

JEFFREY S. GUTMAN
Vice President and Head of Network
Operations Policy and Country Services

February 18, 2010

Lars-Henrik Worsøe
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Dear Mr. Worsøe,

*Subject: World Bank Management Response
MOPAN Common Approach 2009 Institutional Report on the World Bank*

We would like to thank MOPAN for this report, which presents the findings of the 2009 MOPAN perception-based survey of the World Bank. We also appreciate that MOPAN has reflected a number of the comments we have provided on earlier drafts. Feedback on how the World Bank is perceived by MOPAN member donors and by our clients is useful input into our continuous efforts to improve our development effectiveness.

We note that the World Bank is perceived above the midpoint in all four areas of organizational effectiveness covered by the survey (strategic management, operational management, relationship management and knowledge management), and for 18 of 19 key performance indicators and 55 of 63 micro-indicators. We also note that the World Bank is perceived above the midpoint on internal effectiveness by 92% of clients, 95% of MOPAN headquarters donors, and 80% of MOPAN donors at the country level.

We share the view that there is room for improvement for the World Bank, especially in areas where perceptions are below the midpoint and also in other areas where the findings are interpreted as "adequate". While the sample was based on only nine countries, the areas of relative weakness flagged in the report mirror areas for improvement that we, too, have identified and we are working intensively to improve. Enhancing the World

Bank's strategic focus on gender equality is an ongoing effort especially in IDA countries, and enhancing the simplicity and flexibility of World Bank procedures and increasing the use of country systems when appropriate are among those areas that we are addressing through our internal reform efforts. As part of the internal reform agenda, and in conjunction with our Aid Effectiveness Action Plan¹ produced post-Accra, we are:

- reforming our Investment Lending instrument to better define the risk-results profile of activities, including simplifying procedures where risks are low. This reform will also bring about a greater focus on implementation support (especially where risks are higher) and develop proposals for a new programmatic instrument, which will strengthen governments' ability to better implement investments with greater reliance on country systems and domestic capacity;
- working on a country systems pilot for procurement and continuing our efforts to deepen the use of country financial management systems together with others in the donor community;
- looking at options for deepening decentralization by moving staff and task leadership closer to the client and, together with other reforms, devolving authority; and
- strengthening our focus on knowledge and looking at ways to realign the matrix structure to facilitate the mobility of staff expertise and knowledge flows to better serve our clients.

This broad set of reforms is expected to modernize our services, improve delivery mechanisms and bolster supporting services, making the Bank faster, more flexible and more client-responsive.

One area that we are looking at closely is the relatively high percentage of respondents with little familiarity of the World Bank generally, and those who indicated no knowledge of certain areas covered by the survey. We recognize that this is particularly true for MOPAN donors at the country level and we are concerned that this group of respondents views the World Bank more negatively than others. This highlights the need to strengthen our communication and outreach efforts, as well as continue our efforts to work collaboratively in the field.

We note that the 2009 survey used a new methodology and, as such, is considered a pilot. We do appreciate the effort made by the 15 donors to unify around one survey instrument, and engage in a systematic discussion on the scope, coverage and methodology of this new instrument. While there are many benefits of the new instrument (such as the inclusion of clients), we appreciate the MOPAN Secretariat's commitment to further strengthen the methodology going forward, taking into consideration issues identified by MOPAN as well as those by the organizations that were the subject of the 2009 pilot. Addressing issues such as how the actual survey responses were interpreted by MOPAN will increase the transparency and credibility of

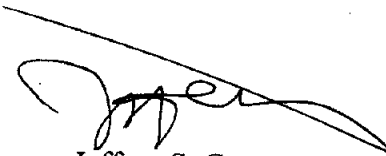
¹ See <http://siteresources.worldbank.org/PROJECTS/Resources/40940-1244163232994/SecM2009-0107.pdf>.

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the findings, as well as the utility of these findings to the organizations subject to the survey. The World Bank welcomes continued collaboration with MOPAN to improve the instrument for future use.

Washington, D.C.
February 18, 2010

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Gutman', with a long horizontal line extending from the end of the signature.

Jeffrey S. Gutman
Vice-President and Head of Network
Operations Policy and Country Services