Chairperson's Summary: Committee on Development Effectiveness

The Subcommittee welcomed the Clustered Country Program Evaluation (CCPE) on Resource-Rich Developing Countries (RRDCs) by the Independent Evaluation Group and broadly concurred with the evaluation's conclusions. Members noted the importance of taking into account the heterogeneity and uniqueness of each individual country's development initiatives. They expressed concern with the conclusion that the demand-driven nature of World Bank Group programs in RRDCs and client-led selectivity can impose limitations to fulfilling the Bank Group's mandate. Members underscored the need for the Bank Group to remain flexible enough to allow for support to be provided based on opportunities, constraints, and changing circumstances of each country. They highlighted the relevance of country ownership and that selectivity should remain country driven. They stressed the need for a well-balanced use of nonlending and lending instruments in these countries as well as targeted interventions based on the countries' capabilities and investment needs in key sectors. Members appreciated IEG's clarification that the report does not undermine the demand-driven approach, but that its purpose is to bring lessons and experiences from other countries, in a more systematic way, into the country engagement process.

Members noted that the CCPE could strengthen and inform individual Systematic Country Diagnostics and Country Partnership Frameworks by providing a different lens and new perspectives through its comparative analysis. They encouraged IEG and Management to maintain close coordination and communication in order to make this new learning exercise more effective. Members stressed that the synthesis report is a useful learning product and could be used for analytical purposes. They noted that it could help the Bank Group develop new products and a more coherent strategy to assist RRDCs improve resource mobilization; revenue management; enhance private sector development; and foster growth and employment in nonextractive sectors. The Committee highlighted the need for the Bank Group to strengthen its partnerships with client countries and for the International Finance Corporation and the Multilateral Investment Guarantee Agency to work closer with the World Bank to achieve a better development impact and improve the Bank Group's data metrics and Results Frameworks. They supported the emphasis on capacity building and sovereign wealth fund creation, but noted that more needed to be done in the area of benefits' sharing, particularly in the context of inclusive growth and poverty reduction and local analytical and negotiating capacity to maximize revenue collection.

Speakers acknowledged the challenges the Bank Group faces to stay relevant and competitive in RRDCs since the value proposition is no longer financing but rather knowledge and global experience. They reiterated that if the Bank Group wants to remain engaged in these countries, it has to respect the country's selectivity and ownership. Over time, this may allow the Bank Group to work with client countries to develop projects and programs that can lead to serve the Bank Group's goals, as successfully proven in the case of Kazakhstan. A few observed that for CCPEs to have value, IEG needs to be very careful about the underlying framework, cautioning that different starting points lead to possibly different conclusions and noted that this particular exercise could have benefited from possibly including more than one factor (other than being resource rich) and/or have more countries in the cluster. IEG clarified that each country program evaluation was evaluated individually paying due attention to country specificities and that the framework for the synthesis analysis was spelled out in the approach paper approved by CODE.

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CHAIRPERSON