

Addressing the Challenges of Globalization

World Bank Operations Evaluation Department

April 20, 2005



SPONSORED BY:



THE WORLD BANK

OED'S CONFERENCE ON GLOBAL PROGRAMS

Ajay Chhibber, Acting Director-General, Operations Evaluation, welcomed more than 300 participants, including Spring Meeting Delegates, global program practitioners from developing countries, and Bank managers to discuss OED's recent review of global programs at the OED Spring Conference, "Addressing Challenges of Globalization." Chhibber called the Bank's work both global and meta-national: "The objective is to serve the global common good and improve living standards for the poor in developing countries."

Bank Managing Director Shengman Zhang, invited to deliver the opening remarks at the conference, called global programs "integral" to the institution's work: "We are very grateful to OED for having undertaken this review. We have delivered quite a bit, but we want to deliver even better. Accordingly, we have been trying to see how we can prioritize better and how we can deliver better."

Global programs have steadily grown as a Bank business line. The Bank has become the largest manager of trust funds; disbursements to global and region-



From left: Ajay Chhibber, Shengman Zhang, and Adele Simmons.

al activities increased to \$1.2 billion in 2004. OED's Review focused on issues of selectivity; value added to Bank objectives; governance, management, and financing; and Bank performance. All panelists urged wide dissemination of the report's findings beyond the World Bank.

SIMMONS: STRATEGY SHOULD LINK GLOBAL WITH NATIONAL

Adele Simmons, former President of the John D. and Catherine T. MacArthur Foundation, summed up the Bank's innovative work in global programs in an opening keynote address.

"There is a lot to be said for letting a thousand flowers bloom and seeing what works and what doesn't," she said. "But the time has come to be more strategic with global programs. Context matters. One size does

continued on back



Clockwise from top left: Louka Katseli, Deepak Nayyar, and Inge Kaul and Sven Sandstrom. The panel included, from left: Uma Lele, Chris Gerrard, Louka Katseli, Sven Sandstrom, Inge Kaul, and Deepak Nayyar.

Katseli said that "30 percent of official development assistance is now dedicated to global programs" according to a recent OECD study. She called OED's review "appropriate and bold," and urged participants to envision global program partnerships that are the product of joint country and global actions, benefiting from complementary investments.

Inge Kaul, Director of the Office of Development Studies at UNDP, said that flourishing public-private partnerships at the country level are creating additional momentum to address development challenges. The World Bank could provide seed money for many of these initiatives. "Is it that the wave of re-engineering the state at the national level is now hitting the shores of international organizations?" she asked. "Will organizations like the World Bank, the UN, and others start moving from direct aid delivery to more incentive-driven models?"

Deepak Nayyar, Vice Chancellor of the University of Delhi, praised OED's evaluation and its "eminently sensible" prescriptions. However, "while evaluation is necessary, it is not sufficient," he stressed. "Beyond evaluation, we need to create capabilities in individuals and institutions, impart voice to and compensate those who lose from the absence of public goods or the presence of public bads, and develop consciousness."

Nayyar observed that the focus on the provision of global public goods has so far focused on their financing. He encouraged the World Bank "to be a leader in developing norms for contributions, rules for restraint,

and for coordination that would provide public goods and regulate public bads when they cross borders. I can think of no better institution than the World Bank to perform this role."



EVALUATING BANK SUPPORT FOR GLOBAL PROGRAMS

There is no question about it: global programs are an increasingly important phenomenon in the development community, not only for the Bank but also for its partners. A panel of international experts summoned a wealth of experience and insight to examine the recent evaluation of the Bank's support for global programs.

Sven Sandstrom, former World Bank Managing Director and Head of the International Taskforce on Global Public Goods, introduced the panel and urged participants to consider how OED's evaluation of the Bank's experience in global programs could be better utilized by the Bank's partners.

Uma Lele, OED Senior Advisor and the study's Team leader, presented the evaluation's results. She emphasized that "the environment is right for a selective port-

folio of global programs to play an even more significant role in development and in achieving the MDG targets." "Increased awareness of global issues has led to a broadly shared need for collective action," said Lele.

The review found that many global public goods programs have had positive impacts but it also revealed major gaps between global and country-level priorities, investments, and policy frameworks. Governance of many programs is still weak and voices of developing countries are not adequately represented—although there is a shift to greater stakeholder participation in decision-making.

Louka Katseli, Head of OECD's Development Centre, focused on that "asymmetry," saying it often causes global programs to reflect what donors and international organizations view as global priorities.

ALIGNING PROGRAMS TO COUNTRY NEEDS

Chris Gerrard, Task Manager of the Global Review and Senior Evaluation Officer, reported conclusions from Wednesday's pre-workshop, which convened 40 development practitioners working on global programs. Participants discussed the key findings and recommendations of the OED review, reaching consensus that global programs should be aligned with the MDGs at the global level and PRSPs at the country level.

Participants felt "very strongly" about harmonizing evaluation standards and procedures for global programs. "The issue of enhancing developing country voice in global programs is a particularly challenging one," said Gerrard. "There should be a greater emphasis on objective technical assessments of needs and priorities relative to the influence of political imperatives."

That said, the World Bank's "comparative advantage is the ability to promote coherence among programs," reported Gerrard, which is especially important in tracking trends at multiple country levels, so the international community can act proactively.



SPONSORED BY:



THE WORLD BANK

BOOSTING GLOBAL HEALTH

Jean-Louis Sarbib, Senior VP of the Human Development Network, who chaired the panel on global health programs, said the tension between global and national programs is visible in many areas, but perhaps nowhere more so than in the health sector: “This relationship is particularly acute when it comes to health.”

OED Sr. Adviser, Uma Lele, noted that thanks to effective advocacy, communicable disease control has seen rapid growth in commitment of external resources. Global health programs also show considerable innovation.

“The Global Fund for AIDS, Tuberculosis, and Malaria has committed more funds to more countries than the Bank,” Lele continued. Transaction costs to developing countries of accessing donor resources have increased while health system capacities remain limited. Research has high costs and long gestation periods, developing countries’ markets are not yet viable, and research poses high investment risks. Pub-

lic-private partnerships for drug and vaccine development have grown but more investments are needed to develop products for the market.

“The Bank should use its convening power to mobilize more resources for research and to build health sector capacity in cooperation with the World Health Organization,” said Lele.

Hon. Brigadier Jim Muhwezi, Uganda’s Minister of Health, provided further insight into the links between global programs and country programs, offering an example of a successful health intervention in his country, the District Health Services Pilot and Demonstration Project, that has demonstrated positive impacts of decentralization. “There were improvements in disbursements... health planning, financial management and accounting.”

Departing from prepared remarks, Muhwezi strongly urged the Bank to recognize that “if we want to fight poverty, we need to deal with malaria. Forty percent of all hospital out-patients suffer from malaria,”



From left: Uma Lele, Nafis Sadik, Jean-Louis Sarbib, and Jim Muhwezi.

said Muhwezi, shedding light on the overburdened Ugandan health system.

Sarbib welcomed Muhwezi’s remarks: “We have a new program on malaria. I agree with you very much... we’ll announce something soon that, I hope, will help to reduce some of the burdens on the health systems you are describing.”

Nafis Sadik, Special Envoy of the UN Secretary-General for HIV/AIDS in Asia Pacific, suggested wider dissemination

of health sector findings to international development partners. These partners would, in turn, develop local approaches to better link global programs with country health interventions. “All programs should be open and on the table. World Bank evaluations should become the model we all aspire to in all of our organizations,” said Sadik. “Yet this evaluation does not end here. There is more work to be done to implement these findings.”

JACOBY & LINN ON BANK’S ROLE

In closing remarks, Ambassador Ruth Jacoby emphasized that progress on global partnership programs will not occur without true country ownership. “There has been a lot of talk about aligning global programs with country programs,” said Jacoby, the Director-General for Sweden’s Development Cooperation, and former Executive Director at the Bank. “I think the key question is how to go about strengthening these links. We want to add value and produce results.” Jacoby recognized strong political dynamics and financial implications in the tension between corporate advocacy and country-level implementation. She also highlighted major issues: the need for greater transparency, sustainability, policy coherence between donors and across global programs, and capacity building.

Jim Adams, Panel Chair and OPCS Vice President, underscored that the development community needs to harmonize and coordinate global programs in ways that complement implementation realities on the ground.



From left: Ruth Jacoby, Jim Adams, and Johannes Linn.

Johannes Linn, former World Bank Vice President of the ECA region and visiting Fellow at the Brookings Institution, congratulated the OED team on the review, and highlighted the uniqueness of the institution: “Global public goods programs are key overall, especially for the World Bank, because the Bank is the only institution that has the global, regional, country, and local reach, including the knowledge and finance, as well as the potential of connecting all the actors involved. That doesn’t mean the Bank needs to lead all these efforts, but it should be involved.”

Jacoby agreed: “The most important conclusion is that it is not enough for the Bank alone to do all this. All partners—developing countries, NGOs, foundations, other donors—must jointly agree on how to address global challenges, adopt a common measurable results framework, and subject programs to independent evaluation. OED’s evaluation gives us valuable insights that apply not only to the World Bank, but to all of us in the development community.”

continued from front

not fit all. Different types of partners fit different types of circumstances.”

Simmons, who served as one of four members of the Advisory Committee said that most global programs reviewed by OED were in fact providing national programs on a country-by-country basis. “Before moving ahead, we need to more clearly define global programs and a strategy for making choices among them,” she said, adding that the Bank, just like private foundations, would need to find a way to make a graceful exit from programs that do not work or could be successfully spun-off.

The review found that global programs are consuming a greater share of development assistance. “Whether or not that is a diversion is not the point,” Simmons said. “Country programs need global programs and vice versa. The links and complements between them must be better understood and strengthened. Having a global vaccine for malaria, for example, will do no good if there are no national delivery systems to administer it.”

“If we don’t take the time to learn from the past, we’ll be less effective than we could be,” Simmons said. “Strong global programs will help accomplish what everyone wants, and that is to reduce poverty.”

Simmons urged that any strategy on global public partnerships should better link global and national priorities, and concluded with a final counsel. “Please, don’t let the perfect be the enemy of the good. If we expect each global program to be perfect and free of challenges, then we probably won’t do any of them.”



“Please don’t let the perfect be the enemy of the good,” Simmons said.



THE WORLD BANK

Addressing the Challenges of Globalization

Operations Evaluation Department
The World Bank Group
1818 H Street, N.W.
Washington, D.C. 20433
www.worldbank.org/oed
email: oed@worldbank.org