

CATEGORY 3: ALLOCATION OF CONCESSIONAL RESOURCES

Subcategory
3a
ALLOCATING
CONCESSIONAL
RESOURCES ON
THE BASIS OF
PERFORMANCE

MDB	(i) Amount (%) of total concessional resources allocated on the basis of performance	(ii) Brief description of the formula or parameters used to measure performance
AsDB	All concessional resources, which are provided under the Asian Development Fund (ADF), are allocated on the basis of performance. The only exceptions to this rule are a few set-asides agreed by the ADF donors: (i) post-conflict countries; (ii) countries on the watch list for graduation e.g., Indonesia; and (iii) 5% of ADF-IX funds, which are allocated to sub-regional cooperation projects.	The formula for the Composite Country Performance Rating (CCPR) is $CCPR = PIR^{0.7} \times GR^{1.0} \times PR^{0.3}$, Where: <ul style="list-style-type: none"> • PIR is the Policy and Institutional Rating, which is the average of the Economic Management cluster average score, the Structural Policies cluster average score, and the Social Inclusion/Equity average score • GR is the Governance Rating • PR is the Portfolio Rating
AfDB	The amount of concessional resources available for allocation under African Development Fund (ADF)-X is UA 2.93 billion. 100% of this amount is allocated on the basis of performance.	The Performance-Based-Allocation System provides a transparent method for allocating resources to eligible RMCs based on (i) performance and (ii) need with a higher premium on performance. The allocation to an eligible RMC will be higher if the country: has a large population; has a high poverty rate; has a high Country Policy and Institutional Assessment score (good policy and institutional performance); has a high Country Portfolio Performance score (low percentage of projects at risks); has a high governance factor; and is a recognized post-conflict country.
EBRD	The EBRD does not have any concessional resources.	N.A.
IADB	The IADB has a two sources of concessional financing: (i) the Fund for Special Operations (FSO) that lends on average \$400 million a year; and (ii) the Intermediate Financing Facility (IFF) that provides subsidies to \$250 million of ordinary capital lending a year. 100% of countries eligible to receive concessional assistance receive it on the basis of performance under two different concessional aid windows: 5 countries are eligible under FSO and other 5 under IFF. The countries eligible for FSO are Bolivia, Guyana, Haiti, Honduras, and Nicaragua; and for IFF, Ecuador, El Salvador, Guatemala, Paraguay, and Suriname.	For the purpose of allocating concessional resources (FSO and IFF), the IADB uses a formula that consists of 2 major components: Needs – 40% – (Population and Income per capita) and Performance – 60% – (Portfolio, and Country & Institutional Policy Evaluation).
WB	100% of concessional resources (IDA) are allocated according to a Performance Based Allocation (PBA) system.	The IDA PBA uses three variables: (i) the quality of a country's present policy and institutional framework (Country Institutional and Policy Assessment or CPIA); (ii) population; and (iii) per capita income. The quality of the CPIA refers to how conducive the framework is to fostering poverty reduction, sustainable growth, and the effective use of development assistance. The 16 CPIA criteria are grouped into 4 clusters: economic management, structural policies, policies for social inclusion and equity, and public sector management and institutions.