



WBIF 2.0 (3.0) Evolution



28th WBIF PFG meeting, Brussels, 14 Nov 2019



Overview

- WBIF 2.0 Working Group: Findings and Recommendations
- Road Map for WBIF 2.0 & 3.0
- Recommendations for discussion



WBIF 2.0 Working Group

- Established following the 27th PFG
- Members:
 - IFIs: EBRD, EIB, KfW, WBG
 - DG NEAR, WBIF Secretariat (IFICO facilitating)
 - BDs: GER, NOR, ITA
 - Beneficiaries: SRB, BIH, MNE
 - EIF (EDIF)
- Activities:
 - Kick off phone-conference
 - Several written exchanges
 - 2 sub-working groups (1) IAS audit and reporting (2) MIS (planned for end
 - 2 meetings in Brussels
 - Draft & finalization of background paper for 28th PFG



Topics Reviewed

- WBIF self-assessment
- EDIF integration and WBIF 2.0 governance
- IPF audit and reporting
- IPF Evaluation



WBIF 2.0 WG Findings & Recommendations

- Substantial number of findings & recommendations
 - Some already under implementation
 - Some subject to fine-tuning
 - Some specific, others broad
- Split into:
 - Findings & recommendations for direct implementation (no approval needed)
 - Findings & recommendations for approval (SC/PFG)
 - Topics deferred to WBIF 3.0 (IPA III related)



WBIF Self Assessment

All recommendations to be notified to the WBIF Steering Committee

- Closer engagement of NIPAC/NICs: 2+1 representation, and NIPAC/NIC coordination meetings ahead of PFGs
- Closer engagement of Bilateral Donors: “Brussels Group”
- GAF and MIS improvements: GAF and MIS under revision
- Improve SPP process: NIC/SPP qualitative assessment under way;
- Improve Communication & Visibility: continuous efforts



EDIF Integration & Governance

Recommendations for WBIF Steering Committee approval

- Governance: WBIF SC will consist of three half day sessions (A) Strategy, (B) Infrastructure and Connectivity and (C) Private Sector Development.
- Extended observer status for (a) WBIF stakeholders in each other's meetings and (b) for EU Member States and relevant institutions.
- EDIF PAG will remain intact and continue to be organised under the WBIF SC. The EDIF Working Group will be organised back to back with the PFG.
- Establish sub-WG on the “update of governance documents”
- Maximise joint use of GAF and MIS.



IAS audit and Reporting

Recommendations for WBIF SC approval

- Annual Implementation Report: streamline template, new deadline (30 April)
- Final Implementation Report: new template
- Summary Implementation Report: streamline template, new deadline (30 September)
- WBIF Monitoring Report: only one per year for June SC
- GAF revision: additional dates, better action description justifying budgets. GAF guidelines will be updated.

Notification to WBIF SC:

- MIS to be updated reflecting (above) changes
- Clarification on the screening roles and actors, and reporting (flowcharts)
- Rejection of grant application: screening conclusions and GANs in MIS
- Traceability of screening comments not possible in MIS, other solutions to be explored



IPF Evaluation

Recommendations for WBIF SC approval

- Efficiency gains
 - GAF to include detailed action description & matching budget, skeleton ToR
 - Detailed Design (DD) and Tender Documents (TD) remain with IPFs
 - DD and TD only for mature projects (ESIA approved, PD final)
 - DD allocation to IPF: first 24 months for ENV & SOC, first 18 m for ENE & TRA
 - Existing studies (if not done by an IPF) need IFI/beneficiary verification
 - Introduce approval deadlines for beneficiaries
- Mandate WBIF Secretariat: Update Vademecum
 - Reflect recent changes: DII (new sector), AFD (new IFI), WBG (status)
 - Amend ToR drafting process (joint kick off meetings), beneficiary, IFI and EUD engagement, replace conflict of interest by other safeguards, structured roles



IPF Evaluation

Notification to WBIF SC:

- Enhanced stakeholder engagement: reinforce WBIF Secretariat's coordination function; closer engagement of beneficiaries, EUDs & IFIs
- No additional bodies will be formed (added value not clear, lack of funding)
- IPF performance: Lead IFIs to flag issues with bi-annual implementation report & routine no-objection
- IPF diversity: increase competition, e.g. sectoral IPFs
- IFI loan requirements: to be reflected early in programming
- IPF procurement: open, 2 phased procurement for IPF 10 & 11



Issues deferred to IPA III

- IFI's choice to implement projects under Joint Fund or IPF
- Definition and alignment of WBIF objectives and programming along priorities of IPA III



Road Map WBIF 2.0 & 3.0

WBIF 2.0

- 28th PFG: deliberation on recommendations
- November: additional discourse, finalisation of recommendations
- December: Submission 1st set of recommendations to 21st WBIF SC for adoption

WBIF 3.0

- Commencing January 2020:
 - Establishment of “sub Working Group (legal & governance)”
 - WBIF Secretariat: Review/amend GAF, guidelines, Vademecum
- February 2020: next meeting of WBIF 3.0 WG (IPA III) + written exchanges
- March 2020: 29th PFG: presentation of updates
- April – June 2020: WBIF 3.0 WG continues
- June 2020: 22nd WBIF SC, further adaptations as required



Recommendations to 21st WBIF SC

- 5 sets of Recommendations
- All subject for discussion and further consideration
- Following this PFG:
 - One dedicated written exchange
 - One meeting if necessary
 - Finalisation of recommendations & submission to 21st WBIF SC
- Adoption at the 21st WBIF SC
- Implementation (if not already under way)



Recommendation No. 1

Advance WBIF 2.0 (governance) and complete EDIF integration

- The WBIF and EDIF governance structures remain intact. WBIF SC will consist of three half day sessions. (1) Strategy, (2) Infrastructure & Connectivity and (3) Private Sector Development
- Extended observer status for (a) WBIF stakeholders in each other's meetings and (b) for EU Member States and relevant institutions
- Projects or applications are deliberated at the PFG and EDIF Working Group and packaged into "A" lists to be approved at the SC meeting
- Other initiatives, EFSE, REEP and GGF will be integrated similar to the EDIF
- Joint use of MIS and the GAF will be amended for EDIF
- Organisation of meetings, C&V events etc. will be done jointly



WBIF 2.0 Governance Structure

WBIF Steering Committee

Part A. Strategy

Part B. Infrastructure & Part C. Private Sector

PFG Infrastructure
(DII, ENE, ENV, SOC, TRA)

EDIF WG & Support Services
"PFG Private Sector"

EIF

- Organisation of regional events
- Reporting / Monitoring
- C & V
- Link for future "EU 4 Business"

PROJECT PREPARATION - TECHNICAL PLATFORMS

Paris Group REEP GGF EFSE

- Support for:
- Organisation
 - Logistics
 - Reporting
 - Monitoring
 - C&V

- Support for:
- Project applications (GAFS),
 - MIS management screening / assessment



Recommendation No. 2

Implement IAS Audit & Reporting amendments

- Annual Implementation Report, Final Implementation Report and the Summary Implementation Report will be streamlined and new deadlines introduced
- WBIF Monitoring Report will be submitted only once per year, to the WBIF SC meeting in June



Recommendation No. 3

Improve **GAF** drafting, **ToR** preparation & sub-project implementation

- Detailed description of action allowing justification of the budget
- Include skeleton ToR as an Annex
- DD and TD remain within remit of IPFs, but only for mature projects (ESIA and PD final)
- DD: existing studies need IFI/beneficiary verification (if not done by an IPF)
- DD allocation: SOC & ENV within the first 24 m, ENE & TRA within the first 18 m of an IPF



Recommendation No. 3 continued

Implement technical efficiency gains

- Introduce deadlines for beneficiaries' approval or provision of data & information
- IFIs' loan requirements need to be reflected in the GAFs, ToR and sub-project implementation Inception Report where appropriate
- Strengthen beneficiary, EUDs, Lead IFIs, beneficiaries engagement in ToR drafting; clearly structure roles for ToR drafting (joint kick off meetings)
- Subsequently, reflect changes in Vademecum



Recommendation No. 4

Further improve Communication and Visibility

- Mandate WBIF Secretariat to further develop guidelines for C&V activities
- Further increase visibility of project results and donors
- Further increase visibility in beneficiary countries



Recommendation No. 5

Establish legal sub-WG reflecting amendments to governance documents

- Charge a sub-WG with drafting updated WBIF governance documents, Rules of Procedure and the General Conditions and other legal documents
- Work will be aligned to IPA III progress
- WBIF Secretariat updates: C&V guidelines & templates, GAF, Vademecum, etc.



Issues to be clarified

- Include Green Agenda and ENV & SOC co-financing under WBIF SC meeting
- 2 Paris Group meetings (rule), exception for (very) restricted rounds / small number of applications
- Sub-WG “legal revision”: to be established at good time
- Extended observer & participation status: clarification forthcoming
- A List: for agreed applications
- Skeleton ToR & action description & budget: assistance will be provided
- MIS cannot show track changes
- Deadlines for beneficiaries: exceptions possible for *force majeure* type delays
- ToR process optimisation & Conflict of Interest: historic context, to be replaced by appropriate safe guards



Thank you