

Korea-World Bank Group
Partnership Facility

ANNUAL REPORT 2016



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ABBREVIATIONS

AA	Administrative Agreement	KODIT	Korea Credit Guarantee Fund
ACRC	Anti-Corruption and Human Rights Commission of Korea	KOTI	Korea Transport Institute
BOK	Bank of Korea	KOTRA	Korea Trade Promotion Corporation
CID	KDI Center for International Development	KRIHS	Korean Research Institute for Human Settlement
CCSAs	Cross Cutting Solution Areas	KRIVET	Korea Research Institute for Vocational Education and Training
CMU	Country Management Unit	KSPO	Korean Supreme Prosecutor Office
CRVS	Civil Registration and Vital Statistics	KT	Korea Telecom
EUROPPOL	European Police Office	K-Water	Korea Water Resources Corporation
FIF	Financial Intermediary Fund	LX	Korea Land and Geospatial Informatix Corporation
FY	Fiscal Year	LMIS	Labor market information system
GGHFT	Global Green Housing Finance Toolkit	LLI	Leadership Learning and Innovation
GIFTS	Global Institute for Transferring Skills	MIGA	Multilateral Investment Guarantee Agency
HIRA	Health Insurance Review and Assessment Service	MOF	Ministry of Finance
HRDKorea	Human Resources Development Service of Korea	MOU	Memorandum of Understanding
IBK	Industrial Bank of Korea	NCD	Non-communicable Diseases
IBRD	International Bank for Reconstruction and Development	NHIS	National Health Insurance Service
ICT	Information and Communication Technologies	NIA	National Information Society Agency
IDA	International Development Association	NILE	National Institute for Lifelong Learning
IFC	International Finance Cooperation	NIPA	National Information Technology Industry Promotion Agency
INTERPOL	International Criminal Police Organization	SKT	SK Telekom
KCC	Korea Communications Commission	TA	Technical Assistance
KDI	Korea Development Institute	TDMS	Transport Data Management Systems
KDIS	Korean Development Institute School	TTL	Task Team Leader
KEDI	Korea Education Development Institute	TVET	Technical and Vocational Education and Training
KERIS	Korea Education & Research Information Service	UHC	Universal Health Care
KIP	Korean Institute of Criminology	UNCTAD	United Nations Conference on Trade and Development
KISA	Korean Internet and Security Agency	WBG	World Bank Group
KISDI	Korea Information Society Development Institute	WHO	World Health Organization
KIST	Korea Institute of Science and Technology		
KLMS	Korea Land Information System		

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MESSAGE FROM THE DIRECTOR OF THE WORLD BANK'S TRUST FUND AND PARTNERSHIPS UNIT



I am delighted to present to the Government of Korea and the Korean public the FY16 Progress Report for the Korea-WBG Partnership Facility. Since the Facility was established in 2013, it has become one of the key instruments to build relationships and exchange development knowledge between the Government of Korea, WBG, and its client countries.

Korea has achieved remarkable progress in economic and social development over the last twenty years, and learned invaluable lessons through its journey from a low-income recipient of development aid to one of the most dynamic economies in the world. Furthermore, Korea has become a key member of the international donor community and an important global provider of financial and technical development assistance. In this context, the Korea-WBG Partnership Facility is supporting Korea in its goal of mainstreaming its development aid, while also facilitating the sharing of its unique development experience, expertise and know-how with low and lower middle income countries to help them achieve sustainable and inclusive development.

Over the past three years, strong collaboration and ongoing dialogue between the Government of Korea, represented by the Ministry of Strategy and Finance, and the WBG in its capacity as Secretariat has allowed the Facility to move swiftly and seamlessly from establishment and early implementation, to being fully operational across all three Windows. Activities under Windows 1 and 3 have already produced some tangible outputs and meaningful results while leveraging Korean expertise and responding to the demand of our client countries, while the slowest of the three Windows to gain momentum, Window 2, made significant progress in FY16 with cofinancing for three new projects approved.

The WBG deeply appreciates and acknowledges the importance of the financial and technical contributions made by the Government of Korea through the Korea-WBG Partnership Facility. This funding is critical to helping the WBG to advance its renewed development agenda and its goals of ending extreme poverty and boosting shared prosperity, in addition to allowing the WBG to access a mechanism for leveraging and complementing its own resources, and to better respond to client demand. In the years to come, we hope that the Facility will continue to deepen the WBG partnership with Korea and allow us to continue learning from Korea's extraordinarily successful development experience as we implement the important projects supported by Korea's financial contribution.

Jaehyang So

Director, Department of Partnerships and Trust Funds
Development Finance
The World Bank

MESSAGE FROM THE MINISTRY OF STRATEGY AND FINANCE OF KOREA



On behalf of the Korean government and the Korean people I am pleased to present the second Progress Report for the Korea-WBG Partnership Facility. As one of Korea's key instruments for financial support the Facility has strengthened the collaboration of the Korea-WBG partnership and since launching in 2013 has successfully implemented joint projects.

As one of the key development aid donors, Korea is providing various forms of financial support to client countries to achieve the Sustainable Development Goals (SDGs), a new development agenda for the post-2015 era. Moreover, Korea is increasing its contributions to WBG trust funds to address unresolved development challenges faced by client countries and to respond to emerging demands in the world.

Over the past three years, the Korea-WBG Partnership Facility provided US\$ 90 million and operated various projects in which Korea has a competitive edge. Through projects such as skills development, ICT in agriculture and industry, universal health coverage, land management and projects using new technologies including big data, smart farm and Intelligent Transport System (ITS), the Facility is successfully sharing Korea's strengths and expertise with client countries.

To help achieve the WBG's twin goals of ending extreme poverty and boosting shared prosperity, the Korean government is committed to continuing its financial support to respond to client demand. As part of this effort, Korea has committed a further US\$ 90 million to the Facility for the period FY17 to FY19. We expect that Korea can have more opportunities to share its knowledge and technical know-how with its client countries.

Yoon Jin Kang Director,

Director, International Financial Cooperation Division
Ministry of Strategy and Finance



EXECUTIVE SUMMARY

The Korea-World Bank Group Partnership Facility (KWPF or the "Facility") is a partnership between the Government of Korea and the World Bank Group (WBG) established in May 2013 that seeks to enhance Korea-WBG collaboration and provide assistance to developing member countries of the World Bank Group in achieving inclusive and sustainable economic growth.

The Facility is managed with a significant emphasis on results, and seeks to support WBG projects that are designed to maximize development impact. In doing so, the Facility emphasizes strong alignment with the WBG's lending operations and strategic policy dialogue, as well as on sharing Korea's development experiences with developing countries.

The Facility is designed to provide effective trust fund management through an efficient, flexible and performance-oriented management structure, and comprises three pillars of collaboration:

- *Window 1 – Financing for Global and Regional Programs*, which provides funding for WBG managed global programs in support of a range of global development initiatives;
- *Window 2 – Cofinancing of Country Investments*, which provides funding for International Development Association (IDA) and International Bank for Reconstruction and Development (IBRD) lending projects that are closely aligned with Korea's policy of international economic cooperation as well as the WBG's relevant country and thematic strategies; and
- *Window 3 – Generation and Transfer of Development Knowledge*, which supports WBG technical assistance, capacity building and knowledge exchange activities undertaken in close collaboration with Korean organizations with the aim of leveraging Korea's economic development experience and expertise to develop cross-regional learning, research, and knowledge creation and exchange.

Over the three years ending June 30, 2016, the Korean government has contributed US\$ 90 million to the Facility, of which US\$ 78.4 million has been programmed. The Facility currently supports eight global programs under Window 1, five lending projects under Window 2, and thirty-nine activities under Window 3. The remaining US\$11.6 million will be programmed in FY17.

At the end of its third year, the Facility is funding activities in various stages of implementation under the three windows that are demonstrating some promising early results. Under *Window 1*, the Facility currently funds well-established global programs that are tackling important initiatives to improve governance, data collection and research supporting poverty reduction and sustainable development, financial inclusion, knowledge sharing, and public administration that are delivering tangible and impressive outcomes. For example, the *Better Work Program in Vietnam under the IFC Korea Comprehensive Trust Fund* has resulted in improved working conditions for 304,430 workers, including 245,148 women, through



improvements in areas such as child labor, occupational safety and health, and payment of wages. For *Window 2*, the fourth call for proposals resulted in US\$5.5 million in co-financing approved for three projects, compared to a total of US\$4.3 million committed in the previous three call for proposals. The five projects under *Window 2*—which are currently in the early stages of implementation—cover diverse sectors (water, trade and competitiveness, social protection, land, and agriculture) and regions (Africa, South Asia, and Europe and Central Asia). These projects are expected to yield tangible outcomes such as an improved flood early warning system in Kenya, promotion of resource efficient and green practices in Mauritania through the establishment of a fisheries cluster and free zone, and enhanced capacity for land administration in Uzbekistan, social protection administration in Bangladesh, and monitoring and evaluation of crop production in Uganda and Kenya by leveraging ICT. *Window 3* is funding innovative technical assistance, capacity building, and knowledge activities that task teams can implement relatively quickly and are contributing effectively to larger development goals. For example, the development of a Cloud Readiness Assessment Toolkit which was piloted in three countries will help assess countries' readiness in launching cloud computing in support of e-government initiatives or the organization of a Global Forum on Strengthening Civil Registration and Vital Statistics and National Identity Management Systems—with the participation of government officials from 10 countries—to support global scale-up in low and middle income countries. As Facility funded activities approved under the third and fourth calls for proposals are in their early stages, the KWPF Secretariat expects additional meaningful, aggregated results in the next 18 months.

In September 2016, the KWPF Secretariat invited all task teams of KWPF-funded activities to participate in a survey, which included questions on *what the Facility does best* and *what improvements could be made*. Task teams: (i) recognized KWPF as a “high innovative, far-reaching” vehicle through which many developing countries can leverage and benefit from Korea’s development know-how, (ii) noted the close collaboration with Korean entities and the sharing of the country’s development experience as extremely beneficial, and (iii) appreciated the level of expertise exhibited by Korean partners was recognized as world class. Some recommendations that emerged included: introduction of rolling applications with potentially streamlined procedures for and easier access to micro-grants, greater flexibility to access additional financing, and the establishment of a knowledge sharing platform to share good practices, lessons learned, and networks among grant recipients. This report provides an overview of: i) the structure of the Facility including a summary of all programs, projects and activities supported by the Facility as June 30, 2016; ii) progress achieved by KWPF programs in their second or third year of implementation; iii) how Korean expertise and experience is contributing to the results of the Facility; iv) administrative considerations that are critical to the success of the Facility; and v) results of a survey undertaken by the Secretariat with aim of gaining feedback from WBG task team on the strengths and areas for improvement based on their experience with the Facility.

1. OVERVIEW

INTRODUCTION

In October 2012, a Memorandum of Understanding (MOU) was signed between Korea's (former) Minister for Strategy and Finance, Jaewan Bahk, and the President of the WBG, Jim Yong Kim, to establish a facility that would complement the series of existing partnerships which were designed to enhance financial sector management, promote investment in green infrastructure and renewable energy, share know-how in information communications technology and knowledge sharing, and assist fragile and conflict-affected states.

As set out in the MOU, the Korea-World Bank Group Partnership Facility (KWPF) was established in May 2013, with the overarching objectives of assisting developing member countries of the WBG in achieving inclusive and sustainable economic growth, enhancing Korea-WBG collaboration, and seeking to provide flexible, efficient and effective fund management. To achieve these objectives, the Korean government provided US\$90 million for a three year period (July 1, 2013 – June 30, 2016).

The KWPF was structured to comprise three pillars of collaboration:

- **Financing for Global and Regional WBG Programs (Window 1)**, a "pass through" window through which funding for WBG managed global programs across a range of global development initiatives flows;
- **Cofinancing of WBG Country Investments (Window 2)**, which provides funding for WBG lending projects that are closely aligned with Korea's policy of international economic cooperation as well as the WBG's relevant country and thematic strategies; and
- **Generation and Transfer of Development Knowledge (Window 3)**, which supports WBG technical assistance, capacity building and knowledge exchange activities undertaken in close collaboration with Korean organizations that seek to leverage Korea's development experience to develop cross-regional learning, research, and knowledge exchange.

As of June 30, 2016, US\$78.4 million has been programmed across the three windows (refer to Table 1 below), and the remaining US\$11.6 million will be programmed in FY17 under a fifth call for proposals under Windows 2 and 3.

Table 1: Programming Overview of each Window under KWPF

Window 1	Window 2	Window 3
"Pass-through" for Global and Regional WBG Programs	Cofinancing of WBG Projects	Generation and Transfer of Development Knowledge
US\$ 43.8 million	US\$ 9.8 million	US\$ 25.0 million
8 programs	5 projects	39 activities

The Facility is managed with a significant emphasis on results, and seeks to support WBG projects that are designed to maximize development impact. In doing so, the Facility emphasizes strong alignment with the WBG's lending operations and strategic policy dialogue, as well as on sharing Korea's development experiences with developing countries.

Box 1: Three Overarching Themes that underpin KWPF Project Selection.

- **Development Impact.** KWPF aims to support projects which have a longer-term perspective and inform lending operations or WBG policy dialogue.
- **Partnership.** Beyond the provision of financial support, KWPF aims to catalyze knowledge sharing between the World Bank, Korea and developing countries.
- **Cost Effectiveness** Meaningful and tangible results are essential elements behind cost efficiency. KWPF aims to assist recipient countries leverage additional financial resources from within the WBG, other existing Korean trust funds, and other donors.

Box 2: Korea and the WBG's Successful and Multifaceted Partnership

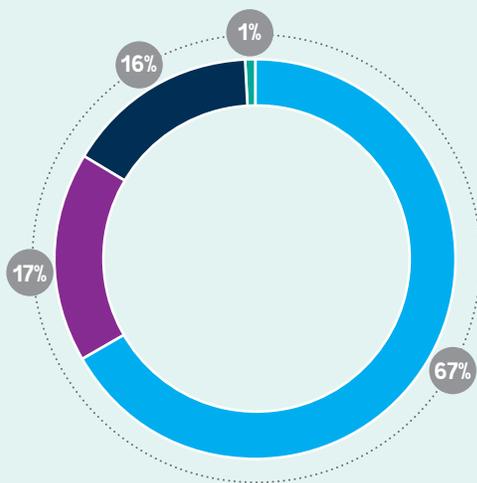
The development of the KWPF has been an integral part of the ongoing partnership between the government of Korea and the WBG during which Korea has solidified a successful transformation from aid recipient to significant donor. Korea's remarkable success in combining rapid economic growth with significant improvements in human development culminated in Korea becoming a member of the Development Assistance Committee (DAC) of the OECD in January 2010, marking a significant step in recognition of Korea as a major development donor. Korea is now actively sharing its extensive experience of using development co-operation as a catalyst to promote long-term sustainable growth in other countries.

Today, Korea is a key development partner of the WBG and an important contributor to the International Development Association (IDA) – the fund established to support the world's poorest countries – as well as IBRD/IDA trust funds. Over the five years prior to June 30, 2016, Korea's contribution to the WBG totaled US\$ 964 million (refer to Chart 1), and Korea was ranked 19th amongst development partners in terms of contributions to IBRD/IDA trust funds.

Chart 1: Korea's Total Contributions to the WBG (July 1, 2011 – June 30, 2016)

US Millions

FIF **US\$142** IFC **US\$6**
 IBRD/IDA **US\$157** IDA **US\$610**



Within FIFs, IBRD/IDA and IFC Trust Funds, the proportion of contributions made by Korea relative to all other development partners are shown in Table 2 below.

Table 2: Korea's Share of Contributions Paid-in during FY12 – FY16 (in USD millions)

Fund Classification	Korea	All Development Partners	Korea's Share of Total Contributions
FIFs	136	39,760	0.34%
IBRD/IDA Trust Funds	137	18,086	0.76%
IFC Trust Funds	6	3,420	0.18%
Total	279	61,266	0.46%

Korea-WBG's successful and multifaceted relationship has resulted in a series of diverse and innovative partnerships and joint projects designed to enhance financial sector management, promote investment in green infrastructure and renewable energy, share know-how in information communications technology, support and accelerate knowledge sharing, and assist fragile and conflict-affected states. The establishment of KWPF was a logical next step in ensuring a more comprehensive and wide-ranging support to developing countries working with the WBG, while mainstreaming Korea's development assistance. In particular, the Facility offers the opportunity for Korea to showcase their development experience and share their expertise with developing country partners.

In addition to the KWPF, key trust funds supported by Korea include the Korea Green Growth Trust Fund, and the Korea-LLI Global Program on Knowledge Sharing. Key FIFs include the *Global Agriculture and Food Security Program*, the *Green Climate Fund*, and the *Global Fund to Fight AIDS, Tuberculosis and Malaria*.

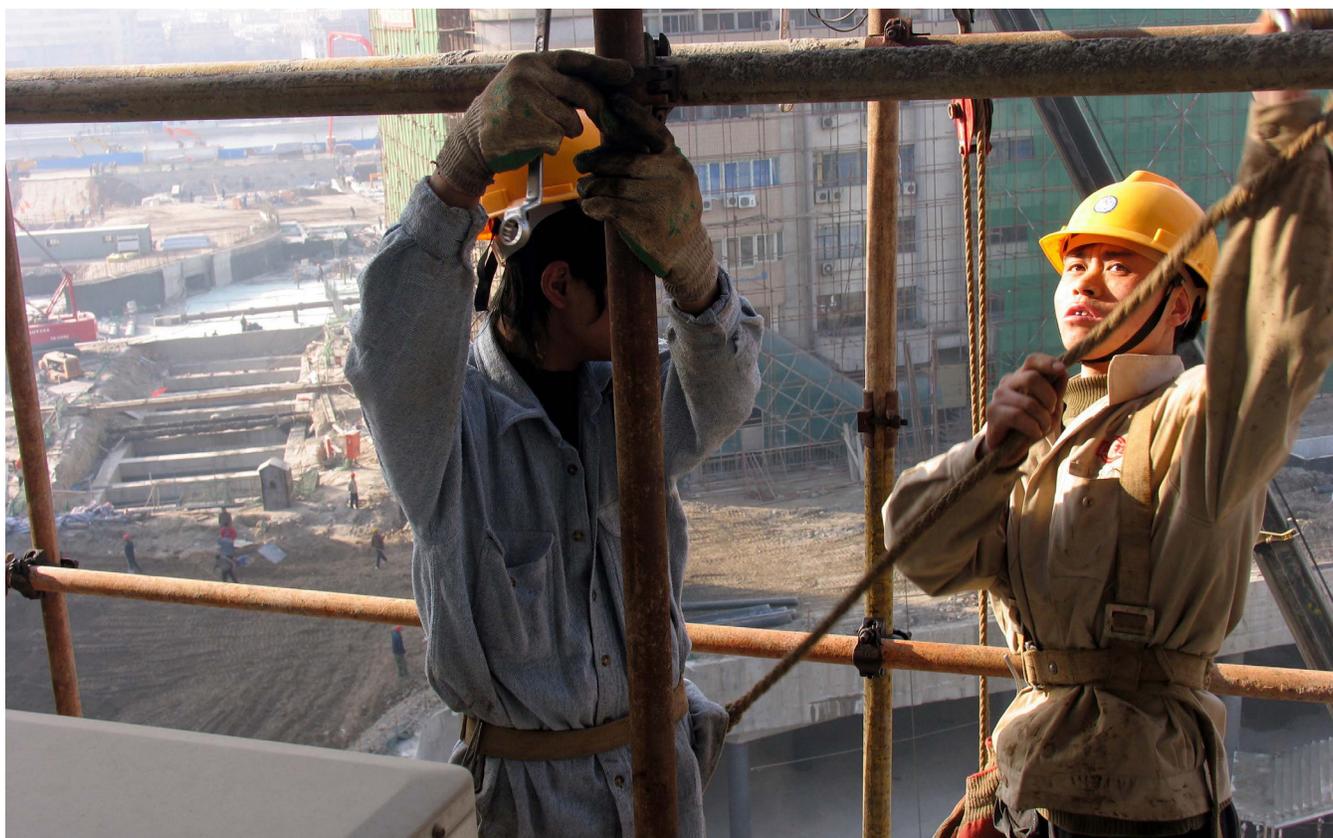
Box 2: Korea and the WBG's Successful and Multifaceted Partnership (continued)

Table 3: Korea's top three Contributions to IBRD/IDA TFs, FIFs and IFC TFs (FY12-16)

	Trust Fund Name	Total Contribution (US\$ million)
IBRD/IDA	Korea Green Growth Trust Fund	39
	Korea-World Bank Partnership Facility ¹	22
	Korea World Bank Institute (WBI) Global Program on Knowledge Sharing	15
FIF	Global Agriculture And Food Security Program	81
	Green Climate Fund	26
	The Global Fund To Fight Aids, Tuberculosis, And Malaria	16
IFC	Korea - IFC Comprehensive Trust Fund	5
	The Global Small and Medium-Sized Enterprise (SME) Finance Initiative	1
	Facility for Investment Climate Advisory Services (FIAS)	1

Korea is widely perceived by developing countries as a source of knowledge, expertise and ideas on development, drawn from real experience. The Facility therefore offers a different modality of development assistance which aims to transform how knowledge is generated and

shared, and sets Korea apart from other donors. In addition, the Facility supports Korea's ODA objectives of increasing multilateral aid, sharing its development experience and making use of country partner systems.



ADMINISTRATION AND GOVERNANCE

The WBG acts as Trustee for the overall Facility, with all funds administered by the Trust Funds and Partnerships (DFPTF) team within the WBG's Development Finance Vice Presidency (DFI). In order to facilitate the most efficient management of funds, the Facility was established with two Trustee trust funds under one Administrative Agreement:

1. "Pass-through" Trustee trust fund (Window 1)

The first Trustee trust fund (TF072055) facilitates fund flows to the global and regional programs supported under Window 1, pertaining to the following governance structure:

- **Window 1:** MOSF advises DFPTF the details of which WBG programs that it will support once agreement with the respective WBG units has been reached. An Administration Agreement is then signed between the relevant WBG unit and the MOSF, and DFPTF requests a transfer of funds to the relevant selected programs. Each Window 1 program has an individual monitoring and reporting framework as set out in the relevant Administration Agreement, which is provided directly from the WBG unit to the MOSF.

2. Trustee trust fund (Windows 2 and 3)

The second Trustee trust fund (TF072053) is the umbrella structure which houses all Window 2 and 3 projects and activities. The governance structures for Windows 2 and 3 are as follows:

- **Window 2:** DFPTF serves as administrator, periodically calling for grant proposals from WBG task teams for co-financing of investment projects. New projects seeking financing would have undergone rigorous vetting and approval processes within the WBG, while ongoing operations would have been approved by its Board of Executive Directors. DFPTF submits proposals deemed eligible for funding to MOSF for review and approval.
- **Window 3:** DFPTF periodically calls for grant proposals from WBG global practices that fall under clearly defined priority areas, which have been previously agreed between the donor and the WBG. DFPTF submits concept notes deemed eligible for funding to the MOSF for endorsement. Upon endorsement by the donor, task teams are requested to submit a full proposal, which is reviewed by DFPTF before being submitted to the MOSF for final approval.

The funding envelope for each window is set by the MOSF on an annual basis.

DFPTF acts as the Secretariat of the Facility, facilitating annual meetings and coordinating with the WBG regional and sectoral units using established business processes. When reviewing proposals for Window 2 and 3 activities, the KWPF Secretariat is supported by a Technical Committee to assess the technical quality of the proposal. The Technical Committee comprises of senior sector/thematic experts from the relevant WBG global practices (GPs), and has the role of assessing all proposals received from their respective GPs with respect to the technical quality of the proposal, including the design, readiness, coherence of results framework, alignment with World Bank priorities etc. Each member of the Technical Committee submits a ranking of all proposals received under their GP to the KWPF Secretariat along with a written assessment of each proposals. This ranking is a key input into the determination of the long list submitted to the Operations Committee. Upon review and discussion of the long list, the Operations Committee will determine a short list for submission to the MOSF for consideration and approval.

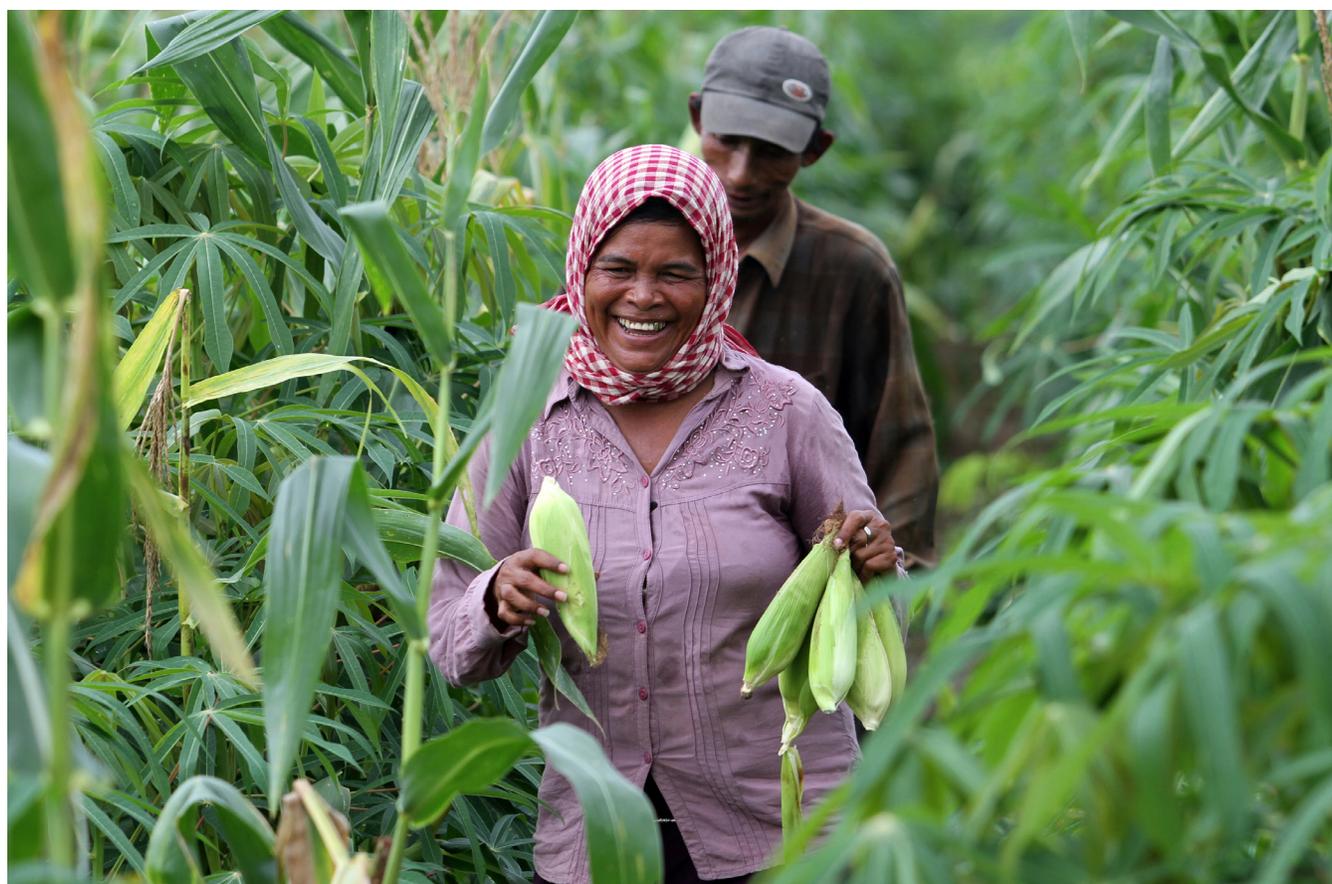
The Secretariat prepares semi-annual reports on implementation progress and completion of activities, and is responsible for the day-to-day management and administration of the overall portfolio of activities. This includes briefing senior management on developments related to the Facility and communicating with the donor on priorities and directions of the Facility, as well as following up with the respective task teams on progress achieved. The KWPF budget and disbursement rates are updated and monitored on a monthly basis, at the Window and individual project levels. This allows the Secretariat to monitor: i) the flow of funds to each activity, thereby ensuring funds become available in an efficient manner; ii) activities that are approaching completion; and iii) activities that are taking longer than expected to get started; and iv) activities that are disbursing more slowly than anticipated. The Secretariat will work closely with the task teams to ascertain the issues, and provide any assistance from an administrative perspective to help the activity get back on target. The reason for slow disbursement is typically a result of changed, or changing socio-economic or political landscapes.

A summary of the review procedures undertaken by the KWPF Secretariat at different stages of the activity lifecycle is shown Table 4 below.

1. Note, this only includes allocations through Windows 2 and 3. Allocations to global programs through Window 1 are shown as standalone contributions to the respective global programs.

Table 4: Post-Approval Management and Monitoring of Activities

Stage of Implementation	Reason for Review	Action Taken
Upon final approval by the MOSF	To ensure: <ul style="list-style-type: none"> · Funds become available in an efficient manner once the activity is approved. · Project teams are adequately equipped to start implementation as efficiently as possible. 	Follow up with relevant teams if funding is not made available 3 days after the Grant Funding Request (GFR) is approved by the Secretariat.
Monthly, throughout the life of all activities	To ensure: <ul style="list-style-type: none"> · Disbursements and progress are in line with expectations. 	
Semi-annually, throughout the life of all activities	To ensure funds are being disbursed as expected, that progress is being made in line with expectations, and to provide a comprehensive report to the MOSF.	Activities taking longer than expected to get started, or disbursing more slowly than expected: <ul style="list-style-type: none"> · Meet with task teams to understand the issue and determine steps for resolution; · Communicate the issue/reason for delay to MOSF in the semi-annual/annual report; · If changes to the activity are required, discuss with MOSF immediately to determine the course of action.
Activities approaching completion	To get an update on progress relative to objectives, and to start working on all required completion reporting and/or determine the next stage of the activity.	





2. PROGRAM OVERVIEW AND PROGRESS ACHIEVED TO DATE

FINANCING FOR GLOBAL AND REGIONAL PROGRAMS (WINDOW 1)

Window 1 was set up with the objective of providing funding to global and regional trust fund programs, administered by the WBG, in support of various development activities which have been collaboratively agreed between Korea and the World Bank. This Window also aims to facilitate a streamlined management and administration of Korea's Trust Fund engagement with the WBG. Such engagement includes the provision of financial support for the establishment of the WBG office in Korea in 2014. The Facility's contributions to the selected programs, which are listed in Table 5 below, are governed by the respective terms of each program.

The majority of these programs are well-established programs supporting highly visible deliverables. Underlying projects have also delivered tangible and impressive outcomes – for example, the *Better Work Program in Vietnam*, under the IFC

Korea Comprehensive Trust Fund has resulted in improved working conditions for 304,430 workers, including 245,148 women, through improvements in areas such as child labor, occupational safety and health, and payment of wages. Other trust fund programs are working on important regional issues, such as the development of integrity and anti-corruption systems in Asia, and the formation of sustainable peer networks for public finance practitioners from East Asian and Pacific countries, to facilitate cross-country learning.

While activities funded under Window 1 follow individual reporting requirements as specified in their respective Administration Agreements with Korea, a summary of key achievements in FY16 is included in Annex 2 to provide a holistic overview of activities funded under the KWPF.

In November 2015, US\$120,000 was transferred to the Donor Funded Staffing Program's Korea account from the KWPF at the request of MOSF.

Table 5: Programs supported with funding through Window 1

Program	Commitment Amount	Administration Agreement Signing Date	Period covered
Public Expenditure Management Network in Asia (PEMNA) MDTF	3,000,000	May 2013	FY14-16
WBI Global Program on Knowledge Sharing SDTF (LLI)	18,000,000 ²	June 2013	FY14-16
Poverty Dynamics and Public Service Delivery MDTF (Knowledge for Change Program II – KCP II)	1,500,000	December 2013	FY14-16
Governance Partnership Facility Korea SDTF	3,000,000	December 2013	FY14-16
IFC Comprehensive Trust Fund	3,000,000	February 2014	FY14-16
WBG Korea Office	6,705,000	July 2014	FY14 onwards
MDTF for Statistical Capacity Building III	3,000,000	June 2015	FY15-17
Global Facility on Growth for Development	9,000,000	September 2015	FY16-18
Total Commitments	47,205,000		

2. This excludes the removal of USD 3.0 million from this contract in FY17. The revised commitment amount is USD 15,000,000.

CO-FINANCING OF COUNTRY INVESTMENTS (WINDOW 2)

Window 2 was established with the objective of providing cofinancing to complement the WBG’s operational work and facilitate collaborative coordination of development assistance, including the harmonization of financial flows, associated operational procedures, and reporting requirements. Window 2 can finance: i) a new component(s) of an on-going and ii) or existing project.

With only one project approved in each of the first two years, the Secretariat in collaboration with MOSF developed a set of operational guidelines which clearly defined the eligibility criteria and application process, and established more efficient financing procedures for Window 2. These guidelines allowed the Secretariat to more effectively guide and assist task teams in the preparation of project proposals, and resulted in a significant improvement in the number of proposals received and the level of alignment with the objectives of Window 2 under the fourth call for proposals in FY16. Under this fourth call, US\$5.5 million in co-financing was approved for three projects, bringing the total number of approved projects to five for a total of US\$9.8 million.

Chart 2 below shows the trend in Window 2 applications and approvals in each of the four calls for proposals completed.

The task teams of each grant approved in June 2016 have met with the KWPF Secretariat and Korean Executive Director’s office within the Bank, are currently completing internal processes, and will begin work in early FY17.

The sectoral and regional breakdown of Window 2 is shown in Charts 3 and 4 below. As the main objective of the Window 2 is to create a stronger linkage with Bank’s operations there are no regional or sectoral restrictions in Window 2, the diversification across region and sector is anticipated to increase as more projects are approved.



Chart 2: Trends in Applications and Approvals under Window 2

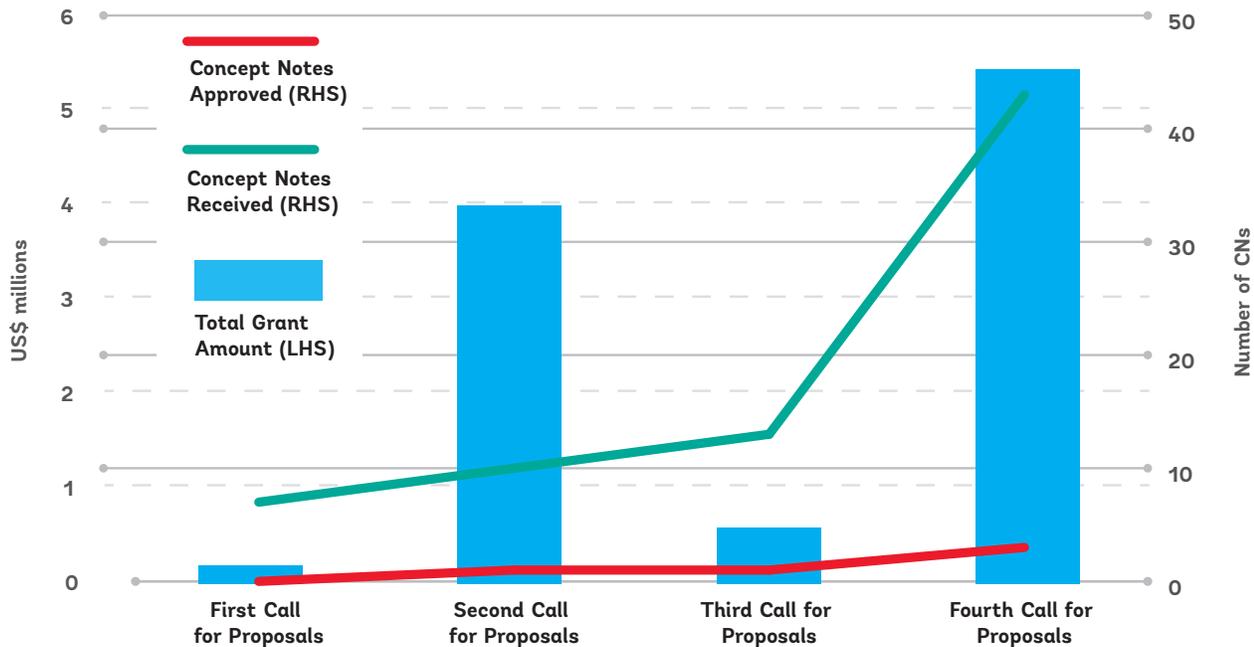


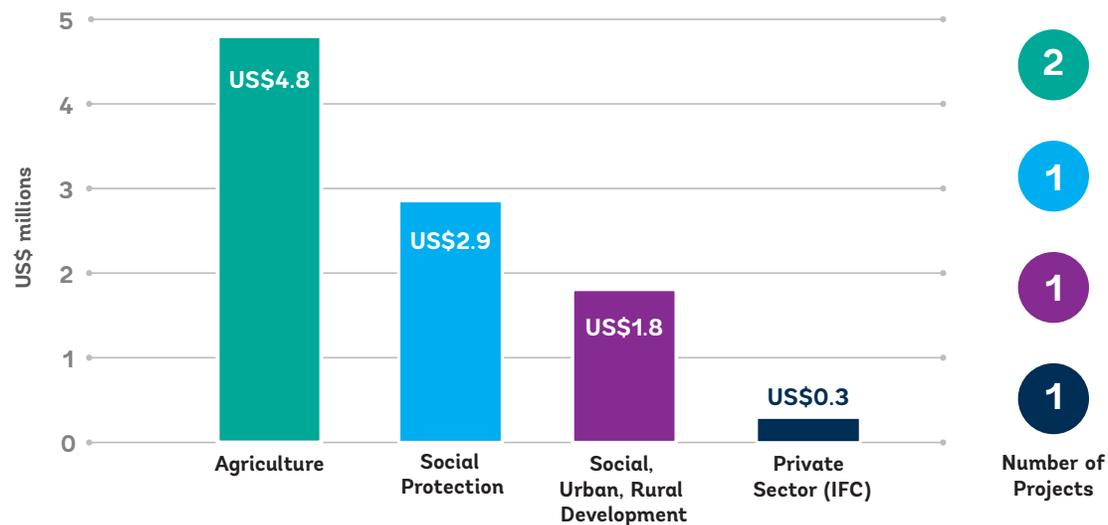
Chart 3: Window 2 Program by Sector³

Chart 4: Window 2 Program by Region



A summary of each project approved under Window 2 is shown in Table 6 below, and key achievements of the Flood Early Warning System for the Kenya Water Security and Climate Resilience Project is highlighted in Section 2.

3. As of June 30, 2016

4. As of June 30, 2016

Table 6: Cofinancing Provided Through Window 2

Key Objectives	Grant Amount (US\$)	Amount Disbursed & Committed ⁵
Grant 1: Flood Early Warning System for the Kenya Water Security and Climate Resilience Project (KWSCR-1)		
Grant Approval date: April 2015 Country: Kenya Sector: Water Objective: To increase availability and productivity of irrigation water for project beneficiaries, and enhance the institutional framework and strengthen capacity for water security and climate resilience (including improved water services, flood protection, and analytical capacity to understand and manage hydrological variability) in certain areas of the country.	4.0 million RETF: 3.5 million BETF: 0.5 million	BETF: 0.08 million Burn Rate: 17.0%
Grant 2: Green Nouadhibou		
Grant Approval date: August 2015 Country: Mauritania Sector: IFC (Trade and Competitiveness) Objective: To assist the government of Mauritania develop a fisheries cluster and Free Zone that promotes resource efficient and green practices.	BETF: 0.3 million	BETF: 0.3 million Burn Rate: 99.6%
Grant 3: Innovation Villages for safety net system in Bangladesh		
Grant Approval date: June 2016 Country: Bangladesh Sector: Social Protection Objective: To enhance the development impact of the safety net system in Bangladesh, leveraging best practices to improve transparency in program implementation and beneficiary targeting in selected localities. The activity will provide key lessons in improving targeting and transparency, which can be scaled up across the existing Safety Net Systems for the Poorest (SNSP) project.	RETF: 2.9 million	0.0 Burn Rate:0%
Grant 4: Modern Cadastre Project		
Grant Approval date: June 2016 Country: Uzbekistan Sector: Social, Urban and Rural Development (Land) Objective: To strengthen the capacity of the State Committee for Land Resources, Geodesy, Cartography and State Cadastre and the Project Implementation Unit for the <i>Modernization of Real Property Registration and Cadastre</i> project in managing the development and maintenance of digital systems for the management of geo-spatial information and land administration, through efficient use of digitalization technologies for collecting, processing and sharing geo-spatial data.	RETF: 1.8 million	0.0 Burn Rate:0%
Grant 5: ICT for Agriculture		
Approval date: June 2016 Country: Uganda and Kenya Sector: Agriculture Objective: To support technical and managerial collaboration between the WBG and Korea in the development and implementation of the <i>Agriculture Cluster Development Project (ACDP)</i> and the related Korean co-financing instrument in Uganda (additional US\$50-60 million). This grant aims to develop new effective and efficient methods using satellite imagery for monitoring and evaluation of crop production in Uganda and Kenya.	RETF: 0.75 million	0.0 Burn Rate:0%

5. As of June 30, 2016

WINDOW 3: GENERATION AND TRANSFER OF DEVELOPMENT KNOWLEDGE

Window 3 was established to fund the generation and dissemination of development knowledge that leverages Korea's experience as well as the WBG's convening power and development expertise. The sharing of expertise would take place at the country, regional and global level, both under recipient-executed and WBG-executed activities. Activities include, but are not limited to studies, technical assistance, project preparation, reports and other research and analytical activities; and training, peer-learning and capacity building initiatives.

Grants funded under Window 3 have a number of objectives, such as supporting and informing national policy dialogue, upstream policy discussions and aiming to influence country level, regional or WBG policy instruments. In addition, numerous grants feed directly into, or support, current and/or future WBG lending operations.

In FY16, twelve proposals were approved by the donor under Window 3 for a funding amount of US\$ 10.6 million, bringing the total number of approved activities under Window 3 to

thirty nine for a funding amount of US\$ 25.0 million. The level of interest in the Facility has increased significantly with each call for proposals returning more than the one before. Chart 5 below shows the trend in applications and approvals in each call for proposals.

The sectoral and regional breakdown of the work program supported through Window 3 is well diversified by both region and sector, as shown in Charts 6 and 7 below. The clear definition of the four priority areas under the fourth call for proposals (agriculture, education, health and information and communication technologies (ICT)) by the MOSF resulted in a greater concentration under those sectors – a trend which is expected to continue so long as the priority sectors remain the same.

While the activities approved in July 2016 are in the early stages of implementation, meaningful progress is being seen in activities approved in FY14 and FY15. An overview of progress achieved in all grants approved in FY14 and FY15 under Window 3 is summarized in Table 7.

Chart 5: Trends in Applications and Approvals under Window 3

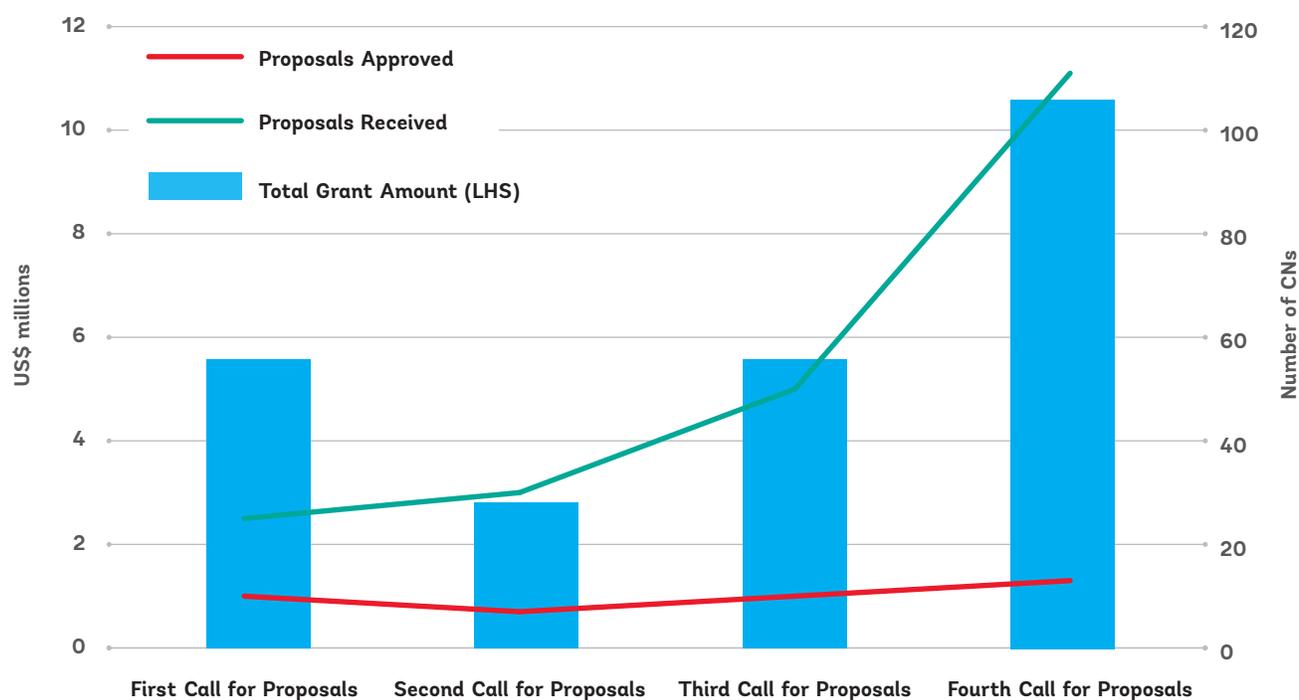


Chart 6: Window 3 Program by Sector⁶

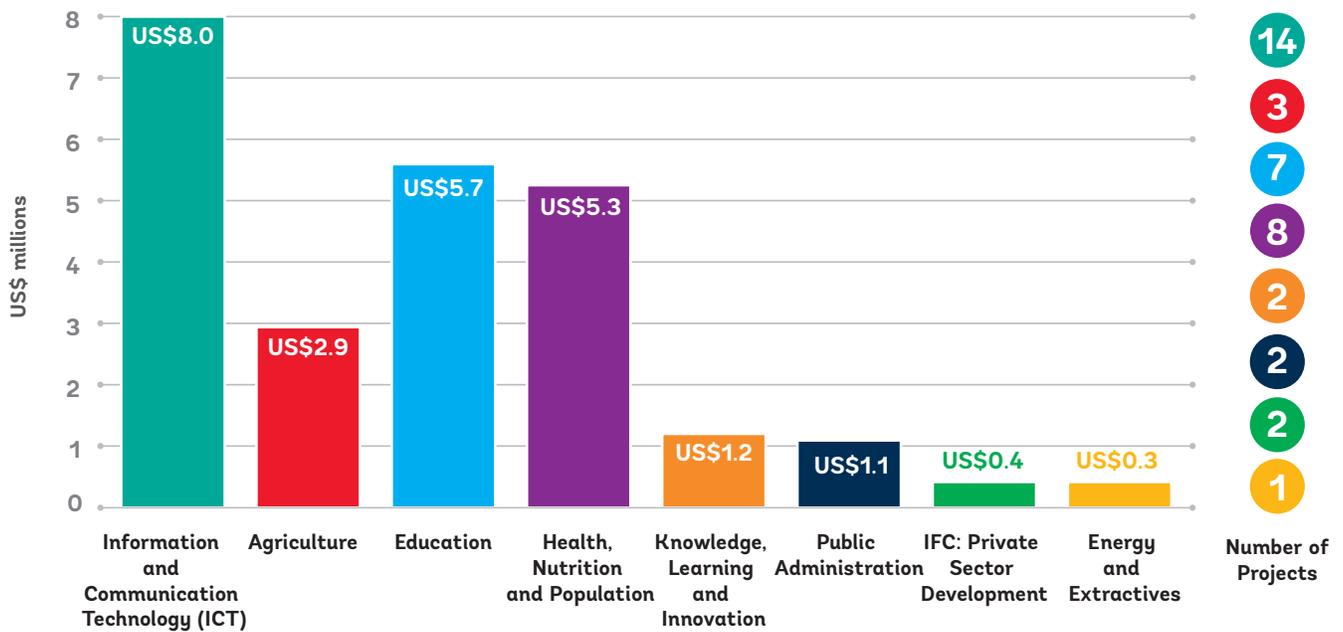
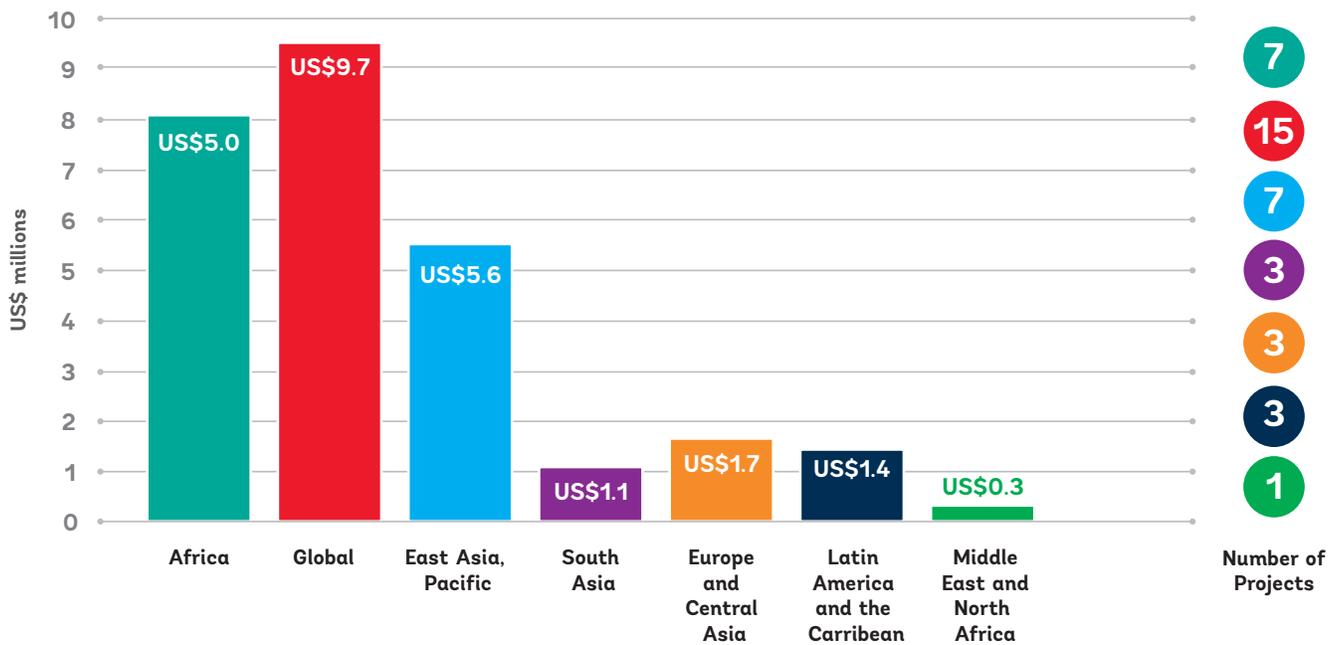


Chart 7: Window 3 Program by Region⁷



6. As of June 30, 2016
 7. As of June 30, 2016

Table 7: Progress Achieved by Grant under Window 3

Key Objectives	Grant Amount (US\$)	Amount Disbursed & Committed ⁸	Progress Update
Grant 1: Promoting effective use of ICTs in education and job creation through skills development in technical and vocational education			
Country: Global Sector: Education Objective: To offer analytical frameworks to guide policy dialogue and inspire policy reforms, and deepen the knowledge of key policymakers on issues related to ICT/education and job creation and skills development through the development of related new knowledge products and tools and the sharing of these tools and products.	1,000,000	670,654 Burn Rate: 67.1%	This grant has contributed to two flagship annual knowledge sharing events, in collaboration with key Korean partners, KERIS ⁹ and KRIVET ¹⁰ . The global symposium on ICT use in education, and the policymakers' workshop alongside the Global Human Resource (GHR) Forum took place in Gyeongju and Seoul respectively in November 2014, with successful follow-up events taking place in November 2015 in Incheon and Seoul.
Grant 2: Mobile Innovation Knowledge Network			
Country: Lebanon Sector: Information and Communication Technology (ICT) Objective: To expand technology and open innovation knowledge networks through the creation and establishment of a Mobile Innovation Knowledge Network (MIN) within the MiHub structure that serves as a knowledge provider and convener of international and local experts and stakeholders in Lebanon's innovation ecosystem.	300,000	276,153 Burn Rate: 92.1%	The grant has been applied to conduct an innovation ecosystem assessment in Lebanon to update the analysis of the strengths and weaknesses of the rapidly changing ecosystem and best align the World Bank's technical assistance and knowledge sharing efforts. The grant end date has been extended to allow for the full completion of the mapping and analysis as well as its dissemination for Lebanese and Korean stakeholders. Further detail on the survey-based ecosystem mapping can be found here ¹¹ (http://bit.ly/1pKfyCu).
<i>Note that due to the political situation in Lebanon surrounding the Syrian refugee crisis, the project has been restructured to a technical assistance activity for the time being. The scope and objectives of the work remain unchanged, and the change discussed with MOSF.</i>			
Grant 3: Partnership in Knowledge – Learning from Korean development experience for a sustainable growth of Vietnam			
Country: Vietnam Sector: Knowledge, Learning and Innovation Objective: To enable a sustainable access and systematic sharing of development knowledge for Vietnamese stakeholders and Korean Think Tanks and also to build capacity for Vietnamese knowledge institutes in designing knowledge sharing programs using blended and modern ICT methodologies and instruments.	600,000	317,745 Burn Rate: 53.0%	The following key activities took place in FY16: i) a visit to Korea (September 2015) to work with the Korea Development Institute School (KDIS) to scale up partnership and collaboration in the areas of knowledge sharing; ii) three education workshops in Ho Chi Minh City and Hanoi (October 2015) to exchange experience and development solutions with international education experts; and iii) a knowledge exchange program (June 2016) in Seoul to facilitate knowledge exchange between Korea and Vietnam in enhancing and professionalization of Vietnamese officials to manage ODA project effectively and efficiently.
Grant 4: Developing Partnership between Korea and Africa for Human Resource and Skills Development in Applied Sciences, Engineering and Technology (ASET)			
Country: Eastern Africa (Regional) Sector: Education Objective: To establish an effective, operational framework for long-term partnership between Korea and sub-Saharan Africa to develop skills in Applied Sciences, Engineering and Technology (ASET) for specific priority industry sectors.	500,000	496,605 Burn Rate: 99.3%	Stock taking of Korea's support to Africa in Technical Vocational and Higher Education has been completed. In addition, a regional conference on "Africa's Transformation – Leveraging Partnership with Korea" was held in Addis Ababa (July 2015), attended by 130+ participants from Cameroon, the Democratic Republic of Congo, Ethiopia, Kenya, Senegal, Rwanda, Tanzania and Uganda.

8. As of June 30, 2016

9. Korea Education and Research Information Service (KERIS)

10. Korea Research Institute for Vocational Education and Training (KRIVET)

11. The web address is as follows: <http://bit.ly/1pKfyCu>

Key Objectives	Grant Amount (US\$)	Amount Disbursed & Committed ⁸	Progress Update
Grant 5: Municipal Capacity Building Pilot Initiative for Nepal and Bangladesh			
<p>Country: Nepal; Bangladesh Sector: Public Administration Objective: To contribute to building municipal capacity to plan, fund and deliver urban infrastructure and municipal services in selected pilot municipalities in Nepal and Bangladesh; and test innovative municipal capacity building initiatives and practices with the potential of being scaled up in the South Asia region.</p>	600,000	451,164 Burn Rate: 75.2%	In FY16, learning workshops and activities were undertaken in Korea. These workshops initiated and fueled the knowledge exchange on municipal planning and management among officials at central, municipal, and local governments of Nepal and Bangladesh, and academia in the form of the Korean national think tank, Korean Research Institute for Human Settlement (KRIHS).
Grant 6: Promoting Skills Development and Job Creation in East Asia			
<p>Country: East Asia and the Pacific (Regional) Sector: Education Objective: To promote effective policies and programs on skills development among the East Asian countries, through deepening the knowledge base, sharing and disseminating best practices, and leveraging on Korea's experience in human resource development.</p>	1,300,000	653,631 Burn Rate: 50.3%	The main activities that were completed in FY16 included the completion of a Synthesis Report ¹² entitled "National Quality Framework and Competency Standards: Skills Promotion and Job Creation in East Asia and Pacific"; completion and evaluation of the second ASEAN+3 Forum on Financing of Skills and TVET Programs (May 2016) in Seoul; completion of an Impact Evaluation of the Dual Training System in the Philippines; and completion of two case studies of exceptional TVET schools in Korea ¹³ .
Grant 7: Tiger hunts with Lions: Developing Agricultural Market Information System and Decision Simulation System to empower small holder farmers and boost productivity			
<p>Country: Africa (Regional) Sector: Agriculture Objective: To support the development of ICT-based mechanisms and approaches to improve the productivity and profitability of farm enterprises of small-holder farmers in Africa.</p>	500,000	496,389 Burn Rate: 99.3%	Consultations with Ugandan institutions and the Korea counterpart; and consultation between the World Bank team, government of Uganda and Korean counterparts to establish an initial plan for the development of the design of the proposed e-extension and e-voucher programs have taken place. An initial concept note for e-extension and e-voucher programs in Uganda has been completed and disseminated.
Grant 8: Development of an ICT-based creative economy and ICT Entrepreneurship in Developing Countries			
<p>Country: Global Sector: Information and Communication Technology (ICT) Objective: To enhance the development of ICT entrepreneurship in developing countries through transfer of technology, developing entrepreneurship skills, and strengthening capacity building to the participants from the developing countries, and trigger partnerships between startup communities. In addition, the program provides participating teams with opportunities to pitch their ideas to global venture capitalists.</p>	500,000	479,655 Burn Rate: 95.9%	<p>The 1st phase ETHOS¹⁴ Program took place in January 2015. The 2nd phase of ETHOS Program took place in SUNY Korea¹⁵ Campus in January 2016, and included diverse regions with focus on sustaining potential entrepreneurs. The first round participants came from Bangladesh, Vietnam and Pakistan which fueled enough interest to have 30 teams in the second round from Algeria, Romania, Bulgaria, Mongolia, Bangladesh, Indonesia, and Vietnam.</p> <p>In collaboration with Korea's National IT Industry Promotion Agency (NIPA), plans have been set for partnership between ETHOS and their startup supporting programs (tentatively named as Pan-Asia Startup Incubator) from as early as the second half of 2016.</p>

12. A second Synthesis Report entitled "Financing TVET in the East Asia and Pacific Region: Current Status, Challenges, and Opportunities" is in draft form and is expected to be completed in early FY17.

13. A third case study on an exceptional TVET school in China is in draft form and is expected to be completed in early FY17.

14. Entrepreneurial Talents' House of Opportunities and Supports (ETHOS) is a World Bank Group initiative funded by KWPF and implemented by SUNY Korea in collaboration with National IT Industry Promotion Agency (NIPA).

15. SUNY Korea is a partnership between Stony Brook University (SUNY) and the South Korean government, and was established in 2012 as the first American university in Korea.

Key Objectives	Grant Amount (US\$)	Amount Disbursed & Committed ⁸	Progress Update
Grant 9: Combating Cybercrime: Tools and Capacity Building for Emerging Economies			
<p>Country: Global</p> <p>Sector: Knowledge, Learning and Innovation</p> <p>Objective: To synthesize best practice – in the form of a Toolkit – on the legal aspects of combating cybercrime, including building local capacity for developing countries in the areas of policy, law and criminal justice aspects of the global fight against cybercrime.</p>	600,000	482,589 Burn Rate: 80.4%	An on-line platform (Collaboration for Development – C4D) for group communications and documents storage and handling has been established. The best practice Toolkit is in draft form, and the Assessment Tool is complete, has been tested in its first in-country pilot. The project is in the midst of procuring the services of a web-development and publication team to assist with establishment of a project website, to convert the paper-based Toolkit and Assessment into visually attractive and easy to navigate products, and to ensure that the products are ready for interactive on-line use (Phase II).
Grant 10: Collapse of bank and trade finance during the global crisis - Did SMEs suffer more?			
<p>Country: Global</p> <p>Sector: Finance and Private Sector Development (IFC)</p> <p>Objective: To conduct research on the behavior of banks and trade finance and evaluate whether SMEs experienced sharper drops in these sources of finance relative to large firms. Research will be based on empirical analysis to estimate specifications, using debt ratios and debt growth rates.</p>	60,000	59,928 Burn Rate: 99.9%	The report, entitled "The impact of the global financial crisis on firms' capital structure" was finalized and published in December 2015 and is available online at the following location: http://documents.worldbank.org/curated/en/2015/12/25705513/impact-global-financial-crisis-firms-capital-structure
Grant 11: IT parks and IT clusters in Belarus as potential accelerators of ICT industry growth			
<p>Country: Belarus</p> <p>Sector: Information and Communication Technology (ICT)</p> <p>Objective: To help catalyze ICT industry and skills development in Belarus and Ukraine through knowledge and best practices. This activity will closely coordinate with the ICT Strategy Support for Belarus Trust Fund and will focus on select areas of the strategy such as ICT skills (professional and vocational training) at the regional level in the secondary cities in Belarus.</p>	400,000 (initially 600,000) ¹⁶	0.0 Burn Rate: 0.0%	A changing political situation in Ukraine has prompted the original proposal to be amended such that Ukraine is no longer a beneficiary of this activity, and focus will be entirely on stakeholders in Belarus. This amendment, which has been reviewed and approved by the MOSF, does not alter the objectives and outcomes of the activity. The amended proposal will finance an assessment of the ICT industry development prospects in Belarus with a focus on skills and a knowledge exchange event before December 2016, and a study tour to Korea and a roadmap for ICT industry and skills development using Korean and other global best practice approaches before June 2017.
Grant 12: A study of the labor market relevance and contribution of post-secondary education towards job creation and economic growth in Bangladesh			
<p>Country: Bangladesh</p> <p>Sector: Education</p> <p>Objective: To enhance policy dialogue on the labor market relevance of the college level education and training and their contributions to job creation in Bangladesh based on the new evidences collected by a tracer study of the graduates from colleges. As the college education sub-sector had been neglected in the past decades, this proposed tracer study will make substantial contributions to the accumulation and utilization of the evidences to facilitate policy dialogues on the sub-sector.</p>	250,000	118,213 Burn Rate: 47.3%	The College Education Development Project (CEDP) under which the Tracer Survey is being conducted was approved by the Board on June 3, 2016 and it is expected to be signed in September 2016. The contract with a survey firm has been finalized and the team has been working closely with the firm to finalize the instruments and questionnaires.

16. Initial grant amount of US\$600,000 was reduced to \$400,000 in June 2016 following the removal of one of the two countries (Ukraine) as a beneficiary of the activity.

Key Objectives	Grant Amount (US\$)	Amount Disbursed & Committed ⁸	Progress Update
Grant 13: Feasibility and sustainability of a public-private partnership (PPP) approach to bring ultrafast broadband (UFB) and enhance local skills in a secondary city of Tunisia			
Country: Tunisia Sector: Information and Communication Technology (ICT) Objective: To accelerate access to high speed internet in Tunisia and to improve service delivery in Tunisia's education sector by the use of ICT.	275,000	0.0 Burn Rate: 0%	The Program Concept was approved in November 2015, and the project is on schedule for delivery in May 2019.
Grant 14: Government cloud infrastructure assessments and action plans			
Country: Global Sector: Information and Communication Technology (ICT) Objective: To support client countries evaluating or planning to launch cloud computing enabled shared ICT infrastructure platforms in support of e-government initiatives, with subsequent value to private industry, the academic community, and private citizens. By leveraging shared infrastructure and economies of scale, cloud computing provides countries with an effective business model for online service delivery.	400,000	263,010 Burn Rate: 65.8%	In FY16, the project developed the Cloud Readiness Assessment Toolkit and conducted pilot studies for three countries (Serbia, Philippines and Zambia) to test and improve the model. A knowledge sharing workshop was held in May 2016 in Seoul to build capacities of stakeholders by sharing knowledge and best practices. The findings from the pilot studies were shared and discussed. The Toolkit and country reports are being finalized.
Grant 15: Co-creating smart nation action plans to catalyze digital transformation – one country at a time			
Country: Global Sector: Information and Communication Technology (ICT) Objective: To catalyze adoption of Smart Nation programs, crowd source innovative ideas and co-create smarter solutions to key development challenges by leveraging digital platforms for increased growth and improved service delivery and shared prosperity while saving scarce public resources and optimizing public investments.	500,000	166,867 Burn Rate: 33.4%	In FY16, the project team researched various approaches to Smart Nation development with a focus on Korea, Estonia and Singapore. Consultations with Korean experts including NISA ¹⁷ and the Korean Transport Institute, and a mission to Korea to research Korean best practices, partnership opportunities and knowledge resources took place, and the task team hosted a delegation of Korean ICT officials in Washington. The team started to develop a Smart Nation Toolkit and assessment methodology and reviewed Korean experience and relevant tools such as National Information Assessment Tool. Following consultation across the WBG, the task team identified the following priority countries to pilot the Smart Nation program: Rwanda, Kyrgyzstan, Serbia and Sri Lanka. A visit to Kyrgyzstan to organize a Smart Nation workshop took place in December 2015.
Grant 16: Youth employment in animation industry in Jamaica			
Country: Jamaica Sector: Information and Communication Technology (ICT) Objective: To support youth employment in the digital and animation industries in Jamaica.	600,000	121,493 Burn Rate: 20.2%	A train the trainer program for faculty of key educational institutions (tertiary and vocational) was put in place in July 2015 in collaboration with Capilano College (Vancouver, Canada). A study tour in May 2016 successfully helped to create and build the relationships and networks that would allow the successful implementation of the KWPF-funded grant in Jamaica.
Grant 17: ICT strategy support for Belarus			
Country: Belarus Sector: Information and Communication Technology (ICT) Objective: To support the Government of Belarus to design and implement its ICT Strategy to strengthen and broaden this sector as a key driver of long-term economic growth, through collaboration with Korean partners.	500,000	136,830 Burn Rate: 27.4%	World Bank management approval of the concept was achieved in May 2016, and the activity is on track to be delivered to key stakeholders in May 2017.

17. National Information Society Agency.

Key Objectives	Grant Amount (US\$)	Amount Disbursed & Committed ⁸	Progress Update
Grant 18: The practice of Universal Health Coverage in Developing Countries			
Country: Global Sector: Health, Nutrition and Population Objective: To provide support to client countries in their efforts to achieve Universal Health Coverage (UHC) through programmatic knowledge services in a strategic collaboration with Korea.	550,000	124,411 Burn Rate: 22.6%	Building on the analytical findings of a successfully completed WBG program that supports UHC, UNICO (Universal Health Coverage Study Series), preparation of a prospectus of UHC skills which extensively leverages Korean experience and expertise is underway.
Grant 19: South-South Knowledge Exchanges in Energy Efficiency (EE): Learning from EE Policy Implementation, Financing and ESCO Development Experience and Practices in Korea			
Country: South Asia Sector: Energy and Extractives Objective: To facilitate the dissemination, sharing and exchange of knowledge, primarily drawing upon Korea's extensive experience and leadership in the area of Energy Efficiency (EE) and Demand Side Management (DSM). This activity aims to enhance connectivity between EE specialists within the WBG, country stakeholders from South Asia, and key players in Korea. The activity seeks to improve client country capacity to deliver EE projects, and WBGs skills in preparing demand side EE projects.	275,000	3,565 Burn Rate: 1.3%	The Concept Review for this activity took place in July 2016, and the output is expected to be delivered in June 2018.
Grant 20: Building Capacity of Countries in the Smart Africa Alliance for Sustainable ICT Interventions and Feasibility Study for an eAfrica Academy			
Countries: Burkina Faso, Chad, Cote d'Ivoire, Gabon, Mali, Nigeria, Kenya, Senegal, Rwanda, South Sudan and Uganda (Regional) Sector: Information and Communications Technologies (ICT) Objective: To accelerate sustainable socio-economic development and usher Africa into the knowledge economy era through smart use of ICT – that is, leveraging ICT to improve sustainable development, accountability, efficiency and transparency.	700,000	0.0 Burn Rate: 0.0%	Having achieved World Bank management concept approval in May 2016, planning of a series of innovative capacity building activities for government, private and academic audiences is underway.
Grant 21: Strengthening Civil Registration and Vital Statistics and National ID Management Systems (P159141)			
Country: East Asia and the Pacific Sector: Health, Nutrition and Population Objective: To support implementation of the Global Scaling-up Investment Program 2015-2030 for strengthening Civil Registration and Vital Statistics, national identity management systems, and health information systems in low and middle income countries.	900,000	760,754 Burn Rate: 84.5%	<p>A Global Forum on Strengthening Civil Registration and Vital Statistics (CRVS) and National Identity Management Systems (IDMS) in Seoul in December 2015 was organized by the MOSF, WBG and Korean institutions¹⁸. Participants included government officials from ten countries¹⁹.</p> <p>Discussions are under way to arrange joint Korea-WBG technical assistance to Indonesia, Myanmar, and the Philippines, as well as creating a Pacific Islands regional approach in an effort to improve CRVS and IDMS.</p>
Grant 22: Constructing a Health Care Atlas in Colombia			
Country: Colombia and Peru (Regional) Sector: Health, Nutrition and Population Objective: To support Latin American countries, notably Colombia and Peru, to enhance health information systems as an enabling element toward UHC. This grant builds on the experience and results of previous efforts to expand the use of the Health Atlas framework and methodology to identify and measure geographical variation in the health sector and study its determinants.	500,000	152,349 Burn Rate: 30.5%	Activities that took place in FY16 include: (i) knowledge exchanges between Korean and Colombian researchers, including their participation in the Spring Meetings of the Wennberg International Collaborative on Health Atlas; (ii) learning from the Korean Health Atlas; and (iii) technical assistance on the institutionalization and construction of an Atlas of geographic variations in health care of Colombia, sources of information, an international literature review, strengthening of the Atlas pilot study, and publication and dissemination.

18. Korean institutions included: Ewha Womans University (EWU), Korea Institute of Public Administration (KIPA), KDI School of Public Policy and Management, Knowledge Sharing Program (KSP), and Korea Eximbank

19. Costa Rica, Estonia, Indonesia, Korea, Laos, Liberia, Myanmar, Peru, the Philippines, and Vietnam.

Key Objectives	Grant Amount (US\$)	Amount Disbursed & Committed ⁸	Progress Update
Grant 23: Enhancing Teacher Effectiveness for improved productivity in Vietnam			
<p>Country: Vietnam Sector: Education Objective: To assist the WBG and Vietnamese government prepare and implement the Enhancing Teacher Education Program (ETEP), while building capacity of key stakeholders to conduct similar analytical and technical support in the future. The grant provides the advantage of just-in-time support, and an objective source of advice and ideas.</p>	350,000	0.0 Burn Rate: 0.0%	Project appraisal took place in April 2016, and formal project negotiations began in June 2016. The project was approved by the Board on June 29, 2016 and will remain effective until June 30, 2022. Disbursement from this grant is expected to commence in early FY17.
Grant 24: Assistance for trade facilitation reforms implementation in Sub-Saharan Africa, South Asia and East Asia and the Pacific			
<p>Country: Sub-Saharan Africa, South Asia and East Asia and the Pacific (Regional) Sector: Trade and Competitiveness Objective: To support developing countries in their efforts to strengthen their trade logistics systems, policies and procedures, with a view to enable them to effectively implement trade facilitation reforms that enhance private sector competitiveness, increase trade flows, and facilitate investments and job creation.</p>	500,000	0.0 Burn Rate: 0.0%	WBG management endorsement of the deliverable was received in May 2016, and the activity is expected to be completed by June 2019.
Grant 25: Haiti Access to Economic Opportunities and Social Services			
<p>Country: Haiti Sector: IFC Objective: To support the expansion of Micro, Small, and Medium Enterprises (MSMEs) as part of DloHaiti's²⁰ water distribution value chain, through training and other advisory services, increasing the value chain's capacity to distribute water in underserved areas of Haiti in a sustainable manner.</p>	310,000	9,900 Burn Rate: 3.2%	While currently in the early stages of implementation, the activities financed under this grant are expected to be completed by June 30, 2017.
Grant 26: Standard Framework for Deployment of ICT-based Transport Systems in Developing Countries			
<p>Country: Global Sector: Information and Communications Technologies (ICT) Objective: To develop a standard framework of mobile-based ITS services that can be used as a technical guideline for central and local government officials in the preparation of ITS Master Plans.</p>	600,000	53,250 Burn Rate: 8.9%	Concept approval will be sought in September 2016, and the activity is targeting a delivery date in May 2018.
Grant 27: Development of ICT-based Smart City Strategies and Financing Options; Learning from Korea's Experience			
<p>Country: Global Sector: Social, Urban and Rural Development Objective: To support client cities under rapid urbanization to establish action plans to develop ICT-based smart cities, and launch pilot smart solutions that have a broad impact on citizens' lives. The aim will be to provide client cities with better citizen-centric public services with ICT as the critical enabler, and facilitate a platform for knowledge sharing and partnership building between client cities and Korea.</p>	900,000	307,742 Burn Rate: 34.2%	Work is underway, and this project is anticipated to be delivered by June 2017.

20. DloHaiti is a for-profit venture providing safe drinking water to consumers in underserved countries such as Haiti. Refer to: <http://www.dlohaiti.com/>

A brief overview the grants approved under the fourth call for proposals, and their key development objectives, are shown in Table 8 below.

Table 8: Window 3 Activities Approved in Fourth Round

Country and Sector	Key Development Objective
Grant 28: Expanding Finance to Smallholder Farmers through the Utilization of Big Data from Mobile Technology	
Grant Amount: US\$1,200,000 Region: Global Sector: Agriculture	This activity will take recent advances in ICT and technologies and, working with cellphone, mobile money and technology partners in three regions, test the ability to dramatically expand lending to farmers utilizing cellphone data, agency banking, and satellite weather data / crop suitability models in three pilot locations. Results will be disseminated globally, and if positive, will potentially lead to a substantial expansion of lending to smallholders for investment in farms and subsequently provide the financing bedrock on which it will need to stand. Such an expansion of lending would be via both traditional lenders such as banks and new lenders such as mobile money providers.
Grant 29: Piloting Sensor and Cell phone Applications for Automating Irrigation in Rice	
Grant Amount: US\$1,200,000 Region: East Asia and Pacific Sector: Agriculture	Development Objective: To test the feasibility of applying sensors for automating irrigation to promote alternate wetting and drying in paddy fields in three countries. The sub-objectives are: (i) to review and compile past and existing experience of testing sensor application for rice water management in developing countries; (ii) to test the technical feasibility of different types of automated sensors for soil moisture, water pressure, and/or water sufficiency and configure them to specific requirements for alternate wetting and drying; (iii) to pilot this application in three countries (one each from South East Asia, South Asia, and Sub-Saharan Africa); (iv) to refine the automation mechanism based on the experience of three pilots; and (v) publish and disseminate the findings to a global audience and release all the technical specifications and protocol on open source platforms for broader dissemination.
Grant 30: Strengthening Surveillance of Non-communicable Diseases (NCD) in Africa	
Grant Amount: US\$ 600,000 Region: Africa Sector: Health, Nutrition and Population	Development Objective: To support African countries to strengthen NCD surveillance as a critical step towards meeting the World Health Organization (WHO) global NCD voluntary targets. This will be achieved through a well-designed set of activities combining analytical work, assessments and south-south knowledge exchange on NCD surveillance, as well as integrating NCD surveillance with health information systems in building robust capacity for NCD monitoring, prevention and control.
Grant 31: Collaborating to improve health insurance data analytics in EAP	
Grant Amount: US\$ 600,000 Region: East Asia and Pacific Sector: Health, Nutrition and Population	Development Objective: To build the capacity of select countries to review and analyze health insurance claims data, thus improving efficiency and transparency of these countries' health insurance systems, and share knowledge of challenges and opportunities for strengthening health insurance review processes across countries pursuing UHC-oriented reforms in the health sector. Component 1 will provide country-specific technical assistance for improved health insurance claims review and assessment in Cambodia, Philippines, Vietnam and one other selected country. Component 2 will consist of regional workshops, including other countries beyond the four focus countries, on claims review and medical audit.
Grant 32: Right to Health and Universal Health Coverage: Support to the SaluDerecho²¹ Initiative	
Grant Amount: US\$ 600,000 Region: Global Sector: Health, Nutrition and Population	Objective: To support the countries that are members of Salu Derecho in their efforts towards the realization of the right to health and universal health coverage. More specifically, the WBG would, in collaboration with Korean partners such as HIRA (Health Insurance Review and Assessment Service) and the NHIS (National Health Insurance Service), assist these countries in the development of the tools and instruments, particularly those related with information systems that can support the implementation of the right to health and universal health coverage strategies.
Grant 33: Improving Quality of Care and Health Care Systems in Kenya	

21. SaluDerecho originated in Latin America as a multi-stakeholder, highly participatory process around the judicialization of health—a complex problem where human rights, health system financing and policies, markets, and politics interconnect. SaluDerecho started by identifying the conflict areas among key stakeholders, understanding the causes of judicialization, and developing mutual trust.

Country and Sector	Key Development Objective
Grant Amount: US\$ 600,000 Region: Africa Sector: Health, Nutrition and Population	Objective: To provide evidence-based policy on: i) the constraints to, and potential mechanisms for improving patient safety and quality of care in low-income countries for health facilities in both the public and private sectors, contributing to the design of effective systems for Universal Health Coverage (UHC); and ii) the design of accountability systems that can work at scale to improve Health Care System Operation in low-income countries, including lessons from the Kenya Patient Safety Impact Evaluation (KePSIE) ²² institutional arrangements for local county health management teams as well as for the central government.
Grant 34: Capacity-building for Innovative ICT-based Land Management Systems	
Grant Amount: US\$ 800,000 Region: Global Sector: Information and Communication Technology (ICT)	Objective: To enhance human capacity and incubate innovation for the design and implementation of modernized ICT-based Land Information and Management Systems in the public and private sectors in selected developing countries. This objective will be achieved by: i) undertaking a diagnostic analysis of institutional and human capital ICT-related capacity constraints in the field of Land Information and Management Systems, leading to a tailored set of capacity-building guidelines; ii) conducting a direct knowledge exchange on ICT-based Land Information and Management System development between Korea and the beneficiary countries; and iii) preparing and disseminating a global knowledge product that showcases relevant lessons about Korea's trajectory in the development of an efficient ICT-based Land Information and Management System.
Grant 35: Building a Transport Data Management System to Benchmark Corridor Performance	
Grant Amount: US\$ 500,000 Region: Global Sector: Information and Communication Technology (ICT)	Objective: To design an intelligent transport data management system (TDMS) allowing for transport corridor performance monitoring and management in the Western Balkans. The system will rely on most recent developments in ICT for gathering transport data and managing transport database to provide a decision-making support to different corridor stakeholders (regional policy makers, the EU, development institutions, private sector participants), freight forwarders, shippers, logistic providers, and those who wish to monitor the corridor performance through the enhanced data accessibility.
Grant 36: Improving Workforce Training in Europe and Central Asia (ECA)	
Grant Amount: US\$ 800,000 Region: Europe and Central Asia Sector: Education	Objective: To identify effective strategies to improve workforce training in ECA, with a focus on enhancing the match between skills supply and demand. The grant will result in enhanced knowledge of good practices with respect to quality assurance of <i>workforce training institutions</i> , improved linkage between <i>employer demand and curriculum</i> for workforce training institutions, and enhanced <i>school-industry partnership</i> through improved implementation and monitoring of dual education programs.
Grant 37: Leveraging Korean Knowledge and Experience to Strengthen Capacity in Applied Sciences, Engineering and Technology in sub-Saharan Africa	
Grant Amount: US\$ 1,800,000 Region: Africa Sector: Education	Objective: To share and leverage Korean knowledge and experience in technical and vocational education and training (TVET) and Applied Sciences, Engineering and Technology (ASET), areas critical for the socio-economic transformation of sub-Saharan Africa.
Grant 38: Global Cyber Security Capacity Building Program	
Grant Amount: US\$ 1,000,000 Region: Global Sector: Information and Communication Technology (ICT)	Objective: To assist selected developing countries in strengthening their national cyber security environment through customized programs of technical assistance and capacity building activities.
Grant 39: Pacific Islands Civil Registration and Vital Statistics (CRVS) and National ID Management Systems	
Grant Amount: US\$ 925,000 Region: East Asia and Pacific Sector: Health, Nutrition and Population	Objective: Regional project identification and the development of a project document for future Investment Project Financing for CRVS and IDMS development in East Asia Pacific (EAP) focusing on Pacific Island Countries. The grant will support analytic work, policy dialogue, and project preparation and appraisal activities laying the foundation for future lending operation(s) with a potential for IDA-Korean Exim Bank co-financing.

22. Kenya Patient Safety Impact Evaluation (KePSIE), a country-led effort to design, implement and evaluate a patient safety inspection system for public and private facilities. The KePSIE project works closely with country counterparts to (a) design and implement the inspection system; (b) develop and validate novel methods for measuring patient safety in low-income contexts and scale up these methods to large samples; and (c) evaluate the impact of inspections regimes on patients safety using a gold-standard Randomized Controlled Trial. The KePSIE trial is the largest patient safety trial in any low- or middle-income country today and its results will hold wide applicability for a large number of countries around the world.

RESULTS FRAMEWORK AND MONITORING

The three windows of the Facility support standalone activities and programs across numerous sectors, involving a combination of technical assistance, free-standing and co-financing operations, executed by the recipient and the World Bank, that will jointly result in the long-term development objectives of the Facility. Longer-term outcomes of the Facility, which are reflected in the proposed results framework (see Annex 5) include the following:

- a) positive changes in beneficiary countries' policies, laws and regulations that promote sustainable economic growth and are attributable to the Facility;
- b) enhanced relevance, effectiveness and efficiency of the World Bank strategies and operations supported by the Facility;
- c) improved development aid effectiveness resulting from changes in the development approaches of aid donors and other development partners, based on lessons learned from the Facility; and
- d) increased adoption and use by beneficiary countries of development knowledge that are produced and mainstreamed through the Facility.

While the Facility has reached the end of its third year, the underlying activities are in various stages of implementation, it is difficult to aggregate the early results into concrete outcomes. It is important to note that the design of the grants under implementation place a strong emphasis on an effective results framework. Within the well-established Window 3, task teams' proposals are required to include a detailed list of anticipated outputs and outcomes of each grant, and a report

on how programmatic activities will inform upstream policy discussions and policy dialogue, and WBG policy instruments. Annex 2 lists concrete outputs achieved during the reporting period and overall indicators against which results will be measured. Through regular annual reporting (i.e. grant reporting and monitoring report, or GRM), task teams have an opportunity to correct mid-course expected outputs in case planned activities face any implementation roadblocks.

At the country, regional and global levels, the longer-term, final outcomes of the Facility's support for Window 3 are: a) increased uptake and utilization by developing country beneficiaries of the lessons learned from the development experiences of other, more advanced countries, and b) improvements in development effectiveness of beneficiaries as a result of applying those lessons. The main Intermediate Indicator for the Window 3 is "increased access to world class knowledge and lessons learned on sustainable and inclusive economic development". Already in this early phase of implementation, some of the grants' outputs, such as *Partnership in Knowledge: Learning from Korean development experience for a sustainable growth of Vietnam*, are directly supporting facilitation of knowledge exchange between Korea and the beneficiary country and the early results indicated high utilization of the shared lessons learned.

In the future, it will be important to continue to systematically track outputs of the individual grants in order to enable rigorous measuring of results achieved.

All activities and projects funded by the KWPF are subject to the same reporting requirements and held to the same standards as those funded by the WBG's budget.



3. FEATURE STORIES

FLOOD EARLY WARNING SYSTEM FOR THE KENYA WATER SECURITY AND CLIMATE RESILIENCE PROJECT (WINDOW 2)

The *Flood Early Warning System for the Kenya Water Security and Climate Resilience Project* was the first project approved under Window 2. In early 2014, the Government of Kenya requested financing from the WBG to fund the rehabilitation and repair of flood protection structures in Western Kenya, on the lower Ngoia River near Lake Victoria. Negative impacts of floods have been increasing in severity and frequency over the past decade, as the existing flood control infrastructure is reaching the end of its designed-life. It is estimated that over 66,000 people are affected negatively when the current dykes breach during floods, including through loss of life, property, increased disease burden, impeded access to schools and other social impacts.

The KWPF grant to the Government of Kenya will support the improvement of the local flood early warning system in the region, to complement the World Bank financing for improvement of the flood control infrastructure. The grant includes support for enhanced hydro-meteorological monitoring equipment, a flood control center, improved

models and community early warning systems. An important aspect of the support includes technical assistance for the Government of Kenya to help its staff better understand flood early warning methodologies and options employed elsewhere in the world, including in Korea.

The Grant Agreement was signed by the World Bank and Republic of Kenya in September 2015, and the Kenyan project team immediately began work with the Kenya Meteorological Department to assess current model and existing equipment to identify needs. The Kenya project team, which is housed at the Water Resources Management Authority, has engaged in a multi-stage capacity building exercise, funded by the Korean grant. With its new capacity, WRMA has developed plans for the design and installation of the upgraded FEWS, which included participation of stakeholders (including the Ministry of Water and Irrigation, Kenyan Meteorological Department, counties along the Ngoia River, Kenya National Disaster Authority, Red Cross). The RFP for the contract is expected to be released in September or October 2016.



MUNICIPAL CAPACITY BUILDING PILOT INITIATIVE FOR NEPAL AND BANGLADESH (WINDOW 3)

The objective of this activity is twofold: (i) to contribute to building municipal capacity to plan, fund and deliver urban infrastructure and municipal services in selected pilot municipalities in Nepal and Bangladesh; and (ii) to test innovative municipal capacity building initiatives and practices with the potential of being scaled up in the South Asia region. Throughout FY16, this grant has supported learning workshops and activities that have initiated and facilitated knowledge exchange on municipal planning and management between central, municipal, and local government officials of Nepal and Bangladesh, and the Korean Research Institute for Human Settlement (KRIHS).

In addition, the grant has provided crucial support to the *Nepal Emerging Towns Project* through a series of knowledge exchange and on-the-job training activities for the participating cities. In Bangladesh, the grant is supporting the preparation of a pilot for selected Pourashavas (municipalities) to enhance their infrastructure and service delivery under the third *Bangladesh Local Governance Support Project*. These activities are both critical to continuing the dialogue and progress in this area, and in order to maximize the potential impact, the grant was extended to support activities planned for the remainder of 2016 and in the first half of 2017. Forward looking plans include capacity building activities for pilot municipalities to plan, fund and deliver urban infrastructure and services, and continued support to enhance the sustainability and impact of the WBG urban projects in Nepal and Bangladesh.



TIGER HUNTS WITH LIONS: DEVELOPING AGRICULTURAL MARKET INFORMATION SYSTEM AND DECISION SIMULATION SYSTEM TO EMPOWER SMALL HOLDER FARMERS AND BOOST PRODUCTIVITY

A WBG team visited Uganda in June 2016 to lead a joint hackathon event convening 35 participants from Uganda and South Korea. Over the course of the four days, hackers (participants) developed ICT based tools and applications to address specific challenges and opportunities faced by Uganda's smallholder farmers. The hackers worked on five focus areas: i) creating access to information about relevant, local, precise and on-demand market prices for farmers; ii) information sharing of data on pests and disease outbreaks to decrease pre-and post-harvest losses; iii) technology interfaces that are intuitive and user-friendly and customized with local languages; iv) linking farmers directly to meteorological information about current and expected weather patterns in their immediate locales; and v) providing access to localized cropping calendars with clear guidance on the phases of

growing, preparing, planting, fertilizing, weeding, harvesting, sort etc. These topics were selected on the basis of the findings from one-on-one farmer interviews.

The #Hack4ag Hackathon was hosted jointly by the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) and the WBG and in partnership with Airtel and the National Information Technology Authority for Uganda (NITA-U).

The curriculum was designed to encourage participants to channel their capacities and focus their talents into the common purpose of conceptualizing and developing solutions that could add value to Ugandan smallholder farm enterprises. The strength of this process lies in directing participants to reframe their context by focusing on the possibilities. In

addition to maximizing tangible outputs, this process provided a learning opportunity for the hackers and concentrated on establishing working relations between the Korean and Ugandan hackers.

The hackathon included the participation of a team of mentors, which counseled participants on the development of their ICT products. Mentors included the Co-founder and CTO of *Innovate Uganda*, a technology company that is helping social and humanitarian organizations adopt technology in their programs, and the founder of *Tailored Technologies*, a creative web design agency, focused on unique, stylish and usable

Image 1: Solomon Opio, Capacity Development Lead, pitching his idea.



experiences across many verticals, mediums and devices. The outputs/products that were created by participants are detailed in Table 9.

Following the hackathon, mentorship for developers to continue to improve their prototypes was arranged, outputs and lessons learned are being documented, learning events for WBG staff are being organized, and a final #Hack4ag Hackathon report for public distribution is being drafted. It is envisioned that some or all of the applications created by the hacking teams will be further developed and made available to farmers who participate in the ACDP project.

Image 2: The team of hackers (participants) that was deemed to produce the winning application



Table 9: Outputs/products Created by Hackathon Participants

Application Name	Solution (product)
Agrofinder App	A mobile USSD application to bridge the gap between farmers, model farmers and credible plant medicine vendors.
Smart Market	Developed a USSD system in which farmers set prices for potential buyers in and outside their areas of operation. For perishable products the farmer can pre-list his/her goods before harvest to inform his buyers when his prospective produce will be available for sale.
Agro-Unbuntu	Harnessing the power of collecting, this mobile application incentivizes farmer groups' organization and mobilization by providing weather, pricing and industry updates to the farmer groups.
Seasons	A smart phone application that provides accurate and reliable updates to radio stations by capturing and layering data from multiple weather sources.
Kaungalia / Fake Seeds	A multi-platform interface that allows farmers to verify the quality of seeds and locate seed retailers using voice commands, phone scanners and phone keys. It also allows farmers to use vouchers online.
Farmers Amazon	An application providing weather, market and transportation information to farmers.

PROMOTING SKILLS DEVELOPMENT AND JOB CREATION IN EAST ASIA (WINDOW 3)

Korea is keenly interested in facilitating the 2015 goals of ASEAN economic integration, and Labor mobility and mutual recognition of qualifications have become part of the integration discussion. The main objective of this activity is to promote effective policies and programs in skills development and job creation in the East Asia and Pacific (EAP) by: (i) contributing to the existing knowledge and evidence base by conducting cutting-edge analytic work on skills at country and regional levels; (ii) providing a high level ASEAN+3 forum on skills, on competency standards and national and regional qualifications framework; and (iii) promoting dissemination and learning exchanges on promising policies and programs in skills development and job creation within and beyond the EAP region, including best practice examples from Korea.

The following activities have been undertaken and/or have been completed in FY16:

A Synthesis report on National Quality Framework and Competency Standards was completed. This report brings together the research undertaken of 12 EAP countries (Cambodia, China, Indonesia, Korea, Lao PDR, Malaysia, Mongolia, Myanmar, Philippines, Singapore, Thailand, and Vietnam) that participated in the 1st ASEAN+3 Forum on technical and vocational education and training (TVET) qualifications framework and competency standards in the EAP. This report will serve as a background paper for an official publication planned to be disseminated in FY17.

Following the first ASEAN+3 Forum on Skills in April 2015 in Incheon Korea, the second conference was successfully completed in May 2016 in Seoul in collaboration with Korea's Ministry of Employment and HRD Korea. It was attended by 60 participants, comprising of 13 WBG staff members, one UNESCO representative, and 47 participants from 11 EAP countries including Brunei, Cambodia, China, Indonesia, Mongolia, Malaysia, Papua New Guinea, Philippines, Singapore, Thailand, and Vietnam. The key objectives of this Forum were to share country progress and challenges in the financing of skills and TVET programs and country experiences in implementing the dual training system. During the Forum, each participating country was requested to provide a rapid assessment of their country's TVET financing. The first draft of this assessment report is complete, and will be used a background material for an official publication on TVET financing in EAP to be completed and disseminated in FY17.

This grant not only provides financing for knowledge generation, dissemination, as well as exchanges among the EAP countries, but has also become an important platform and network for the TVET policy makers and international development community in the areas of skills and job creation. The success story of the Korea TVET (Korea Case Studies of post-secondary TVET Youngjin College and the Busan National Mechanical Technical High School) is being told very well through this program. The collaboration between the WBG education global practice in EAP with Korea's Ministry of Employment and Labor has allowed policymakers from both education and labor to learn from each other. The cross collaboration of education and labor is rather unique and brings much valued added.



DEVELOPMENT OF ICT-BASED CREATIVE ECONOMY AND ICT ENTREPRENEURSHIP IN DEVELOPING COUNTRIES (WINDOW 3)

The Entrepreneurial Talents' House of Opportunities and Supports (ETHOS) is a WBG initiative that is funded by the KWPF and implemented by SUNY Korea in collaboration with the National IT Industry Promotion Agency (NIPA). ETHOS aims to enhance the development of ICT entrepreneurship in developing countries through transfer of technology, developing entrepreneurship skills, and strengthening capacity building to the participants from the developing countries, and trigger partnerships between startup communities. In addition, the program provides participating teams with opportunities to pitch their ideas to global venture capitalists.

Building on the 1st phase ETHOS Program which took place in January 2015 and included participants from Bangladesh, Vietnam and Pakistan, the 2nd phase took place at the SUNY Korea campus in January 2016 with a focus on sustaining potential entrepreneurs. Participants included 30 teams from Algeria, Romania, Bulgaria, Mongolia, Bangladesh, Indonesia, and Vietnam.

This WBG/SUNY Korea program is the first joint project between the two institutions, and has significant potential (as evidenced by increased request for participation) to attract and engage brilliant young minds from the developing world in the ICT entrepreneurship field to obtain the necessary training,

coaching, networking opportunities with each other and with Korean start-ups community (incubators and accelerators) and possible collaborative ventures. The WBG/SUNY team continuously ensure that the program is implemented smoothly and effectively, and emphasizes the importance of participant feedback to identify and address any areas for development, and build on areas of success.

The WBG/SUNY team have held discussions with NIPA and established a plan for partnership between ETHOS and NIPA's startup supporting programs (tentatively named *Pan-Asia Startup Incubator*) from as early as 2016. It was evident that collaboration and partnership with the relevant Korean ICT entities and counterparts enhanced the WB client countries' opportunities to promote and foster ICT entrepreneurship.

Going forward, the team hopes to develop and deliver similar advanced training programs to foster an ICT-based creative economy and job creation through similar initiatives, namely facilitating technology transfer, with increased business incubation and acceleration. The impact on participants is immediate, and these enhanced entrepreneurial skills will develop businesses, create jobs, link developing countries to Korean agencies and entrepreneurs, and eventually a bridge will be created between the Korean (and global) Investors and Venture Capitalists.





COMBATING CYBERCRIME: TOOLS AND CAPACITY BUILDING FOR EMERGING ECONOMIES (WINDOW 3)

This project comprises of four principal components: i) development of a Toolkit on capacity building to combat cybercrime (in a book and web format); ii) completion of a Cybercrime Capacity Building Assessment; iii) development of a “virtual library” of best practices in the area of combatting cybercrime; and iv) in-country assessments.

The project has conducted best practice research through meetings and consultations with project partners – the Council of Europe (OCTOPUS), United Nations Conference on Trade and Development (UNCTAD), and Oxford University – as well as the International Criminal Police Organization (INTERPOL) and European Police Office (Europol). Participation in cybercrime events and consultations with these and other relevant organizations has validated the project approach and design, and served as input into the Toolkit, validating demand by developing countries for the kind of knowledge “portal” that the Toolkit will provide, including the value of the in-country assessments provided by the Assessment Tool. The Korea Supreme Prosecutor’s Office (KSPO) contribution was instrumental.

The Toolkit is a knowledge product that will be available in hard-copy and electronic format. It will act as a “portal” of best practices in the legal aspects of fighting cybercrime, with links to project partners’ materials and the “virtual library” being established. The Toolkit will include the Assessment, and will be available as a stand-alone product on the Project website. Together, the Toolkit, Assessment Tool and Virtual

Library will be available as global public good.

The Toolkit is in draft form (about 85% complete), and the Assessment Tool is complete, has been tested in its first in-country pilot, and is in a “beta” state of development.

The first in-country pilot of the Assessment tool was conducted in Myanmar in February 2016, and the task team has been invited back by the counterparts in Myanmar for additional consultations on best practices. The Project expects to conduct 2-3 more in-country assessments using the Assessment Tool. In addition to Trinidad and Tobago, Sri Lanka and Rwanda have expressed interest in having pilot assessments being conducted in their countries. The purposes of the assessments is to both provide the country with an independent view of its preparedness to fight cybercrime based on the indicators developed in the assessment and to inform the content of the Toolkit itself.

The project team submitted a request for funding Phase II under KWPF Window 3 in January 2016. Phase II will convert the “static” on-line version of the Toolkit, to an interactive web-based tool, with on-going duration. As a logical next step from the Assessment, Training Modules, following the logic and framework of the Toolkit & Assessment will be developed so that after an assessment has been made, targeted training can be obtained in the areas identified.

GOVERNMENT CLOUD INFRASTRUCTURE ASSESSMENTS AND ACTION PLANS (WINDOW 3)

This project aims to provide opportunities for client countries to build their capacities to plan and implement a government cloud computing system, which will help them more easily exploit, share and integrate ICT products and services across different government agencies; as government embark on digitization projects to improve performance, accountability and service delivery to citizens. Cloud platforms, when correctly implemented, can potentially provide greater flexibility in terms of allocating and managing resources (both computing and personnel), standardization of the overall enterprise architecture, thus simplifying maintenance and future application development, and opportunities for governments to build up technical skills that can help a country be technology competitive on the international stage.

In order to better assist governments with this challenge, the project developed the Cloud Readiness Assessment Toolkit, which is a series of questions that determines where a country is in terms of overall readiness and recommendations on how they can better position their government to take advantage of cloud computing. This Toolkit, which is highly transferable from country to country, was developed with a consulting group (composed of Accenture, NIA, and Dugon), and cloud computing providers (such as Amazon and Microsoft) to ensure the technical robustness of the questionnaire. Pilot studies were conducted for 3 countries (Serbia, Philippines, Zambia) to test the model and improve it based on our clients'

reality. These countries were identified and selected based on local government interest, geography, and differences across a variety of country level statistics. While each of the countries has unique gaps, they are similar in that they have a large number of paper processes, limited number of skilled resources, and a major upcoming election.

A knowledge sharing workshop was held in May 2016 in Seoul, and included participants from the WBG task team, the Korean government, and Korean experts in the area of cloud computing. The workshop successfully built capacities of stakeholders by sharing knowledge and best practices. The findings from the pilot studies were shared and discussed to refine the final documents of the project, which will be posted on the WBG website as an open source for client countries. The task team met with the Ministry of ICT and the Ministry of Finance to share outcomes of the project and discuss future opportunities for collaboration.

Looking ahead, the team will finalize the Toolkit and country reports in FY17. Once finalized, the Toolkit will need to be upgraded when additional country pilots are conducted and the task team will explore additional sources of trust funds, including from KWPF, so as to ensure this knowledge product can remain useful to client countries. The team is also seeking additional financing to deliver five more country assessments at the request of client governments.





YOUTH EMPLOYMENT IN ANIMATION INDUSTRY IN JAMAICA (WINDOW 3)

Jamaica is seeking to continue the growth of its animation sector efforts are being made to forge lasting collaborative relationships with other regions. This activity aims to facilitate an exchange between Korea and Jamaica, which would allow Jamaica to learn from Korea's extensive experience in nurturing and sustaining its successful globally-competitive animation industry, while allowing Korea to extend its brand in a tangible way, promoting trade with the Caribbean region and establishing partnerships to expedite industry growth. This activity will focus on six sub-projects, each of which are at different stages of completion, and the progress of which is outlined below:

- An Internship Programme.** The Korean studio Funny Flux has agreed to take on up to ten Jamaican interns as production staff for a period of up to eight months to work on current TV programmes, such as "Tickety Toc" and "Super Wings", thereby gaining invaluable creative, production and distribution experience. The call for interns is scheduled to close on September 9, 2016 allowing for the interns to begin as early as November 1, 2016.
- Establishment of Virtual Community of Practice (VCoP).** In an effort to sustain and leverage partnerships forged, an electronic portal will be created and populated with expert level content for reference by both Jamaicans and their Korean counterparts. The VCoP is projected to be available in October 2016.
- Skills Exchange.** This exchange will facilitate Korean studio workers being placed in Jamaican studios for protracted periods of time, during which time Korean experts will offer advice and demonstrate proven in-studio techniques in an effort to raise efficiency and the quality of output from Jamaican studios. This will be executed from November 2016 through June 2017.
- Structure mechanism to facilitate production/co-production of a Jamaican show.** A Korean studio, Taktoon Enterprises, is interested in working with Jamaican studios to produce their original animated show "The Forks with Spiky Hands". This initiative is subject to the Jamaican studios being able to offer a significant cost reduction in the current production processes. Negotiations with Taktoon Enterprises are underway and the team is working on determining the most appropriate mechanism that would allow the activity to take place.
- A delegation of Jamaican stakeholders will attend the *Korea Service and Content Market* in October 2016 in response to an invitation by the Korea Trade Promotion Corporation (KOTRA), with time allotted to pre-Market activities and post-Market meetings. The Jamaican delegation has already been identified and negotiations with KOTRA relating to the Jamaican delegation's placement in the Market is underway.

DEVELOPING PARTNERSHIP BETWEEN KOREA AND AFRICA FOR HUMAN RESOURCE AND SKILLS DEVELOPMENT IN APPLIED SCIENCES, ENGINEERING AND TECHNOLOGY (PASET)

PASET is an initiative owned and led by African countries formed in 2013 in response to the critical need to strengthen the scientific and technological capacity of Sub-Saharan African (SSA) countries, to advance their development and economic transformation. To achieve this goal, PASET espouses collaboration between African governments, the private sector, development partners, and new partner countries from Asia (including Korea) and Latin America. In FY16, PASET implemented the following activities, with strong support from the KWPFT:

- A PASET mission to Korea in September 2015 to participate in a *Joint Workshop for Promoting Korea-Africa Knowledge-based Development*, which was conducted as a follow-up to the Regional Conference, "Africa's Transformation: Leveraging the Partnership with Korea". The PASET delegation, led by the Chairperson of PASET Technical Executive Committee visited KDI, the University of Science and Technology (UST), Global Institute for Transferring Skills (GIFTS) and Korea Research Institute for Vocational Education and Training (KRIVET) to learn and deepen knowledge of Korean experience in TVET and Science and Technology, and to discuss potential areas of collaboration between SSA countries and Korea.
- In February 2016, the PASET delegation conducted a follow-up visit to Korea to further elaborate areas of collaboration between PASET and Korea. It is likely that this collaboration will be formalized in a MOU between several premier Korean institutions and PASET.
- A **skills needs assessment** in priority sectors in different countries (that is, construction in Tanzania, agribusiness in Rwanda, energy in Ethiopia, transport and logistics in Uganda) was undertaken with the aim of helping build the knowledge base for further reflection and policy dialogue on applied science, engineering and technology within each country.
- A **PASET governance study**, which aims to recommend possible medium and longer-term governance structure of RSIF and PASET, was completed. The team interviewed key stakeholders including Korea Development Institute (KDI) and incorporated inputs in the final version of the governance study, and recommendations from the study substantially informed the new PASET Charter and new governance structure.
- A **PASET Regional Benchmarking Capacity Building Workshop** was held in Abuja, Nigeria in June 2016 during which the participants disseminated and discussed the utilization of results of the benchmarking exercise that took place in February 2016. Knowledge sharing with partner countries and industries was conducted through discussing the relevant best practices from emerging economies, and university-industry linkages and university graduate employability with the appropriate industry stakeholders. A representative from Korea's Ministry of Education and several university professors shared knowledge and experience in panel sessions. On the sidelines of the workshop, technical discussions towards the signing of MOU and detailed agreements between PASET and Korean universities (Seoul National University and Korea Advanced Institute for Science and Technology) were held. Discussions included potential forms of collaboration (such as curriculum development for a Ph.D. program, faculty training), technical issues related to the execution of collaborative activities (such as the roles of Korean universities, design of program, financial arrangement) as well as the process and timeline to finalize the MOU.



4. KOREA AND THE WORLD BANK GROUP: A PARTNERSHIP COMMITTED TO SHARING DEVELOPMENT EXPERIENCE

One of the key contributions of the Facility is its ability to effectively leverage Korean expertise and build on development experience of Korean institutions. Since the inception of the Facility, the dialogue and collaboration between the WBG and many Korea institutions has increased tremendously. As of June 30, 2016 every approved project under Windows 2 and 3 is engaging with at least one Korean institution. The respective Korean institutions are engaged in a variety of ways. Some examples are as follows:

- Within the *Promoting effective use of ICTs in education and job creation through skills development in technical and vocational education* grant, the Korea Education & Research Information Service (KERIS) and Korea Research Institute for Vocational Education and Training (KRIVET) are key partners in organizing the policymaker workshops and global symposium on ICT, including the setting of agendas and involving key Korean experts as presenters.
- Korean **ICT expertise** is being leveraged for the key activity under the *Mobile Innovation Knowledge Network* grant, through: i) the extension of invitations to Korean experts to share Korean best practices and experience; ii) bringing partnership from the Korean private sector and other stakeholders to MIN's activities; and iii) showcasing the expertise to the region through the MiHub platform. The Ministry of Science ICT and Future Planning (MSIP), through the Internet Industry Promotion Bureau of the Internet Promotion Network of the Korean Internet and

Security Agency (KISA), have been invited to participate in the Advisory Board. Under the *Development of an ICT-based creative economy through a global accelerator* grant, Samsung and other Korean private sector players, will play an integral role by sharing their experience in the field of mobile applications development and green growth. Furthermore, the *Tiger hunts with Lions: Developing Agricultural Market Information System and Decision Simulation System to empower small holder farmers and boost productivity* grant is engaging KOICA Kampala office and is consulting with Korean experts in the agricultural sector and key IT representatives such as Korea Telecom. Under the recently approved²³ *Capacity-building for Innovative ICT-based Land Management Systems*, Korea was identified and selected as the ideal partner and training site, given its development trajectory and wealth of experience in the land administration sector. Korea was able to establish its own advanced land management capacity in a short period of time owing to the development of a land information system named the Korea Land Information System (KLIS). Today, the KLIS is one of the two central pillars that buttress the e-government system, which is recognized as a global leader. The Korean experience of linking the KLIS to a world-class e-government will raise the selected developing countries' awareness and knowledge about other ICT models, modes and methods for improving land administration services and creating further meaningful linkages that have wider development impacts.

- Korean **educational experience** is utilized under the *Partnership in Knowledge – Learning from Korean development experience for a sustainable growth of Vietnam* grant where the former Korean Minister of Education is participating in key knowledge exchange events in Vietnam. The Center for International Development (CID) of Korea Development Institute (KDI) is the focal point under the *Developing Partnership between Korea and Africa for Human Resource and Skills Development in Applied Sciences, Engineering and Technology (ASET)* grant. CID is leading the bilateral knowledge-sharing programs in ten African countries. These programs include “Cultivation of Highly Capable Scientists and Engineers”, “Vocational Training System for a Skilled Workforce” and “Internalization of Science and Technology in the Earlier Stage of Economic Development in Korea”. The recently approved²⁴ *Improving Workforce Training in Europe and Central Asia* grant aims to deepen the partnership between the Korea Research Institute for Vocational Education and Training (KRIVET) and the WBG through enhanced knowledge exchange. In particular, the WBG is seeking to strengthen cooperation in the following areas of Korea’s expertise: i) provision of high quality workforce training that is aligned to labor market demand, ii) effective management of labor market information system (LMIS), and iii) implementation of the work-learning dual system.
- Korean institutions are playing key roles in the **implementation** of the grant activities. For example, under the *Nepal and Bangladesh: Municipal Capacity Building Pilot Initiative* grant, the Korean Research Institute for Human Settlement (KRIHS) is co-managing the activities with the World Bank, including: i) co-sponsoring the national-level knowledge exchanges; ii) reviewing and providing inputs to the manual/procedures for the capacity building activities; iii) identifying suitable experts from Korea for inclusion in the rosters of practitioners for the on-the-job training events; iv) matching pilot municipalities with suitable Korean cities for the twinning partnerships; and v) co-producing and disseminating the idea briefs and the knowledge exchange briefs. The Korean Supreme Prosecutor Office (KSPO) is also the key partner under the *Combating Cybercrime: Tools and Capacity Building for Emerging Economies* grant and is expected to contribute expertise and know-how in collection and analysis of digital/forensic evidence, investigation, prosecution and other law enforcement related activities on cybercrime, as the toolkit gets tested in pilot countries. The KSPO has had considerable experience in providing training programs to developing countries for strengthening the ICT infrastructure through legal and technical assistance, as well as in the area of generating cybercrime statistics.



planning investigative strategies, facilitating international cooperation and providing mutual legal assistance. Under the *Collapse of Bank and Trade Finance during the Global Crisis: Did SMEs Suffer More* grant, the research was conducted jointly with economists in the Bank of Korea and two senior officials from the Bank of Korea served as reviewers. In addition, the newly approved *Global Cyber Security Capacity Building Program* has been designed and will be implemented in collaboration with the Korean Internet and Security Agency (KISA), which is a recognized global leader in the cyber security domain thanks to its 'hands-on' practical experience and history of assistance provided to developing countries.

Finally, the *Promoting Skills Development in the East Asia Region* grant is leveraging seven years of World Bank-Korea partnership experience in the fields of technical and vocational education and workforce development, including co-sponsorship of the annual Global Human Resources Forum organized by the Ministry of Education, Science and Technology to deliver technical assistance, expert advice and regional learning exchanges. The program will build on the experience of HRD Korea and will also involve the Korea Research Institute for Vocational Education and Training (KRIVET) and the Korean Development Institute (KDI).

A full list of Korean institutions engaged in KWPF-funded activities is found in Box 2 below.

Many of the trust-funded activities under Window 1 are also being delivered in collaboration with the relevant agencies in Korea. For example, the *Korea Governance Partnership Facility* (GPF) has engaged the Anti-Corruption and Human Rights Commission of Korea (ACRC), which is implementing some of the activities related to the development of a national integrity assessment framework. Public Procurement Service (PPS) in Korea is supporting the "Open Contracting" initiative in selected countries in Asia. On the IFC side, a new project on Global Trade Logistics was initiated by a major event in Korea, focused on trade logistics reform, organized in close partnership with the Korean government (MOSF and MOTIE), Korea Customs Service and Korea International Trade Association (KITA). The event also showcased Seoul-Incheon airport where the Incheon AirPort Authority (particularly customs, express cargo, and logistics) exhibited Korean advanced trade facilitation measures.

Box 3: Korean Institutions Engaged under Activities supported by the KWPF

Government Ministries and Agencies: Ministry of Science, ICT and Future planning; Ministry of Justice; Ministry of Security and Public Administration; Ministry of Employment and Labor; Ministry of Education; Ministry of Health and Welfare; Ministry of Land, Infrastructure and Transportation; Ministry of Agriculture, Food and Rural Affairs; and Rural Development Agency.

Public institutions: Bank of Korea; Korea Development Institute (KDI); Korean Development Institute School (KDIS); KDI Center for International Development (CID); Korea Education Development Institute (KEDI); Korea Education & Research Information Service (KERIS); National Institute for Lifelong Learning (NILE); Korea Research Institute for Vocational Education and Training (KRIVET); Human Resources Development Service of Korea (HRDKorea); Korea Institute of Science and Technology (KIST); Korean Research Institute

for Human Settlement (KRIHS); Korea Transport Institute (KOTI); Korea Land and Geospatial Information Corporation (LX); National IT Industry Promotion Agency (NIPA); Korean Supreme Prosecutor Office (KSPO); Korean Institute of Criminology (KIP); Korean Internet and Security Agency (KISA); Korea Communications Commission (KCC); National Information Society Agency (NIA); Korea Information Society Development Institute (KISDI);

Seoul Metropolitan Government; Korea Trade Promotion Corporation (KOTRA); National Health Insurance Service (NHIS); Health Insurance Review and Assessment Service (HIRA); Rural Community Corporation; and Korea Water Resources Corporation (K-Water).

Private sector: Korea Telecom (KT); Samsung; SK Telekom (SKT).



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FAKULTAS KEPERAWATAN

5. KWPF: A PATH TO CONTINUED SUCCESS

Over the last three years, the KWPF has played a critical role in sharing Korea's development experiences with other WBG's member countries through knowledge sharing initiatives, promoting policy dialogue, and strengthening co-financing opportunities. The program has been flexible, demand-driven and client-oriented, and adaptable to changing circumstances.

In order to ensure the Facility is employed in the most effective manner and achieves maximum impact in support of its key objectives, it is important to be aware of any challenges or areas of focus that are critical to the success of the Facility. Over the first three years of the Facility, ongoing dialogue and close collaboration between the WBG and the MOSF has resulted in the Facility generally functioning very effectively. The Secretariat and the MOSF have identified the following areas as those that will require ongoing attention to ensure continued success:

1. **Need to demonstrate results in a meaningful way.** While the overall goal of the Facility is to contribute to poverty reduction through inclusive and sustainable economic growth, demonstrating results achieved from a diversified set of programs will be a critical factor in determining the success of the Facility. As most programs are still in their early stages, it is anticipated that aggregated results will not be meaningful for another 18 months (March 2018). In the meantime, interim results will be monitored on an ongoing basis, and individual completion reports for each individual activity will also be shared with the donor once projects are complete.
2. **Maintain a comprehensive understanding of donor priorities.** The Secretariat and MOSF now have a common and comprehensive understanding of the underlying donor priorities; however, it will be critical to confirm priorities prior to each call for proposals to ensure task teams are given highly effective guidance, and Concept Notes submitted are closely aligned with priority areas, and that the project selection process is transparent and explicable.
3. **Periodic consultations.** The holding of biannual consultations has been key to facilitating continuous communication and substantive engagement between the

WBG and the donor, and critical to ensuring the smooth running of the Facility. The current arrangement of holding technical level discussions in Korea in July/August and higher level consultations in October/November each year is proving to be an effective framework.

4. **Improving channels of communications with regard to Window 1.** The Secretariat is not currently included in communications between the donor and programs supported under Window 1, thereby limiting the Secretariat's ability to provide timely advice or play a facilitative role to these programs.
5. **The importance of visibility.** As many activities are approaching completion, it is paramount to establish and implement visibility guidelines for distribution to TTLs. A draft of these guidelines is in progress, and will be shared with the MOSF for comment in early FY17.
6. **Dealing with high demand in the most efficient manner.** The unprecedented demand seen under the fourth call for proposals has prompted the Secretariat to determine a more efficient and effective approach to managing each call, with the aim of ensuring that all task teams are best equipped to submit high quality proposals in alignment with the objectives of the Facility. Steps that will be taken to offer the same level of guidance to task teams in a more efficient manner include: i) hosting group briefing sessions (rather than one-on-one meetings) ahead of each call for proposals to provide task teams with all necessary information regarding the key objectives of the Facility, eligibility criteria, priority areas, and avoid any duplication etc.; and ii) adopt a structured and methodical process to fully understand the needs and priorities of WBG Global Practices and regions well in advance so as to strengthen the link between donor's priorities and operational needs. In addition, the Secretariat plans to introduce a "seminar series" involving relevant stakeholders, inside and outside the Bank, with the aim of increasing familiarity with the Facility, and of Korea's depth of development expertise, through dissemination of results of KWPF-funded activities.



6. KWPF SURVEY: CLIENT FEEDBACK

We believe that 'client' feedback is crucial to helping the Facility grow, develop and continually improve. As such, the KWPF Secretariat invited all task teams of KWPF-funded activities to participate in a survey, which included questions about what the Facility does best, and what improvements could be made. The survey was completed in September 2016, and the results will be discussed and analyzed over the coming months to help the Secretariat gain a sound and comprehensive understanding of any concerns or areas for improvement, and build on any strengths. Action plans will be determined and operationalized in FY17 in close collaboration with senior management within DFPTF, and MOSF.

The responses received to date from the two main questions asked are summarized below.

QUESTION 1: “WHAT DO YOU CONSIDER TO BE THE ADDED-VALUE OF THE KWPF AS A FINANCING INSTRUMENT?”

Task teams appreciated the KWPF for offering considerable value added to WBG operations, particularly through the opportunity to pilot new approaches that have the potential to be mainstreamed through regular lending projects. The Facility is viewed as being a “high innovative, far-reaching” vehicle through which a large number of developing countries are able to leverage and benefit from Korea’s development know-how. The close collaboration with Korean entities, and the sharing of the country’s development experience was repeatedly highlighted as extremely beneficial, and the level of expertise exhibited by Korean partners was recognized as world class.

Some individual quotes include the following:

“We strongly believe that KWPF’s continuous support in the future will be essential in order to further catalyze knowledge sharing between Korea and sub-Saharan African countries.”

“While the Bank’s traditional business model is based on providing bilateral assistance to members, more and more of what those members demand in terms of technical assistance and advice is not necessarily suited to the bilateral context. One of the principal advantages of the KWPF is that grants provided enable staff to address certain thematic issues in an in-depth and holistic way that would otherwise not be possible. The KWPF enables the Bank to enter new areas of in-demand services, to pilot the results, and to provide more flexible ways of interacting in an operational-type setting with third parties that ultimately strengthens the outputs. Combatting cybercrime is an increasingly important issue both for donor as well as developing countries. It is a thematic issue where global trends and best practices need to be better understood by all in order to apply them to the specific capacity building context in a given country. Moreover, in the cybercrime project, we have been able to join forces with a number of leading international and regional organizations, as well as leading NGOs working in this area in a manner that the traditional bilateral context does not necessarily encourage or facilitate. The KWPF has been an ideal resource and framework to undertake this work, and we hope that the Toolkit to develop Capacity to Combat Cybercrime will be a testament to that.”

“The KWPF represents a much welcomed source of financing for policy relevant research, especially in an environment of dwindling resources at the disposal of researchers.”

“The KWPF adds significant value in affording task teams the opportunity to pilot new approaches to the Bank projects (or Bank’s engagement with clients) with additional resources to mobilize global experts. In doing so, it helps the Bank provide cutting-edge knowledge and valuable experience in the new merging area of Smart Cities, such as Citizen Participation ICT System and innovative financing mechanisms for smart city projects.”

“The KWPF definitely adds value in piloting new approaches for client’s needs with additional flexibility in working with world champions and experts. It provides resources for research and development in specific new topics in the ICT sector, such as cloud computing. It allows creation and in-country testing of global public goods, such as the cloud computing toolkit. Thus, it is an invaluable knowledge production tool for the ICT unit.”

“The KWPF has been instrumental in the area of knowledge sharing and capacity building for the Government of Vietnam, and in enabling the World Bank to facilitate “demand driven” knowledge for clients by bringing practical know how to Vietnamese policy makers. The KWPF is a flexible window of funding for just-in-time knowledge exchange, sharing and peer learning initiatives which often cannot be realized because the “conventional lending projects” of the Bank do not have any funding window to



support them, or if they can, it often takes a very long time to get through the approval of budget and thus, losing the momentum or forgotten by the time the budget is approved.

One actual example: the Government of Vietnam has just passed on the Public Investment Law and the Ministry of Planning and Investment (MPI) of Vietnam was tasked with drafting the implementation circular guiding the implementation of such law. The team who was given this task desperately need some practical experiences in the area of public Investment Project Appraisal, which serves as a critical part of the Circular. There was no readily available funding from any projects of the Bank to support this task and luckily the KWPF came just in time. Not only the TF could finance such an exchange, through the counterpart with the KDIS (which was the main counterpart for the implementation of this KWPF grant), the TTL has managed to design a tailor made knowledge exchange between the PIMAC of KDIS with the MPI task force of Vietnam to conduct a study tour to learn from Korea's actual experiences in this area. The Vietnamese delegation, led by a Vice Minister of MPI has then

taken on many valuable recommendations from the trip and even come with a proposal to set up an independent bodies (similar to PIMAC) to help the government of Vietnam with the appraisal of all public Investment Project.

In summary, KWPF is a unique vehicle to enable demand driven and just in time knowledge exchange and capacity building initiatives, which provide solutions for sustainable development results. In the case of Vietnam, it is also very valuable in helping Vietnamese Government to get access to practical and relevant development know-how of Korea as Vietnam starts to walk the steps that Korean has been through before. The partnership and relationship created through the KWPF funded program is highly appreciated by both Vietnam and Korea as a true win-win example of collaboration."

"The KWPF has offered considerable value added to the Bank operation in particular through generating new knowledge that would boost the quality and stimulate new approaches within the operation."

QUESTION 2. “WHAT COULD THE KWPF DO BETTER OR DIFFERENTLY?”

Task teams encouraged the Secretariat to streamline the grant application process, with a suggestion to place a limit on the time from submission to funding to 3 months as this would allow task teams to act within windows of opportunities in client countries that do not always last long. Task teams also suggested that the Secretariat work toward a more transparent and objective shortlisting process. It was also suggested that it would be beneficial for the Secretariat to introduce rolling applications, with streamlined procedures for and easier access to micro-grants. Task teams wished for more flexibility to allow for additional finance, or supplemental grant amounts, when needed. Furthermore, it was suggested that a knowledge sharing platform could be created, in order to ensure that generated institutional knowledge is reused from grant to grant and lessons, good practices and contacts are shared. Finally, task teams recommend a closer cooperation among related KWPF grants, as several of such grants have activities in the same countries and with the same Korean partners.

Individual quotes included the following:

“Streamlining the application process and also allowing for rolling applications would be very useful changes to the way the KWPF is run.”

“The KWPF management team may want to review and make GP’s internal shortlisting process more transparent and objective. It is not clear who reviewed longlists and selected shortlists in each GP. The shortlist selection criteria are not open. This unclear shortlisting process may lead to selection of poorly planned projects over ones with better visibility.”

“In case additional demands for a knowledge product developed by KWPF are identified, easier access to micro-grants would be more beneficial to WB and clients. Also, it is not flexible enough to allow for additional finance. In the cloud computing toolkit case, for example, we have received demand from Egypt and Kazakhstan to conduct in-country assessments and testing of

the tool, but were unable to deliver, as we did not have enough grant money left. Being able to apply for, and justify, additional finance would have been ideal in our case.”

“It would be useful to have an advance notice of the annual schedule of call for proposals so that task teams could be more prepared and get ready when the call is out.”

Over the coming months the Secretariat will explore further opportunities for improvement, particularly with regard to streamlining of the grant application process. The Secretariat will continue to seek structured and comprehensive feedback from the task teams so that KWPF will be able to deliver a results-oriented work program and such that the partnership between the Korean government and the WBG maintains its reputation as best practice.

ANNEXES

ANNEX1: KWPF BUDGET

Replenishment discussions have taken place and the signing of a Supplemental Agreement for US\$ 90 million for FY17-19 will take place during the Annual Consultations in October 2016.

KWPF allocations and commitments by Window as of June 30, 2016 are summarized in Table 8 below.

As of June 30, 2016, funding provided through Window 1 is US\$ 8.2 million lower than the initial indicative funding amount of US\$52.0 million, and funding for Window 2 is

US\$6.2 million lower than the initial indicative allocation of US\$16.0 million. The opposite is that case in Window 3, where the approved funding amount exceeds the indicative allocation by US\$14.8 million.

The net result – an over-allocation of US\$ 0.4 million – will be covered by the US\$12.0 million held in “reserve”. The Secretariat will await confirmation from the MOSF as to how the remaining balance of US\$11.6 million should be allocated in FY17.

Table 10: Korea-World Bank Group Partnership Facility Budget FY14-16

		FY14 Actuals	FY15 Actuals	FY16 Actuals	Total	Commitment Ratio (%)
TF072055						
Reserved	"Reserved"	5.0	3.5	3.5	12.0	
Window 1 (Pass Through)	Indicative Allocation	10.0	21.0	21.0	52.0	84%
	Commitment (Signed AA)	9.7	12.7	21.4	43.8	
	Disbursement	7.5	11.7	14.4	33.6	
	Available for Commitment	0.3	8.3	(0.4)	8.2	
TF072053						
Window 2 (Project Co-financing)	Indicative Allocation	4.0	6.0	6.0	16.0	61%
	Commitment (Approved by Donor)	-	4.0	5.8	9.8	
	Disbursement	-	0.5	3.8	4.3	
	Available for Commitment	4.0	2.0	0.2	6.2	
Window 3 (Knowledge products)	Indicative Allocation	2.0	4.0	4.0	10.0	248%
	Commitment (Approved by Donor)	1.7	4.0	19.2	24.8	
	Disbursement	2.2	4.4	5.1	11.6	
	Available for Commitment	0.3	0.0	(15.2)	(14.8)	
Total Contributions						
Total Contribution	Indicative Allocation	21.0	34.5	34.5	90.0	87%
	Commitment (Approved by Donor)	11.4	20.7	46.3	78.4	
	Disbursement	9.7	16.6	23.3	49.5	
	Available for Commitment	9.6	13.8	(11.8)	11.6	

ANNEX 2: KEY ACHIEVEMENTS UNDER WINDOW 1 TRUST FUND PROGRAMS

WORLD BANK GROUP KOREA OFFICE TRUST FUND



Background

The Administration Agreement of the World Bank Group Korea Office TF was signed by the parties in July 2014. The principal objective of the WBG Korea Office is to deepen the partnership between the Korean Government, Korean stakeholders and the WBG. The strengthened partnership will support efforts of both parties to become more effective development partners for countries across the world.

Through its two offices in Washington, D.C. and Songdo, Korea, the TF supports a broad range of development partnership opportunities with a focus on promoting best practices, by leveraging the WBG's knowledge and convening power and Korea's expertise in areas such as economic development policy, information communications technology, infrastructure and the financial sector. Korea's experience in sustainable development, providing infrastructure and better services to improve the lives of the people, and its transition to a dynamic knowledge economy, provides lessons that are benefitting many other developing countries. In addition to the WBG's IBRD and IDA, the WBG office also represents the International Financial Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA), the private sector arms of the WBG.



Key highlights and results

In its two fiscal years, the WBG office has seen a growth of: number of staffs including Global Practices (GPs) staff; operations and their linkages to World Bank Group operations

and activities in other countries and; deepening of partnerships with Korean institutions and experts. With the continued expansion, the WBG Korea Office currently hosts World Bank units – Country Management Unit (CMU), Leadership Learning and Innovation (LLI), Finance and Markets Global Practice, and Education Global Practice – as well as IFC and MIGA. Since its establishment, the office has endeavored to help countries address their development challenges by sharing global knowledge on development, promoting private sector engagement, and building strong partnership with Korean as well as global stakeholders.

The Korea Office continued to expand and deepen concrete partnerships with Korean institutions and experts, as well as those of developing countries. FY16 operations focused on strategic expansion of work program and office staff capacity development – aimed at leveraging Korea's development story and collaborating with local and international institutions for tangible development impact. In FY16, the Korea Office devised products to raise awareness of Korea's development story and promoted business development with Korean partners through IFC's and MIGA's investment and through knowledge sharing events with Korean business, including the Business Opportunities with the WBG Workshop. In addition, the Korea Office has enhanced cooperation among Korean institutions and global stakeholders including agencies in developing countries, and WBG GPs/Cross Cutting Solution Areas (CCSAs) and various country and operational teams. Moving forward, FY17 operations will be based on the achievements and lessons from FY16. The office will also continue to strive to translate the Operational Hub vision into reality and make Korea's development experience relevant to client countries and WBG internal units, ultimately contributing to achieving the twin goals of the WBG.

KOREA GOVERNANCE PARTNERSHIP FACILITY (GPF) TRUST FUND

Background

The Korea Governance Partnership Facility (GPF) is a \$3 million Single Donor Trust Fund (STDF) created with the objective to support governance activities in Asia through collaboration between the World Bank with relevant agencies in Korea. At the moment three activities have started implementation: a) development of integrity and anti-corruption systems in Asia, undertaken by the WB's Governance Global Practice in collaboration with the Anti-Corruption and Human Rights Commission of Korea (ACRC); b) support to Open Contracting, undertaken by the Governance GP in collaboration with the Public Procurement Service (PPS) in Korea; and c) Governance Partnership Facility program in Mongolia, undertaken by the Macro and Fiscal GP and the WB Country Office in Mongolia, in collaboration with Korean development experts in Mongolia. A fourth component, to develop governance and management systems for State Owned Enterprises in Asia, is under preparation.

Key highlights and results

Component a): The development objective of this initiative is to design and pilot a national integrity assessment framework based on the existing approaches. The initial output of the initiative is to analyze the effectiveness of existing integrity-related capacity-building programs and tools, including those implemented or supported by the ACRC, the World Bank Country-Specific Diagnostic Assessment, and Transparency International National Integrity System (NIS) Assessment. As part of this work, the WB team, in collaboration with ACRC, designed a session during the Promoting Transparency, Accountability and Participation: the Role of Check and Balance Institutions conference at OECD MENA Training Center in 2014. The workshop aimed to provide policy makers, government officials and donor representatives with a deeper understanding of how transparency, accountability and participation can be integrated for the government institutions to function more effectively. In this context, the ACRC team discussed challenges associated with the implementation of ACRC's anti-corruption policies and tools. As a next step, WB and ACRC are working together to create and implement the proposed Integrity Assessment Tool, including data collection and peer review of the first draft of the framework.

Component b): The development objective of this initiative is to increase disclosure and participation in public contracting ("open contracting") on an agency level in selected (two priority) countries in Asia in order to create a more level playing field for the private sector, better value for money

for the government, and better goods, works, and services for citizens. The project began only recently in October 2014 with a regional kick-off meeting and is being undertaken with the Korean Public Procurement Service, which has a long history of excellence in disclosure and transparency in public contracting, and has recently endorsed the Open Contracting Global Principles and is committed to supporting the implementation of Open Contracting in the Asian region. The partners are undertaking outreach to the important project partners in Vietnam, Indonesia, Turkey, and Mongolia and the UN project on governance. They have also secured buy-in from the different relevant WBG procurement managers for this project and began to develop the Open Contracting Readiness Assessment methodology, including a diagnostic tool to evaluate the procurement system of a country or an agency against the Open Contracting principles.

Component c): The overall project development objective of this grant is to help enhance the management of the mining-led economic growth toward a more sustainable, accountable and effective way in Mongolia. This grant activity consists of three main complementing components: i) targeted technical assistance and ESW work of the WB country team on economic policies and governance issues focused on the management of mining-dependent economy, based on the needs and priority of the client; ii) providing support to policy outreach forums and capacity building of the Government; iii) enhancing Mongolia's policy analysis capacity through strengthening the capacity of the Economic Research Institute (ERI), Mongolia's first independent think tank that was established with the support of the original GPF grant. Currently, the team is supporting an ESW work on the assessment of fiscal risks stemming from the SOEs in Mongolia, a study tour on debt management system in the wake of rising public debt, and policy outreach events on the new Glass Account Law that will strengthen the transparency and accountability of the public sector by enforcing all public entities to regularly disclose their financial and economic performance.

KNOWLEDGE FOR CHANGE PROGRAM (KCP), POVERTY DYNAMICS AND PUBLIC SERVICE DELIVERY TRUST FUND

Background

The KCP serves as an effective, transparent and efficient vehicle for the pooling of intellectual and financial resources for data collection and research supporting poverty reduction and sustainable development. It encourages and facilitates the WB's dialogue with partner agencies, developing country clients, and other interested parties. The main objective is to provide cutting edge research in the development economics,

create new knowledge to assist the formulation of better policies with greater impact on poverty. A subsidiary objective is to assist data collection and develop research capacity in the Bank's client countries. Korea contributed \$1.5 million to the Poverty Dynamics and Public Service Delivery Trust Fund, with preference for the support of WDR 2015: Mind and Society—How a Better Understanding of Human Behavior Can Improve Development Policy and research on job creation in low-income countries.



Key highlights and results

KCP II was originally scheduled to end on April 30, 2016; however, all the donors recently agreed to a no-cost extension through June 30, 2017.

The KCP II has received contributions of \$31.4 million, and the funding has fully allocated to 176 projects. The last batch of new projects for KCP II were approved in June 2014, and they are on track to be operationally completed by February 2017 and disbursed by June 2017. There are 21 ongoing projects in different stages of implementation and the progress reports prepared by the task team leaders are available on the KCP website. Thirty-five projects were completed and one was dropped in FY2016. Outputs include high-quality papers, databases, data sets, and research tools covering a broad range of development topics and issues.

The KCP III was operational since December 2014, which is set up with a more flexible structure. The KCP III presently has seven donors, namely, Norway, Estonia, Canada, the United Kingdom, Canada, France and Finland. The KCP III will continue aiming to contribute to policy making in developing countries through research efforts. To make research operational relevant, the KCP III research will collaborate with Bank's operations. It will focus on applied and policy oriented questions, which will support government officials with policy making guidance and contribute to understanding development issues in developing countries.

In addition to this, it will also enhance research and data collection capacity in developing countries. The KCP III will encourage the Bank teams to work with researchers and data specialists from developing countries with the aim of improving research and data collection capacity.

Table 11 below summarizes KCP II outputs for FY15 (FY16 outputs will be available in late 2016).

Table 11: KCP II Outputs in FY15

	Journal Article	Working Paper	Data Set	Research Tool
Window I	5	15	7	0
Window II	10	21	11	5
Window III	3	24	138	26
Window IV	5	52	16	10
Total	23	112	172	41
Developing country researchers substantively engaged			575	
Developing country institutions substantively engaged			199	

IFC KOREA COMPREHENSIVE TRUST FUND



Background

The Korea Comprehensive Trust Fund (KCTF) was set up in April 2011 with an initial contribution of US\$1.5 million to support IFC's advisory services operations in the private sector. The objective of the KCTF is to assist specific projects and programs in the areas of financial inclusion, SME finance, ICT, investment climate and trade facilitation. In 2014, Korea contributed an additional US\$3.0 million to this trust fund. The KCTF functions as an umbrella fund with a focus on the Technical Assistance Trust Fund, the SME Finance Forum, and other ad-hoc projects.

The Korea-IFC partnership supports activities that are country-specific, regional, or global in nature and support specific sectors that benefit developing countries, including – inter alia – green growth, financial inclusion, ICT, and trade finance. The KCTF supports select projects that focus on a variety of activities such as creating a platform for peer-to-peer learning and exchange with practitioners from Korea, helping recipients through training and capacity building, and providing specific advice to improve investment climate and regulatory reform. There have been seven projects that were approved under KCTF, of which three have been operationally completed. At this time, all KCTF funding has been fully allocated to projects and a replenishment of the trust fund is necessary to continue the fruitful cooperation between IFC and Korea.



Key highlights and results

The **Global Trade Logistics Program**, approved by MOSF in May 2014, has moved into the pilot project phase aimed at understanding and quantifying government policies, regulations, and market distortions that impact agricultural goods trade logistics with respect to time and cost. The two pilot projects measured trade logistics costs associated with trade in agricultural goods in Ethiopia and Zambia – countries where the transfer of perishable goods is a critical concern. They highlighted the implications of border related delays and emphasized the potential for efficiency improvements along the supply chain. These findings will be incorporated into other IFC technical assistance projects that are ongoing in these countries.

The **Inclusive Business Development** project aims to provide a practical knowledge base to help private sector companies adopt inclusive business models. This includes, among others, Korean companies that provide income generation opportunities and/or affordable goods and service to those living at the base of the economic pyramid (BOP). As part of the project, IFC conducted a pre-landscaping exercise on Inclusive Business and Creating Shared Value (CSV) in South Korea in 2015, which encompassed a literature review and a number of meetings with several private companies, government officials, and a research institute. IFC then commissioned Ernst & Young Han Young (E&Y Korea) and the Institute for Industrial Policy Studies (IPS) for the study aimed at identifying potential areas for strengthening the support mechanism for the development of CSV/IB by the Korean public sector and IFC, as well as identifying opportunities for IFC to engage with Korean companies interested in implementing the inclusive business models.

The **Lao Licensing reform project** continues to work with the government of Lao to develop and reform the business enabling environment in the country. In October 2015, an MOU was signed between IFC and the Lao Securities Commission Office to conduct a countrywide corporate governance assessment to identify gaps and challenges in Lao's regulatory framework. The assessment will inform an action plan leading to the development of a corporate governance code to establish good practice standards with which Lao companies would be required to comply.

The **Better Work Program in Vietnam** brings together the private sector, government, and workers' and employers' organizations to collectively transform the apparel industry in Vietnam. With the support of the government of Korea, IFC focuses its operational program on the development and roll out of environmental and associated advisory tools with client companies in Bangladesh, Indonesia and Vietnam so

as to create a fully integrated offer for the client companies. The program conducted a Better Work Business Forum in Seoul (April 2016) to discuss how Better Work can improve its operations and services to better meet manufacturers' needs and interests.

The **Nepal SME Financing program** supports financial institutions in Nepal to strengthen their capacity in SME Banking and Risk Management through sectoral training programs and tailored advisory services for select banks. The program planned to organize a Risk Management Training in 2015. However, the training could not be conducted as planned due to political instability in the country after the promulgation of the Constitution and the aftershocks of the devastating earthquake of April and May 2015. Considering the fragile situation in the country, missions to Nepal were also restricted by the Nepal WBG Office during this time. As such, the planned Risk Management Training has been postponed to 2016.

The goal of the **Green Housing and Energy Efficiency Initiative** is to promote and develop sustainable private investments in energy efficiency (EE) in the residential sector by developing Green Housing Finance products and facilitating partnerships among the lenders and developers. As part of this initiative, the Global Green Housing Finance Toolkit (GGHFT) and Global Residential Energy Efficiency Calculator (GREET) be used by market stakeholders have been prepared and submitted for the review by IFC. These tools will help promote and develop sustainable private investments in energy efficiency in the residential sector.

The **SME Finance Forum** seeks to advance access to finance for SMEs by providing standardized benchmarks and dissemination of researches, data and information on critical issues related the industry. A Global Membership Network was launched within the framework of the Forum in November 2015. Activities undertaken by the Global Network, along with various online exchanges convened by the Forum in 2015, effectively foster peer learning and knowledge exchange among various global institutions interested in promoting SME finance. With the launch of the Global Network, the SME Finance Forum has further strengthened its capacity to advance public-private dialogue around small business finance. Currently, about 100 financial institutions from around the globe have already committed to membership with the SME Finance Forum including the Korea Credit Guarantee Fund (KODIT) and the Industrial Bank of Korea (IBK). In January 2016, the Forum has visited Seoul in order to expand its outreach to potential member institutions. During the visit, the Forum had meaningful discussion with commercial banks and financial institutions, including Kookmin Bank, Woori Bank, Korea Exim Bank, ShinHan Bank, Korea Development

Bank, NICE Information, Korea Federation of Banks, Ksure, and KOTEC. In addition, the Forum also visited the Fintech Center in Pan-gyo and Poppay, a payment solution “fintech”, to discuss potential ways to cooperate as partners in sharing knowledge and exchanging information related to fintech industry.

A joint WB/ IFC initiative **Private Sector Participation for Health in India (PPHI)** was approved in September 2015. The goal of the initiative is to enable the central and state governments in India attain their health sector policy goals by leveraging India’s vibrant private health sector. Uttar Pradesh (UP), India’s largest state with a population of 205 million, was identified as the first state for the implementation of this initiative. Consequently, a trilateral Memorandum of Understanding (MoU) was signed on April 14, 2015 between the World Bank, IFC and the Government of Uttar Pradesh (GoUP) to facilitate the implementation of the PPHI program. Under the aegis of the PPHI Program in UP, IFC will advise the Government of Uttar Pradesh (GoUP) in designing and implementing three large scale Health Projects under the Public Private Partnership mode. Of the three projects implemented by IFC under this program, one project - Creation of Low-cost hospitals and Accident/ Emergency services in the state on a PPP basis (Low-cost Hospitals Project) – received funding support from the Korea-IFC Comprehensive Trust Fund.

WBI/LLI GLOBAL KNOWLEDGE SHARING PROGRAM SDTF

Background

For decades, Korea’s partnership on the global knowledge management agenda has been extremely valuable for the World Bank and its country clients. The Korea-LLI Global Program represents the most advanced stage of the longest standing successful partnership between Korea and the World Bank, which has expanded and continued for over 60 years. The first Korea-World Bank collaboration was through the Economic Development Institute (EDI; predecessor to WBI, LLI, and GOKMU) in 1955.

Korea and the World Bank continue to deepen its partnership in areas of common strategic interests, including through the \$18 million Korea-WBI Global Knowledge Sharing Program. Established in 2013, the Program aims to scale-up global knowledge sharing (Component I) and e-learning platforms (Component II), focusing on urgent challenges to accelerate inclusive growth and sustainable development, including topics such as fiscal, social and industrial policies.



Key highlights and results

The Korea-LLI Global Program has been marked by continued progress and successful accomplishments. Throughout FY16, the Global Program accomplished a number of major milestones. The knowledge management capacity building work (Organizational Knowledge Sharing) is being successfully implemented across the world, in Argentina, Colombia, Ethiopia, India, Indonesia, Kenya, Nigeria, Senegal, and Uganda. The third High-Level Meeting on Country-led Knowledge Sharing, held in Washington, DC, in March presented an important landmark to showcase institutional capacity development to systematically capture and replicate innovations and solutions as an area of public sector development.

In January 2016, World Bank Group (WBG) President Jim Yong Kim globally launched the Open Learning Campus (OLC) and revitalized the revolution in development learning at a high level live event in Washington DC, which was also attended by a virtual audience of about 75,000 people. The OLC, which is co-branded as a joint WBG-Korea MOSF platform, has reached over 350,000 participants globally via various e-courses and just-in-time e-learning products. Since the January 2016 launch, over 1.9 million learners have visited the OLC portal, demonstrating the OLC as a global learning destination for international development. To build upon Korea’s experience in development learning, and acknowledge the Korean Government’s technical and financial contributions, the OLC was launched in June 2016 in Seoul, Korea. The World Bank has partnered with KDI to develop a new Massive Open Online Course (MOOC) on Korea’s economic development, representing the World Bank’s first MOOC focusing exclusively on one country’s successful development experience. The Korea MOOC is planned for launch in November 2016 and expected to reach 20,000 to 30,000 participants globally. At the prior suggestion of MOSF, high value blended learning workshops were newly introduced and successfully delivered in Seoul, Korea, to 65 delegates from 20 countries, in partnership with the Korea Research Institute for Human Settlement (KRIHS), Korea Environmental Industry and Technology Institute (KEITI), and World Bank Global Practices.

PUBLIC EXPENDITURE MANAGEMENT NETWORK IN ASIA (PEMNA) MULTI-DONOR TRUST FUND



Background

Established in 2012, the PEMNA MDTF provides financing for member-driven peer-learning platform in East Asia and Pacific (EAP) region. The objective of PEMNA MDTF is to support sustainable operation of public financial management (PFM) peer-learning network among member countries in EAP. PEMNA provides a unique forum for public officials to share their knowledge to build stronger national budget and treasury systems. By learning from other countries' experience, members contribute to their governments' policies in managing public resources more efficiently and effectively. PEMNA established and operates with a Steering Committee, two Communities of Practice (CoP) in budget and treasury, and two CoP leadership teams. The Korea Institute of Public Finance (KIPF) administers a PEMNA Secretariat. Current member countries include Brunei, Cambodia, China, Indonesia, Korea, Laos, Malaysia, Mongolia, Myanmar, the Philippines, Singapore, Thailand, Timor-Leste, and Vietnam.



Key highlights and results

In line with the "member-driven" principle, PEMNA established its governance structure and organized various peer-learning activities. In FY16, PEMNA organized four individual Communities of Practice (CoPs) meetings and a plenary conferences hosted by the government of the Philippines (2016). PEMNA also organized four study visits as a new method of peer-learning. Through these activities, which are listed in Table 9 below, PEMNA members actively engaged with other country members and exchanged their budget and treasury practices and challenges faced. All activities were planned and executed by the PEMNA members with extensive support from the PEMNA Secretariat.

PEMNA member countries demonstrated their strong ownership to the network. Since the launch, Korea's Ministry of Strategy and Finance (MOSF) has been the largest donor to the PEMNA MDTF. In 2015, the Philippines Department and Budget Management (DBM) contributed the MDTF, and in 2016, Vietnam and Timor-Leste pledged financial contributions. In addition, Malaysia, Myanmar, the Philippines, Thailand, Korea, and Cambodia hosted PEMNA meetings and/or study visits and provided significant in-kind contributions to operationalize the member-driven peer-learning network.

An independent evaluation conducted in early 2016 concluded that PEMNA has achieved its strategic objective by successfully institutionalizing its governance framework and forming a very strong peer-learning network with a strong sense of ownership.

Beyond operationalization of the PFM peer-learning platform and organization of face-to-face meetings, PEMNA started to generate results that impacted the decision making of member countries' budget and treasury policy, either directly or indirectly. Some examples of key results are as follows:

- In June 2016, officials from the General Department of Budget in Cambodia Ministry of Economy and Finance (MEF) visited their counterparts in the Thailand Ministry of Finance to review the implementation of the program budgeting. Cambodia MEF officials presented the results of their visit in a forum with other stakeholders; ideas and lessons from the visit is expected to be considered as the General Department of Budget updates their Budget Systems strategy 2017-2025.
- In November 2015, the Indonesia Ministry of Finance organized an international conference on financial management information systems (FMIS) and invited the Vietnam MoF officials to be the speaker sharing the Vietnamese's FMIS implementation experiences. Indonesia MoF learned important lessons of post-FMIS implementation, particularly how to self-build the capacity and manage the system once the project is completed.

Table 12: PEMNA FY16 Meetings

Date	Meeting	Location
October 2015	B-CoP and T-CoP Study Visit	Manila, the Philippines
November 2015	Performance Budgeting Reforms and Indicators to Monitor	Bangkok, Thailand
December 2015	Managing Change in FMIS Reforms	Seoul, Korea
February 2016	B-CoP and T-CoP Study Visit	Sejong, Korea
March 2016	Treasury-Central Bank Relations (T-CoP)	Bangkok, Thailand
April 2016	PFM Reform, MTEF (B-CoP)	Phnom Penh, Cambodia
June 2016	Plenary Conference	Manila, the Philippines

GLOBAL FACILITY ON GROWTH FOR DEVELOPMENT (GFGD)

Background

The Global Facility on Growth for Development (GFGD) is a knowledge initiative of the Macroeconomics & Fiscal Management Global Practice to promote economic growth and development. A three-year World Bank Group (WBG) facility supplemented by the Korean Trust Fund, GFGD creates, curates and shares knowledge and best practice lessons globally; and provides assistance to developing economies through projects and advisory work.

Korea has been a very successful case in promoting strong, sustainable and inclusive growth. One key objective of the GFGD facility is to share Korea's successful growth and development experience into the analysis, design, and implementation of the selected World Bank projects. In late 2015, GFGD selected ten projects including lending activities, analytical and advisory work and knowledge sharing events.

Key highlights and results

The first GFGD knowledge sharing activity was a two-day conference on Inclusive Growth for Shared Prosperity in May 2016 in Washington, DC. The conference was conceived to foster a productive debate, and bring new evidence based ideas to the table. Academics, former policymakers, and colleagues from World Bank and other development agencies gathered in to discuss and analyze the concepts of inclusive growth and shared prosperity, and to identify policies that can successfully promote them. A conference booklet that documents key takeaways is under preparation and will be available online.

The development of a fiscal sustainability analysis tool that accounts for fiscal risks from contingent liabilities, is underway as part of another GFGD global knowledge activity. The creation of toolkit will be informed by lessons from Korea's successful experience and other cross-country practices.

GFGD is also supporting several country specific activities. A project in Paraguay involves assisting the country in setting up an international commission for growth. With a number

of renowned international and local experts as members, the commission will be a platform to assist in designing a growth strategy that is broad-based, inclusive and sustainable, and share knowledge and good practices based on successful international experiences. Paraguayans have sought assistance from GFGD to learn from the experience of Korea's growth and development strategy.

A GFGD project in Bosnia and Herzegovina is looking at how to assist the government in managing arrears of public enterprises and in the process, increase the transparency and quality of fiscal management. The project will help inform the design of policy measures to clear the outstanding stock of arrears and limit the future accumulation. Korean expertise has been sought to share lessons of successful public finance management reforms in such a context.

Another GFGD project is assisting Bangladesh, Nepal and Zambia to adopt a method to analyze long term growth using a simple model of savings, investment and productivity. The process analyzes the feasibility of long run growth rates in the face of existing macroeconomic constraints in the country and suggests ways to address them. The improvement and development of information and communication technology solutions in Bhutan is being supported by GFGD; Korean successful lessons in e-governance will be a major part of learning for the Bhutanese. Korean expertise and experience are also being used in GFGD projects in Kazakhstan and a few countries in Africa.

In implementing GFGD, a knowledge partnership with the Korea Development Institute (KDI) was initiated with a view to strengthen knowledge sharing between WBG and Korea. KDI, the premier think-tank institution of Korea, was recruited to provide project partnership to GFGD. The idea was to have experts from Korean think-tank organizations, academic institutions and the private sector working together side-by-side with WBG teams in providing assistance in projects in developing countries.

The first phase of GFGD projects supported by the Korean Trust Fund is in full swing. Most of them would be completed in 2016. A new round of project funding is planned in late 2016.

ANNEX 3: KWPF IN NUMBERS

The program funded by the KWPF is well diversified, by region and sector. The composition of activities under Windows 2 and 3 as of June 30, 2016 is shown in charts 8 and 9 below.

Chart 8: KWPF-funded Projects and Activities by Sector

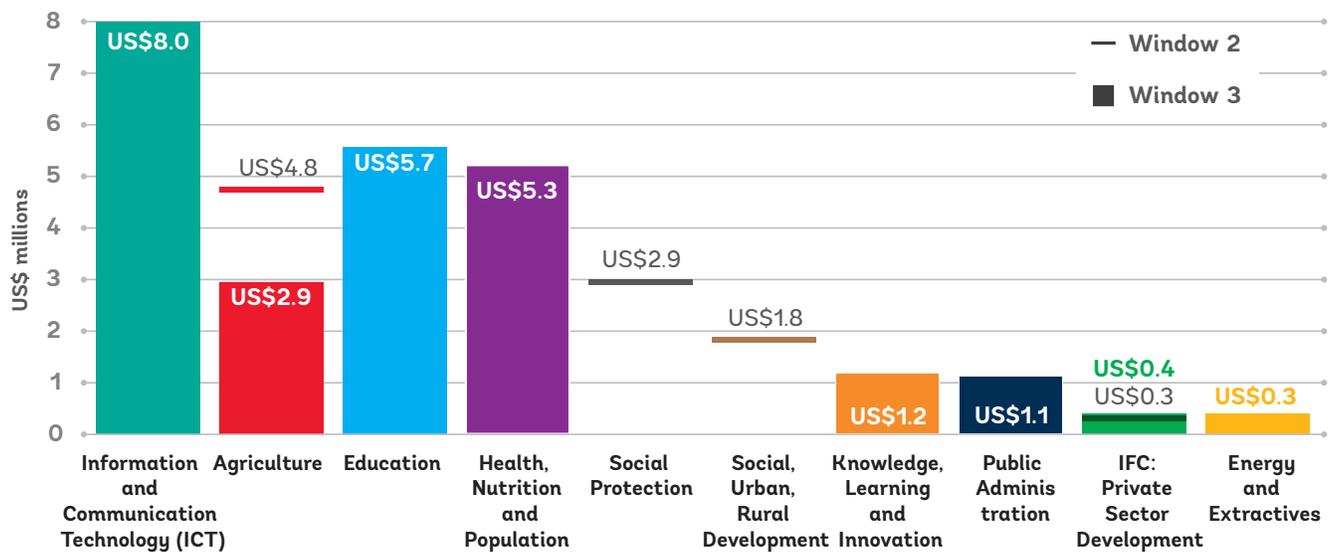


Chart 9: KWPF-funded Projects and Activities by Region

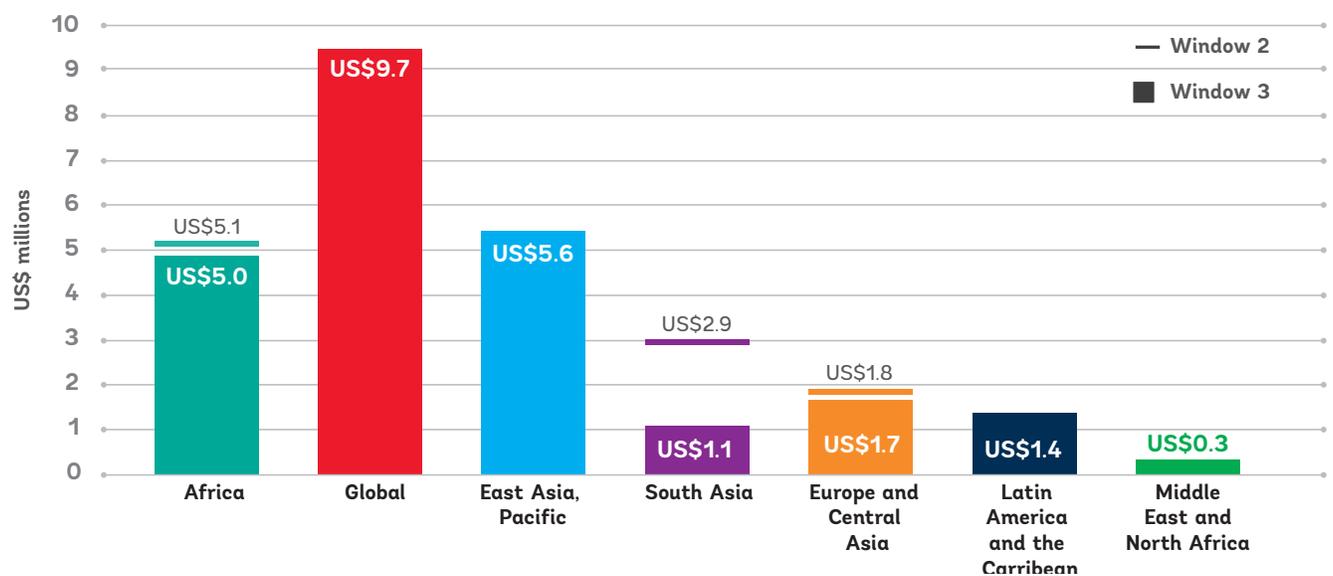
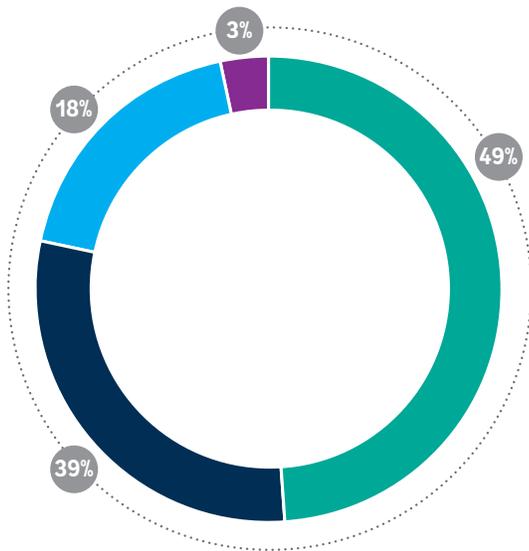
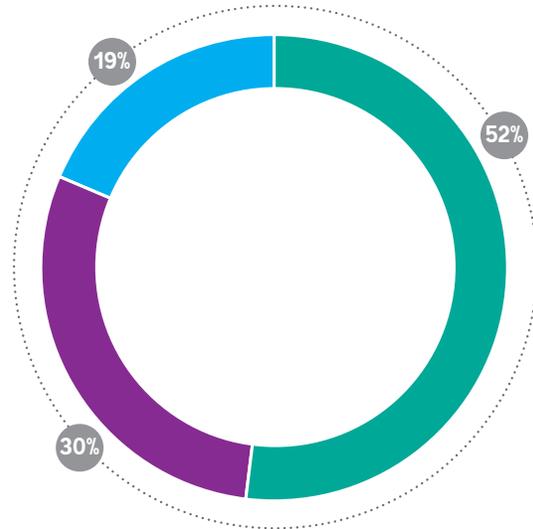


Chart 10: Window 2 by Sector
US millions



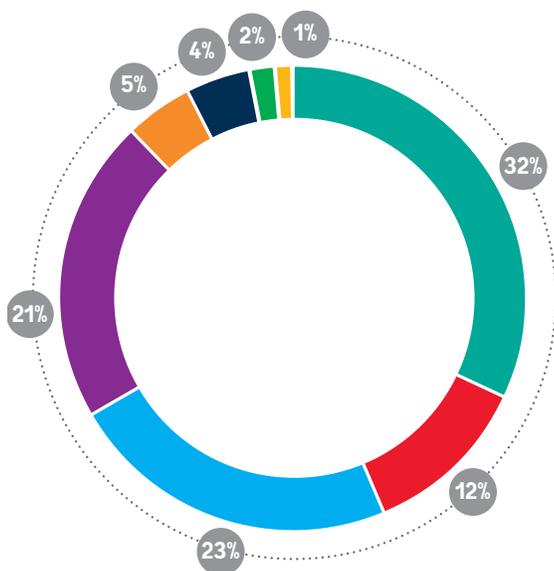
Agriculture **US\$4.8**
 Social Protection **US\$2.9**
 Social, Urban, Rural Development **US\$1.8**
 Private Sector (IFC) **US\$0.3**

Chart 11: Window 2 by Region
US millions



Africa **US\$5.1**
 South Asia **US\$2.9**
 Europe and Central Asia **US\$1.8**

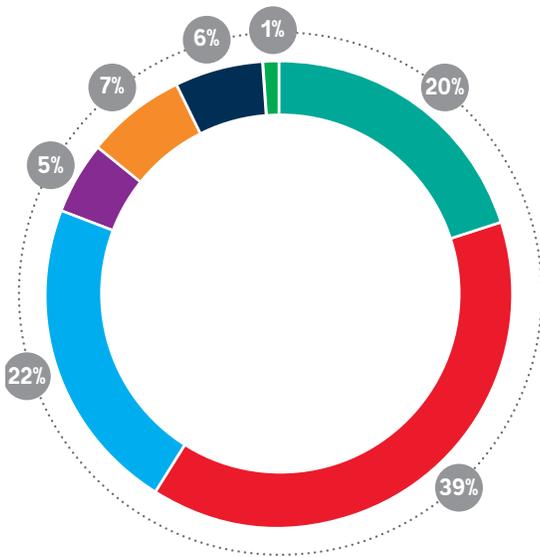
Chart 12: Window 3 by Sector
US millions



Energy and Extractives **US\$0.3**
 IFC: Private Sector Development **US\$0.4**
 Public Administration **US\$1.1**
 Knowledge, Learning and Innovation **US\$1.2**
 Health, Nutrition and Population **US\$5.3**
 Education **US\$5.7**
 Agriculture **US\$2.9**
 Information and Communication
 Technology (ICT) **US\$8.0**

Chart 13: Window 3 by Region

US millions



Africa **US\$5.0**

Global **US\$9.7**

East Asia, Pacific **US\$5.6**

South Asia **US\$1.1**

Europe and Central Asia **US\$1.7**

Latin America and the Caribbean **US\$1.4**

Middle East and North Africa **US\$0.3**

Chart 14: Trends in Applications and Approvals in Window 2

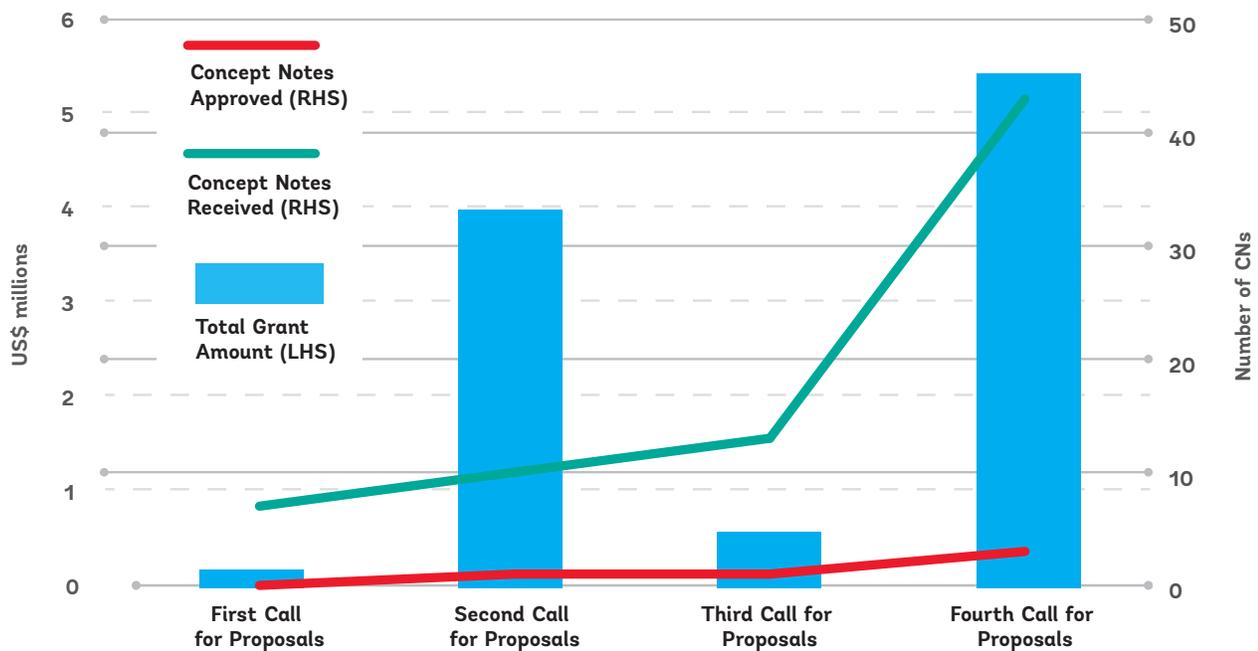
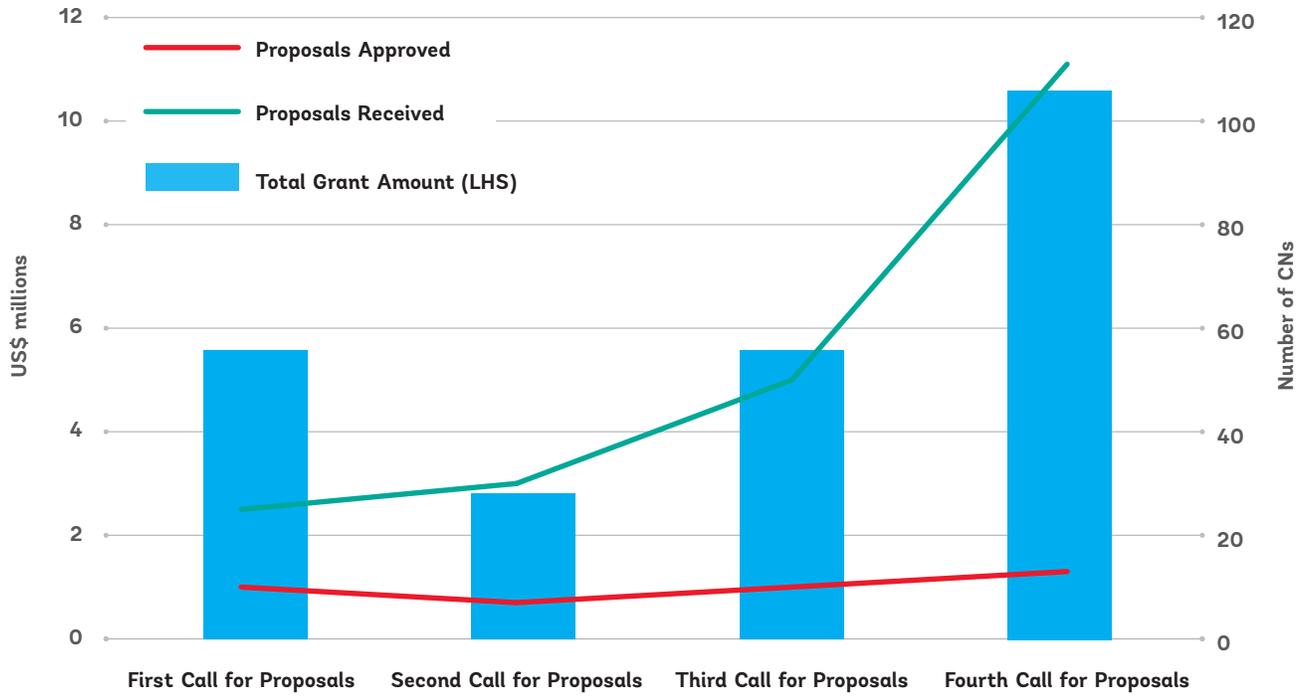


Chart 15: Trends in Applications and Approvals in Window 3



ANNEX 4: FY16 WINDOW 3 PRIORITY AREAS

EDUCATION (VOCATIONAL TRAINING)

The KWPF focuses on vocational training on the basis that skills development lies at the core of improving development outcomes (employment, earnings and prosperity) as well as increasing productivity and growth. Limited access to relevant skills training results in differences in development outcomes. As such, it is important to understand the respective roles and relative importance of education and skills in generating the right development outcomes. Korea has a comparably well-functioning Technical and Vocational Education and Training (TVET) system, particularly in manufacturing, which provided the grounding for Korea's rapid economic growth. Skills development is closely correlated to industrialization and in many cases, industrial development has been the catalyst for an advance in vocational training systems, and in turn, skills development contributed to deepening industrialization. Tertiary and secondary education is not a key focus area within the KWPF.

Activities supported by KWPF fall under the following focus areas:

- **Skills development systems.** KWPF supports the establishment, or improvement, of skills and/or higher education systems (focusing on applied sciences, engineering and technologies) through the diagnostic assessment of skills demand, governance, quality assurance, and financing mechanisms. As a first step, a skills assessment would be performed to determine the skill demand and supply for economic sectors considered to have growth potential, as well as skill constraints. KWPF also supports activities that aim to: i) assist developing countries in the formulation of skills (and related industrial policies); and ii) establish a national qualification framework and national competency standard.

- **Vocational Education and Training (TVET) Centers.** The main purpose of establishing TVET centers is to supply excellent skilled technicians most relevant to the industries of the economies of the recipient countries. To achieve this goal, KWPF supports a range of activities including: i) preparing physical space for training; ii) establishing strong relationships with industries; iii) developing curriculum and educational materials; and iv) training instructors, teachers and managerial staff.

AGRICULTURE

Agricultural development is one of the most powerful tools to end extreme poverty, boost shared prosperity and feed 9 billion people by 2050. Growth in the agriculture sector is approximately two to four times more effective in raising incomes among the poorest relative to other sectors. This is important for 78% of the world's poor who live in rural areas and whose livelihood is dependent on farming. Agriculture is also crucial to economic growth: it accounts for one-third of GDP and three-quarters of employment in Sub-Saharan Africa. Agriculture-driven growth, poverty reduction, and food security are at risk, however, as a warming climate could cut crop yields by more than 25%. Agriculture and land use change are responsible for 19–29% of global greenhouse gas emissions, and mitigation in the agriculture sector is part of the solution to climate change. Reflecting these circumstances, the Bank has established 4 priorities: i) climate smart agriculture; ii) agricultural employment and rural livelihoods; iii) food supply and quality; and iv) value chains and agribusiness.

Korea has ample experience in agricultural development with agriculture being the largest industry in Korea throughout the 1950's and 1960's, and food shortages being prominent following the Korean War. Korean efforts to increase food production were focused on the construction of agricultural infrastructure and development of technologies.

The KWPF's agricultural priorities are aligned with those of the Bank and comprise of the following: i) infrastructure (e.g. irrigation and mechanization) and technology transfer (e.g. crop improvement, information and training centers); ii) climate smart agriculture; iii) agribusiness; and iv) rural livelihoods.

Activities supported by KWPF fall under the following focus areas:

- **Infrastructure and technology transfer.** KWPF supports activities related to increasing agricultural productivity through development of infrastructure and technology (software rather than hardware). Activities include, but are not limited to, the improvement of irrigation facilities, farmlands, greenhouses, barns for livestock, equipment for cultivation and fisheries, seeds and fertilizers, mechanization, and increased skills training in the operation of such equipment and infrastructure.
- **Agribusiness.** Agribusiness includes agrichemicals, breeding, crop production, distribution, farm machinery, processing, and seed supply, as well as marketing and retail sale. KWPF aims to support activities related to income-generation for rural households through merchandising agricultural products, such as marketing and sales of crops, livestock and marine products.
- **Climate Smart Agriculture.** KWPF supports activities that aim to improve agricultural productivity in an environmentally friendly manner.

HEALTH

Within the health sector, KWPF is focused on Universal Health Coverage (UHC) and Civil Registration and Vital Statistics (CRVS). Areas such as activities to fight diseases, such as malaria and HIV/AIDS, are not the focus of the Facility since they are covered by other large multi-donor trust fund programs. Universal health coverage (UHC) aims to: i) provide people with access to health care without imposing financial hardship; and ii) achieve better health and development outcomes in line with the Sustainable Development Goals

(SDGs), which will guide the post-2015 development agenda. SDG #3 includes a target to "achieve universal health coverage (UHC), including financial risk protection, access to quality essential health care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all." More than 30 middle-income countries are implementing programs with the aim of achieving UHC, and many more low- and middle-income countries are considering launching similar programs. Korea has exhibited best practice since the launch of its own UHC system in 1989, just 12 years after the launch of the National Health Insurance (NHI) scheme in 1977, representing a landmark in global health system history. Major health reforms have been adopted with the aim of ensuring efficient and equitable delivery of services. Korea is a global leader in managing CRVS and national ID systems, which provide a foundation for UHC, and are effectively integrated into Korea's health information system.

Activities supported by KWPF fall under the following focus areas:

- **Universal Health Coverage (UHC).** KWPF supports activities related to designing, establishing and operating NHI schemes. The focus of supported activities could include: i) the incremental expansion of population coverage, family-based membership for the informal sector and uniform payment system to medical providers; ii) development of data management and health information systems to improve transparency and accountabilities; and iii) building capacity to operate these systems.
- **Civil Registration and Vital Statistics (CRVS).** CRVS and national ID systems are important foundations for UHC. Activities supported under this area would be the issuance and management of unique identification for each individual from birth to death. These activities would enhance people's welfare through resident registration, which would contribute to maintaining order in society and addressing administrative needs such as childcare benefits and primary school enrollment. Supported activities could include the development of ICT systems as well as capacity building initiatives relating to the ongoing management of CRVS.

ANNEX 5: RESULTS FRAMEWORK

TRUSTEE LEVEL:

- Over-arching Development Objective and Expected Impact of Partnership Facility:

To contribute to poverty reduction through inclusive and sustainable economic growth in low and lower-middle income countries.

- Higher-Level Indicators for the overall Facility:

(I) Positive changes in beneficiary countries' policies, laws and regulations that promote sustainable economic growth and are attributable to the Facility,

(II) Enhanced relevance, effectiveness and efficiency of the World Bank strategies and operations supported by the Facility, and

(III) Improved development aid effectiveness resulting from changes in the development approaches of aid donors and other development partners, based on lessons learned from the Facility.

(IV) Increased adoption and use by beneficiary countries of development knowledge that are produced and mainstreamed through the Facility.

The three Windows of the Facility cover activities and programs that span numerous sectors, and involve a combination of technical assistance, free-standing and co-financing operations, both executed by recipients and the World Bank, that will jointly result in the expected development impact of the Facility. The higher-level indicators form a results chain in which the knowledge and skills gained through the Facility's support would lead to behavioral, institutional, and policy changes – among both the donors and beneficiary countries – that foster and sustain inclusive economic growth. The reporting on the higher-level indicators would be based on aggregating the results for the three Facility Windows, based on performance assessment criteria and Core Sector Indicators that are currently in operational use at the World Bank within the larger framework of building-up to a comprehensive Corporate Scorecard. The longer-term outcomes and relevant indicators for each of the three Windows are delineated below.

WINDOW 1 LEVEL: PASS-THROUGH TO GLOBAL AND REGIONAL PROGRAMS (GRPPS)

Expected longer-term outcomes could include:

Specific to the GRPP, as reviewed for consistency, and approved in line with the overarching goals of the Facility

Indicators: (consistent with IEG's "Sourcebook for Evaluating GRPPs")

- Relevance
- Effectiveness
- Efficiency
- Governance
- Financial Management
- Risks
- Devolution Strategy
- Impacts

WINDOW 2 LEVEL: CO-FINANCING OF COUNTRY INVESTMENTS

Expected longer-term outcomes of window 2 activities:

To ensure coordination of development assistance, the longer-term outcomes of the Facility will be closely aligned with the outcomes being targeted by the Bank's Country Assistance Strategies and Regional Strategies, as well as Sector and Thematic Strategies. Those higher level outcomes will be based on the World Bank's sector specific Core Sector Indicators (CSIs) thereby facilitating the harmonization of implementation and completion reporting for both the Facility and the Corporate Scorecard.

Indicators: Given (i) the contributing role of the Facility within the context of a co-financing partnership, and (ii) the possibly shorter timeframes for interventions under the Facility compared to the overall Bank investment project, the Results Frameworks for the Bank investment project will contain specific Intermediate Outcome (IO) Indicators that can be directly attributed to the activities supported by the Facility.

As examples, the quantitative IO Indicators could include (which have corresponding, sector-specific CSIs):

- Improved Access (Numbers or Percentages)
- Increased Inclusivity (Numbers or Percentages)
- Greater Productivity (Units of measure)
- Enhanced Sustainability (Financial & Economic-standard measures)

Qualitative IO Indicators (which are also aligned with the CSIs) could include:

- Improved Governance and Institutional Efficiency/ies
- Closer Strategic Alignment (Within Country, and Donor-to-Country)
- Greater Value-Added from Process Changes

The quantitative and qualitative IO Indicators will be causally linked to the Final Outcome Indicators for the overall investment, which in turn are keyed to the CSIs for measuring longer-term development outcomes.

In terms of aggregate reporting, the IOs and results for the investment components that are co-financed by the Facility will be monitored and reported during regular Bank project supervision, using Bank standard documentation. Qualitative IOs and Final Outcomes would rely on beneficiary interviews and case studies for collecting supportive evidence.

WINDOW 3 LEVEL: GENERATION AND TRANSFER OF DEVELOPMENT KNOWLEDGE

Expected longer-term outcomes of window 3 activities:

At the country, regional and global levels, the longer-term, final outcomes of the Facility's support for the generation, dissemination and sharing of development knowledge are: (i) increased uptake and utilization by developing country beneficiaries of the lessons learned from the development experiences of other, more advanced countries; and (ii) improvements in development effectiveness of beneficiaries as a result of applying those lessons.

Indicators: The main Intermediate Indicator (IO) for the Knowledge Transfer window is "increased access to world class knowledge and lessons learned on sustainable and inclusive economic growth."

Indicators that can be directly attributed to the activities supported by the Facility.

These IOs would be measured mainly in terms of:

- Additional numbers
- Increased shares in percentages

Other IOs can be added over time as the grants are being supervised, depending on the progress of implementation. The IOs will be consistent with the overall indicators for the Facility (see above) and, *inter alia*, the CSIs for:

- Information Technology
- Participation and Civic Engagement
- Social Inclusion among possibly others from the various Human Development, Institutional Capacity-Building, and Knowledge Units of the Bank.

At the Window 3 grant level, each proposal will develop an individual Result Framework (RFs) in line with the overall longer-term outcomes of the window and the relevant CSIs. RFs under the Knowledge Transfer Window will be requested as part of the GRM.

