



UMBRELLA FACILITY FOR POVERTY AND EQUITY FY24 ANNUAL REPORT



Administered by
THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

Public Disclosure Authorized

Public Disclosure Authorized

Public Disclosure Authorized

Public Disclosure Authorized

Copyright © 2024 International Bank for Reconstruction and Development /THE WORLD BANK

Washington, DC 20433

+1-202-473-1000

www.worldbank.org

This work is a product of the staff of The World Bank with external contributions. The findings, interpretations, and conclusions expressed in this work do not necessarily reflect the views of The World Bank, its Board of Executive Directors, or the governments they represent. The World Bank does not guarantee the accuracy of the data included in this work. The boundaries, colors, denominations, and other information shown on any map in this work do not imply any judgment on the part of The World Bank concerning the legal status of any territory or the endorsement or acceptance of such boundaries. All dollar amounts are US dollars unless otherwise indicated.

Rights and Permissions: The material in this work is subject to copyright. Because The World Bank encourages dissemination of its knowledge, this work may be reproduced, in whole or in part, for noncommercial purposes. Any queries on rights and licenses, including subsidiary rights, should be addressed to World Bank Publications, The World Bank Group, 1818 H Street NW, Washington, DC 20433, USA; fax: 202-522-2625; e-mail: pubrights@worldbank.org.

This report was designed by Fluyt Design.

Table of contents

1	Acknowledgments	04
2	Abbreviations and Acronyms	05
3	Foreword	06
4	About the UFPE	08
5	FY24 Overview	10
6	Results at a Glance	13
7	Impact Stories	15
	Global Public Goods	16
	Data for Policy Action	20
	Making Policies and Programs Work for the Poor and Vulnerable	26
	UFPE Operational Impact	35
	Capacity Building	41
8	Financials	46
9	The Way Forward	49
10	Annexes	51

1.

Acknowledgments

The FY24 Annual Report for the Umbrella Facility for Poverty and Equity (UFPE) was prepared by Harsh Vardhan Sahni under the guidance of Jessica Adler, Program Manager, and direction provided by Luis Felipe López-Calva, Global Director of the Poverty and Equity Global Practice.

The task teams implementing UFPE-financed activities are also acknowledged for their tremendous dedication and collaboration. The UFPE Secretariat extends its gratitude to the following development partners for their contributions and collaborations:



Implemented by
giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH



Germany

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

Ireland

Department of Foreign Affairs (Irish Aid)

Sweden

Swedish International Development Cooperation Agency (Sida)



United Kingdom

Foreign, Commonwealth and Development Office (FCDO)

BILL & MELINDA GATES foundation

Bill and Melinda Gates Foundation



William and Flora Hewlett Foundation



European Commission



2. Abbreviations and Acronyms

BNS	—————	Bureau of National Statistics (Kazakhstan)
CCDRs	—————	Country Climate and Development Reports
CEQ	—————	Commitment to Equity
DPO	—————	Development Policy Operation
DRM	—————	Disaster Risk Management
eCEQ	—————	engendered Commitment to Equity
DGPPE	—————	General Directorate of Planning and Economic Policies
ECA	—————	Europe and Central Asia
EGED	—————	Effective Governance for Economic Development
FCDO	—————	Foreign, Commonwealth and Development Office
FIA	—————	Fiscal Incidence Analysis
FY	—————	Fiscal Year
GMD	—————	Global Monitoring Database
GRS	—————	Georgia Revenue Services
KIHS	—————	Kyrgyz Integrated Household Survey
KPEA	—————	Kenya Poverty and Equity Assessment
L2CU	—————	Listening to the Citizens of Uzbekistan
NSC	—————	National Statistical Committee
OLC	—————	Open Learning Campus
PMT	—————	Proxy-Means Test
SDG	—————	Sustainable Development Goal
SEDP	—————	Socioeconomic Development Program
TSA	—————	Targeted Social Assistance
TVET	—————	Technical and Vocational Education and Training
UFPE	—————	Umbrella Facility for Poverty and Equity
VAT	—————	Value Added Tax

All dollar amounts are US dollars unless otherwise indicated.

3.

Foreword

Almost 10 years ago, countries worldwide adopted the Sustainable Development Goals (SDGs), 17 targets for the global community to achieve by 2030 to ensure peace and prosperity for current and future generations. The first goal, SDG 1, calls for an end to poverty in all its forms everywhere. While much progress has been made to reduce global poverty, we are not on track to meet this goal.

Global poverty reduction has slowed to a near standstill, with 2020–30 set to mark a lost decade. About 8.5 percent of the global population, around 692 million people, lives in extreme poverty, trying to survive on less than \$2.15 a day. The limited progress on poverty reduction in recent years reflects the lingering impacts of the COVID-19 pandemic, persistently slow economic growth, increased conflict and fragility, and insufficient progress on shared prosperity.

To lift people out of poverty, economic growth needs to be more inclusive and sustainable, ensuring people can move up the socioeconomic ladder. Poverty is multidimensional, requiring a comprehensive policy approach. This includes ensuring people have greater access to high-quality health care, education, social services, basic infrastructure, jobs, and opportunities. Countries also need fiscal policies that shift public spending away from inefficient subsidies toward more targeted policies that support poor and vulnerable households. Well-designed fiscal systems can protect households from falling back into poverty during a crisis. However, poverty reduction will only be sustainable if combined with effective climate action. Nearly 1 in 5 people globally are likely to experience a severe weather

shock in their lifetime from which they will struggle to recover. Increasing resilience while reducing emissions is an essential pathway forward.

Today's multiple and intertwined global challenges require governments, civil society, international organizations, the private sector, citizens, and others to work together. We must step up global action to spur stronger, more inclusive, and more sustainable growth that can help us get back on track to create a world free of poverty on a livable planet.

Advancing on these interlinked goals requires more and better data. While data availability is improving in many countries, more investment is needed to produce reliable and timely data that can better inform our understanding of people's overall well-being.

The Umbrella Facility for Poverty and Equity (UFPE) plays a crucial role in fostering collaboration and coordination among development partners and governments to leverage our collective strengths to address complex challenges and work toward a more equitable and just world. Over the past three years, there has been strong and growing demand from clients and partners for the UFPE's expertise in translating trusted, timely, and innovative evidence into better country policies that improve the lives of people living in poverty. Together, we have brought a poverty and equity lens to 33 prior

actions in Development Policy Operations, influenced the design and implementation of 29 Investment Projects, and guided 19 policy decisions and dialogues for better outcomes to improve people's lives, with a focus on the poorest and most vulnerable. This impact is enabled by a strong evidence base that includes strengthened country systems for data-informed decision making, combined with top-tier policy-relevant research. These accomplishments are significant and have catalyzed meaningful progress. However, there is much left to do.

I am deeply grateful to the UFPE donors for their contributions and partnership, and I look forward to working together as we aim for even greater achievements in the future.



Luis Felipe López-Calva

Global Director, Poverty and Equity Global Practice,
Prosperity Practice Group, World Bank Group

4.

About the UFPE



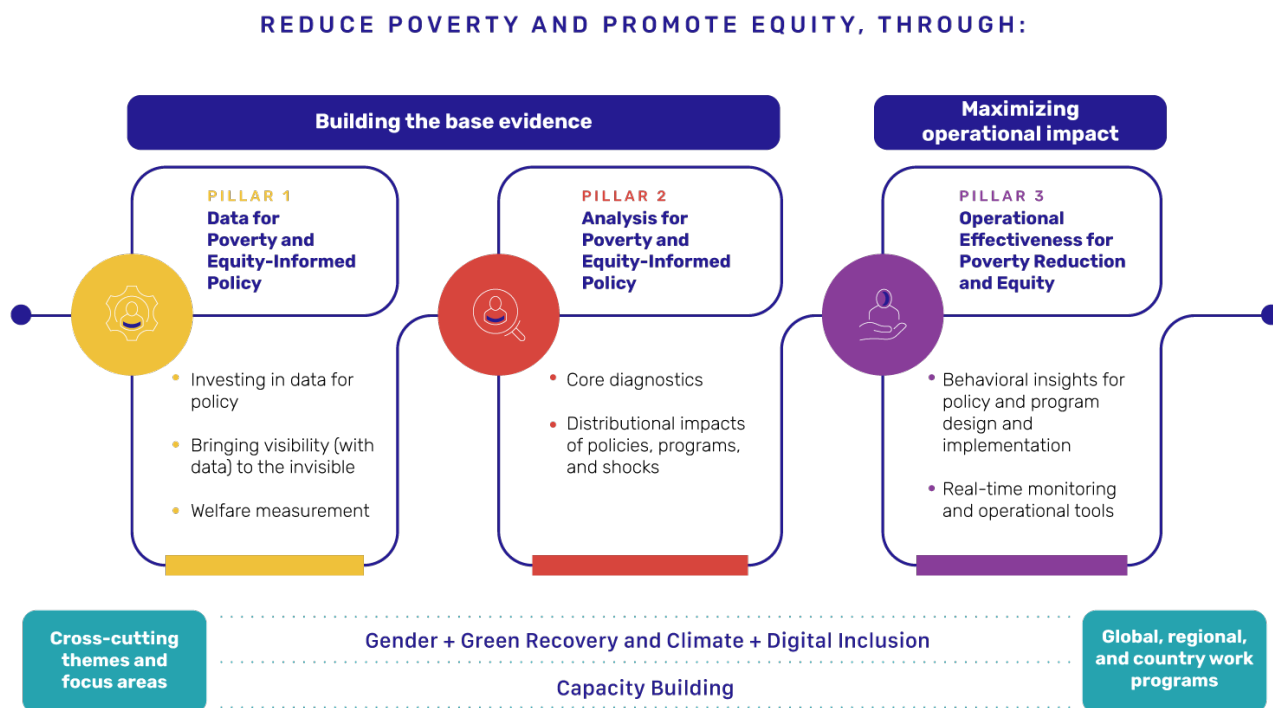
The UFPE is the first global trust fund to support the cross-cutting poverty and equity agenda. Our objective is to inform and support the design, implementation, and monitoring and evaluation of policies and programs to reduce poverty and promote equity.

Strategic Focus Areas

A multi-donor trust fund, the UFPE adds value to the World Bank trust fund landscape by strengthening global coordination and partnerships on the poverty and equity agenda. It provides key financing to ensure the poverty and equity lens remains at the forefront of World Bank engagements. The UFPE promotes innovation and supports the scaling of proven solutions, including through the production of policy-relevant global public goods. The trust fund also facilitates knowledge sharing and learning of UFPE-generated insights to help solve pressing development challenges in client countries.

The UFPE strategy aims to build the evidence base for policies and programs that promote poverty reduction and equity through investments in data and analysis. It also invests in tools and approaches that enhance the operational effectiveness of policies and programs to maximize poverty and equity impacts of the work carried out by the World Bank and our client countries.

Figure 1. UFPE Strategic Focus Areas

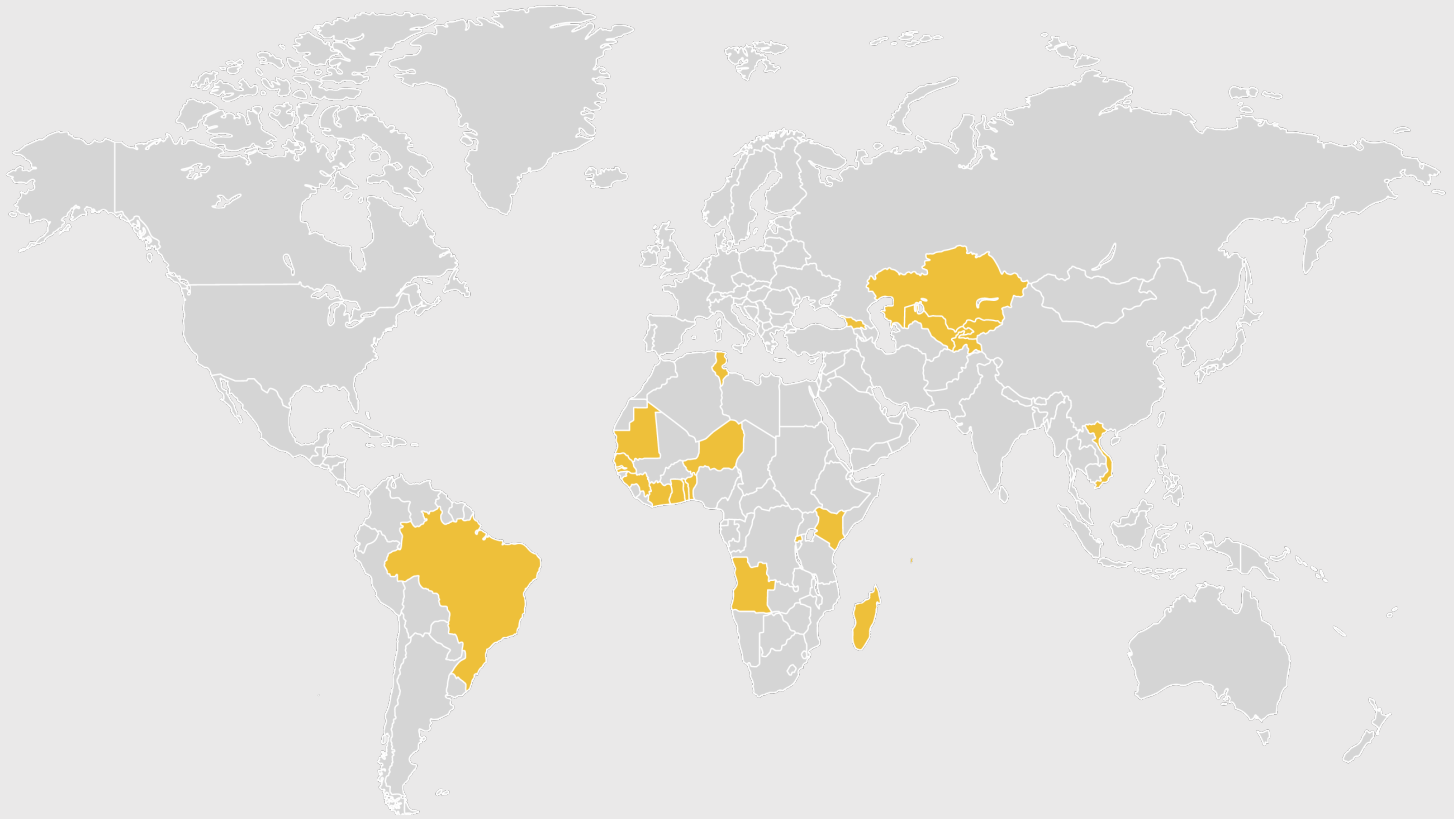


5.

FY24 Overview



As of June 2024, the UFPE had funded 13 grants, supporting activities in 24 countries as well as the production of global knowledge and cross-country learning.



Since its establishment in 2021, the UFPE has been supported by seven donors who have contributed more than \$18 million in resources preferenced to specific interventions that bring the poverty and equity lens to development decisions. Over 90 percent of contributions support country and regional level activities, with the remaining amount supporting global priorities.

At the global level, the UFPE supports the creation of policy-relevant global public goods and the production and flow of knowledge across the World Bank. In FY24, the UFPE financed initiatives in several areas including fiscal policy, gender equity, and climate change and adaptation.

In the area of fiscal policy, the UFPE continued to push the frontier on using fiscal incidence analysis to support poverty and inequality reduction, including

operationalization of a gender lens into fiscal incidence analysis studies, understanding the anatomy of public support for green fiscal policies (primarily the removal of energy subsidies), and the launch of a public e-course. This e-course offers an overview of the key concepts and methods central to fiscal incidence analysis, which is often used to examine the distributional impact of fiscal policy. The course consists of two modules, each aimed at a different audience. The first module is designed for civil society members, while the second module is tailored for policymakers.

In the area of gender, the UFPE focused efforts on creating global lessons for policymakers and development practitioners on how to drive policy reforms to close gender gaps and improve women's economic empowerment. The lessons reflect on the

UFPE-supported engagement of World Bank teams in Africa on identifying and explaining gender gaps, bringing visibility to gender gaps and policy failures, informing internal stakeholders about key gender gaps and their drivers, and finally engaging decision-makers to build consensus on policy reforms and barriers.

In the area of climate, the UFPE focused efforts on the creation of global public goods to ensure World Bank policy advice in Country Climate and Development Reports (CCDRs) and other development analytics properly assesses the impact of climate risks and climate action on poor and vulnerable people. Based on an assessment of published CCDRs, new guidance was prepared to sharpen the focus on people's exposure and vulnerability to climate hazards and the non-climate impacts of policy actions on welfare. Additional tools were produced to improve the understanding of how location affects welfare. A protocol for adding geographic identifiers to household survey data was developed and implemented in over 100 household surveys from over 40 countries, mapping the location of over 3 million households to date. An application was also developed and launched that quickly merges weather data with household survey data, allowing preliminary analysis of the welfare impacts of extreme weather events within minutes.

At the country level, UFPE activities focus on the generation and use of quality evidence for practitioners and policymakers to design, implement, and monitor policies and programs that reduce poverty and inequality.

In FY24, the UFPE provided ongoing support for the Effective Governance for Economic Development (EGED) program. EGED aims to improve policy performance (in selected areas) by embedding evidence-informed processes into policy reform, planning, and project implementation. The program

was initially rolled out in the Kyrgyz Republic, Tajikistan, and Uzbekistan; Kazakhstan was included later. Trust fund activities focused on supporting government partners to (i) generate better data and evidence, (ii) use the results for policy design and implementation, (iii) improve coordination within government to implement policies, and (iv) engage more effectively with citizens. Through these activities, EGED enhances the quality of governance in Central Asia to promote inclusive growth. During FY24, implementation continued on the EGED standard analysis tool kit, the provision of technical assistance in the selected priority reform areas, and the provision of capacity building to key stakeholders to institutionalize evidence-based policy reforms.

The UFPE also provided ongoing support to the poverty and equity reduction program in Georgia, which supports the government's 10-year Economy 2030 strategy for inclusive growth and sustainable development. Efforts concentrated on generating knowledge for evidence-based policymaking with a focus on distributional impacts, building institutional and statistical capacity, and monitoring well-being and public perceptions. The program has successfully addressed critical issues of poverty and inclusion and provided valuable insights that have informed policy interventions to support the well-being and resilience of the Georgian population.

In addition to the dedicated country programs mentioned above, the UFPE supported 18 countries in FY24 with financing for policy analysis, tools, advice, and capacity building, primarily in the areas of fiscal policy and gender equality.

Select achievements are highlighted in the Impact Stories section of the report.

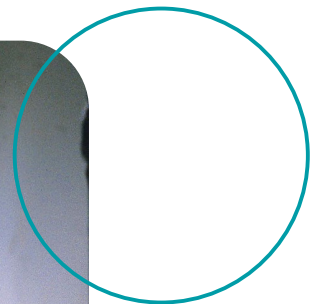
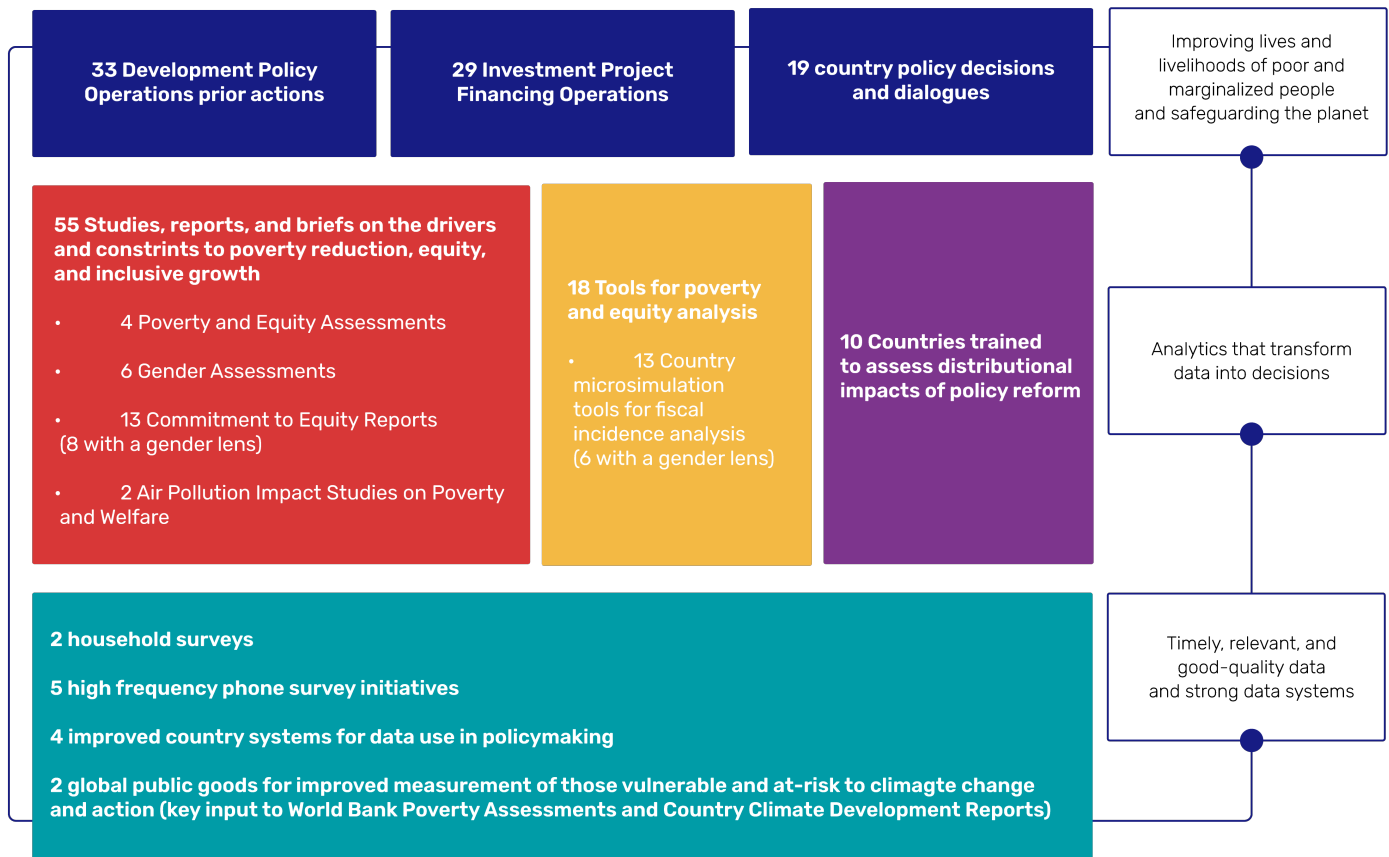
6. UFPE Results and Achievements At-a-Glance



The UFPE enables and guides policymakers and practitioners towards project, program, and policy decisions that improve people’s lives, with a focus on the poorest and most vulnerable.

To date, the UFPE has supported 33 prior actions in Development Policy Operations (DPOs), influenced the design and implementation of 29 Investment Projects, and guided 19 policy decisions and dialogues. This impact is enabled by a strong evidence base that includes timely, relevant and good-quality data, and strong data systems, combined with top-tier policy-relevant research, tools, advice, and training.

A summary of collective UFPE results and achievements is presented below.



7.

Impact Stories



This annual report highlights selected impact stories from the third year of UFPE implementation in the areas of **Global Public Goods, Data and Analytics for Policy Action, Operational Impacts, and Capacity Building.**

Global Public Goods



Global public goods help inject fresh thinking, challenge conventional wisdom, and chart new courses in the policy and practice of international development.

The UFPE produces and disseminates foundational and policy-relevant research, data, and analytics to fill gaps in global public knowledge. Highlights for fiscal year 2024 (FY24) include the development of tools and resources to efficiently measure vulnerability to climate shocks and promotion of fiscal incidence analysis for better fiscal policies to reduce poverty and improve equity and gender equality.

Strengthening the Evidence Base for Climate Smart Policies

Climate change, poverty, and inequality are the defining issues of our age. Poor people's lives and livelihoods are at most risk. Poorer people and households are not only more vulnerable to physical effects of climate change but also more susceptible to risks associated with a transition to a climate resilient and low-hydrocarbon economy because of impacts on prices and employment in specific locations and sectors.

The Poverty and Equity Global Practice's goal is to bring the focus to development paths that reduce

climate risks for poor and vulnerable people (both physical and transition related) and ensure they can take advantage of transition opportunities. The World Bank's Country Climate and Development Reports (CCDRs) are a core diagnostic that integrates climate change and development. They help countries prioritize the most impactful actions that can reduce greenhouse gas emissions and boost adaptation and resilience while delivering on broader development goals.

The UFPE supports the creation of global public goods to ensure World Bank policy advice in CCDRs and other development analytics properly assesses the impact of climate risks and climate change on poor and vulnerable people.

Understanding how location affects welfare

The Global Monitoring Database (GMD), a data collection and analysis tool, is the World Bank's comprehensive repository for household survey data from around the world. The GMD is essential for tracking where we stand on poverty, inequality, and shared prosperity. It is widely used to produce key indicators such as poverty rates and income distribution measures.

The GMD did not have an easy way to identify if and how people's welfare was affected by where they

live. With support from the UFPE, a protocol for adding geographic identifiers was implemented in over 100 household surveys from over 40 countries, mapping over 3 million households to 52,000 unique locations, with 20 more countries in the pipeline. This was preceded by a global stocktaking of what data were available for each country survey. Processed survey data will expand our understanding of variables that affect poverty and shared prosperity and enable better decision making for promoting welfare.

Understanding effects of climate change

UFPE support also enabled the initial development of an application that merges weather data with household survey data. This makes it easy and quick for anyone to upload a household survey and receive an informative output including merged data set with weather variables and a report with standard regression results, interpretation, maps, and graphs. This enables a preliminary analysis of the welfare impacts of extreme weather events within minutes. Besides yielding quick results, this saves

weeks of person-hours used to conduct analysis for each country. A prototype of this application has been tested for a variety of data settings.

Getting more, better, and faster information will enable better measurement and analysis of factors that affect people's well-being. This will improve the World Bank's policy advice in CCDRs and technical assistance to governments, and it will serve as a public good for use by other development partners.



Enhancing Fiscal Incidence Analysis Skills: A Capacity-Building E-Learning Program

Fiscal policy shapes the distribution of resources within an economy and plays a pivotal role in addressing and mitigating poverty and inequality. Effective fiscal policy promotes economic growth and stability while reducing poverty and income inequality.

Fiscal incidence analysis (FIA) is a method used to assess the impact of government taxation and spending on households at different income levels. It helps in understanding how fiscal policies affect the economic well-being of various segments of the population, particularly in terms of equity and poverty reduction. FIA chiefly examines the incidence of taxes, subsidies, and transfers—who ultimately bears the burden of taxes and who benefits from government spending on subsidies, public services, and transfers. FIA is a valuable means for policymakers to design and implement equitable and efficient fiscal policies that promote social welfare and economic development.

For years, the World Bank has trained government officials on FIA. This hands-on capacity building helps policymakers carefully assess trade-offs when considering fiscal policy reforms by examining how taxation and transfers affect different income groups.

To complement the hands-on training and to sustain capacity-building efforts, the UFPE supported the development of an e-course. E-learning courses allow customization of modules for different policymakers and other stakeholders as well as for different contexts. Trainees can proceed in a self-paced environment, facilitating learning and retention, and modules can be easily accessed for

re-familiarizing oneself. They can also be coupled with in-person training for greater efficiency.

UFPE support has contributed to the development of e-learning tools for civil society and policymakers on the FIA methodology. The e-courses are being rolled out on the World Bank's Open Learning Campus (OLC), a learning platform developed by the World Bank Group. OLC integrates innovative technology and instructional design to provide high-quality learning experiences tailored to the evolving development landscape and learning demands. Subject matter experts and the developers on the e-course closely collaborated to ensure that the content, interface, and instructional design are culturally sensitive and optimized to maximize learning.

The two e-courses developed for civil society and policymakers, respectively, cover the following topics spanning three modules, in about 60 minutes: (1) Effects of Fiscal Policies on Income and Economy; (2) Fiscal Policies of Individual Countries and the Global SDGs; and (3) Assessing the Impact of Fiscal Policies: The FIA Method.

Data for Policy Action



The availability of timely, relevant, and good-quality data is critical for effective and efficient decision making, resource allocation, and service delivery. Data are crucial for knowing where a country stands in terms of social and human development and for assessing challenges ahead. Data are also needed to understand which policies do and do not work for pro-poor and equitable economic growth and addressing social deprivations. Across countries, comparable data are also needed to monitor progress toward the eradication of extreme poverty and, more broadly, the achievement of the Sustainable Development Goals.

The UFPE supports countries to transform data into decisions that improve the lives and livelihoods of poor and marginalized people and safeguard the planet.

Highlights for FY24 include leveraging real-time data in multiple countries for policy action, strengthening data systems and regional development.

Real-Time Data for Policy Action

As the World Bank's World Development Report 2021: Data for Better Lives highlights, data are a foundational input for improving development outcomes through enhancing the effectiveness of policymaking. However, the degree to which data can generate value for development depends on their quality. One critical aspect of data quality is timeliness. Having up-to-date information is essential for policymakers to fine-tune policies as conditions change. This lesson was reinforced during the COVID-19 pandemic, which led to an [unprecedented deployment of high-frequency phone surveys](#) to provide a near real time picture of the rapidly evolving crisis.

The contemporary global environment, marked by heightened uncertainty in the face of challenges such as inflation, climate change, and conflict, underscores the increasing need for timely data sources. Many governments continue to rely on high-frequency phone surveys for tracking information on welfare and perceptions of well-being.

The World Bank's Europe and Central Asia (ECA) Region has successfully implemented high-frequency phone surveys in several countries that provide updated information on social and economic well-being every month to support welfare monitoring as circumstances change. These surveys are able to report results with a very short lag time, in some cases, even within a week. The UFPE supports the high-frequency phone survey programs in Kazakhstan, the Kyrgyz Republic, Tajikistan, and Uzbekistan through the ongoing Effective Governance for Economic Development (EGED) initiative and supports a similar initiative in Georgia. A key feature of the surveys is that they are a representative panel, tracking information from the same respondents over time, with overall low attrition rates. Such panels are particularly useful in tracking changes in welfare, economic status, and well-being over time. When a shock happens between survey periods, its effects on households and individuals can directly be estimated. Core modules include public services, shocks, socioeconomic well-being, jobs and employment, incomes, migration, and views on policy reform and development priorities.

Listening to the Citizens of Uzbekistan



Since 2018, the Listening to the Citizens of Uzbekistan (L2CU) survey has been measuring various indicators of the well-being of respondents. These include their income, coping mechanisms, food security, and access to employment and public services. Importantly, the survey also analyzes public perception of the government's reforms and other changes in the environment—for example, the COVID-19 pandemic, labor migration, economic and social implications of Russia's invasion of Ukraine, and energy shortages.

Around 1,500 households across the country from rural and urban areas, and over 600 local leaders, regularly participate in the monthly phone survey. The data inform the government's decision making for delivering social and economic reforms, implementing poverty reduction initiatives, and improving the well-being of citizens.

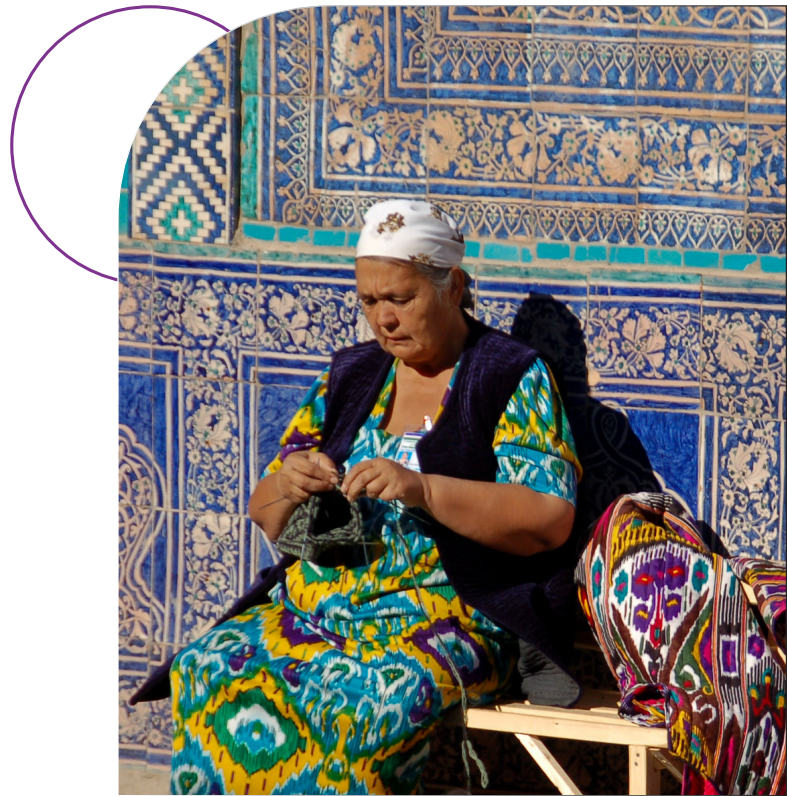
Recently, the survey helped monitor the impact of a government reform that raised electricity and gas prices in May 2024. Right after the rate hikes, a new module was added to the survey to assess household perceptions and potential impacts of the energy tariff reform. Within a month, the World Bank presented

the results, leading to a roundtable discussion with 40 policymakers on energy tariff reform and social protection mitigation measures. Policymakers have continuously appreciated the value of this initiative, as demonstrated by their ongoing interest in and use of the monthly results.

Improving Data Literacy

Data literacy is the capacity to find, access, read, work with, and analyze data to responsibly inform decisions. Under the EGED program, extensive initiatives were implemented in multiple countries to improve public sector capacity for data and analysis and use of evidence in policy making.

Data literacy is important for policy design, understanding the impact of policy decisions, and adjusting strategies to effectively address poverty and promote equity. It enables efficient allocation of resources by identifying areas and groups that need the most support. Further, data literacy allows for the continuous monitoring and evaluation of policies and programs, ensuring that they are on track and enabling timely necessary adjustments.



Improving State Capacity for Data Use and Evidence-Based Policymaking in Kazakhstan



A statistical leadership program provided training for Kazakhstan's Bureau of National Statistics (BNS) staff in skills required to lead their institutions. To enable generation of more reliable statistics and better data management, the training focused on increasing the capacity of BNS practitioners and providing guidance on specific topics to improve

data collection methodologies. The program trained 40 high-level staff (mainly directors of different units): 20 directors of regional statistics offices and 20 staff in the BNS headquarters. The interactive training used real-world examples that National Statistics Offices deal frequently with.

The EGED project also facilitated strong collaboration between the BNS and the UK Office for National Statistics. A six-member delegation from the United Kingdom visited Astana. Both offices exchanged knowledge on agricultural census, scanner data, mobile data for tourism, the SDG platform, and other initiatives.

Enhancing Data-Driven Decision Making and Efficient Public Policy in Uzbekistan



The World Bank is providing technical assistance to the government of Uzbekistan to implement Delivery Units for data-based policy decisions. This includes engaging two international experts for developing a prototype dashboard and enabling big data analysis to inform decision making. The Delivery Unit model is a prototype dashboard for tracking high-priority government projects and using data analytics and to inform policymaking. It was conceived in Great Britain under Prime Minister Tony Blair in 2001. It has since been used by many other countries.

As part of the president's New Uzbekistan Development Strategy (2022–26), Delivery Units have been deployed to improve education, health care, and drinking water-related outcomes. The dashboard will monitor and evaluate reforms implementation to assist ministries in achieving key performance indicators in a friendly and supportive environment. It will contribute to data-driven decision-making by providing regular updates to citizens and policymakers on the overall implementation of the 2030 National Development Strategy. The dashboard will ultimately be part of the Uzbekistan Government Performance System.



In May 2024, the World Bank supported the workshop “Empowering Policymakers: Mastering Data-Driven Decision Making” in Tashkent, sharing details about the interactive prototype dashboard.

Current trends and international best practices in using data for more efficient policymaking, data literacy for public officials, and the role of e-government in delivering better public services to citizens and businesses were also discussed. The workshop attracted more than 100 participants—officials from diverse ministries and state agencies, representatives of international organizations, as

well as big data and public policy specialists. It was organized by the Agency for Strategic Reforms under the President of Uzbekistan, in collaboration with the Ministry of Digital Technologies and the Institute for Macroeconomic and Regional Studies, and was supported by the UK Foreign, Commonwealth and Development Office (FCDO).

Improving Socioeconomic Planning and Regional Development

EGED also strived to catalyze regional development by infusing new methodologies and simplifying processes and systems. In the Kyrgyz Republic, new methodologies for socioeconomic planning at the local self-government and rayon (district) levels were finalized, piloted, and officially approved by the

Ministry of Economy & Commerce and the State Agency for Civil Service & Local Self-Government Affairs. These methodologies standardize and harmonize regional development plans, introduce data-driven planning, and have been mandated for all local self-governments.



Since April 2024, over 400 state and municipal employees from two regions have received comprehensive training on applying the new methodologies to develop socioeconomic development programs (SEDPs). Trainings will continue in FY25, aiming to achieve 100 percent coverage across all regions of the Kyrgyz Republic. This represents a major step forward in systematic and data-driven socioeconomic planning within the country.

Poverty Mapping for Better Targeting of Policies and Programs at the Local Level



The Kyrgyz Republic is divided into seven administrative units, called oblasts, and two independent cities (Bishkek and Osh). The seven oblasts are further subdivided into 40 districts (rayons) and 12 regional cities. The Kyrgyz Integrated Household Survey (KIHS), collected by the National Statistical Committee (NSC), is representative at the oblast and urban/rural levels. This survey is the main source of data for estimating levels of consumption, income, poverty, and inequality.

Data disaggregation at the oblast level only can conceal disparities at the rayon level. The World Bank team used a small area estimation method to

measure poverty and consumption at the rayon level. This was done using a combination of census data, household surveys, and a rich set of administrative and other data from various sources.

The findings were presented to the deputy chairman of the Cabinet of Ministers of the Kyrgyz Republic; the president's administration; the Ministry of Economy and Commerce; the Ministry of Labor, Social Security and Migration; the National Statistics Committee; and the office of the prime minister. These will facilitate better geographical targeting of policies and programs. The report is expected to be released and disseminated in late 2024.



Making Policies and Programs Work for the Poor and Vulnerable



Understanding who the poor and vulnerable are, where they live and work, and how they are affected by markets, institutions, risks, and government action is critical for designing policies and programs that tackle the root causes of poverty and inequality in a sustainable way.

Highlights for FY24 include informing policy by analyzing the effect of air pollution on different households, understanding the gendered effects of policies, and social protection initiatives for reducing poverty and promoting equity.

Poorest Households Most Impacted by Tbilisi Air Pollution

Air pollution, a global concern with far-reaching consequences, is a growing worry in Tbilisi, Georgia, where levels of pollutants consistently exceed international standards. With support from the UFPE, the World Bank launched a comprehensive

study in April 2024 that analyzes the severe effects of air pollution on the health and economic well-being of Tbilisi's residents, with a particular focus on how the most vulnerable populations of the capital of Georgia are impacted.



Leveraging a variety of data sources, including administrative data, surveys, satellite imagery, and real-time monitoring to assess the distributional impacts of air pollution, the report indicates that while wealthier individuals reside in the city center with higher pollution levels, poorer households and those with lower education are more vulnerable. This is due to longer outdoor work hours and limited knowledge about air pollution and its impacts. A major factor was higher exposure to indoor air pollution, which often surpasses outdoor pollution, driven by cooking, smoking, building insulation materials, and other sources.

The study suggests that air pollution can be reduced by enhancing air quality monitoring, regulating traffic and industrial emissions, and promoting green technologies. Other major recommendations include incentivizing electric vehicle use, enforcing fuel standards, introducing carbon pricing, targeted taxation on tobacco and polluting cooking fuels, as well as information campaigns and incentives for adopting air quality monitors.



Improving air quality in Tbilisi can protect the health of its residents, especially the poorest and most vulnerable. Taking the policy intervention steps outlined in our new report would also contribute to Georgia’s green transition.

Rolande Pryce

World Bank Regional Director for the South Caucasus



Air pollution causes more deaths globally than malnutrition, AIDS, tuberculosis, and malaria combined. Sweden is assisting Georgia to improve the national air quality monitoring systems, take necessary measures to improve the situation and become compliant with EU standards. Our collaboration with the World Bank on this critical issue empowers the residents in Tbilisi with the information they need to protect themselves and their families from the dangers of air pollution and to improve accountability.

Erik Illes

Former Head of Development Cooperation and Deputy Head of Mission at the Embassy of Sweden in Tbilisi

The report is a product of close collaboration with government of Georgia counterparts, including the Ministry of Environmental Protection and Agriculture; the Ministry of Education, Science, and Youth; Tbilisi City Hall; the National Center for Disease Control; and the National Statistics Office, as well as local and international researchers at the International School of Economics at Tbilisi State University, and a think tank in Tbilisi (CRRC) with financial support from Sweden’s contributions to the UFPE.

The report’s dissemination event brought together policymakers, private sector, civil society, and

academia to discuss the findings and explore actionable solutions for cleaner air and a healthier Tbilisi. It was awarded the 2024 Europe and Central Asia (ECA) World Bank Academy Award for its significant policy implications in the region on environmental sustainability and public health. The launch and content from the report was actively picked up and shared by almost all major environmental nongovernmental organizations and research centers, thus increasing the reach and engagement on the topic. It was also widely covered by the media, including an [interview](#) with Luis Felipe López-Calva, Global Director for Poverty and Equity at the World Bank Group.



From Poverty to Prosperity: Making Growth More Inclusive in Kenya



Poverty and Equity Assessments are priority knowledge products in the World Bank's [revised suite of country core analytics](#) that help shape country engagement. These evaluations assess trends and drivers of poverty, inequality, and vulnerability. They inform policy priorities and investments that can create better opportunities for people and put a country on a sustainable path to eradicating poverty and promoting shared prosperity on a livable planet.

The [Kenya Poverty and Equity Assessment \(KPEA\) 2023 – From Poverty to Prosperity: Making Growth More Inclusive](#), which covers the period from 2005 to 2021, finds that Kenya's progress in reducing poverty and raising living standards of its citizens is not equally shared. As a result, economic growth has not sufficiently translated into more people escaping poverty.

With support from the UFPE, the KPEA report examines Kenya's fiscal policy from the perspective of its redistributive and poverty reducing effects. It uses a fiscal incidence analysis tool based on the Commitment to Equity (CEQ) methodology. One of the KPEA's three major policy recommendations is to use fiscal policy to equalize opportunities and raise incomes of households at the bottom of the distribution, thereby strengthening the links between aggregate growth and poverty reduction. This could be done by expanding social assistance programs like cash transfers for critical social protection, improving resilience, reducing poverty, redistributing resources, and reducing disparities. Investments in primary education to build human capital must be strengthened and sustained, while subsidies like vouchers for fertilizers could be reviewed for their redistributive and poverty impacts.



More disposable income in the hands of more people, especially amongst those who are at the bottom of the income distribution, will create lasting pathways to prosperity. Such widespread prosperity is also good for the economy because it can not only translate into higher tax revenues and greater fiscal space but also support a vibrant domestic demand and private sector.

Precious Zikhali

Senior Economist at the World Bank, and co-author of the KPEA report

The KPEA report was launched on December 14, 2023, by Kenya's economic planning principal secretary, James Muhati, at an event organized by the World Bank and key stakeholders. The launch, held at a Nairobi hotel, was attended by a wide range of participants from the private sector, government, research and academic institutions, as well as civil society organizations.



Source: [KPEA Report](#)



Fiscal incidence analysis of **taxes** and **spending** shows the system is progressive and redistributive but does not reduce poverty.

Looking ahead, an inclusive growth strategy is needed in addition to increasing the productivity of the private sector, to ensure sustained rates of economic growth.



Make fiscal policy more supportive of poverty reduction objectives.

- Evaluate tax and social spending together to ensure the poor benefit from the system.
- Enhance efficiency of public spending by reviewing incidence and impact of input subsidies to producers.



WORLD BANK GROUP

THE WORLD BANK
IBRD - IDA

IFC

International
Finance Corporation

MIGA

Multilateral Investment
Guarantee Agency

Partnership
for Shared
Growth
Prosperity



The Poverty and Equity Assessment is an evidence-driven, core diagnostic tool used to understand who the poor and vulnerable are, as well as the drivers behind recent changes in poverty and inequality. These assessments typically utilize official household surveys, often in conjunction with other data sources, to examine how to create better opportunities for people.

James Muhati

Economic Planning Principal Secretary of Kenya

Improving the Status of Women and Girls in Guinea



Women and girls in Guinea face significant barriers to accessing the same opportunities relative to men, according to a UFPE-supported World Bank report, *Unlocking Women's and Girls' Potential: The Status of Women and Girls Relative to Men and Boys in Guinea*. Guinea, ranked 182 out of 191 in the United Nations Development Programme's Gender Inequality Index in 2021, is one of the most unequal countries in the world in terms of gender. The economic consequences of this inequality are all the more alarming given that almost half of the rural population remains below the poverty line, nearly 2 in 5 children work, approximately 1 in 3 children under the age of five is stunted, and 1 in 10 children dies before the age of nine.

The report underlines how gender disparities adversely affect shared prosperity and poverty reduction. Its recommendations include improving access to early education; health care services; family planning; eradicating gender-based violence—particularly female genital mutilation/cutting and supporting gender-based violence survivors—reducing child marriage and teenage pregnancy; initiatives for increasing women's voice, agency and decision making; along with more and better employment.



Efforts toward promoting women's rights and well-being can benefit Guinean society as a whole.

Miriam Muller

Senior Social Scientist at the World Bank

In light of the multidimensional aspects of gender equality, the report underlines the importance of initiating comprehensive and multisector policies to address existing gender gaps and to use evidence and data to inform those policies.



The report provides strategic directions for policy across all the highlighted dimensions that could apply to the Guinean context. Efforts in enabling women to fulfill their potential must be focused on the following objectives: educate, enhance access to health care, employ, and increase economic empowerment.

Nestor Coffi

Country Manager of the World Bank in Guinea

The report's findings and recommendations catalyzed action on several fronts. For example, working in partnership with the Ministry of Women, an upcoming World Bank investment project mobilized additional trust fund resources to test approaches on how to address and prevent female genital mutilation. Additionally, the report's findings on gender gaps in agriculture were featured in a workshop with the Ministry of Agriculture that brought together important multisector stakeholders. The

discussion featured regional evidence on priority pathways to reduce gender disparities in agriculture and actionable strategies to reduce labor and time constraints, enhance access to land, agricultural inputs, financing, technology, information, and markets, and address social norms and agency. The Ministry of Agriculture has agreed on concrete steps forward to work on this agenda, including prioritizing it within the scope of the World Bank's investment project focused on the agricultural sector in Guinea.

Strengthening Social Protection in Tajikistan



The government of Tajikistan is modernizing its social protection system to better contribute to poverty reduction and mitigate the impacts of shocks.

Responding to the global financial crisis in April 2009, the government launched an economic stabilization program that reprioritized public expenditure, increasing the budget allocated to social assistance. Support was largely provided as a one-off cash-for-work scheme and programs to promote entrepreneurship; however, the lack of an effective mechanism for channeling assistance to the poor limited the program's impact. A 2010 World Bank report concluded that social assistance programs

in Tajikistan collectively exert almost no downward influence on poverty rates due to ineffective design, weaknesses in beneficiary identification, and poor targeting.

The Targeted Social Assistance (TSA) system expanded in several phases before scaling nationwide in 2021. Despite this large coverage, benefit sizes remained low and, as a result, the total budget allocated to social assistance remained modest. At just 0.13 percent, Tajikistan's budget allocation to social assistance in 2021 was the lowest in the Europe and Central Asia region as a share of gross domestic product.



While it was being scaled nationally, an ongoing series of assessments from the World Bank and the Ministry of Health and Social Protection identified several limitations to the new TSA program. These included benefit amounts too low to significantly reduce poverty, increasing imprecision in the targeting formula, and limitations in the design of beneficiary amounts. As a result, families with few members were privileged over large families with greater needs.

Regulations on the size of TSA compensation adopted in 2010 established transfer amounts in nominal terms at 400 somoni per family per year. This remained unchanged in the years that followed, falling by more than 44 percent in inflation-adjusted terms until 2019, when the practice was revised, linking benefit amounts to inflation-adjusted budgetary units (set at 8 per family; equivalent to 512 somoni in 2022). A recent assessment of the progressivity of tax and spending policy in Tajikistan found that although the TSA program was the best

targeted and most progressively distributed program in the country's fiscal system, it had limited poverty-reducing impact because of low benefit amounts.

The TSA program saw significant strides in meaningful implementation over the past year. The program was reformed and modernized earlier with support from the UFPE for technical assistance to the government. The revised proxy-means test (PMT) formula to improve the TSA beneficiary identification was adopted. As a result, the State Agency for Social Protection increased TSA budgetary allocations, with a focus on households with children under 16 years of age. This led to a 65.6 percent increase in budget allocation benefiting over 7 million children, a 51.6 percent increase from the previous year. The World Bank will assess the impact of the new TSA approach in terms of its accuracy, targeting and impact on poor households' well-being.

UFPE Operational Impact



Knowledge produced from good data and strong analytics is one of the World Bank's most valuable assets. Knowledge is vital to ensure high-quality development projects and, ultimately, to deliver development impact.

UFPE evidence informs and strengthens the design and implementation of World Bank operations to maximize their effectiveness on reducing poverty and promoting shared prosperity.

Highlights for FY24 include operations to translate data into action and adding a gender component to existing fiscal analysis methodologies to accelerate gender equality.

From Data into Action: The Impact of Gender Analysis on Policy and Programming

Gender equality is a pathway to end extreme poverty and boost shared prosperity on a livable planet. The World Bank Group, in partnership with client countries, has made important strides in the past decades in contributing to this objective. An extensive program of country-level and global analytical work and technical assistance has been developed across countries. Yet there has been a lag in translating such efforts into action.

In response to this observed gap and mandate, the UFPE partnered with the William and Flora Hewlett Foundation to promote the use of gender data and analysis to inform, influence, and design government policies in Sub-Saharan Africa. The goal was to contribute to narrowing gender gaps in women's economic opportunities and to generate lessons from this experience that can be scaled up across the World Bank.

One avenue for impact includes the adoption of concrete legal and policy reforms on gender in the form of prior actions within Development Policy Operations (DPOs). In FY24, reforms were supported in six countries across a gamut of sectors and topics that aim to tackle gender gaps. The topics ranged from critical human capital endowments and challenges in the region, such as education and maternal health, to economic productivity, social protection, and agency-related issues. Key DPO reforms include the following:

- Subsidizing health services to the poor and extreme poor, as identified in the Unique Social Registry, to lay the foundations for adaptive social protection in [Benin](#).
- Enabling a law to protect students against sexual violence, strengthening prevention measures, support mechanisms for survivors, and sanctions for perpetrators in [Togo](#). Another initiative includes the creation of agricultural development zones where agroecological practices are supported (with an effort to increase the share of female farmers among them). And finally, the establishment of a social registry to be used for selection of beneficiaries for any aid or social assistance programs. This is likely to benefit women to a large extent, since gender, household composition, and poverty incidence are interconnected.
- Introducing a gender criterion for evaluation of educational institutions and teachers in [Côte d'Ivoire](#). In addition, gender-focused technical and vocational education and training (TVET) legislation was introduced to reduce gender skills gaps.
- Establishing 90 days paid maternity leave and 10 days paid paternity leave and improved regulations of childcare accreditation system in [Cabo Verde](#).
- Facilitating a decree establishing a gender-sensitive unified emergency preparedness and response institutional framework in [Mauritania](#). Acknowledging that vulnerabilities, roles, and abilities to cope with disasters are not gender neutral, the new preparedness and response system will build the capacity to gather and use gender-disaggregated data and information on casualties and persons affected in the aftermath of a disaster.
- Mandating women's representation in decision-making roles in local Disaster Risk Management (DRM) committees in [The Gambia](#). The share of women receiving government cash assistance after a disaster or climate shock was also included as one of the results indicators measured.

Lessons to Accelerate Gender Equality by Translating Evidence into Policy and Reforms

The ultimate objective of gender analysis is to inform programs and policies that contribute to closing persistent gaps. However, the specific impact of gender analysis and advice activities is not always evident or measured. Development partners, including the World Bank, are interested in better understanding and systematizing the associations between data and reforms. Is the increasing amount of knowledge

generated translating into programmatic and policy change to close gender gaps? If so, which factors can help the move from diagnostics and technical assistance to action? UFPE-supported efforts to translate gender data and analysis into policy reforms in Sub-Saharan Africa revealed many lessons for future endeavors. These lessons are categorized under two main pillars:

Enabling Environment

Early engagement is crucial: Being involved early in policy discussions is essential to effectively influence reforms.

Agility and flexibility are key: Brief, initial analytical inputs can be more effective than large-scale analytical work, especially when internal and external conditions are not conducive to reform.

Country context matters: Political economy issues, timing, and specific country circumstances can significantly impact the success of reform efforts.

Partnerships are vital: Collaboration with other sectors within the World Bank, including country teams, is crucial.

External advocacy is valuable: Engaging with a broader audience through campaigns, media, and publications can help promote and support reforms.

Supporting Governments in Crafting Reforms

Proactive engagement and client focus are essential: Quickly responding to client requests and providing technical support can be critical for shaping and informing policies and programs.

Evidence-based solutions are key: Sharing evidence on effective interventions and best practices can help initiate conversations about potential reforms and identify entry points.

Multisector, multi-stakeholder workshops are effective: Engaging with multiple sectors within the World Bank, clients, and other stakeholders can help define and agree on specific reforms.

Synergies between different engagements are important: Coordination and collaboration with other teams and sectors at the World Bank can enhance the impact of reform efforts.



Closing Gender Gaps with Fiscal Policy

The analysis of how fiscal policy can contribute to reducing poverty and inequality is broadly known as fiscal incidence analysis (FIA). A common form of FIA is Commitment to Equity (CEQ), an approach developed by the CEQ Institute at Tulane University, a longtime partner of the World Bank. CEQ looks into (to the extent permitted by data) all taxes and transfers, going beyond understanding whether one instrument of tax and transfer is progressive or regressive to also assessing the contribution to poverty and inequality, along with the progressivity of the overall fiscal system.

Fiscal policies affect households and individuals in a variety of ways. However conventional tools of FIA typically do not capture gender differences. Over the past two years, the UFPE supported the development and piloting of an extension to the CEQ methodology that integrates a gender lens by examining the specific social roles and responsibilities ascribed to women. The “engendered CEQ (eCEQ)” helps understand the differential impact of fiscal policies on women and men living in households with different demographic profiles and how potential fiscal policy changes would affect them.

Scaling Up Gender CEQ

The demand for the eCEQ methodology has grown quickly since the pilot phase last year. Nearly 20 countries have adopted the eCEQ approach, with the UFPE financing about half of the studies, including in Angola, The Gambia, Georgia, Guinea, Kenya, Togo, Viet Nam, and West Bank and Gaza.

Because the eCEQ methodology does not focus on just one specific policy instrument but takes a

holistic view of tax and spending policies for gender gaps, it has many policy entry points and helps identify the policy options with the largest potential impact. It helps understand the equity and gender impact of existing fiscal policies and also those of alternative fiscal reforms. These can then be included as prior actions in DPOs, directly leading to policy changes or supported through investment lending projects.

As an example, a reform priority that was supported by the eCEQ tool in almost all countries is related to the removal of energy subsidies, which are costly and have increasingly become fiscally unsustainable. The eCEQ helps governments understand who benefits from energy subsidies and by how much. Subsidy reforms are often accompanied by cash transfers to help soften the

negative impact of subsidy removals, particularly on the poor and the vulnerable. Thus, the eCEQ is an important tool to help design the compensation packages by simulating different policy options to target the new benefits to different types of households (for example, households with women-led earnings with children, households with men-led earnings without children).

Informing Social Spending in Togo

eCEQ insights on the distributional impact of energy subsidies revealed significant regressivity and a heavy strain on fiscal resources. Through collaboration with the [Togo Social Assistance Transformation for Resilience Program](#), eCEQ findings were instrumental

in advocating for a strategic shift in government social spending, focusing on better-targeted social services, with a greater gender inequality and poverty-reducing impact.



Green, Resilient, and Inclusive Growth in Angola



The Angola fiscal microsimulation model had a significant impact on shaping the fuel subsidy and cash transfer reform policies supported in the [Second Green, Resilient, and Inclusive Growth DPO](#). This analysis supported the expansion of the cash transfer program into urban areas for the first time, suggested an option to gradually reduce fuel subsidies rather than a sudden cut, and focused on reforms for gasoline and diesel while postponing reforms for cooking gas subsidies. The engendered analysis enriched policy dialogue, illustrating for the first time the extent to which Angolan households primarily financed through women’s earnings are poorer than those financed through men’s earnings (poverty is 9 percentage points higher). It also underlined which fiscal policies can be used to

reduce gender gaps. The analysis showed that the impact of the cash transfer program on gender gaps has been modest in rural areas, and the expansion to urban areas is expected to disproportionately benefit women-led households. It also showed that the benefits of fuel subsidies disproportionately benefit men-led households, resulting in widening the gender gap. While this discussion is still nascent, it has opened the door to a dialogue on how fiscal reforms impact the gender gap and how they can be used to offset some of the economic barriers faced by women in Angola.



Capacity Building



Strengthening government capacity drives sustainability so that program objectives are met beyond active World Bank involvement.

In FY24, the UFPE continued efforts to build client capacity for better policy formulation and implementation. Highlights include training the Georgia Revenue Services to enhance tax compliance and fiscal microsimulation training to multiple government counterparts.

Improving Tax Compliance in Georgia



Governments need sustainable funding to uphold the social contract with citizens and provide public goods to foster growth and development. In most contexts, raising revenues requires an efficient, effective tax system. An understanding of human behavior and how individuals interact with policies and programs can provide creative and cost-effective solutions to improve tax compliance.

In Georgia, a compliance assessment of the value added tax (VAT)—the single largest contributor to tax revenue—revealed an underdeveloped relationship between the Georgia Revenue Services (GRS) and medium-size enterprises (compared with large taxpayers), leading to weak tax compliance. Building on successful experiences in World Bank projects across Europe, Central Asia, and beyond, the UFPE provided technical assistance and capacity building to the GRS to tackle tax compliance challenges using behavioral insights.

Specifically, capacity building was provided to the GRS to deploy behavioral science strategies to identify and implement improvements and innovations in tax compliance strategies, particularly among medium-size businesses. Technical assistance to the GRS included (i) analytics to understand taxpayer behavior across tax systems and identify suspicious behavior near

tax thresholds, and (ii) embedding experimentation in existing compliance strategies to identify areas for improvement.

Initial experimentation with the GRS centered around an evaluation of the on-time filing program. The World Bank provided technical assistance for the design, implementation, and evaluation of a set of randomized controlled trials to evaluate the impact of the program for monthly tax obligations. This intervention was prioritized to establish a proof of concept for behavioral insights and experimental methods within the GRS. The main findings from the on-time filing experiments suggest that current strategies improve compliance at the margin and adjustments can induce small but significant changes in taxpayer behavior. Under both dimensions a learning-by-doing approach for capacity building was deployed.



Fiscal Incidence Analysis for Better Policy Formulation

Understanding the potential effects of fiscal policy reforms on poverty and inequality on various population groups across income levels helps formulate and implement better policies. Governments are increasingly using tax and benefit microsimulation tools to inform fiscal policy. These simple tools enable assessment of the effects of changes in fiscal policies prior to national implementation alongside other evidence-based approaches, such as post-program evaluations and social/natural experiments.

In 2016, the World Bank developed an innovation in FIA work: user-friendly fiscal microsimulation tools for

policymakers to simulate full-scale FIA assessments. These tools combine fiscal and administrative data (such as budget numbers, tax rates, and number of social services beneficiaries) with micro data from household and labor force surveys. Together, these predict income and poverty levels under different tax and government spending scenarios. The goal is for the policymakers or other users to plug in parameters for specific policies under consideration (for example, tax rates, generosity of cash transfers, eligibility criteria for energy subsidies) and see the resulting impacts on households of different income levels.

Strengthening Fiscal Incidence Analysis Expertise for Better Policy Outcomes in Guinea and Senegal

Guinea



UFPE support enabled a three-day training in Conakry, to build local analytical capacity for advising authorities on evidence-based, equity-promoting policy decisions. The workshop enhanced participants' skills in analyzing the distributional impacts of fiscal policies. The 39 participants were affiliated with government departments, universities, and the National Statistical Office. Through intensive sessions, participants learned modern analytical

methods and microsimulation tools to improve policy analysis quality and foster more equitable fiscal policies in Guinea. The authorities expressed their appreciation for including the gender lens in the analysis and conveyed their optimism that building the capacity of the government to conduct microsimulations will help the country make more inclusive and equitable fiscal policy decisions.



Je suis convaincu qu'à l'issue de cet atelier, les participants seront en mesure de réaliser des travaux analytiques permettant d'évaluer les politiques publiques. Il sera aussi une étape cruciale dans le renforcement de nos capacités analytiques pour des politiques budgétaires plus équitables. – **I am convinced that at the end of this workshop, the participants will be able to carry out analytical work allowing them to evaluate public policies. It will also be a crucial step in strengthening our analytical capacities for more equitable budgetary policies**

Ismaël Nabé

Minister of Planning at the ceremony of the training launch

Senegal



At the request of the General Directorate of Planning and Economic Policies (DGPPE), 20 civil servants were trained on conceptualizing and running fiscal microsimulations using the Senegal microsimulation model developed by the World Bank with the support of the UFPE. The trainees hailed from the National Agency for Statistics and Demography; the DGPPE; the General Directorates of Taxes, Treasury, and Customs; the Ministries of Higher and National Education; Cheikh Anta Diop University, and the Ministry of Health. Subsequently, counterparts ran their own simulations and put together a report to inform the next medium-term development plan (Priority Action Plan-3, or PAP3), as presented in a [workshop in May 2024](#).



Over the years, the World Bank has derived lessons for better capacity building from implementing FIA trainings in multiple countries. Key lessons are summarized below:

Tailor training to specific audiences and skill levels:

Different training modules should be developed for various audiences, including policymakers, researchers, journalists, and the general public. This allows for more effective knowledge transfer and engagement.

Leverage microsimulation tools for policymaker engagement:

User-friendly microsimulation tools can help policymakers understand the potential impacts of policy changes without requiring extensive technical expertise. This can stimulate demand for more tailored FIA analyses.

Build capacity of local think tanks and researchers:

Collaborating with local think tanks and research universities can foster a community of researchers who can independently conduct FIA analyses and contribute to policy discussions. This promotes sustainability and ensures continued analysis even after initial World Bank support ends.

Embed FIA within a broader evidence-based policy ecosystem:

Supporting FIA should be part of a larger effort to strengthen the evidence-based policymaking ecosystem. This includes investing in national statistical systems, training data analysts, and promoting the use of data for policy decisions.



8.

Financials

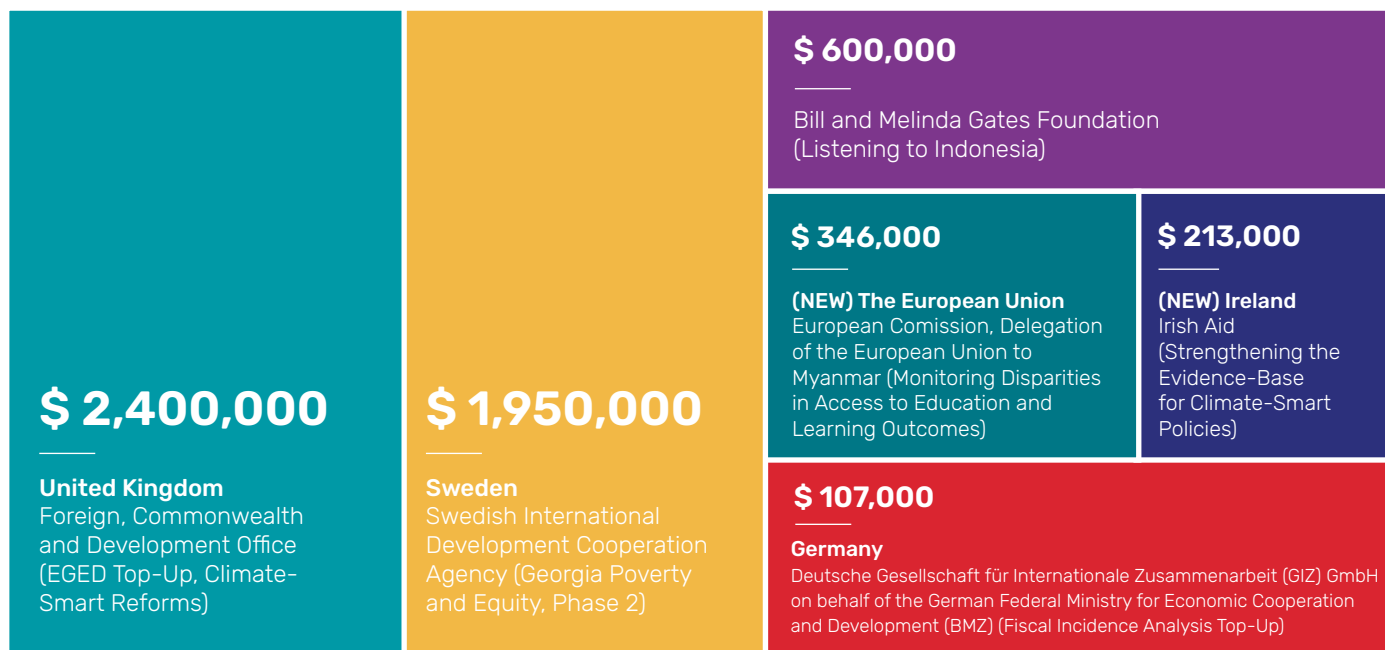


By the end of FY24, the UFPE had signed contributions of more than

\$18 million

The facility welcomed \$5.6 million in new contributions during the year, including from two new donors, Ireland (Irish Aid) and the European Union–European Commission (Delegation of the European Union to Myanmar), who joined the UFPE during the course of the past year. Four current donors renewed their commitment to the UFPE with additional contributions to expand or deepen existing work programs.

Figure 1. FY24 New Contributions



The overall financial summary and contribution details by donor are shown in the tables below.

Table 1. UFPE Financial Summary as of June 30, 2024

Development Partner	Amount (US\$)
A. Total donor-signed contributions	18,018,590
B. Actual funds received from donors	13,902,223
C. Investment income	415,972
D. Total funds available (B+C)	14,318,195
E. Disbursements	9,103,407
F. Undisbursed Commitments	1,160,528
G. Available fund balance at trustee and disbursing account level D-(E+F)	4,054,260

Table 2. UFPE Contributions and Assigned Preferencing as of June 30, 2024

Donor	Contribution (US\$)	Contribution paid in (US\$)	Unpaid contribution (US\$)	Preferred contribution (Y/N)	Preferred programs
Bill and Melinda Gates Foundation	1,100,000	500,000	600,000	Yes	COVID-19 High Frequency Monitoring and Analysis (Closed) and Listening to Indonesia (New)
Germany - Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ)	885,129	885,129	-	Yes	Fiscal Incidence Analysis
United Kingdom - Foreign, Commonwealth and Development Office	11,645,104	8,335,074	3,310,030	Yes	Effective Governance for Economic Development in Central Asia
Sweden- Swedish International Development Cooperation Agency (Sida)	2,828,936	2,623,646	205,290	Yes	Evidence-Based Policy and Program Reforms in Georgia
William and Flora Hewlett Foundation	1,000,000	1,000,000	-	Yes	Evidence-Based Policymaking for Gender Equity
Ireland - Irish Aid	213,230	213,230	-	Yes	Strengthening the Evidence-Base for Climate-Smart Policies (New)
The European Union - European Commission (Delegation of the European Union to Myanmar)	346,190	346,190	-	Yes	Myanmar: Monitoring Disparities in Access to Education and Learning Outcomes (New)
Total	18,018,589	13,903,269	4,115,320		

9.

The Way Forward



Since its inception, the UFPE has effectively showcased the importance of **incorporating a poverty and equity perspective into development research, operations, and policymaking.**

As highlighted in this report, the global public goods provided by UFPE are both timely and pertinent, offering valuable insights for operational and policy engagements that drive impact. This is further strengthened by targeted country programs that generate and apply the latest evidence and analysis, supporting governments in improving the lives of the poor and vulnerable.

Today's global challenges are bigger, more complex, and more intertwined than ever before, from the relentless grip of poverty and stubborn persistence of inequality to the devastations caused by climate disasters, fragility, pandemics, and conflicts. Financing and investments alone cannot solve these problems in a global context of higher debt and scarce resources. Now more than ever, clients are demanding innovative ideas and successful experiences from other countries to tackle the ongoing and emerging global crises, regain the development progress of past decades and move faster towards achieving the Sustainable Development Goals.



The UFPE's vision remains central to the World Bank's evolution. Alongside our partners, the UFPE will continue its work to help policymakers and practitioners innovate and act based on evidence and accelerate the transformation of new ideas into development outcomes that improve the lives of the poor.



Appendix A. Grant Details

Grant number	Grant name	Approval date	Closing date	Grant amount (US\$)	FY24 Disbursements (US\$)	Disbursements since inception (US\$)
TF0B7364	Fiscal Incidence Analysis	11/15/21	8/30/24	717,500	254,538	664,669
TF0B7500	UFPE Program Management and Administration	11/24/21	2/29/28	418,000	223,186	335,211
TF0B7986	Georgia Evidence-Based Policies and Programs for Poverty and Equity	2/20/22	4/30/26	1,446,073	612,802	1,228,986
TF0B8240	Effective Governance for Economic Development in Central Asia	4/11/22	6/30/26	3,571,212	150,314	3,380,130
TF0B0623	Gender-Informed Fiscal Incidence Analysis	1/30/23	6/30/24	390,000	326,587	337,841
TF0C0873	Strengthening Evidence-Based Policymaking for Gender Equity	2/28/23	6/30/24	390,000	256,256	364,136
TF0C3210	Strengthening Evidence-Based Policymaking for Climate-Smart Policies	11/1/23	9/30/24	82,400	71,358	71,358
TF0C3859	EGED - Kyrgyz Republic	1/22/24	5/31/26	300,000	164,901	164,901
TF0C3860	EGED - Uzbekistan	1/22/24	5/31/26	450,000	315,786	315,786
TF0C3861	EGED - Kazakhstan	1/18/24	5/31/26	70,000	44,923	44,923
TF0C3871	EGED - Tajikistan	1/18/24	5/31/26	250,000	60,638	60,638
TF0C4333	EGED - Climate	3/26/24	6/1/23	1,705,650	645,727	645,727
TF0C5018	EGED - Uzbekistan PEFA 2024 and PEFA Climate Assessments	5/23/24	5/31/25	150,000	105,558	105,558

Appendix B. Results Framework

Development Objective	To inform and support the design, implementation, monitoring and evaluation of policies and programs to reduce poverty and promote equity.	
Results area	Indicators	Results FY22-FY24
Pillar 1: Data for Poverty and Equity-Informed Policy		
Improvement in the production of core economic, social and sustainability statistics (investing in data for policy)	Number of data gaps filled/reduced in core data for evidence-based policymaking (including disaggregation by sex and disability, other).	2
	Number of knowledge products, tools and methods for effective production of statistical and non-statistical data for policymaking developed, applied or taken to scale	4
Strengthened systems for data use, planning, and monitoring and evaluating of policies and programs	Number of countries with improved systems for data use for planning, and monitoring and evaluating policies and programs	4
	Number of countries where technical assistance and capacity building for modernization of national statistical systems implemented	4
Data innovations for improved welfare measurement and monitoring	Number of solutions, effective and/or innovative approaches for welfare measurement or monitoring developed, applied or taken to scale	7
	Number of harmonized databases and tools to facilitate cross-country monitoring and analysis, including selected Sustainable Development Goals	3
Pillar 2: Improved Evidence Base for Poverty and Equity-Informed Policies		
Improved understanding of the drivers and constraints to poverty reduction, inclusive growth and equity	Number of studies strengthening the evidence base through policy-relevant poverty and equity diagnostics	55
	Number solutions, effective or innovative tools (frameworks, methodologies, etc.), models and methods for poverty and equity analysis developed, applied or taken to scale	18
Distributional analysis for poverty and equity-informed policies	Number of World Bank projects with explicit poverty or equity-related goals or results (that are attributable to the operation and informed by UFPE activities)	29
	Number of policies/policy dialogue informed by poverty and equity analysis (not captured by World Bank lending support)	19
	Number of prior actions/policy actions in DPO operations informed by poverty and equity analysis	33
	Number of countries where policymakers, government officials or practitioners trained to perform distributional analysis	10
Pillar 3: Operational Effectiveness		
Behaviorally informed solutions to development challenges	Number of policies or programs, and policy dialogue informed by behavioral science	1



For more information,
please contact:

The UFPE Program Management Team |
Poverty and Equity Global Practice



ufpe@worldbank.org



www.worldbank.org/ufpe



The World Bank
1818 H Street, NW
Washington, D.C., 20433

The World Bank Group is one of the largest sources of funding and knowledge for developing countries; a unique global partnership of five institutions dedicated to ending extreme poverty, increasing shared prosperity, and promoting sustainable development. With 189 member countries and more than 120 offices worldwide, WBG works with public and private sector partners, investing in groundbreaking projects and using data, research, and technology to develop solutions to the most urgent global challenges.

For additional information, visit
www.worldbank.org