projects, etc. While this wide range of activities could help to increase the capacity of the individuals and institutions involved, the actual impact of the acquired capabilities will depend on contextual factors that may be beyond the control of the individual grants.
**Box 2.13: Example of Partnership or Capacity Building:**

**TF095615 Implementing South Asia Regional Climate Change Strategy**

As preparation of the South Asia Region’s Climate Change Strategy developed, client countries sought more analytical work on climate change from the Bank towards addressing specific knowledge gaps, identifying climate risks, raising awareness and mainstreaming climate change risk management in country policies and programs as well as in Bank-financed operations. The TFESSD grant in support of “Implementing South Asia Regional Climate Change Strategy” has contributed immensely to informing four major analytical and advisory (AAA) outputs aimed at building climate resilience and promoting sustainable growth. As described below, the grant has enabled knowledge generation and sharing, development of sustainable government action plans or programs, strengthening of institutions, and adoption of replicable frameworks for analysis and policy-making.

First, the grant was instrumental in generating greater knowledge in the area of food security, specifically on the implications of climate change on existing and future balances of trade in agricultural commodities among South Asia Region countries. The grant supported the first analysis of its kind on agricultural trade in South Asia by enabling the consolidation of existing models on agricultural trade, bio-physical crop and water, climate change and computable general equilibrium into a single modeling framework to address the impact of changes in water availability and temperature on agricultural trade. The report on “Climate Change and Agriculture in South Asia: Alternative Trade Policy Options” presented the modeling results of climate change on crop yields and the subsequent impact on relative factor prices, sectoral incomes, comparative advantages and agricultural trade patterns. Ultimately, the report aims to inform policymakers on the regional and global inter-connectivity of their national agriculture trade policies and of individual country challenges in the face of climate change.

Second, the grant supported mainstreaming of climate change risks into state-level policy-making by informing the development of the “Karnataka State Climate Change Action Plan”. The AAA was one of the initial attempts at carrying out a comprehensive and rigorous examination of climate change at the state level in India and the innovative aspect of this analytical work could serve well for other states in India toward preparation of sub-national plans. The work entailed undertaking climate projections and detailed studies of sectors – such as, energy, agriculture, forestry, water resources – impacting and being impacted by climate change. Equally important, the various studies entailed the collaboration of inter-disciplinary experts of renowned think tanks, research institutes and academic institutions – not only in India but also worldwide – with Karnataka’s Department of Environment and State Planning Board. Broad-based consultations of the findings of the studies with civil society, local authorities and the private sector were carried out. The results of the studies and consultations were integrated into a comprehensive climate action plan for Karnataka.

Third, the grant has informed the development of the “Climate Change Strategy for the Sundarbans Wetlands of West Bengal (India) and Bangladesh.” This specific AAA work is in response to requests from the Governments of West Bengal, India and of Bangladesh on designing a comprehensive program to respond to the development challenges of the Sundarbans. In particular, the TFESSD grant has
supported analyses on climate adaptation and disaster risk management, salinity intrusion, human-wildlife conflict and biodiversity losses, and the prospects of investments in human development and other public infrastructure for enhancing socio-economic development in the wetlands area. The TFESSD grant has been instrumental in promoting the dialogue between India and Bangladesh which is a major achievement since previous dialogue between the two countries was limited to few sporadic activities.

Finally, TFESSD has made possible the implementation of activities under the Social Dimensions of Climate Change program in South Asia. Specifically, the grant supported three household surveys of coastal communities in South Asia, including the Sundarbans, which incorporated innovative methods for measuring how vulnerability affects household responses to risks. The surveys are informing work on several South Asia Region’s inter-disciplinary AAA activities that have served as the foundation for discussions with the Bank’s counterparts in the countries on investments and policies to enhance climate resilience.

### 2.5 Remaining Challenges and way forward

While some of the challenges facing the implementation of the grant activities may be specific to the Environment Window, many of the perceived challenges ought to be examined in the context of the operating procedures and processes of TFESSD as a whole. In turn, any challenges associated with the latter, both in terms of the processes and achievements need to be viewed in broader operational context in which the Bank’s core knowledge products, especially ESWs and TA are delivered and from the perspective of the overall policy framework for trust funds. Consequently, the discussion of the challenges will draw from the findings of the IEG evaluation of (i) the economic and sector work (ESW), and technical assistance (TA) over the 2000-2006 period, and (ii) trust fund support for development published respectively in 2008 and 2011. The summary of these findings will help to understand the current implementation challenges.

*Key finding and recommendations of IEG evaluation of ESW and TA:* The majority of ESW and TA met their development objectives, at least to an average extent both in client countries and internally. The evaluation found that client countries prefer TA over ESW. The main conditions for the effectiveness and success of the reviewed ESW and TA activities are: (i) technical quality, (ii) close collaboration with clients from initiation of task through formulation of recommendations, (iii) sustained follow-up after completion of task, rather than just dissemination, and (iv) alignment with client needs, interests, and capacity.

These findings led to the following recommendations: (i) to maintain a strong knowledge base in countries and sectors where the WBG is providing or planning to provide support, (ii) to ensure adequate funding for individual ESW tasks in IDA countries because funding level was found to be a key determinant of quality, and quality a key determinant of ESW effectiveness, (iii) to recognize and build on clients’ preferences and feedback, and (iv) to increase the attention to results measurement and tracking, including through incorporation of client feedback.
Key finds and recommendations of the evaluation of the trust fund portfolio: Trust funds add value to the Bank’s pursuit of development effectiveness by scaling up country operations, facilitating global partnerships, and providing grant resources for targeted development issues and global public goods. The key findings are as follows:

- The majority of trust funds reviewed support programs and activities that are consistent with country and global development priorities, and with the Bank’s mandate and strategies;
- Trust funds themselves are not well integrated into the Bank’s country assistance strategies or the consultations around them, which makes it more difficult to ensure their alignment and coordination with overall aid at the country level” (page 27)⁹;
- The way trust funds are designed and managed influences their effectiveness;
- Substantial management changes are needed in order to increase the effectiveness and efficiency (including accountability for the results of trust-funded activities) of trust funds.

In order to better align trust funds with Bank, donor, and recipient strategic priorities, and to improve their effectiveness, efficiency and accountability for results, it is recommended that the Bank adopt a three-pillar structure for trust funds. This structure would consist of (i) country-specific trust funds, (ii) global and regional partnership programs, and (iii) umbrella trust funds facilities including a small number of multi-donor, multi-recipient facilities to mobilize and deploy trust funds resources. Each umbrella facility would support one or more of the strategic priorities agreed by the donor and the Bank. The specific design and administrative arrangements of each trust fund umbrella will aim to address the problems of operational efficiency, accountability for results, and objective and transparent criteria for grant resource allocation.

How do these findings and recommendations inform the implementation challenges facing the Environment Window?

During the last decade, TFESSD made a noticeable contribution to the implementation of the sustainable development agenda of the WBG by financing a large number of analytical and advisory activities. The majority of TFESSD grants met their development objectives. This assessment is in line with the IEG findings. The challenges facing the implementation of the Environment Window also seem to be consistent with the findings of both IEG evaluations (i.e., ESW/TA and trust fund portfolio). Four major implementation challenges are particularly relevant, as examined below.

Adequate funding of ESW in IDA countries: TFESSD recommends that 50% of the resources of any year be allocated to the Africa Region. Although the degree of compliance with this recommendation varied from year to year for various reasons (for example, share in 2010 and 2011 was respectively 37% and 70%), the Africa Region has consistently benefited from the largest share of the allocations. The programmatic approach to environment proposals adopted by most of the Regions (including the Africa Region) meant that each Region received a single grant that it subsequently divided up to support individual proposals related to the programmatic theme (e.g., climate change adaptation) through each

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Region’s internal processes. The spreading of resources among many sub-grants tends to result in a situation where the average amount of each sub-grant remains relatively small. This situation may be one of the causes (at least, in the case of TFESSD) of the IEG finding that the average size of the grant for middle-income countries was higher than that of IDA countries. Since the size of the grant was found to be positively correlated with the quality and effectiveness of ESWs, each Region may need to reconsider the internal resource allocation criteria, and to apply greater selectivity, even if this means supporting a smaller number of grants.

**Result tracking framework:** TFESSD has adopted an integrated result framework including output indicators by component and outcome indicators for each grant. These indicators are specified in the initial grant funding request (GFR). Despite this design, tracking the results and outcomes of the grants during implementation and at grant completion remains a challenge. A large number of the grant report monitoring (GRMs) do not provide adequate information about the progress towards achieving the outcome stated in the GFR. In general, the GRMs focus on inputs and the delivered outputs. There are instances where the grants helped to adoption of new policies and regulations, or to enhance the effectiveness of ongoing government activities. However, for most of the grants, the timeframe and extent to which these outputs would translate into the agreed outcomes remains unclear in many cases.

**Alignment with country assistance strategies:** Overall, the percentage of Bank ESWs emanating from clients’ demand does not seem to be very high. An assessment of the extent to which TFESSD grants support analytical and advisory services included in Country Assistance or Country Partnership Strategies has not been conducted. However, one could contend that the percentage of grants that are fully integrated into CASs and CPSs is even lower than the Bank average. There are three main reasons why this could be the case. First, misalignment between the schedule and processing of the calls for proposals, on the one hand, and the preparation of the work program agreements (between the Country Management Units (CMU) and the Sector Management Units), on the other hand would mean that most task teams would miss the opportunity to discuss the pertinence of their TFESSD grant proposal with the CMU. Second, the requirement and emphasis on “innovative” proposals in the final approval of proposals means de facto that the CMU/client country needs and interests is not the overriding criteria for the selection/approval of grants in most cases. Finally, there are cases where studies are initiated by Sector Units primarily aimed to generate knowledge in areas Bank’s future strategic engagement is foreseen (e.g., global environment issues).

This apparent failure to align the trust-funded activities (in particular ESW) with the CMU/client countries’ needs and interests would result in the lack of explicit support from the country teams, in terms of Bank budget resources necessary to supervise the grant activities and to disseminate their results adequately. The lack of grant consistency with client countries’ needs would also likely translate into weak participation and ownership by national counterpart teams and decision makers during implementation, and following completion of the grant activities. In sum, the weak integration of grants into CASs and country programs would tend to have direct adverse impacts on both their quality and their effectiveness.
Client countries preference of TA over ESW: According to the IEG evaluation, clients in middle-income countries prefer non-lending to lending services, and all client countries prefer TA to ESW. During the seven years covered by the IEG evaluation, trust funds contributed almost evenly to ESW and TA (respectively US$115 million and US$118 million) representing about 18% of total expenditures on ESW and 42% of expenditures on TA. The share of trust fund financing in TA expenditures increased from 35% to 43% during this period, while the share of ESW remained almost constant at about 20%. These numbers show client countries’ indisputable preference for TA, hence the increasing share of trust fund financing for this activity.

The allocation of TFESSD grants are yet to catch up with this new reality in client countries’ demand for knowledge and advisory services. Out of the 53 grants covered by this year’s performance assessment, only 3 support non-lending TA. The 2008 IEG report also found low institutional and technical capacity of client countries to be an obstacle to the effectiveness of ESWs. Given the fact that capacity building is an important objective of TFESSD, the lack of adequate attention to TA represents a noticeable shortcoming in the allocation of the trust fund resources. Remedying this challenge will not only help to meet a client countries’ genuine demand for dedicated capacity strengthening activities, but also to increase the allocative efficiency of TFESSD resources by removing a key obstacle (weak capacity) to the effectiveness of ESWs in some countries.

Way forward and new challenges

Because the approval phase of TFESSD has now ended, the above-mentioned challenges serve more as lessons that could help to strengthen the deployment of the resources of future partnerships, and to improve their operational efficiency. These potential improvements would be timely for the implementation of the new Environment Strategy of the WBG. The implementation of this new Strategy which aims to help countries lay the foundation for green growth and effective poverty reduction will require an even greater mobilization of both internal and external resources through long-term partnerships, such as TFESSD.

These partnerships and associated resources will be crucial in helping WBG client countries to initiate and implement green growth strategies. Analytical and advisory services will continue to play a critical role in deepening and broadening policy dialogue and strengthening technical and institutional capacity across development sectors where pro-green growth innovations are needed. The differentiated level of per capita income and the wide range of global environment as well as country-specific development challenges facing each category of client countries will require a packaging of core knowledge products, in particular analytical ESW and TA that addresses adequately each type of challenges. Whether the proposed reforms in the current Bank policy framework for trust funds are adopted or not, the successful delivery of these adapted packages of analytical and TA activities will require addressing the above-mentioned challenges, namely:

- A greater integration of ESWs and TA into CASs/CPSs
- An increased allocation of trust fund resources to non-lending TA
• Increased rigor in the tracking of results (e.g., integrated into CAS progress reporting), and greater accountability for results.
• Increased attention to the size of individual grants, and ensure that IDA grants are well funded.
3. **Activity Summaries**

The key focus areas of the Environment Window activities remain the same, it encompasses five major themes, i.e., Natural Resources Management; Environmental-Health; Poverty-Environment Linkages; Environmental Policies, Institutions and Programs and Climate Change.

**Theme 1: Natural Resources Management**

**TF090780 Contractual Arrangements in Forest Management, (FY08), Closed.** Approved grant $150,000, final disbursement $149,243.00. The objective of this activity was to support the Bank and other development partners and client governments to implement institutional frameworks that facilitate private investments in forestry with strong link to poverty reduction strategies to benefit local level stakeholders. The activity has achieved its objective to integrate the framework elements into ongoing discussions within the FCPF on benefit sharing and in the international dialogue on investing in locally controlled forest. An interactive assessment tool has been developed to assist decision-makers in REDD+ countries to determine how to most effectively share benefits. In addition, a survey instrument for examining partnerships, how legitimate beneficiaries are identified, and the process for transferring benefits have been produced. The concepts, framework and guidance developed under this activity are available in CD and are being used by members of FCPF management team. A training program is being developed to make this information accessible to a range of FCPF clients.

**TF093683 Improving Groundwater Resiliency: Adaptation Options for the Water Sector (FY09, Closed).** Approved Grant, $300,000; final disbursement $261,717. The objective of this activity was to develop an analytical framework for managing groundwater in a sustainable way and explore opportunities for improving groundwater resiliency as a key adaptation option for the water sector. TFESSD supported two very important Water Anchor initiatives on Water and Climate Change, i.e., a background paper entitled, “Impacts of Groundwater Resources and Adaptation Options” and a flagship product entitled, “Understanding the Risks and Making Climate Smart Decisions.” The background paper, which provided key inputs to the flagship paper, included the framework for developing and addressing ground water adaptation options. The background paper also helped leverage other resources to support an ESW on groundwater governance. TFESSD also supported country case studies in Sub-Saharan Africa, South Asia and MENA to explore opportunities and activities for promoting improved groundwater resilience as key adaptation options for the water sector. The flagship paper and the background paper on groundwater and climate change are filling an important knowledge gap and are being used to guide and inform the preparations of adaptation investments in the water sector.

**TF093684 PROFISH – Adaptation to Climate Change into Fisheries (FY09) $450,000:** The objective of this project is to integrate adaptation to climate change into fisheries reform. TFESSD is contributing to the overall objectives of PROFISH at the global, regional and country level. At the global level, the studies and analysis (i.e., “Blue Carbon” study and “Pro-poor Fisheries: Reducing Poverty through Sustainable Fisheries”) funded by TFESSD provided key inputs to the Global Partnership for Oceans by identifying the boundaries of climate change knowledge in the areas of coastal carbon, ocean
acidification, impacts of ocean changes on fish stock distribution. This has raised the demand for assistance in fisheries and aquaculture management. The analysis on Pro-Poor Fisheries helped identify the adaptation gap for the poorer, small-scale fishing communities and assessed policy options for client countries in modernizing fisheries. A discussion paper is currently under review and is expected to be produced as an ESW. At a regional level, the findings from this activity influenced the South West Indian Ocean project. At a country level, PROFISH has developed and tested a set of Fisheries Performance Indicators which reflect the adaptive capacity of fisheries to climate change and other factors affecting fisheries. These indicators have been presented in several workshops most recently in Indonesia in association with the crab fisheries and the World Bank’s Coral Reef Conservation project.

**TF094946 Piloting Eco-Livestock Production (FY10), $200,000:** The development objective of this project is to replace traditional cattle herds with modern, market-driven multi-product livestock activities for food security, income generation, sustainable land management and adaptation to climate change. The objective of the activity has been met by establishing an improved silvopastoral systems and fodder bank technologies in the Tugi Village. As a result of this, one communal farm and four individual pilot farms were established. TFESSD also funded a report which analyzed the drivers and socio-economic impacts of land degradation and alternatives for sustainable management of communal grazing lands. In addition, TFESSD helped support ten Farmer Field Schools, training over 300 local leaders and promoters on how to use the tools developed for sustainable management of communal grazing lands and natural resources. The full grant amount has been fully disbursed and the team is requesting for additional funding to scale up the activities to other communities.

**TF095357 Policy and Action-Oriented Research on Post-Harvest Loss Reduction Technologies for Basic Grains in Sub-Saharan Africa (FY10, Closed) Approved grant $150,000; final disbursement $119, 215:** The objective of this grant is to take stock of the current state of knowledge and technology in the post-harvest loss reduction along the chain for basic staple foods with emphasis on available options to achieve on-farm and community level post-harvest improvements. The grant also aims to illustrate the evolution of donor/government/private sector approaches to loss-reduction along grain supply chains, highlighting critical factors determining sustainable outcomes of this initiative. The objective of this activity was fully met and all the planned activities were carried out. The TFESSD funded joint World Bank/FAO publication (ESW) entitled “Missing Food: The case of Post-harvest grain losses in Sub-Saharan Africa” was very timely in the context of current discussions on higher food prices and reviewing options for ensuring food availabilities and food security. The publication has attracted broad attention from external partners, resulting in several invitations for the Bank to present the information in various conferences, (e.g., at the Food Banking Network on February 29, 2012) and to host a working group on post-harvest losses. The results from the study have strengthened the dialogue among donors and other stakeholders. It has also leveraged a grant for NRI to build on the gap on good qualitative/quantitative estimates on post-harvest loss. The Bank is consulting with FAO on using the Living Standard Measurement Surveys to develop better post-harvest loss estimates and possible interventions on how to reduce PHLs at the household level. The results, including enumerator manuals on measuring post-harvest loss will be incorporated as an output to the “Global Strategy for Enhancing Agricultural Statistics.”
TF096975 Economically Cost-Effective, Environmentally Sound and Geographically Accessible Mechanisms for Reduced Deforestation and Degradation [REDD] (FY10), $450,000. This activity will provide practical insights for ongoing efforts to develop different REDD mechanisms that will benefit Bank client countries, participants in carbon finance, and stakeholders in international climate negotiations. The activity will focus on the design of REDD that helps not only GHG reduction but also overall economic development. After some delays, the analysis on alternative institutions and incentives for implementing and financing REDD projects (Stage 1) have been completed but at a more limited scope, resulting in unallocated funds. The team has proposed to use a small portion of the remaining funds to carry-out a small-scale country-level analysis of practical application in an East African country. The choice of country will be based on the nature of REDD related issues in the perspective countries and feedback from the relevant Country Directors and colleagues in the Forest Carbon Partnership Facility. The bulk of the remaining funds will be re-directed to new work related to Participatory Forest Management and REDD in Ethiopia. This new work would address issues related to social, environmental, economic dimensions of REDD and forest management. The proposed restructuring will help improve the scope and timeliness of the work plan.

TF010277 Reducing Inequality through Land Regularization (FY12), $200,000: The objective of this activity is to strengthen equality-enhancing effects of land regularization in Guatemala. This would be accomplished by conducting action research on the impacts of land administration efforts in the Peten region that would derive recommendations for improving the ongoing Second Phase of the Land Administration program and similar programs in the region. It is envisioned that this action research will help develop operational mechanisms to secure the property rights of women, indigenous people and other vulnerable populations. Project implementation is on track. A draft of the consolidated report is expected to be completed by March 2012. Workshops to disseminate and validate the preliminary findings will take place in Guatemala City and Peten in April 2012. The final report with recommendations to the Second Phase is expected to be completed by June 2012.

Theme 2: Environmental Health

TF090972 China Air Pollution Control Program: Improving Environmental Health (FY08) $500,000: This activity will develop an integrated air pollution policy in China aimed at reducing mortality and morbidity associated with air pollution. This grant had a remarkable success -- it not only achieved its stated objective, but has exceeded the expected outcomes. Prior to TFESSD, the Government of China (GoC) would not even acknowledge the seriousness of the high particulate matter (PM) concentration levels and its health impacts. But the findings from the TFESSD funded reports provided a gateway for the Bank to discuss with the GoC the issue of air quality in Chinese cities. As a result, the GoC has agreed to follow the recommendations outlined in the final report to set an annual average of PM2.5 standard. In addition, the Chinese State Council announced that they will implement a PM2.5 monitoring and control plan throughout China, as proposed in the report. Furthermore, a complete air quality management model has been completed for the three cities in Shanxi (Taiyuan, Lishi and Xiaoyi) to form the basis for Air Pollution Control interventions in most sectors. Based on the findings from the report, the Bank is planning to develop Air Pollution Projects in the cities of Shanxi, Lanzhou/Gansu and Jinan/Shandong. In light of the success of this activity, the team received a request from the regions (Africa, South Asia and
MENA) to disseminate the project results and the Air Quality Model for PM control through a South-South Cooperation Program.

**TF091250 Addressing Indoor Air Pollution in Sub-Saharan Africa (FY08, Closed), $400,000:** The main objective of this grant was to collect, analyze and disseminate data on the cost-effectiveness and health benefits of reductions in Indoor Air Pollution (IAP) in Madagascar as a result of the introduction of ethanol as a domestic fuel to replace the use of biomass. All the planned activities have been completed. The research supported by TFESSD has generated great interest from the private sector and civil society to develop pilot scale investments in micro-distilleries and ethanol stoves, combining local investment with international expertise and technology. The grant successfully brought together manufacturers of ethanol stoves and micro-distilleries with Malagasy investors and NGOs who are pursuing development of these initiatives. The government counterparts in the Malagasy ministries of Energy and Environment are seeking to establish policies that will support the development of a household ethanol market, potentially with Bank assistance.

**TF094735 Impact and Process Evaluation of Smallholder Biogas in China (FY10), $175,000:** This activity will enhance the development community’s (World Bank, China and knowledge partners) understanding of health, greenhouse gas, food security, and local environmental effects of smallholder biogas and the factors leading to the successful implementation of projects. The knowledge built will help scale up the use of biogas and other clean fuels, and improve indoor air quality initiatives in Sub-Saharan Africa, China and other developing countries. An in-depth multivariate analysis on the determinants of adoption and potential abandonment of biogas digesters and their welfare effects has been conducted and the results fed into the mid-term review of the project. Technical assistance, which included a repeat training on the methodology to collect indoor air pollution data, was provided during the preparation of the second round of data collection. The findings from the first round data analysis showed that technical support to biogas smallholders is not a key constraint in the adoption and also sometimes the abandonment of biogas digesters. Hence, the team decided not to pursue the qualitative component of the project but rather focus on the quantitative analysis of the three rounds of household and community surveys and the dissemination of results. The findings from the second survey will be presented in China in the Fall of 2012.

**Theme 3: Poverty-Environment Linkages**

**TF095510 Economics of Charcoal Consumption, East Africa (FY10), $230,000:** This activity will provide decision-makers with key up-to-date analyses of the charcoal value chain in the Sub-Saharan African countries. These analyses will provide new insights with respect to charcoal consumption at the macro- and micro-level. Implementation of the TF activities have slowed down during the period under review due to a shift in the overall work program of the TTL. But considerable progress has been made towards the grant objectives in that the work carried out thus far has triggered downstream activities in the charcoal sector in Tanzania and in other development partners working on forestry and energy. Also, the IEG report noted that the completed activities were timely as it coincided with a renewed interest in Biomass Energy in some sectors and it has also contributed to the current state of knowledge on biofuels. At present, an applied analytical work on the issues and approaches around “Green Charcoal
“Chain” for the charcoal sector in Rwanda has been initiated. And a concept for developing baseline work on wood energy use in South Sudan was developed, however, the work has not commenced due to the political turmoil in the country.

TF096245 Study of Incentive Schemes for Improving Vehicle Energy Efficiency in Yemen (FY10, Cancelled), Approved grant $200,000, final disbursement $45,000. The objective of this activity is to design social support and financial incentive schemes for improving vehicle fleet efficiency in Yemen. The activity will formulate practical measures for implementing vehicle replacement programs, such as defining the amount of financial incentive to replace old taxis and minivans, defining social support programs to assist those taxi/minivan drivers and owners who wish to change their economic activity. The study will provide a framework that could be applied to other low or middle income countries in the region. Two reports were prepared based on the literature review of vehicle scrapping programs worldwide and a review of existing studies and regulations of public transport in Sanaa. Unfortunately, due to the deteriorating political and security situation in Yemen, all the field work and data collection had to be stopped, it was not possible to complete the activity as planned, hence the grant had to be cancelled.

TF010993 Improving Gender Equity in Strengthening Marine Managed Areas (MMAs) in Djibouti and Sudan (FY12), $250,000: The objective of this activity is to develop and apply community-developed “gendered knowledge” in order to self-select alternative livelihoods and conflict resolution mechanisms in two Red Sea and Gulf of Aden MMAs. The project will examine the role of men and women play in the coastal communities that rely on four MMAs in Sudan and Djibouti. By examining gender roles in income-generating activities, the activity will be able to identify mechanisms to reduce conflict through the development of alternative livelihood schemes associated with the MMAs. The concept note has been prepared. The team is working closely with the main counterparts, PERGSA, to develop an implementation plan.

Theme 4: Environmental Policies, Institutions and Programs

TF090726 Project Level Institutional Analysis (FY08), $200,000: The objective of this activity is to improve the knowledge and skill base of operational staff in the Bank and client countries, relating to institutional analysis of environmental and natural resource management (ENRM) issues to strengthen project design through the development of practical guidance on how to assess institutional and governance constraints linked with the management of environmental and natural resource issues in investment projects, across different sectors. The implementation of this grant has been slow, activities during the reporting period focused mainly on dissemination of the synthesis report and preparing institutional analysis for the pilot projects in Maldives and Bangladesh. The synthesis report on Coastal Megacities and Adaptation to Climate Change was presented at the World Bank Water Sector week early in January 2011 and at the a conference on local solutions to climate change in Capetown, South Africa in March 2011. TFESSD’s support helped raise the profile of climate change adaptation in the coastal cities to mayors and city officials in the Africa region. The activity on Coastal cities helped initiate systematic analysis of urban adaptation issues based on climate science, hydrological analysis and damage cost assessment. Similar work has been initiated in the Middle East and North Africa region and
in the East and South Asia regions. The analysis carried out in Maldives helped highlight institutional and organizational strengthening measures required for sustainable management of wetlands and coral reefs. It also contributed to the formulation of the institutional arrangements and capacity building components of the Maldives Climate and Wetlands project.

TF091074 Egypt: Measuring Impacts of Public Disclosure Systems for Pollution Abatement Performance (FY08), $250,000: Originally, this grant proposed to test the validity and efficiency of Public Disclosure Systems in generating stakeholder support for pollution abatement, and test the assumption that better informed civil society can result in optimal choices regarding pollution abatement. However, the Egyptian Environmental Affairs Agency (EEAA) were concerned that the study might have negative implications which would result in a political backlash and diminish the buy-in. Hence, the proposal was restructured to focus more on raising awareness. In order to customize the Program for Pollution Control, Evaluation and Rating (PROPER) for Egypt and create its own brand, the program title was named “Broadcasting and Raising Awareness through Environmental Monitoring Program (BRAEM).” The first awareness event, chaired by H.E. the Minister of Environment, took place on June 6, 2011. For now, the disclosure included only the names of good performing companies because the counterpart wanted to start this project slowly to raise awareness before getting into sensitive issues of disclosing names of bad performing companies. In addition, information on the number of good performers, and poor ones were also disclosed. Progress has been slow due to the volatile political situation in Egypt, change in leadership in the EEAA, and the recent shutdown of the consulting firm (IRIS) conducting the public disclosure campaigns and impact evaluation. The team will assess the situation in the next mission and redesign the activity as necessary. This activity is due to close in June 2012 but an extension will likely be requested to restructure the design with the support of the new consulting firm.

TF094326 Support to Innovative Activities at the Community Level Taking Full Advantage of the Development Marketplace (FY09), $300,000: The objective of this activity is to support knowledge sharing and learning among the 22 winning projects of the CY2008 Global Development Marketplace (DM) on a variety of development topics, including environmental, social and poverty-reducing dimensions of climate change through the creation of a learning alliance. This project has fully met its grant objectives and is currently moving into the final step of implementation, which includes the publication of the main findings of the report, the creation of resources to support TTLs in identifying potential for scaling up in project design, implementation and replication, and a robust dissemination process. New mechanisms for effective communication, information sharing and monitoring and evaluation at the sectoral level are also being developed to build on the earlier benefits achieved (identifying new markets in Vietnam and Cambodia, creation of a community of practice) through improving and systemizing these knowledge exchanges. TFESSD’s support to the implementation of this initiative has resulted in broader involvement of key stakeholders working on the issues of scaling up, both at the World Bank and within the broader development community. As the process enters its final stage, all of the inputs and lessons gleaned from this ongoing process are being incorporated into a series of knowledge products which will help solidify these experiences into resources to help guide practitioners, reinforce the lessons from this knowledge alliance and provide hands-on practical guidance to TTLs during the different phases of scaling up.
TF094863 Environment Strategy Consultations with External Stakeholders and Analytical Work (FY10), $500,000: This activity will support the consultations with external WBG stakeholders in the preparation of a new WBG Environment Strategy and the analytical work to underpin the preparation of the strategy. These activities will help the Bank better understand core environmental concerns of external stakeholders and their expectations for WBG engagement. The work supported by TFESSD will not be directly mainstreamed into Bank or client country strategies but it has facilitated processes that led to the completion and dissemination of the Environment Strategy which will provide the WBG’s vision for supporting its clients in achieving more sustainable development. The trust fund resources have provided the means to invite perspectives from a broad range of stakeholders from various segments of society. To broadly disseminate the new Strategy and foster discussion with stakeholders, a second phase of engaging external stakeholders is envisaged.

Theme 5: Reducing Vulnerability to Climate Change and Natural Disasters

TF057358 Adaptation to Climate change in the MENA Region (FY07, Closed), $200,000: The objective of this project is to improve the understanding of how and where the Middle East and North Africa (MENA) Regions’ rural populations will be affected by climate change, in particular droughts and of adaptation mechanisms. While the issues addressed are relevant for the region as a whole, particular attention is paid to Morocco and Yemen. In Morocco, an analysis on climate change impact on agriculture and water with an emphasis on the consequence on food security, social aspects and research and extension has been completed. All the activities have been completed and the overall grant objectives have been achieved. The final report provided important insights to Morocco’s National Program for agriculture regarding adaptation options. The analysis informed the design of an ongoing GEF investment operation on climate change adaptation and of a Development Policy Loan supporting the National Program for agriculture (Maroc Plan Vert). It also contributed to the programmatic analytical work supporting the development of Morocco’s Climate Change Strategy. In Yemen, climate change scenarios and have been developed and the implication on agriculture and water resources were assessed. The study is seen as a very important piece that informs the preparation of the Fourth National Five-Year Economic Development plan. The study also served as a good background work for the preparation of the Pilot Program for Climate Resilience project in Yemen.

TF092631: Diagnosing and Mainstreaming Tree-Based Adaptation in Rural Landscapes (FY09), and TF099814: Using Forest to Enhance Resilience to Climate Change (FY12) $500,000: The overall objective of this activity is to support the improved understanding on using forests for adaptation to enhance resilience to climate change, and to disseminate knowledge gained to the relevant decision-makers and development practitioners to inform policy and project development processes. The implementation of this activity had to be split between the Bank and CIFOR because the Bank was unable to find a firm that would implement this activity to the level needed. CIFOR was identified as a suitable implementing agency, but as the institution is unable to accept consultancy contracts due to its strategic research orientation they were given the implementation of the field based activities, and the Bank is focusing on supervision, dissemination and mainstreaming of the findings. A compilation of available information
(i.e., state of knowledge report) which provides perspective on the possible role of forest systems, the difference in the role of upland forests versus riverine forests has been completed. The report fills the information gap on the contribution of forests to adaptation in other sectors. This report will be shared widely through the PROFOR website (www.profor.info) and in other ways.

TF092632: Building Climate Resilient Economies in South Asia (FY09, Closed), $700,000: The objective of this grant is to reduce vulnerability to current and future climate variability and change in South Asia, with particular focus on the poor and most vulnerable communities and sub-regions. TFESSD contributed to the delivery of a technically innovative and cutting edge report on “Climate Change and Agriculture in Bangladesh” as well as a study on the” TFESSD also supported the preparation of the SAR Climate Change brochure and Climate Change website statistic report. TFESSD provided critical resources to the multi-sectoral analyses carried out in response to the requests from the Governments of Bangladesh (GoB) and India (GoI) to provide non-lending technical assistance (NLTA) in preparing strategic action plans for climate change adaptation and socio-economic development and environmental management in the Sundarbans. The findings and recommendations from these analyses will serve as a development strategy for socio-economic development, biodiversity conservation and climate change adaptation for the Sundarbans. The findings from the disaster risk management studies found that geo-morphological changes in the delta system, combined with upstream erosion issues, have undermined the effectiveness of the embankment system to withstand cyclones and storm surges in the Sundarbans. The results of the NLTA prompted the GoB and GoI to adopt the recommendations on geomorphology and are investing US$1 billion through the Department of Irrigation. The Governments of India, West Bengal and the Ministry of Environment and Forests expressed their commitment on sustainable development of the Sundarbans by implementing the findings and recommendations of the NLTA and through regional integration initiatives for bi-national project with Bangladesh and a national investment project for the Indian Sundarbans between GoI and GoWB.

TF092657: Climate Change Adaptation Handbook for Mayors (FY09, Closed), $405,000. The objective of this activity is to develop and publish a Climate Change Adaptation Handbook for Mayors, including a companion web-based platform with resources and links to accompany the downloadable PDF file and enable continuous updating via a web-based platform. TFESSD supported the preparation and publication of the “Guide to Climate Change Adaptation in Cities,” which includes an executive summary translated into Chinese, French, Spanish and Portuguese. The Guide provides a comprehensive overview of key issues for adaptation in cities offers examples of best practices and successful experiences and describes available resources and tools on the topic. It is a key contribution to the emerging and evolving field of knowledge and practice on building resilience among cities, particularly in developing countries. The Guide has served as a resource to Bank staff for project preparation in Dakar, Senegal and Belize. TTLS in MENA used it in their dialogues with their clients. There has been a strong demand and positive reception of the Guide during the events in ICLEI Resilient Cities Congress and at the Durban Local Government Convention during the UNFCCC COP-17. ICLEI is distributing copies of the Guide to its member countries in Africa.
TF092842: Adapting Vulnerable Energy Infrastructure to Climate Change (FY09), $240,000: This grant will pilot a climate vulnerability and adaptation assessment for the energy sector in two countries in East and Central Asia (ECA) and disseminate results in at least 5 other countries in South East Europe (SEE) and South Caucasus. The climate assessments for Albania and Uzbekistan have been completed and the reports were finalized. In collaboration with USAID, the methodology is being replicated and applied to Turkmenistan, Kyrgyz Republic and Kazakhstan as part of the Bank’s new Central Asia Energy-Water Development program. The pilots have also leveraged additional funding from CDKN and ESMAP for a regional-level analysis which will be valuable to a region that has a combination of under developed fossil and renewable energy resources and cross-border water management issues. The energy portfolio in Uzbekistan added new energy efficiency projects and an investment prioritization exercise is underway for irrigation efficiency infrastructure to improve water and energy use. Bank engagement and loan activities have expanded since the beginning of the grant activity.

TF092931: IFC CLIMATE CHANGE (CLIMATE RISK) ADAPTATION STUDIES (FY09, Closed), $1,000,000, actual disbursed $252,000: IFC has initiated an Adaptation Studies Program (ASP) to assess the risks posed by climate change to private sector investments, and TFESSD will help scale up the work done by the initial pilot studies and build upon each of these pilots aiming to produce a comprehensive understanding of risks, methods and adaptation options specific to the private sector investment characteristics. Due to the difficult nature of climate risk issues in the low developing countries and the prioritization of adaptation issues versus mainstreaming investment actions that private sectors and financial institutions are facing, the number of studies carried out was lesser than planned. But nevertheless, the initial objectives have been achieved and even surpassed in several levels. On the project level, the studies identified relevant climate risks and adaptation options, while on the sectoral levels a more general methodological and replicable approach to climate risk analyses and identification options were produced. Within IFC, the experience helped implement climate risk and adaptation concerns to a number of initiatives, including the revision of IFC’s Performance Standards, and IFC’s participation in Climate Investment Funds PPCR. The findings from the two TFESSD-funded studies (i.e., Climate Change and Financial Institutions and Climate Risk and Business: Ports) were disseminated to external stakeholders during a workshop held in four Sub-Saharan countries and at the UNCTAD’s Expert meeting on climate risk and ports. These studies are seen by industries and other stakeholders as ground breaking and has provided a platform for implementation. For example, the port company in Colombia announced a $30 million investment to improve the resiliency of their ports to climate change.

TF092963: A Roadmap for Adaptation to Climate Change in the Amu Darya River Basin, Central Asia (FY09, Closed), Grant $250,000, final disbursement $44,100. This activity proposed to develop a roadmap to help mainstream adaptation to climate change in the East and Central Asia Region’s operations in the Amu Darya river basin by assisting riparian countries with adaptation. This activity suffered from several setbacks, stemming from the highly contentious issue surrounding water management in the transboundary Amu Darya Basin and serious political tensions among the four countries around the basin. In addition, the added value of the activity came into question as it overlapped with some of the work on climate change and while the objectives of the grant remain valid, they will be likely achieved through other activities that are underway.
TF093108: Developing Readiness for Climate Adaptation (DRCA), (FY09) $1,000,000. This grant will help build a strong constituency for climate adaptation among decision makers, the private sector, and civil society through awareness and dialogue on the risk climate change poses, and deeper knowledge of practical opportunities for reducing the risk of climate change. TFESSD’s contribution helped develop an approach and synthesize knowledge on climate change and adaptation by providing resources to develop e-learning, e-platform, short videos and case studies for the benefit of youth leaders and parliamentarians. For example, TFESSD supported the development of an e-learning for the “Fundamentals of Climate Change” which facilitates multi-stakeholders and multi-sectoral dialogues for climate resilient development serving multiple audiences such as parliamentarians and their staff, youth, city planners, media and agriculture-water practitioners. TFESSD also supported the development of “Innovation as a Tool for Adapting to Climate Change” used by social entrepreneurs during the 2009 Development Marketplace, and by youth and agriculture sector staff. TFESSD also provided support for the integration of climate information into development through “Country Profiles” which could be accessed through the Climate Change Knowledge Portal (sdwebx.worldbank.org/climateportal/).

TF093109: Hydro-Agronomic-Economic Model for Mekong River Basin and Local Adaptation in Thailand and Lao, PDR (FY09), $995,000: This activity will develop policy tools for adapting to climate change impacts on water and natural resources in the Mekong Basin. TFESSD will support the development of state-of-the-art hydrological models of river systems that are integrated with agricultural and economical models of the watershed, including the preparation of policy papers and two regional workshops for the Lower Mekong Basin (LMB) countries. Implementation progress is on track. TFESSD supported the development of a fairly advanced hydro-agriculture-environment (HAE) model for northeast Thailand (Khong-Chi-Moon basin) including the training to key staff of the Department of Water Resources (DWR) of the Ministry of Natural Resources and Environment (MoNRE). DWR has adopted the HAE model and to ensure that climate change issues are addressed more systematically, DWR established a working group on climate change. To address the technical difficulties and low capacity of the government staff in Lao PDR, a team of national and international consultants have been mobilized to develop a similar HAE model for Xe Bang Fai Basin based on the platform developed by the Mekong River Commission. The first model is expected to be delivered to the Natural Resources and Environment Institute in June 2012. TFESSD also supported a series of workshops in the target basins for local authorities and communities in Lao and Thailand to raise awareness on the possible impacts of climate change and explore possibilities for agriculture adaptation. Given the increased awareness on the urgency and the potential impacts of climate change at the national and local levels, the Governments of Lao and Thailand felt it was more critical to focus on the finalization of the HAE model and on knowledge dissemination to policy makers at the central, community and local levels including provinces and districts. Hence, the preparation of the policy papers for broader climate change will not be carried out under this TF activity but it would be funded from other sources.

TF093328: Climate Change Ecosystem Assessment (FY09), $450,000. The objective of this grant is to undertake an assessment of the real and potential shifts in ecosystems and agro-ecosystems due to climate change and explore the implications for development planning and management in the target
countries. Following a set-back in much of 2011 due to the Arab Spring and continued restrictions on travel to Syria and Yemen, implementation has now resumed. But the risk that some of the analysis will not be fully completed for the four countries still remains due to the volatile situation in Syria and Yemen. The findings from the analysis carried out for the agro and natural ecosystems shows that the climate induced shifts will be significant. A regional workshop which was attended by Tunisia and Morocco helped provide feedback on the methodology, approach and early results. It also formed the basis for the socio-economic survey and the analysis is now underway.

**TF093351: Wetlands Carbon Market Development for Funding Coastal Communities Adaptation to Climate Change in Sub-Saharan Africa (FY09), $500,000**: The activity will help introduce carbon market trading for coastal wetlands to Sub-Saharan Africa through two pilot areas: the Saloum in Senegal (with 800 square kilometers of pristine mangrove) and the trans-boundary coastal mangroves of Guinea and Guinea-Bissau, in order to fund coastal communities’ local adaptation funds. The political instability in Guinea and the lack of a suitable in-country partnering organization along with lack of data in Senegal have led to the suspension of project activities in these countries; hence, the initiative has fully focused on Guinea-Bissau. Implementation progress has been steady. The team has established close collaboration with the Institute for Biodiversity and Protected Areas (IBAP) to harness available information in the Guinea-Bissau regarding carbon market and develop it further. The carbon stock assessments and land use change analyses that were carried out under TFESSD show that the pilot activity could turn conservation of coastal systems into a valuable asset that can be sold on the voluntary carbon market. However, with the evolution of the REDD dialogue, the Voluntary Carbon Standards (VCS) methodology applied during the initial carbon stock assessment and land use change analysis had to be revised to meet the requirements of the revised methodology. Compliance with the methodology is a pre-requisite for validation of the carbon credits and their potential sale in the voluntary carbon market. Additional field work had to be carried out but work could only be started after the rainy season (January), this caused a short delay which required a closing date extension of six months. TFESSD’s support helped prepare Guinea-Bissau to enter the carbon market and protect its coastal carbon reserves. In addition, it will also provide a working model for other countries in the region to initiate carbon markets so that coastal systems could be protected throughout the region.

**TF093578: The Economic and Social Impacts of Climate Change on Agriculture in Middle East and North Africa (MENA): A Regional Analysis (FY09), $200,000.** This grant will aim to improve the understanding of the impacts of climate change on agriculture throughout the region and to help the exchange of knowledge on policies and program supporting adaptation. Implementation of activities was set-back by nine months due to the civil unrest in Tunisia, Yemen and Syria. Hence an extension of the closing date might be necessary to complete all the activities and disseminate to the governments and other stakeholders. Despite the delay, there has been significant progress made towards achieving the grant objectives. The technical reports on climate change and agriculture reports for Yemen and Syria have been finalized and the work in Tunisia is underway. The team is working closely with local researchers, NGOs, the League of Arab States (LAS), and International Fund for Agriculture and Development (IFAD) throughout the whole process. The bulk of the background research and the preparation of papers were provided by the local researchers and the NGOs. A good part of the report
was drafted by the state governments. Youth researches have also been involved through web-based interactions. All the participants have been actively involved in developing the Arab Climate Change Knowledge Network. The report was endorsed by the LAS and by the Ministries of Environment from the 22 Arab countries during the Joint Committee on Environment and Development in the Arab Region meeting in October. The analysis done in Syria has been mainstreamed in their 11th Five-year Plan. In Tunisia, the work is feeding in to their Climate Change Strategy.

TF094845: A Strategic Approach to Climate Change in the EAP Region (FY10), $600,000. The objective of the grant is to enhance the East Asia Region’s ability to respond to client demands for assistance in the development of climate change strategies. TFESSD will complement the Bank’s budget resources in the implementation of Development and Climate Change: A Strategic Framework for the World Bank Group particularly in the development of methodology and applications in selected countries in East Asia. This activity will also support the refinement and replication of the four-city “Coastal Cities Climate Change Impact and Adaptation Study.” The grant will also help understand the impacts of climate change in the Philippines on different socio-economic groups, the adaptation measures needed and the financing required. Steady progress has been made toward achieving the grant objectives. In Vietnam, TFESSD supported the government in developing a national climate change strategy which was approved by the Prime Minister in December 2011. The work in Vietnam influenced the design of the Bank’s new series of climate change policy lending (DPO). In the Philippines, the Climate Public Expenditure and Institutional Review is helping to build the government’s capacity in budget and program planning, execution and monitoring. TFESSD has enabled the Bank to work closely with the Climate Change Commission, the Department of Finance and the Department of Budget in providing the technical and methodological support for the CPIER process. As a result, the President of the Philippines requested the development of a “climate change focused budget” and a Cabinet Cluster of five Ministries was created to provide oversight on the implementation of the recently approved climate change action plan. It is worth noting that TFESSD has provided critical resources to generate new global knowledge, the CPIER is the very one done in East Asia and in the Bank.

TF095217: Increasing the Capacity to Adapt Water Resource Management, Planning and Operations to the Forecasted Impact of Climate Change in South-Eastern Europe (FY10), $200,000. The activity aims to develop tools to increase the capacity of water management institutions in lower middle income countries in Europe to adapt water resource management. The activity will focus on the Sava river basin which flows from Slovenia via Croatia and Bosnia to Serbia where it enters the Danube river. The TFESSD grant is complemented by a trust fund from the Water Partnership Program. The study is implemented in close cooperation with the International Sava River Basin Commission (ISRBC), the inter-governmental agency of basin riparians mandated to do the river basin planning and strategy development. During the course of implementation, it became increasingly evident that many of the national government organizations are very protective of their data and are not willing to share their meteorological and hydrographic data even with ISRBC or with other national and regional institutions. This caused serious set-back in terms of time and resources as the Bank had to hire consultants in each country to obtain a relatively accurate dataset. Furthermore, to meet the demands of the study, the hydrological model developed for the ISRBC with the US Army Corps of Engineers has to be developed further, costing an
additional $25,000. Nevertheless, there has been some progress to report. The analysis and guidance note on macro-level impacts of climate change through country and inter-regional computable general equilibrium analysis have been completed. A preliminary Water and Climate Adaptation Plan (WATCAP) has been prepared. In addition, under the study, climate change considerations were mainstreamed in the preparation of the Sava Water Rehabilitation project and the Bosnia and Herzegovina Irrigation Development project.

**TF095806: Urban Agriculture: A Sustainable Solution to Addressing the Food Crisis, Adapting to Climate Change, and Alleviating Urban Poverty (FY10), $280,000:** The objective of this activity is to explore urban agriculture as a sustainable solution to addressing the food crisis in the short- and medium-term and as a mechanism to help urban communities adapt to climate change in the longer-term. TFESSD will fund case studies in selected cities in Africa, South Asia and Latin America where existing urban agriculture activities have had some success. The surveys in Accra, Bangalore, Lima and Nairobi have been completed and a comprehensive report was prepared. These four pilot studies will help highlight how urban agriculture provides an important component of municipal management that enhances food security, increases urban resilience and responds to increasing climate variability. In addition, the report provides an overview of urban agriculture, the use of grey water, and an introduction to the economics of urban agriculture. Due to the wide ranging field of impacts and inputs on urban agriculture, e.g., economics, public health, social safeguards and employment, the Bank will circulate the report for broader review. It is expected that this study will trigger more requests for help on urban agriculture.

**TF097784: Pursuing Low Regret Climate Adaptation and Disaster Risk Reduction Options in the Republic of Djibouti (FY11), $200,000.** The objective of this activity is to reduce the adverse effects of climate variability and change and natural hazard on Djibouti communities through “low-regret measures,” i.e., interventions that make sense regardless of the effects of climate change. The work will aim to (i) strengthen and systematize meteorological data collection, quality control and dissemination across various ministries and relevant agencies; (ii) improve contingency planning for dealing with the impact and aftermath of extreme events; and (iii) develop training seminars and simulations for most vulnerable communities. Identification of priority activities has been completed. This activity has experienced serious set-back which has stalled implementation for about a year. METEO, one of the partner agencies has not been able to meet with the Bank due to their institutional restructuring. In addition, METEO expected that some of the TFESSD funds could be utilized to purchase computers, scanners and GIS software to establish the national climate database. Furthermore, the team had to hire a new focal point as the previous focal point left to participate in a one-year USAID program. The team is working closely with the partner agencies in restructuring the grant to focus on the capacity building, data management, and contingency planning through intensive hands-on, south-south training for one week. This would allow the accomplishment of the two main objectives to strengthen and systematize meteorological data collection, quality control and dissemination across various ministries and relevant agencies and improve contingency planning for dealing with the impact and aftermath of extreme events.
TF097837 Innovative Institutional and Technological Solutions to Reduce Vulnerability to Resource Degradation and Climate Shocks in LCR (FY11), $500,000. The objective of this activity is to strengthen resilience to natural resource shocks by improving the regulatory framework, governance and institutions, and through innovative use of technological tools to guide planning and decision making. This will be achieved by improving the availability of environmental information to tackle priority environmental challenges, and by strengthening the role of communities in environmental planning. Progress towards implementation is proceeding well. A series of analytical studies have been carried out to strengthen the environmental regulation and the understanding of the environmental costs in the mining sectors in Colombia and in Bolivia. Workshops were carried out throughout the studies’ implementation to ensure ownership of the results by the Ministries of Environment in Colombia and Bolivia and other key agencies. The final report will be produced in English and Spanish and is expected to be completed in June 2012. The results of the TFESSD funded analysis that was carried out as part of the modeling and using the environmental database for Lake Nicaragua provided inputs to a BNPP-funded diagnostic study of climate change impacts on water resources in Central America. As a response to the request of the Ministry of Environment and Sustainable Development in Colombia, the series of workshops carried out on biodiversity valuation and biodiversity offsets influencing the definition of the policy priorities in the areas of biodiversity protection and climate change in Colombia.

TF098226 Reducing Vulnerability through Improved Information Access and South-South-North (SSN) Cooperation (FY11), $250,000. The objective of this activity is to strengthen client and Bank staff capacity to access relevant climate information and knowledge to help mainstream climate risk management measures in policy dialogue and operations by including an Ecosystem Based Adaptation (EBA) component within the Climate Change Portal (already operational). This will help facilitate a South-South-North knowledge sharing in South Pacific and in Africa. The implementation of this grant was hampered by changes in the TTL and the need to separate the bigger work program for the Climate Change Knowledge Portal but work is now underway. Partnership with 5-7 organizations is being formed to help bring the recently completed work on EBA. Conferences with potential partners were held. A concept note is being drafted and will be circulated for virtual review.

Climate Change Programmatic Windows

The Environment Sector Board has always advocated for prioritized submissions to the TFESSD’s Call for Proposals. The intention was to ensure that the proposed activities were fully aligned with the region’s work program priorities, endorsed by the Sector Manager and had BB funding for implementation. Starting in FY09 up to FY11, the regions submitted programmatic proposals wherein one proposal, with several individual activities, was submitted. In the Africa region, a steering committee oversees the whole program with an assigned Climate Change focal point person. Each activity is independent of the whole package, having a distinct objective which contributes to the over-arching objective of the programmatic proposal. Each activity was set-up with individual trust fund numbers and managed by different TTLs. Currently, the Africa, the South Asia, and the Latin America and Caribbean (LAC) Regions have taken advantage of this set-up. Africa Region has largest programmatic trust fund with a combined
total of $5,000,000.00 over the period of three fiscal years, followed by South Asia with $900,000.00 and LAC with $500,000.00.

Africa Climate Change Program

TF092659: Building the Analytical Capacity to Mainstream Adaptation to Climate Risk in Bank Operations in Africa: A Programmatic Approach. (FY09), $2,300,000. The overarching objectives of this activity is to help mainstream adaptation to climate variability and change in the poverty reduction strategies of African countries and in the World Bank’s country assistance strategies across the region. These objectives are imbedded in the first two pillars of the regional climate change strategy, which are: (i) to make adaptation a core component of development, with a particular focus on increasing resilience of small holder agricultural productivity, natural resource-dependent rural poor and coastal fishing communities, and (ii) enable Bank and client capacity by improving weather forecasting, water resources monitoring, land use information, disaster preparedness, as well as filling knowledge gaps in adaptation in rapidly expanding sectors such as transport and strengthen buy-in and collaboration with key stakeholders. This grant supports a program consisting of ten activities, namely: (1) the Economics of Adaptation to Climate Change (EACC) in Ethiopia, Mozambique, and Ghana; (2) the Adaptation and Climate Forecasting in Madagascar; (3) the Analysis of Climate Change Adaptation for Small-holder Agriculture in SSA; (4) Capacity Building for Adaptation in the Water Sector; (5) Making Transport Climate Resilient in SSA; (6) the SADC Regional Project in Support of Rainwater Harvesting; (7) the Global Partnership Support; and (8) the Nigeria Climate Risk Assessment. Later in the implementation, two activities were added, namely: the Agriculture Carbon Project Development as part of the Adaptation for Small-holder Agriculture activity, and the preparation for the Road to Durban for COP17. Significant progress has been achieved in grant implementation, a number of reports have been delivered, and follow-up activities are underway to turn the results of the work into policies and projects. For example, the analysis of Climate Change Adaptation for Small-holder Agriculture in SSA informed the implementation of the innovative “Kenya Agricultural Carbon” project. The analysis also informed the Bank’s Technical Assistance on “Readiness for Climate-Smart Agriculture in Kenya,” a project support by the Danish trust funds. The activity on Adaptation and Climate Forecasting in Madagascar developed the cyclone-proof building standard which is now in place to protect buildings against wind intensities. The activity also contributed to the South-South transfer and to the strengthening of national ownership, leadership and collaboration between the Malagasy nationals and international experts. The activity also created a clearinghouse for climate information and tools for Africa water resources.

Africa Climate Change Program Approach, (FY10-11), $2,700,000. The objective of this program is to develop new analytical capacity to evaluate the impacts of climate change on food production/availability as well as economic opportunities in coastal areas in key regions of Africa, and to identify sustainable natural resources management options that would directly benefit the poor in the longer-term. This objective would be achieved through: (i) a focus on developing options and methodologies for improving adaptation options to climate change impacts of coastal and land based resources (including biodiversity, fisheries, forestry and livelihoods); (ii) a focus on developing methodologies and case studies to improve the Bank’s understanding of the impacts of climate change
on crop productivity and food supply and availability at regional, national, and household level; and (iii) mapping climate change, poverty and growth nexus to ensure better targeting of adaptation measures. There are ten individual under this FY10 program. Below is a brief description of each activity and its progress.

**TF095925: Economic Analysis of Coastal Adaptation to Climate Change (FY10), $500,000.** The objective of this activity is to provide economic cost and benefit assessments and a decision making tool to the government to improve the quality of investments and strategies of coastal adaptation to climate change in Senegal and Gambia, and make a case for raising of additional funds. Good progress has been made following the agreed terms of references and schedule of the study assignment carried out by EGIS international with a delivery of a draft Phase 2 Senegal spatial vulnerability assessment report in December; report phase 1 on the development of the study methodology and data availability submitted in October. The activities conducted has confirmed the need for a comprehensive, large-scale assistance program that addresses both root institutional causes and supports investments in immediate vulnerability reduction for priority areas. This could be incorporated in the forthcoming Country Partnership Strategy for Senegal and the Climate Resilient Integrated Coastal Management plan.

**TF096205 Management and Conservation of Coral Reefs in the Western Indian Ocean for Climate Change (FY10), $180,000.** The objective of this activity is to enhance the sustainable management and conservation of coral reef ecosystems in the West-Indian Ocean (WIO) in the scientifically recognized coral reef triangle formed by Kenya, Tanzania, Mozambique, Comoros and Madagascar. There is good progress to report, all the activities under this grant has been completed. Two regional workshops were organized, scientific surveys were carried out at identified sites within the study area and the draft Regional Coral Reef Action plan was produced and agreed with key stakeholders. The Action Plan will be presented at the next Nairobi Convention (COP) for endorsement. TFESSD’s contribution provided significant support to the development of a draft strategy for implementing and strengthening management of coral reefs in the Western Indian Ocean that identifies and collects key scientific information for prioritization of coral reefs areas that are more resilient to climate change.

**TF096948: Climate Variability, Safety Nets and Welfare in Nigeria (FY10), $100,000.** The objective of this activity is to build the evidence base on the welfare impacts of climate change on different socio-economic groups to inform future strategies for poverty prevention programs and to focus on the role of weather shocks in increasing the vulnerability of the welfare of poor households. The "Weather and Child Health in Rural Nigeria" report has generated useful evidence for the program design, it will be disseminated in the Bank through a seminar. The study will also be published in a development journal and it will be presented at the 15th Annual Conference on Global Economic Analysis in Geneva in June 2012. Due to difficulties in getting access to the codes of the district of residence of households interviewed in the various rounds of the Nigeria Living Standards Survey (NLSS), the focus of the analysis shifted to use the Demographic and Health Survey (DHS) that publicly provides the geographic coordinates of the clusters of households interviewed.
TF096977: Adaptation Potential and Socio-Economic Impact of Reducing Deforestation in the Congo Basin (FY10), $150,000. This activity will contribute to a larger study “Economic Growth & Deforestation in the Congo Basin.” TFESSD will support the development of methodologies for assessing the adaptation potential and socio-economic trade-offs involved in programs such as REDD. TFESSD’s support is instrumental in providing an in-depth analysis of the major drivers of deforestation and forest degradation for the next decades in the countries of the Congo Basin. The regional economic model that was developed under this activity helped build different scenarios on potential impacts of economic activities on forest cover in the next 20-30 years. It has contributed to fill the knowledge gap on deforestation trends in the second major tropical forest ecosystem. It has also provided decision-makers of the Congo Basin countries with a scientifically sound analysis of impacts of economic activities on forest cover and helped make better-informed policy choices.

TF096978: Adaptation to Climate Change on the Coast of Sao Tome (FY10), $100,000. The objective of this activity is to identify options and methodologies for evaluating the impacts of climate change on Sao Tome and Principe’s coast and to identify sustainable natural resources management options to adapt to impacts while supporting long-term development and poverty-reduction objectives. The analysis of sea level rise, historical meteorological trends and climate change scenarios in S. Tome and Principe is completed, yielding two high quality reports which were well received by Sao Tome counterparts. It has also contributed to the analytical justification of a $4.1 million GEF grant for the Sao Tome adaptation project. In addition, the government is incorporating the results of the climate change trend analysis to its Second Communication to UNFCCC.

TF098224: Climate Downscaling and Climate Portal for the African Continent (FY10), $200,000. This activity will facilitate climate change analysis by enabling Bank staff and client to have easy access to downscaled general Circulation Models (GCM) climate information (at a finer spatial and temporal scale) through an online, interactive portal. All the downscaling activities have been completed and the results have been incorporated to the Bank’s climate portal and their applications were showcased at the COP17 in Durban. Case studies on applications of downscaled climate change data for water resources and agriculture and food security in the Nile basin, Niger basin, Mali and Egypt are underway but progress has been slower than expected due to the volatile political situation in North Africa. In order to complete all the activities, an extension of the closing date until end-December may be required.

TF098624: Understanding the Impact of Climate Change on Hydropower (FY11), $175,000. This activity will evaluate the impact of climate change on the availability and reliability of hydropower supply in Cameroon and will develop a management framework for climate change impacts during the investment and operational phase for hydropower plants. Implementation of this activity has not started due to the TTL’s moved to a different region. In addition, the climate change impact for the next hydropower development in Cameroon, the Lom Pangar Hydropower project, was analyzed in parallel with the environment impact assessment and a study by EDF. The activity remains relevant for the next hydropower projects to be developed after then Lom Pangar dam is built as well as for the ongoing update of the least cost sector development plan. A new TTL has been assigned to this activity and implementation will start around the second quarter of 2012.
TF099126: Nigeria Climate Change Risk Assessment (FY10), $200,000. The objective of this activity is to evaluate the threats and the opportunities for economic growth in Nigeria posed by climate change and variability in the agriculture and water resources sectors and in the Lagos Metropolitan Area from the present to 2020, 2030, 2040 and 2050. The activity will also aim to identify priorities for reducing threats and exploiting opportunities through policy- and investment–based adaptation interventions. Implementation of the framework is still waiting for the Lagos State Government to grant the study team access to the Digital Topography Model (DTM). The findings of the analysis on the impact of climate change on agriculture, water resources and the economy were well received by the government and other stakeholders. The priority areas for adaptation options will include the extension of the irrigation to offset negative impacts of increasing temperature on most crops; as well as a range of agronomic practices that are suited to rain-fed areas.

TF099408: Addressing the Vulnerability of Africa’s Infrastructure (FY11), $325,000. This activity will assist African countries in reducing the vulnerability of regional infrastructure to climate variability and change, through analytical tools, strengthened capacity, and support to strategic planning. The work on the downstream analysis of climate change implications for infrastructure sector is underway.

TF099583: Mapping Climate, Poverty, and Growth Nexus (FY10), $200,000. This activity will help develop an improved approach to understanding the nexus between climate, poverty, and growth in Africa. This objective will be pursued through an enhanced spatial differentiation and analysis of climate-related development outcomes in different sectors. This is particularly important given the need for Africa to pursue a climate- resilient development path that requires a closer examination of the co-benefits of climate (related to adaptation and mitigation) and development (related to growth and poverty alleviation) investments. The work on the mapping, spatial analysis and atlas drafting is under implementation; the Climate Growth Poverty nexus report has been drafted with sections on the Africa Context; a new generation of products is being designed to follow-up on the 10 success stories; facilitation of climate insurance in Africa work has been initiated.

4. Implementation Progress of the Window

4.1 Summary of Implementation Progress

Since inception, TFESSD has funded 181 activities under this window. The number of new approved activities has seen a dramatic decline starting in FY11. All the earlier approved (FY07) activities are now completed and fully disbursed.

Table 2.8: TFESSD Environment Window activities as of December 31, 2011

<table>
<thead>
<tr>
<th>Call/year</th>
<th>Approved Activities</th>
<th>Ongoing Activities</th>
<th>Closed Activities</th>
<th>Activities in Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY00-02</td>
<td>30</td>
<td>0</td>
<td>30</td>
<td>0</td>
</tr>
</tbody>
</table>

127
Overall, the disbursement performance of the Environment Window portfolio is highly satisfactory. As of December 31, 2011, the Environment Window received $56.3 million of which $50.4 million has been committed and disbursed. However, Table 2.9 below shows that the disbursement ratio of FY10 activities is only at 20 percent. This low disbursement ratio is due to the cancellation of the activity in Yemen (TF096245) and slow progress of another activity (TF098224) in the Middle East and North Africa region, coupled with the delayed activation of some of the Africa programmatic activities. In terms of Africa’s share, of the $50.4 million disbursed, $22.9 million (46 percent) was allocated to activities in Africa. While Africa’s share is still slightly below the desired target of 50 percent, we expect this percentage to go up as the FY10-11 Africa programmatic activities mature, particularly since seventy percent of the approved FY11 activities are allocated to Africa activities.

Table 2.9: Disbursements and Commitments

<table>
<thead>
<tr>
<th>Environment Window</th>
<th>Receipts (US$)</th>
<th>Cumulative Disbursement/Commitments as of 12/31/11</th>
<th>of which Outstanding Commitments</th>
<th>% of receipts disbursed or committed</th>
<th>Africa Portion of Disbursements/Commitments</th>
<th>Africa % of cumulative disbursements/commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activities approved prior to FY03</td>
<td>13.784</td>
<td>13.784</td>
<td>0.000</td>
<td>100%</td>
<td>6.095</td>
<td>44%</td>
</tr>
</tbody>
</table>

10 Two of the FY10 approved activities (Africa & South Asia Region) are programmatic proposals which are composed of several components/activities that will be activated individually. Hence, the combined number of ongoing and closed activities exceeds the actual approved activities.

11 The proposal from African is a programmatic proposal which is composed four distinct activities, hence the number of ongoing exceeds the actual number of approved activities.
| Activities approved in FY03 | 6.867 | 6.867 | 0.000 | 100% | 2.386 | 35% |
| Activities approved in FY04 | 5.958 | 5.958 | 0.000 | 100% | 2.906 | 49% |
| Activities approved in FY05 | 2.802 | 2.802 | 0.000 | 100% | 0.658 | 23% |
| Activities approved in FY06 | 3.120 | 3.120 | 0.000 | 100% | 2.185 | 70% |
| Activities approved in FY07 | 2.219 | 2.219 | 0.000 | 100% | 1.277 | 58% |
| Activities approved in FY08 | 6.162 | 6.030 | 0.152 | 98% | 2.230 | 41% |
| Activities approved in FY09 | 8.759 | 7.971 | 1.296 | 91% | 3.740 | 47% |
| Activities approved in FY10 | 4.145 | 0.808 | 0.298 | 20% | 1.448 | 47% |
| Activities approved in FY11 | 1.570 | 0.678 | 0.240 | 43% | 0.016 | 8% |
| Activities approved in FY12 | 0.280 | 0.181 | 0.049 | 65% | 0 | 0% |
| Window account (TF024369) | 0.605 | | | | | |
4.3 Strategic Review and Actions Taken

The Environment Window completed its portfolio review in December 2011. During the review, implementation and disbursement progress of ongoing activities were assessed. Follow-up notifications were sent to task team leaders whose disbursements were below fifty percent. A review of the activities that closed in calendar 2011 showed that a total unspent balance of $1.1 million will be available for reallocation to ongoing activities that have demonstrated good progress both in terms of implementation and disbursements. The result of the review was presented to the Environment Sector Board, and a call for incremental funding requests was launched, resulting in nine proposals totaling $1.4 million. Priority was given to proposals from high performing ongoing activities that clearly demonstrate concrete results/outputs. The additional resources are meant to expand the scale of activities and to support adequate knowledge dissemination. Good quality progress reports and timeliness of submission of these reports were important selection criteria. The results of the selection was reviewed and vetted by the Sector Board, resulting in seven out of the nine proposals being approved. The funds were allocated to the following projects:

- **TF096977:** Adaptation Potential and Socio-Economic Impact of Reducing Deforestation in the Congo Basin ($200,000). To add climate change perspective to the analysis but more specifically, the requested resources will help to assess the impact of climate change on the forest cover and agriculture.

- **TF094946:** Piloting Eco-Livestock Production ($200,000). To scale up the silvo-pastoral technologies to other farmers in the local pilot community farm which is now acting like a demonstration farm/centre of excellence

- **TF090972:** China Air Pollution Control Program: Improving Environmental Health ($375,000). To expand the results and experiences from this activity into a South-South Cooperation (SSC) activity on Particular Matter (PM) Control.

- **TF091084:** Egypt: Measuring Impacts of Public Disclosure Systems for Pollution Abatement ($50,000) for technical assistance for assessing the Impact of Public Disclosure of Pollution Abatement Initiatives.

- **TF093578:** The Economic and Social Impacts of Climate Change on Agriculture in Middle East and North Africa (MENA): A Regional Analysis ($50,000). To do a study on the "Economic and Social Impacts of Climate Change on Agriculture in the Middle East and North Africa." The additional funds will support qualitative work on the ongoing quantitative CGE models of climate change impacts on agriculture in the Middle East and North Africa.
• **TF093108: Developing Readiness for Climate Adaptation, ($60,000).** There is a need and a demand to go deeper at sub-national levels and especially in particular communities or groups in order to expand the reach and development impacts of the grant.

• **TF095217: Increasing the Capacity to Adapt Water Resource Management, Planning and Operations to the Forecasted Impact of Climate Change in South-Eastern Europe, ($80,000).**
III. FINANCIAL SITUATION

1. TFESSD committed and disbursed $18.3 million in 2011, substantially above the levels of recent years which have been around $12-13 million (net of investment income and administration fee). This increase in disbursements reflects the decisions made a few years ago to step up the Fund’s contributions to address climate change, food security, and vulnerability issues. As of end December 2011, cumulative disbursements and commitments since inception reached $134 million. During CY2011, the Environment window had the largest commitments and disbursements, at $7.1 million, followed by Social Development ($5.3 million), Social Protection ($3.4 million), and Poverty ($2.2 million). Cumulative commitments and disbursements as a percentage of funds transferred to activities reached 94% (Table 3.1).

Table 3.1: Receipts, Disbursements and Fund Balance

<table>
<thead>
<tr>
<th>Windows</th>
<th>Receipts As of 12/31/10</th>
<th>Receipts As of 12/31/11</th>
<th>As a % of Allocation</th>
<th>Difference (12/31/10 to 12/31/11)</th>
<th>Fund Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment</td>
<td>56.271</td>
<td>46.014</td>
<td>53.172</td>
<td>94.5%</td>
<td>3.100</td>
</tr>
<tr>
<td>Social</td>
<td>48.346</td>
<td>40.612</td>
<td>45.920</td>
<td>95.0%</td>
<td>2.426</td>
</tr>
<tr>
<td>Poverty</td>
<td>17.534</td>
<td>14.289</td>
<td>16.445</td>
<td>93.8%</td>
<td>1.089</td>
</tr>
<tr>
<td>Coordination</td>
<td>2.484</td>
<td>2.110</td>
<td>2.405</td>
<td>96.8%</td>
<td>0.079</td>
</tr>
<tr>
<td>Social Protection</td>
<td>12.896</td>
<td>8.051</td>
<td>11.458</td>
<td>88.8%</td>
<td>1.438</td>
</tr>
<tr>
<td>Parent</td>
<td>1.077</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1.077</td>
</tr>
<tr>
<td>Other</td>
<td>4.679</td>
<td>5.257</td>
<td>4.679</td>
<td>100.0%</td>
<td>0.000</td>
</tr>
<tr>
<td>Total</td>
<td>143.287</td>
<td>116.332</td>
<td>134.078</td>
<td>93.6%</td>
<td>9.209</td>
</tr>
</tbody>
</table>

1/ Excludes the West Africa Hub Secondment Account
2/ Includes currency gain, investment income, and disbursement for administrative fees.
2. The cumulative commitments and disbursements for activities targeting Sub-Saharan Africa remained constant at 46% of the total. The Africa share of the FY11 approvals is a little higher than many other years, giving hope the share will increase in the future.

Table 3.2: Africa share by window

<table>
<thead>
<tr>
<th>Window</th>
<th>Receipts (US$m)</th>
<th>Cumulative disbursements &amp; commitments (US$m)</th>
<th>Of which outstanding commitments (US$m)</th>
<th>% of receipts disbursed or committed</th>
<th>Africa portion of disbursements &amp; commitments (US$m)</th>
<th>Africa Share of cumulative disbursement &amp; commitments (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment</td>
<td>56.271</td>
<td>53.172</td>
<td>2.766</td>
<td>94%</td>
<td>23.866</td>
<td>45%</td>
</tr>
<tr>
<td>Social</td>
<td>48.346</td>
<td>45.920</td>
<td>2.040</td>
<td>95%</td>
<td>20.240</td>
<td>44%</td>
</tr>
<tr>
<td>Poverty</td>
<td>17.534</td>
<td>16.445</td>
<td>0.433</td>
<td>94%</td>
<td>9.257</td>
<td>56%</td>
</tr>
<tr>
<td>Social Protection</td>
<td>12.896</td>
<td>11.458</td>
<td>1.090</td>
<td>89%</td>
<td>5.553</td>
<td>48%</td>
</tr>
<tr>
<td>Four windows</td>
<td>135.047</td>
<td>126.994</td>
<td>6.330</td>
<td>94%</td>
<td>58.916</td>
<td>46%</td>
</tr>
</tbody>
</table>

Note: Excludes program administration, legacy trust funds, and investment income

3. Overall, World Bank Bank-Executed trust fund disbursements for FY12 were $603 million. TFESSD disbursements of $18.3 million represented 3% of all Bank-executed trust fund activities in that year. Nevertheless, until the phasing out TFESSD was for a long time one of the major trust funds for analytical work in its sectors.

4. Total donor contributions since inception reached USD139,388,119 as shown in Table 3.3.

Table 3.3: Donor contributions

<table>
<thead>
<tr>
<th>Donor</th>
<th>Contributions Received (US$)</th>
<th>FY</th>
<th>Posting Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norway</td>
<td>3,083,295.71</td>
<td>00</td>
<td>Dec. 99</td>
</tr>
<tr>
<td>Norway</td>
<td>2,419,512.00</td>
<td>01</td>
<td>Jul. 00</td>
</tr>
<tr>
<td>Norway</td>
<td>4,493,711.00</td>
<td>01</td>
<td>Dec. 00</td>
</tr>
<tr>
<td>Country</td>
<td>Amount</td>
<td>Year</td>
<td>Month</td>
</tr>
<tr>
<td>---------</td>
<td>------------</td>
<td>------</td>
<td>--------</td>
</tr>
<tr>
<td>Norway</td>
<td>5,663,970.24</td>
<td>02</td>
<td>Sept. 01</td>
</tr>
<tr>
<td>Norway</td>
<td>292,015.00</td>
<td>02</td>
<td>Feb. 02</td>
</tr>
<tr>
<td>Norway</td>
<td>4,762,174.43</td>
<td>02</td>
<td>Mar. 02</td>
</tr>
<tr>
<td>Norway</td>
<td>210,493.40</td>
<td>02</td>
<td>Mar. 02</td>
</tr>
<tr>
<td>Norway</td>
<td>2,647,889.10</td>
<td>03</td>
<td>Dec. 17</td>
</tr>
<tr>
<td>Finland</td>
<td>1,321,538.72</td>
<td>03</td>
<td>Jan. 7</td>
</tr>
<tr>
<td>Norway</td>
<td>8,830,085.99</td>
<td>03</td>
<td>Feb. 12</td>
</tr>
<tr>
<td>Norway</td>
<td>5,705,238.80</td>
<td>04</td>
<td>Nov. 19</td>
</tr>
<tr>
<td>Finland</td>
<td>1,615,787.73</td>
<td>04</td>
<td>Dec. 31</td>
</tr>
<tr>
<td>Norway</td>
<td>5,762,443.20</td>
<td>04</td>
<td>Apr. 29</td>
</tr>
<tr>
<td>Finland</td>
<td>1,899,416.67</td>
<td>05</td>
<td>Oct. 27</td>
</tr>
<tr>
<td>Norway</td>
<td>5,581,473.00</td>
<td>05</td>
<td>Dec. 27</td>
</tr>
<tr>
<td>Norway</td>
<td>4,073,482.00</td>
<td>05</td>
<td>Jan. 10</td>
</tr>
<tr>
<td>Norway</td>
<td>3,201,614.96</td>
<td>05</td>
<td>Apr. 25</td>
</tr>
<tr>
<td>Finland</td>
<td>1,757,100.00</td>
<td>06</td>
<td>Nov. 10</td>
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<tr>
<td>Norway</td>
<td>5,636,515.86</td>
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<td>Dec. 19</td>
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<td>Norway</td>
<td>4,991,795.09</td>
<td>06</td>
<td>Apr. 20</td>
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<tr>
<td>Finland</td>
<td>1,990,590.00</td>
<td>07</td>
<td>Jan. 5</td>
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<tr>
<td>Norway</td>
<td>6,351,222.61</td>
<td>07</td>
<td>Nov. 29</td>
</tr>
<tr>
<td>Norway</td>
<td>4,660,701.04</td>
<td>07</td>
<td>Jan. 19</td>
</tr>
<tr>
<td>Norway</td>
<td>1,621,520.29</td>
<td>07</td>
<td>Apr. 11</td>
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<tr>
<td>Finland</td>
<td>2,054,400.00</td>
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<td>Sept. 11</td>
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<tr>
<td>Norway</td>
<td>10,658,899.53</td>
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<td>Jan. 28</td>
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<tr>
<td>Norway</td>
<td>6,220,716.35</td>
<td>08</td>
<td>Mar. 31</td>
</tr>
<tr>
<td>Finland</td>
<td>1,915,800.02</td>
<td>09</td>
<td>Oct. 31</td>
</tr>
<tr>
<td>Norway</td>
<td>5,021,016.54</td>
<td>09</td>
<td>Dec. 31</td>
</tr>
<tr>
<td>Norway</td>
<td>7,174,058.60</td>
<td>09</td>
<td>Dec.31</td>
</tr>
<tr>
<td>Finland</td>
<td>2,246,832.00</td>
<td>10</td>
<td>Oct.15</td>
</tr>
<tr>
<td>Finland</td>
<td>2,001,750.00</td>
<td>11</td>
<td>Oct.08</td>
</tr>
<tr>
<td>Norway</td>
<td>8,386,447.50</td>
<td>11</td>
<td>Nov. 11</td>
</tr>
<tr>
<td>Norway</td>
<td>5,134,612.43</td>
<td>12</td>
<td>Oct. 7</td>
</tr>
</tbody>
</table>

Total 139,388,119.81

Of which:

<table>
<thead>
<tr>
<th>Country</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norway</td>
<td>122,584,904.67</td>
</tr>
<tr>
<td>Finland</td>
<td>16,803,215.14</td>
</tr>
</tbody>
</table>

As of December 31, 2011