

**2019 REVIEW OF STAFF COMPENSATION
FOR THE WORLD BANK GROUP AND
AWARDS ALLOCATIONS**

March 28, 2019

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GLOSSARY

Bank Group or WBG	The World Bank Group (WBG) consists of the International Bank for Reconstruction and Development (IBRD or the Bank), International Finance Corporation (IFC), Multilateral Investment Guarantee Agency (MIGA), International Development Association (IDA), and International Center for the Settlement of Investment Disputes (ICSID).
Board of Directors	The Executive Directors of IBRD, IDA, IFC and MIGA.
Country Office (CO) Staff	For purposes of this paper, Country Office staff refers to locally-appointed staff in locations outside of Washington (Country Offices and Satellite Offices).
FCS	Fragile and Conflict-Affected Situations.
HQ	Headquarters based in Washington, D.C.
IDA-LIC	IDA-Low Income Country.
Merit Element	The single replacement to the Salary Progression Adjustment and Supplemental Merit Increase elements in the current compensation system. Its main objective is to reward performance.
Midpoint	The point in the World Bank Group's salary ranges which aims to be aligned with the 75 th percentile of compensation at comparable levels in the respective local labor markets.
Performance Management System	The Bank Group's individual performance rating system based on staff contribution and performance (ranging from a rating of 1 for 'unsatisfactory' performance up to a rating of 5 for 'significantly exceeds expectations').
Salary Erosion	Salary erosion is defined as the percentage decline in average WBG salaries over the course of the year. It arises largely from turnover and promotions (caused by inflows and outflows of staff, where more experienced staff leaving the organization or retiring staff are replaced by new recruits or newly promoted staff).
Salary Structure or Salary Scale	The set of salary ranges established for various grade levels. At the World Bank Group, the salary structure or salary scale has 11 salary ranges from GA to GK. Each grade has a minimum and a maximum (called a salary range) and a midpoint. In some country offices, the scale starts with G1 grade.

Structure Adjustment	The structure adjustment aligns the salary scales with the increases in labor market salary levels. This represents the increase resulting from aligning the midpoints to the new market values.
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Executive Summary

A. This paper presents for Board approval (i) the compensation proposals based on the 2019 (FY20) Review of Staff Compensation for the World Bank Group for Headquarters and Country Offices, and (ii) the FY20 budget allocation for the IBRD, IFC and MIGA Awards.

B. The FY20 compensation review followed the rules set forth in the revised methodologies. For FY20, comprehensive market survey reviews of respective country labor markets for each of the WBG offices were conducted. In order to transition to the full scope of the revised country office methodology, Management intends to implement a transitional or intervening measure for FY20.

C. WBG awards programs recognize and reward teams and individuals who, in delivering results in alignment with the WBG's mission and objectives, have exhibited characteristics of exceptional performance, effort, innovation, collaboration, and leadership. IBRD, IFC and MIGA manage their own programs which are complemented by the joint WBG awards program. The scope and the budgetary envelopes of the awards and recognition programs in IBRD, IFC and MIGA are described in this paper.

D. For the 2019 (FY20) Review of Staff Compensation for the WBG, it is recommended that the Boards of Directors approve:

- (i) The 2019 (FY20) structure adjustment of 2.2% to the salary ranges and midpoints for HQ-appointed staff;
- (ii) The 2019 (FY20) structure adjustments to the salary ranges and midpoints for Country Office-appointed staff as specified in Annex C.

E. For the Awards, it is recommended that the Boards of Directors approve the FY20 budget allocations of:

- (i) US\$3.8 million for the IBRD awards which include the IBRD portion of the WBG Awards;
- (ii) US\$31.0 million for the IFC awards program which include the IFC portion of the WBG Awards;
- (iii) US\$300,000 for the MIGA awards program.

INTRODUCTION

1. This paper presents (i) the compensation proposals for the 2019 (FY20) Review of Staff Compensation for the World Bank Group for Headquarters and Country Offices, and (ii) the FY20 budget allocation for the IBRD, IFC and MIGA Awards.
2. The FY20 review represents the first year of the three-year (FY20-22) compensation cycle, where a comprehensive market survey approach was used to review all WBG salary scales around the world and calculate structure adjustments. For HQ, the FY20 outcome is based on the full application of the revised HQ compensation methodology approved by the Board in June 2018. For country offices, the FY20 outcomes of the compensation reviews are based on the proposed revised compensation methodology for country office-appointed staff.
3. The awards and recognition programs play a significant role in providing incentives and motivation, and a strong signaling effect to focus the institutions on critical strategic priorities. While some of these awards programs do not provide substantial financial amounts to staff, and in some cases, they provide non-monetary awards only in the form of trophies or certificates, they help improve and reinforce desired behaviors, and increase staff engagement.
4. This paper is organized into three parts. The first part details the proposed annual structure adjustments. The second part presents the proposals for FY20 awards budget allocations. The recommendations submitted for Board approval are presented in the third part.

A.I. HEADQUARTERS – STRUCTURE ADJUSTMENT

5. The FY20 structure adjustment for Headquarters salary structure at grades GA-GI is proposed at 2.2%. Annex A provides more information on the FY20 WBG HQ measurement of the U.S. market.
6. The salary ranges and midpoints for grades GJ and GK are adjusted based on IMF's projected U.S. CPI movement of 2.2% for FY20.
7. The July 1, 2019 (FY20) salary structure for HQ-appointed staff is presented in Annex B.

A.II. COUNTRY OFFICES – STRUCTURE ADJUSTMENT

8. The proposed FY20 structure adjustments for Country Offices are detailed in Annex C.

A.III. FY20 TOTAL SALARY INCREASE

9. For HQ, the merit element is set at 1.5% and it complements the structure adjustment.
10. For country offices with resulting FY20 structure adjustment based on the respective country labor market movement, the structure adjustment is complemented with a merit element that is set at 1.5% for each office.
11. Where country offices reviews result in minimal or marginal total salary increases, a transitional measure is applied to ensure that staff performance is appropriately rewarded. The FY20 total salary increase for each office is specified in the Addendum. In the transitional measure, the priority is given to the country offices located in FCS and IDA-LIC.
12. This transitional measure for FY20 total salary increase is the sum of the 1.5% merit element, and a percentage of the respective country CPI movement as follows:
 - a. For country offices in FCS and IDA-LIC: 75% of country CPI movement; and
 - b. For all other WBG offices: 50% of country CPI movement.

13. The transitional measure is not to be applied to Angola, Egypt, Sierra Leone, South Sudan, Sudan and Yemen due to recent scale denomination changes or currency development. These country offices will receive the minimum 2.0% total salary increase per office.

A.IV. DISTRIBUTION OF SALARY INCREASES

14. All salary increases for Headquarters and Country Offices-appointed staff remain performance-based. Staff with *unsatisfactory* or *partially meets expectations* performance ratings will receive no salary increase.

15. Salary increases will continue to be distributed to individual staff based on their position in the salary range and performance rating, with higher performance recognized and differentiated through higher salary increases.

16. Salary increases will be distributed no later than November 2019 after the end of the annual FY19 performance cycle.

A.V. FINANCIAL IMPLICATIONS

17. The proposed structure adjustments and financing of the transitional measure for Country Offices will be included in the respective FY20 budgets of individual WBG institutions.

B.I. WBG AWARDS

18. Each WBG institution manages its own programs in alignment with respective business priorities. Individual institution's awards programs are complemented with the Bank Group-wide program to recognize staff and reward collaboration and priorities that have cross-cutting themes across the WBG. These programs are financed through joint funding provided by individual WBG institutions. As the individual WBG institution varies in its business nature, the type and design of awards programs, as well as level of incentives offered, would also vary in terms of how each institution creates and recognizes performance differentiation. The WBG's and each institution's awards and recognition programs are described in Annex D.

B.II. AWARDS BUDGET ALLOCATIONS

19. The IBRD awards program remains unchanged for FY20. Thus, the requested budget allocation of US\$3.8 million for this program, which includes IBRD's portion of the WBG Awards, is the same as the FY19 allocation.

20. IFC's requested budget allocation for FY20 is US\$31.0 million, compared to US\$29.1 million for FY19. This amount includes the IFC portion of the WBG Awards. Successful implementation of IFC 3.0 requires changes in adapting incentives to encourage collaboration and sustained commitment to long term, complex engagements. Implementing adequate incentives will not be a one-time effort but requires a multi-year and multi-pronged approach. IFC already started to steer its incentives towards IFC 3.0. Following the revamp of IFC's Corporate Scorecard, IFC Awards programs shifted to support the alignment of organizational performance with organizational priorities. For instance, the FY18 Corporate Awards programs was refocused to recognize strategic achievements, including the introduction of the Top 30 individual's Award category to acknowledge and monetarily reward staff across the WBG for exceptional work demonstrated in low-income IDA and FCS countries, and for contributions toward creating markets and implementing the Cascade. IFC awards programs recognize the value of WBG collaboration in implementing IFC's strategy, which resulted in a doubling in FY18 of the number of awards allocated to IBRD and MIGA.

21. IFC shares the WBG single and unified salary structure. However, as IFC is a private sector-oriented institution, a higher private sector weight would better reflect staff composition and skills needed. To retain its competitiveness and motivate staff to deliver on the IFC's strategic agenda, the IFC awards budget allocation may increase to support IFC's strategic agenda in subsequent years as IFC progresses with the implementation of IFC 3.0. Based on the Board-approved methodology, the maximum awards budget allocation is defined as the difference between the existing WBG pay-line and potential IFC-only pay-line. This IFC-only pay-line is based on a more appropriate (i) private sector weight (75% private sector), as well as (ii) staff weight based on Job Family, to mirror IFC's staff profile. Based on a calculation using FY19 data, the difference between the WBG pay-line and the IFC-only pay-line would be approximately US\$51 million. Subject to budget trajectory/discipline, efficiencies, institutional performance parameters and Board approval, IFC can request an annual awards budget allocation up to the calculated difference in the pay-lines.

22. The requested MIGA budget allocation is US\$300,000, which remains unchanged for FY20. The MIGA awards program primarily aims at incentivizing behaviors that align with the Agency's strategy to focus on IDA, FCS and climate finance.

C. SUMMARY OF RECOMMENDATIONS

23. For the 2019 Review of Staff Compensation for the WBG, it is recommended that the Boards of Directors approve:

- (i) the 2019 (FY20) structure adjustment of an overall weighted average of 2.2% to the salary ranges and midpoints for HQ-appointed staff;
- (ii) the 2019 (FY20) structure adjustments to the salary ranges and midpoints for Country and Satellite Office-appointed staff as specified in Annex C.

24. For the Awards, it is recommended that the Boards of Directors approve the FY20 budget allocations of:

- (i) US\$3.8 million for the IBRD awards which includes the IBRD portion of the WBG Awards;
- (ii) US\$31.0 million for the IFC awards program which includes the IFC portion of the WBG Awards;
- (iii) US\$300,000 for the MIGA awards program.

Annex A: FY20 WBG HQ Compensation Measurement of the U.S. Market

1. The FY20 WBG HQ compensation review follows the revised compensation methodology as approved by the Board in June 2018.

U.S. Market Data Sources

2. Multiple high-quality data sources are used to ensure adequate coverage for Bank Group jobs. The comparator organizations used in each data source are based on broad market data sets using various positions/jobs across various job families and functional areas in the market that the WBG compares with and competes with for its HQ-appointed staff (See Table 1).

- a. U.S. Public Sector. The data used to define this comparator public sector data uses both U.S. Civil Service compensation data from various U.S. Civil Service Departments and Agencies that pay employees according to the U.S. Office of Personnel Management (US OPM) General Schedule, as well as data from Aon Hewitt and Willis Towers Watson on academia, NGOs and not-for-profit organizations.
- b. U.S. Private Sector. For the industrial sector, data from Aon Hewitt, Willis Towers Watson and HRA NCA were used. For the financial services sector, data sources were McLagan and Willis Towers Watson.

Table 1: Summary of Market Data Sources by Job Family for Compensation Data Aggregation

Market Data Sources	Administrative						Core Business & Technical					
	Accounting	External Affairs	General Services	Human Resources	Info Mgt Tech	Legal	Office Support	Economist	Finance	Investment	Operations	Tech Specialists
OPM	X		X	X	X	X	X	X	X		X	X
McLagan	X	X	X	X	X	X	X	X	X	X	X	
Willis Towers Watson	X	X	X	X	X	X	X	X	X	X	X	X
Aon Hewitt	X	X	X	X	X	X	X	X	X	X	X	X
HRA NCA	X	X	X	X	X	X	X	X	X		X	X

3. The combination of the data source compensation levels, sector weights, job family aggregation, and the actual staff weighting by grade results in the composite gross market values for grades GA to GI. The 2019 WBG review staff weights by job family across the grades are summarized below (Table 2).

Table 2: 2019 Staff Weights by Job Family at Grades GA – GI

GRADE	Administrative						ACS	Core Business				Technical
	Accounting	External Affairs	General Services	Human Resources	Information Technology	Legal	Office Support	Economist	Finance	Investment	Operations	Technical Specialists
GA							100%					
GB							100%					
GC							100%					
GD	4%	1%	6%	7%	11%	3%	58%	1%	5%	1%	2%	0%
GE	15%	5%	2%	7%	16%	4%		9%	8%	7%	20%	7%
GF	7%	6%	2%	3%	14%	3%		15%	10%	6%	15%	19%
GG	4%	3%	1%	3%	8%	4%		16%	10%	7%	16%	30%
GH	3%	2%	1%	2%	3%	5%		14%	13%	15%	20%	21%
GI	4%	3%	2%	3%	2%	2%		15%	11%	11%	31%	14%
GE-GI	6%	4%	1%	3%	9%	4%		15%	10%	8%	17%	22%

Converting Gross Market Values to Net Values

4. The U.S. labor market compensation data is collected and provided through various market data sources in gross terms, and the resulting gross market value per grade is then netted down to restate in terms comparable to the net-of-tax salaries of Bank Group staff.

Annex B: July 1, 2019 HQ Salary Scale

1. The proposed annual net salary scale for HQ-appointed staff as of July 1, 2019 is shown in Table 3 below.

Table 3: July 1, 2019 HQ Salary Scale

WBG Grade	Minimum (US\$)	Midpoint (US\$)	Maximum (US\$)
GA	28,000	40,000	52,000
GB	33,700	48,100	62,500
GC	41,500	59,300	77,100
GD	49,300	70,500	91,700
GE	67,600	96,600	125,600
GF	89,500	127,800	166,100
GG	115,700	165,300	214,900
GH	158,200	226,000	293,800
GI	243,200	304,000	364,800
GJ	288,100	339,000	389,900
GK	320,300	376,800	433,300

Annex C: 2019 (FY20) Structure Adjustments – Outside of HQ/Washington

1. The FY20 individual country office structure adjustments are presented by WBG Office location in alphabetical order. Table 4 also includes information for Satellite Offices (such as those in Western Europe, Japan and United States - New York City).
2. Locations noted as exceptions to the transitional measure as defined in para. 13 are identified with an asterisk (*) below.

**Table 4: FY20 Structure Adjustments
by WBG Country or Satellite Office**

#	Country	Region	FY20 Structure Adjustment
1	Afghanistan	SAR	4.0%
2	Albania	ECA	0.0%
3	Algeria	MNA	6.7%
4	Angola*	AFR	0.0%
5	Argentina	LCR	31.7%
6	Armenia	ECA	0.0%
7	Australia	EAP	0.0%
8	Austria	HQ	0.0%
9	Azerbaijan	ECA	1.2%
10	Bangladesh	SAR	0.0%
11	Belarus	ECA	1.8%
12	Belgium	HQ	0.0%
13	Benin	AFR	0.0%
14	Bhutan	SAR	4.8%
15	Bolivia	LCR	4.2%
16	Bosnia and Herzegovina	ECA	0.0%
17	Botswana	AFR	3.9%
18	Brazil	LCR	0.0%
19	Bulgaria	ECA	2.1%
20	Burkina Faso	AFR	0.0%
21	Burundi	AFR	0.0%
22	Cambodia	EAP	3.3%
23	Cameroon	AFR	0.0%
24	Central African Republic	AFR	0.0%
25	Chad	AFR	2.5%
26	Chile	LCR	3.0%
27	China	EAP	0.0%
28	Colombia	LCR	0.0%
29	Comoros	AFR	2.0%

#	Country	Region	FY20 Structure Adjustment
30	Congo	AFR	0.0%
31	Congo, Democratic Republic of	AFR	8.5%
32	Costa Rica	LCR	2.6%
33	Cote d'Ivoire	AFR	0.0%
34	Croatia	ECA	0.0%
35	Djibouti	MNA	0.0%
36	Dominican Republic	LCR	0.0%
37	Ecuador	LCR	0.5%
38	Egypt, Arab Republic of*	MNA	0.0%
39	El Salvador	LCR	0.0%
40	Equatorial Guinea	AFR	1.4%
41	Ethiopia	AFR	0.0%
42	Fiji	EAP	3.2%
43	France - Marseille	HQ	0.0%
44	France - Paris	HQ	0.0%
45	Gabon	AFR	0.0%
46	Gambia, The	AFR	0.0%
47	Georgia	ECA	1.6%
48	Germany	HQ	0.0%
49	Ghana	AFR	8.0%
50	Guatemala	LCR	3.9%
51	Guinea	AFR	8.0%
52	Guinea-Bissau	AFR	0.0%
53	Guyana	LCR	2.9%
54	Haiti	LCR	0.0%
55	Honduras	LCR	1.9%
56	Hong Kong SAR, China	EAP	0.0%
57	India	SAR	0.0%
58	India - Chennai	SAR	4.9%
59	Indonesia	EAP	0.0%
60	Iraq	MNA	2.0%
61	Italy	HQ	0.0%
62	Jamaica	LCR	3.8%
63	Japan	HQ	0.0%
64	Jordan	MNA	0.0%
65	Kazakhstan	ECA	0.0%
66	Kenya	AFR	0.0%
67	Korea, Republic of	EAP	0.0%

#	Country	Region	FY20 Structure Adjustment
68	Kosovo	ECA	1.2%
69	Kuwait	MNA	1.0%
70	Kyrgyz Republic	ECA	0.0%
71	Lao People's Democratic Republic	EAP	0.0%
72	Lebanon	MNA	0.0%
73	Lesotho	AFR	5.3%
74	Liberia	AFR	0.0%
75	Madagascar	AFR	0.0%
76	Malawi	AFR	8.4%
77	Malaysia	EAP	0.0%
78	Maldives	SAR	2.7%
79	Mali	AFR	0.0%
80	Mauritania	AFR	0.0%
81	Mauritius	AFR	4.5%
82	Mexico	LCR	0.0%
83	Moldova	ECA	4.9%
84	Mongolia	EAP	0.0%
85	Montenegro	ECA	0.0%
86	Morocco	MNA	0.0%
87	Mozambique	AFR	0.0%
88	Myanmar	EAP	0.0%
89	Nepal	SAR	2.4%
90	Nicaragua	LCR	0.0%
91	Niger	AFR	2.0%
92	Nigeria	AFR	5.6%
93	North Macedonia, Republic of	ECA	0.0%
94	Pakistan	SAR	6.6%
95	Panama	LCR	2.4%
96	Papua New Guinea	EAP	0.0%
97	Paraguay	LCR	4.1%
98	Peru	LCR	0.0%
99	Philippines	EAP	0.0%
100	Poland	ECA	0.0%
101	Romania	ECA	0.8%
102	Russian Federation	ECA	0.0%
103	Rwanda	AFR	5.5%
104	Samoa	EAP	0.0%
105	Saudi Arabia	MNA	0.0%

#	Country	Region	FY20 Structure Adjustment
106	Senegal	AFR	0.0%
107	Serbia	ECA	2.3%
108	Sierra Leone*	AFR	0.0%
109	Singapore	EAP	1.4%
110	Solomon Islands	EAP	1.6%
111	South Africa	AFR	0.0%
112	South Sudan*	AFR	0.0%
113	Sri Lanka	SAR	0.0%
114	Sudan*	AFR	0.0%
115	Switzerland	HQ	0.0%
116	Tajikistan	ECA	0.0%
117	Tanzania	AFR	4.7%
118	Thailand	EAP	0.0%
119	Timor-Leste	EAP	0.0%
120	Togo	AFR	0.0%
121	Tonga	EAP	4.6%
122	Tunisia	MNA	2.8%
123	Turkey - Ankara	ECA	5.2%
124	Turkey - Istanbul	ECA	7.6%
125	Turkmenistan	ECA	3.6%
126	Uganda	AFR	1.3%
127	Ukraine	ECA	0.0%
128	United Arab Emirates	MNA	0.0%
129	United Kingdom	HQ	0.0%
130	United States - New York	HQ	2.2%
131	Uruguay	LCR	6.7%
132	Uzbekistan	ECA	0.9%
133	Vanuatu	EAP	3.4%
134	Vietnam	EAP	0.0%
135	West Bank and Gaza	MNA	0.0%
136	Yemen, Republic of*	MNA	0.0%
137	Zambia	AFR	2.3%
138	Zimbabwe	AFR	0.0%

Annex D: WBG Awards

WBG AWARDS PROGRAM

1. **President's Awards for Innovation** recognize teams that have accelerated development results through the creation and/or adoption of innovations across WBG operations, as well as client countries. These innovations may be brand new solutions, such as a new technology, product, policy, process, partnership, or other approach; or may be an adaptation of established approaches to different sectors or context. For 2019, in addition to other important criteria, the nominations called for innovation related to solutions using disruptive technology via private sector partnerships. These awards are non-monetary.
2. **President's Awards for Excellence** recognize individuals and teams who, in delivering results toward the WBG's mission and objectives, have modeled the Maximizing Finance for Development or Cascade, exceeded the expectations of the job ("gone above and beyond the call of duty"), demonstrated WBG collaboration, and/or exhibited characteristics of exceptional leadership. These awards are non-monetary.
3. **Spot Awards** recognize extraordinary efforts made by individual staff and teams to realize the goals of the WBG. Monetary awards under the spot awards program may be up to US\$400 (or equivalent in the salary currency). The **Bravo Awards Program** for a few selected units (e.g. WB BPS, GCS, ITS, SPA)¹ forms a sub-category of the spot awards and VPU team awards, where funds are re-purposed under this program. The Bravo Awards is a points-system type of program (where points are redeemable for small monetary awards) to recognize worthy efforts and behaviors of staff, peers and colleagues, thus promoting a culture of appreciation and recognition.
4. **Integrated VPUs Performance Awards** reward and recognize team achievements and individual performance in support of VPU goals. This program incentivizes collaborative behaviors and results that will help deepen the synergies across IBRD and IFC, specifically in the areas of Human Resources (HR). Monetary awards range between 2% and 10% of the midpoint salary of the recipient's grade.
5. **The Service Recognition Program** honors staff on their 10, 20 and 30-year anniversaries with the WBG, as well as in commemorating their retirement. The Retirement Appreciation Award for all WBG staff who retire after reaching 20 years of continuous service is US\$1,200.

IBRD AWARDS PROGRAM

6. **VPU Team Awards** recognize and reward teams that, in delivering an activity during the prior calendar year, focused on impact, integrity, respect, innovation, teamwork, supporting the FCV agenda, supporting the Bank Group's Cascade/Maximizing Finance for Development agenda, and the achievement of VPU-specific objectives. Monetary awards range between US\$400 and US\$2,000 (or equivalent in the WBG office salary currency).
7. **Finance Partners Performance Awards** align collective and collaborative performance with the Finance group-wide business objectives. The program links the Finance Partners group objectives to rewards, to encourage staff to collectively deliver on Finance VPU results and support one another within and across the Finance VPUs. This program is a foundation for measuring and rewarding annual achievements and recognizing outstanding staff and team performance towards collective delivery and results. Monetary awards range between 2% and 10% of the midpoint salary of recipient's grade.

¹ Budget, Performance Review and Strategic Planning, Global Corporate Solutions, Information and Technology Solutions, and Strategy, Performance and Administration Department.

8. **Variable Pay Pilot.** In line with the WBG medium to long-term plan to shift the WBG system and culture to a more pay-for-performance operating model, a potential first pilot program to be defined by its objectives/overall purpose, parameters, scope, and awards may be designed in FY20. Any design that may be potentially implemented within FY20 would be managed within the awards budget envelope for FY20.

IFC AWARDS PROGRAMS

9. **IFC Corporate Award Program** is an integral part of how the IFC Management team rewards and recognizes outstanding performance consistent with IFC's core values and corporate priorities in the following categories: (1) Low-income IDA and FCS countries, (2) Creating Markets and the Cascade, or MFD, (3) IFC delivery to clients, and (4) Corporate initiatives. These monetary awards range between 2% and 10% of the midpoint salary of the recipient's grade.

10. In addition, IFC introduced **Top 30 for IFC 3.0 individual awards**. These awards are designed to reward individual efforts, focusing specifically on IFC 3.0 and the Creating Markets agenda. These monetary awards are set at 15% of the midpoint salary of the recipient's grade.

11. **IFC Annual Performance Awards** distinguish extraordinary efforts, achievements, and positive behaviors consistent with IFC's core values. The program rewards teams and individuals incorporating corporate, departmental and individual performance and, specifically, emphasizes individual and team performance that leads to improved client results and greater effectiveness for the corporation as a whole. The program promotes functional and performance differentiation for successful contributions in IFC's high priority areas. Monetary awards range between 5% and 15% of the midpoint salary of the recipient's grade.

MIGA AWARDS PROGRAM

12. **MIGA's Management Awards** reward teams and/or individuals who make significant contributions to MIGA's institutional and/or operational results. The awards program is primarily aimed at incentivizing behaviors that align with the Agency's strategy to focus on IDA, FCS and climate finance. Monetary awards may be up to US\$7,000.

Annex E: IFC Awards Methodology

1. Using the same methodology to define the WBG pay-line, IFC will calculate the difference between the WBG pay-line to which all salaries will be pegged, and what an IFC-only pay-line would be, based on (i) a more appropriate private sector basket (75% Private/25% Public) in relation to IFC hiring sources (which show a 92% Private/8% Public mix), and (ii) a more appropriate set of staff weights by Job Family to reflect IFC's staff profile as shown in Table 1 based on 2019 staffing profiles.
2. The increased emphasis on the finance and investment job families (as per the IFC's staff composition) would increase the midpoints of the salary range for grades GF-GI. This differential will be utilized to estimate the maximum award envelope IFC can request to allocate to its awards programs. Since the differential is based on the HQ compensation methodology, for country offices a projected difference will be estimated based on the wage bill split between HQ and Country Office staff.
3. Budget trajectory/discipline, efficiencies, and institutional performance parameters, will be key factors in determining the IFC's awards envelope requested annually for its awards programs.

Table 1: 2019 Staff Weights by Job Family at Grades GE-GI – WBG and IFC

WBG Core Business and Technical					
Grade	Economist	Finance	Investment	Operations	Technical Specialists
GE	9%	8%	7%	20%	7%
GF	15%	10%	6%	15%	19%
GG	16%	10%	7%	16%	30%
GH	14%	13%	15%	20%	21%
GI	15%	11%	11%	31%	14%
GE-GI	15%	10%	8%	17%	22%

IFC Core Business and Technical					
Grade	Economist	Finance	Investment	Operations	Technical Specialists
GE	9%	13%	26%	13%	2%
GF	4%	22%	29%	24%	1%
GG	4%	10%	29%	25%	13%
GH	2%	14%	48%	13%	11%
GI	2%	21%	47%	13%	4%
GE-GI	4%	14%	35%	19%	9%