

**WORLD BANK CONSULTATIONS ON THE EVOLUTION PROCESS  
EUROPE AND CENTRAL ASIA SUMMARY - MULTI-STAKEHOLDER  
MONDAY, JULY 17, 2023  
12:00 PM – 1:30 PM  
TIRANA, ALBANIA (VIRTUAL)**

**World Bank Group Representatives:**

Ed Mountfield, Vice President, Operations Policy and Country Services, World Bank  
Xiaoqing Yu, Country Director, Western Balkans, World Bank  
Laura Qorlazja, IFC Country Officer

**Moderator:**

**Nicole Frost**, Manager, Eastern Europe and Central Asia External Relations, World Bank

**Introduction**

The World Bank has been engaging in global consultations on the Evolution Process. The parameters of these consultations are outlined on this website [here](#) in an outreach plan. The first Evolution Roadmap Forum, held on April 11, 2023, at the Spring Meetings, kicked off the official consultations in parallel with the [online](#) multi-stakeholder consultation process. While participants expressed appreciation for the opportunity to engage in the Forum in Washington, they underlined *the importance of taking the consultation on the road to global south stakeholders*.

Building on the Evolution Forum, this second phase of the WBG's public consultation period consists of **regional consultations** that will take place in all seven regions of the Bank's work during the month of July 2023 (see full schedule in Annex 2).

**ECA-wide Consultations**

**Participants:** This consultation was virtual, with 108 individuals connected representing 20 countries: Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, Bulgaria, Croatia, Kazakhstan, Kosovo, Kyrgyz Republic, Moldova, Montenegro, North Macedonia, Poland, Romania, Serbia, Slovenia, Tajikistan, Türkiye, Ukraine, and Uzbekistan.

The moderator opened the discussion by welcoming the participants and encouraging them to really engage and provide their views on the Evolution process. The World Bank's Country Director for the Western Balkans, Xiaoqing Yu, gave opening remarks providing a global overview on the consultations, and acknowledging IFC's Manager, Martin Holtmann. In his presentation, Ed Mountfield, Vice President of Operations Policy and Country Services, indicated that the World Bank is committed to a collaborative and inclusive process informed by the Bank's stakeholders, and then provided an overview of the three main pillars of the Development Committee paper, which was shared with participants ahead of the consultations. The moderator then opened the floor for questions (see Annex 1 for detailed comments and questions from participants).

**Participants:** A total of 109 people attended (see full list of participants in separate file).

## MAIN HIGHLIGHTS

The discussion was substantive with active engagement from online, and the main themes resonated around:

- **Mission and vision:** Some comments centered around the feasibility of tackling poverty, prosperity, and planet without compromising, noting that climate change issues would target more developed countries, while poverty alleviation policies target other countries. On climate justice, there was a sense that the World Bank should play a decisive role in pushing countries to more ambitious targets.
- **Governance and Civil Society:** A number cited the benefits of working with CSOs, who may mitigate corruption concerns as they are more attuned to local conditions and could help demand accountability. Weak Government capacity to implement projects was highlighted as an obstacle to achieving project success. Initiatives between civil society and technology companies could facilitate civil society involvement in World Bank projects from design to implementation and beyond. Successful examples initiated by CSOs were cited.
- **Operating Model:** There were several concerns on the World Bank's support to project implementation that is executed through governments, and potential for corruption. Some noted that the number of instruments that respond to crisis is limited. Engaging during and after conflict is key to achieving progress and avoiding reversals. Enhanced engagement with civil society on emergency response would also be beneficial. The World Bank's focus should remain on preserving and building human capital.
- **EITI:** Several participants highlighted their good experience working with WBG on EITI, and the importance of this initiative for beneficiary countries. A participant suggested the WB make it mandatory for lending countries to participate in EITI and implement the rules of Open Government partnerships.
- **Other:** Several other comments focused on issues around growth, debt, climate change, support for the energy transition, inclusion of vulnerable groups including children and displaced people, partnerships, and the need for development organizations to coordinate amongst each other.

## Annexes

Annex 1: Detailed Comments from Participants

Annex 2: Full Regional Consultation Schedule

## Annex 1: Detailed Comments from Participants

<b>Climate and Global Challenges</b>	Sustainable Economic and Finance Association NGO, Turkey	WB should play decisive role in pushing countries to have more ambitious climate and development targets.
	UNICEF, Tajikistan	Referring to enhanced commitments on climate change, since the impact of climate change <sup>1</sup> will disproportionately affect children, we hope for a more nuanced response on the most vulnerable groups. In particular, the possibility to expand the ‘Today and Tomorrow Initiative’ (the child-focused climate risk financing solution) in the sub-region may be an interesting endeavor.
	Foundation for Armenian Science and Technology, Armenia	There is too much fragmented work on climate change. The World Bank should work with other development partners and maximize available resources.
<b>Inclusion</b>	UNHCR, Croatia	With over 100 million people displaced around the world, and with 76 % of those hosted in low- and middle-income countries, they are often marginalized, and it is key to ensure their inclusion in development programming as they are often overlooked in development planning and assistance.
	Women in Climate and Energy, Armenia	Important to pay attention on ensuring inclusivity with the use of technologies.
<b>Vision/Mission</b>	American University, Armenia	Bringing global goals and poverty at scale is going to be problematic. Difficulty in balancing global vs. local goals. Is the goal poverty reduction now or in the mid to long term. Would be good to clarify. Emergency issues should be separate from general frameworks. Some countries may not be the poorest but need more relief now (e.g., Ukraine).
	Dixie Group, Ukraine	Agree with the goals but working with the World Bank can be complex as their main clients are government, and when a regime changes, you need to start from zero. Some governments may not be interested in reducing poverty. I suggest you switch the client to (civil) society. You need more stakeholders than just governments.
	Romania Commercial Bank, ERSTE Group	Comment on vision and mission statement. Re eradicating poverty, enhancing prosperity, and having a strategy for achieving sustainability – how does the WB plan to do implementation considering all 3 aspects are extremely well connected, e.g., if you

		plan to eradicate poverty, it means you need to increase inclusion. Inclusion supports demand for prosperity/profit.
	The Association of Polish Economists, Poland	Need increased technical assistance as part of the World Bank projects' value added. WB should focus on corruption in ECA and on providing analytical work.
	Women in Climate and Energy, Armenia	If poverty elimination is a vision and mission of WB, how would you deal with non-bankable projects, for instance energy renovation of public schools, which will have very long pay back period?
<b>Operating Model</b>	Education Foundation, Armenia	Concern about operating model: client is the government, so it tells the Bank what to do and what to focus on. Only then NGOs or any other agencies can get involved. WB projects are significant, so organizations need to develop a strong implementation arm to go to the project and succeed. Once the project closes, the capacity is lost. WB should look for demand but also capacity and help countries build sustainable capacity of organizations inside the country. For sustainable development, it's key to have a strong society, but society depends on institutions. But in developing countries, there are not many such institutions. Even if we develop capacity inside the government, government is not the best employer. Suggestion: projects should demand that government create independent agencies, so capacity is built within the project.
	Dixie Group, Ukraine	Regarding the operating model, suggest you revise how you define priorities for different countries and how you target different priorities to different countries. Number of instruments to work on emergency matters/crisis issues is limited and should be expanded. Provide explanation of some of WB decision-making.
	RISE Coalition, Ukraine	Largest coalition of NGOs working on Ukraine's reconstruction. Thank you for all the work the Bank has done for Ukraine since invasion. World Bank led the "needs assessment," which is guiding light to understanding reconstruction costs of Ukraine. Pilot investment insurance mechanism with MIGA launched recently which sends right signal to private investors and private entrepreneurs to invest in Ukraine. War is not just Ukrainian problem but global one. Ukraine is sliding into poverty and WB focus should remain on human capital. Need to support the public sector. Success story will be to create an economy that will attract those refugees back.
	Foundation for Armenian Science and Technology, Armenia	Commend the fact that WB want to make changes toward making more flexible its funding tools and trying to consolidate the local resources, this is very important as often times see a lot of overlap and too much dependency on the government, so having more mechanisms for encouraging the government to create PPP models and also directly work with private entities (business and CSOs) is critical. Many challenges in

		various countries are similar and focus too much on creating tailored solutions, instead of providing scalable and replicable solutions. So the knowledge transfer and more global collaboration can be impactful. It is also critical to source the creation of scalable and cost-efficient solutions to larger businesses, especially those that have innovation at their core.
	Polish Institute of Directors, Poland	WB could focus on facilitation of dialogue between private sector organizations and client governments and consulting with employer organizations on WB projects.
	Association of Serbian Economists, Serbia	Lack of institutions, rule of law, weak civil society, questionable will of the ruling political parties to implement recommendations are challenges. Attention to building capacity / independent agencies is needed.
<b>EITI</b>	Zorab Ismail, Azerbaijan	EITI and extractive industry transparency initiative are important for receiving countries. WB could make it mandatory for lending countries to participate in EITI and implement the rules of open government partnership (OGP). Corruption is pervasive in many countries. The criteria for lending money could be linked to transparency (i.e. govts can only aspire if they have strong policy anticorruption). Could work with Transparency International. Enabling environment for civil society should be promoted. Azerbaijan has huge problem with enabling environment for civil society. Since 2014, the Government amended legislation and limited funding opportunities for civil society organizations. If there is no space for civil society in certain countries, how will civil society engagement take place? Should be a main policy of the World Bank to urge, to direct lending countries to make the enabling environment for civil society.
	Dixie Group, Ukraine	Good experience working with the WB on EITI. GPSA conference didn't mention Ukraine.
	International Renaissance Foundation, Ukraine	Request more attention to EITI by the World Bank. Even when decisions on country support are made, at least one year passes before an agreement is concluded on financing the country's activities within the framework of the EITI implementation. It is necessary to significantly increase the WB contribution to this Initiative, as well as speed up decision-making and conclusion of contracts with countries.
<b>Civil Society</b>	Turkish Economic and Social Studies Foundation, Turkey	Accountability and transparency of Bank projects is needed. WB projects should include CSOs to help demand accountability. Local governments do not have well-structured accountability mechanisms. CSO engagement should be there to have a complete picture of the project. CSOs made a massive impact after the earthquake, CSOs have the right reflex, are faster and more efficient than the government. CSOs should be included in all stages of Bank projects.

	Community Development Fund, Kosovo	Would like to emphasize the importance of cooperation with civil society. Civil society should be considered a direct partner of the WB due to their understanding of (i) problems in the field and (ii) project impact. Links to the second pillar as well. World Bank should consider role of civil society from design to implementation and beyond.
	Romania Commercial Bank, ERSTE Group	There needs to be more civil society involvement, should be brought more to the light, besides civil society, consider investment more in a combination of civil society and technology companies, specifically technology for SDGs.
	Kurt Bayer, Austria	Remarks more general, not ECA oriented. Is the development model the Bank is following the right one? A few issues to look at for alternative approaches. If you look at development, it is not only economic, but social and institutional as well. Must involve civil society organizations in the projects and the general population as well. Another issue is the corporate model as the major economic unit, is it appropriate for developing countries? In many countries, have social endeavors, cooperative structures. If you only follow corporate model, we may encounter a lot of difficulties.
	Institute for Economic Research and Policy Consulting, Ukraine	Engagement with CSOs is essential as this is a sustainable approach to work for the WB. The WB should be an example of transparency in procurement and procedures. Coordination with some other donors is needed and mutual platforms for communication and coordination as well.
	Women in Climate and Energy, Armenia	Important to involve NGOs in Bank-supported projects and specify the format of working with NGOs. CSOs play balancing role between government and businesses, keeping accountable to society.
<b>Growth</b>	University of North Macedonia	One comment on long term growth of countries. More focus on the consequences of immigration and aging of the population, in particular for Western Balkan population. Losing quantity of labor will decrease potential for growth in the long term. Should be an important priority for the WB, including the educational system, and pensions. Living standards for pensioners needs to be protected in the coming decades.
<b>Debt</b>	Kurt Bayer, Austria	Regarding debt conundrum, tax revenues are not adequate to fund all of the public expenditures which are necessary. Tax collection is an issue, the WB should do more to fight tax evasion. AAA consideration rating of WB is extremely important.
<b>Partnerships</b>	ADB, Tajikistan	Partnerships in countries is needed to make sure overall resources are used more efficiently. Good model in Tajikistan in collaborating both at the country partnership formulation side as well as individual project development and cooperating with key

		government partners. Smaller development partners often feel they find out afterwards when they programs have been developed and put into play (not only talking about civil society), more talking about bilateral donors.
	EIB Group Ljubljana	<p>The EIB is also in the process of streamlining internal processes and also trying to address shortcomings from the Wieser Group report on the European financial architecture. One big part to improve our extra-EU involvement, was also to establish a dedicated development branch EIB Global. Analytics-Strategies: We should strengthen real cooperation on areas where the World Bank and EIB sit on the same groups such as Country Diagnostics Working Group, MDB Analytics working Groups for Vulnerable Countries etc. Currently, MDBs all have separate strategies to tackle countries, with very similar prescriptions on how to help. Coordination calls set up by the EU in Western Balkans, including WBG, IMF, ECB, EBRD were very useful to set the scene, but need to move to concrete cooperation on areas of common interest.</p> <p>Should think carefully how to address the issue of communication with Government sector officials in order to be better coordinated when approaching them, even if there are no quick wins.</p> <p>Should consider coordinating some joint events when approaching how we bring in the private sector, since bringing them in is paramount. EIB and WB should identify some good practices (including from outside Europe) and scale them up.</p>
<b>Human Development</b>	University of Bucharest, Romania	Education / learning should be explicitly included in WB proposed strategic approach, as they are key factors for development, but also for preserving democracy in these turbulent times.
	VP at Foundation for Armenian Science and Technology, Armenia	In eradicating poverty, human capital development and more particularly education is the most crucial thing, yet the only significant discussion we see in this direction is that we need to have at least access to basic literacy and digital education. More emphasis should be put on finding innovative solutions on quality education to as many people as possible. This would see movement toward the right direction.
	Institute for Economic Research and Policy Consulting, Ukraine	Jobs for Ukrainians is a good program in a short-term perspective, but if people have stable jobs abroad they are less likely to return. This could pose a future challenge for Ukraine.
<b>Water</b>	To Healthy Life, Azerbaijan	How is the WBG going to implement projects in the area of water management in Azerbaijan? How can the social institutions participate in these project?

<b>Energy</b>	To Healthy Life, Azerbaijan	What is the direction of the WBG's support for the energy transition challenges?
	Women in Climate and Energy, Armenia	Energy has strong links with poverty. In Armenia more than half of population are energy poor, but there is no defined term in legislature. It would be good to know how you are going to address energy poverty.



## Annex 2: Full Regional Consultation Schedule

Region and Country	Management Representative	Dates
South Asia (Dhaka, Bangladesh), regional, online multi-stakeholder	Ed Mountfield, Vice President, Operations Policy and Country Services	July 5, 2023
South Asia (Dhaka, Bangladesh), country-focused in person multi-stakeholder	Ed Mountfield, Vice President, Operations Policy and Country Services	July 5, 2023
Latin America and the Caribbean (Panama City, Panama), regional, hybrid multi-stakeholder	Axel van Trotsenburg, Senior Managing Director	July 10, 2023
Latin America and the Caribbean (Panama City, Panama), regional, private sector, in person	Axel van Trotsenburg, Senior Managing Director	July 10, 2023
Africa West (Abidjan, Cote d'Ivoire), parliamentarians, hybrid	Anna Bjerde, Managing Director of Operations	July 10, 2023
Africa West (Abidjan, Cote d'Ivoire), regional, hybrid multi-stakeholder	Anna Bjerde, Managing Director of Operations	July 11, 2023
Africa West (Accra, Ghana), regional, private sector, hybrid	Anna Bjerde, Managing Director of Operations	July 13, 2023
Europe and Central Asia (Tirana, Albania), regional, multi-stakeholder online	Ed Mountfield, Vice President, Operations Policy and Country Services	July 17, 2023
Europe and Central Asia (Tirana, Albania), country-focused, in person multi-stakeholder	Ed Mountfield, Vice President, Operations Policy and Country Services	July 17, 2023
East Asia Pacific (Indonesia, Jakarta), regional, hybrid multi-stakeholder	Aki Nishio, Vice President, Development Finance	July 17, 2023
East Asia Pacific (Indonesia, Jakarta), regional, private sector, hybrid	Aki Nishio, Vice President, Development Finance	July 17, 2023
Africa East (Washington, DC), regional, virtual*	Axel van Trotsenburg, Senior Managing Director	July 20, 2023
Middle East and North Africa (Rabat, Morocco), regional, hybrid multi-stakeholder	Anshula Kant, Managing Director & Chief Financial Officer	July 24, 2023
South Asia (Delhi, India), country-focused, hybrid multi-stakeholder	Aki Nishio, Vice President, Development Finance Auguste Tano Kouamé, Country Director of India	July 27, 2023

\* The consultations were planned to be held hybrid out of Nairobi, but were relocated to Washington, DC, because mission travel was suspended, and staff asked to work from home at the advice of WBG Security.