PforR – Urban Sector
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How does PforR complement the Bank’s menu of instruments?

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Project Lending (IL)
Policy Lending (DPL)
Program Lending (PforR)
What are the key features of Program-for-Results?

- It finances and supports borrowers’ programs – sectoral or subsectoral, national or subnational
- It disburses upon achievement of program results, not inputs
- It focuses on strengthening the institutional capacity needed for programs to achieve their desired results
- It provides assurance that Bank financing is used appropriately and that the environmental and social impacts of the program are adequately addressed

What does Program-for-Results involve?

- **Definition of the program** or sub-program and scope
  - Exclusions: Category A and large procurement
- **Identification of key results and DLIs**
  - DLIs are key milestones
  - Can be outputs, outcomes, intermediate outcomes, or process indicators
  - DLI amount determined by relative importance of the result
- **Assessment** of the program – technical, fiduciary, environmental and social
- **Identification of actions to enhance capacity and systems performance** – the Program Action Plan
- **Implementation Support** – focus on performance of the systems, monitoring and verifying results, etc.
Where are we?

- Seven operations have been approved – about $1 billion of Bank financing supporting $3 billion of government programs
- Portfolio of approved operations is diverse – 5 regions, 6 sectors—and an additional 12 operations under preparation
- What do we see in the urban sector?
  - Performance grant programs - Tanzania, Uganda, Mauritania (SIL), Indonesia (TBC), Tunisia (TBC)
  - Disaster risk management – Morocco (TBC)

What other types of urban programs could PforR support?

- Housing development programs?
  - Minha Casa, Minha Vida in Brazil
  - Macroproyectos Social Interest Program in Colombia
- Citywide Approach to Carbon Finance?
  - Support for the Program of Activities
- Local Economic Development programs?
  - Asset management, infill and redevelopment
- Green building and energy efficiency programs?
- PforR is the instrument of choice when...
  - objective is to support the performance of a government program using the program’s own systems
  - results require expenditures
  - risks to achieving the program’s objectives relate to the capacity of the systems
THANKS!
For more information, please visit
http://www.worldbank.org/ProgramforResults