

# CENTRAL ASIA CIVIL SOCIETY GUIDE ON INFLUENCING WORLD BANK COUNTRY STRATEGIES

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EUROPE





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## INTRODUCTION

The World Bank has engaged in Central Asia for over 25 years. As one of the world's largest sources of funding and technical assistance for developing and transitioning countries, World Bank projects and policies affect the lives and livelihoods of billions of people. The World Bank has two goals it aims to achieve by 2030: to end extreme poverty and to boost shared prosperity. But despite these ambitious and laudable targets, the Bank has repeatedly been exposed for its involvement in problematic projects and policies in developing and transition countries. This can lead to disastrous impacts, such as forced displacement, destruction of livelihoods and environmental degradation.

Civil society plays an important role in holding the World Bank accountable to its mission, as a publicly-funded bank. One way to do this is by monitoring specific investments and tracking the social and environmental effects of its projects, programmes and policies on local communities. Where harm occurs, civil society can use tools, such as the Bank's accountability watchdogs - the Inspection Panel or the Compliance Advisor Ombudsman - to seek redress and systemic change. Another way is to try to influence World Bank investments 'upstream' – or before they happen – to ensure that the Bank's priorities align with those of civil society, such as protecting the environment and addressing the needs of the most marginalised groups.

This briefing introduces the World Bank's Country Engagement process, a vital opportunity to influence how the Bank positions its activities in a given country for the next four to six years. Since all projects and investments made by the World Bank Group must follow this agreed country strategy, ensuring the strategy reflects development priorities and excludes harmful activities is a crucial way of tackling bad investments and encouraging good ones.

The briefing focuses specifically on Central Asia, with

case studies on Kazakhstan and Tajikistan, where the World Bank is currently in the final stages of developing its new strategies. Upcoming country strategies for review include Uzbekistan after 2020 and Turkmenistan, which currently has a short-term strategy with no publicly available timeline for when a full strategy will be developed. The strategy for Kyrgyz Republic was recently approved and runs until 2022.

## The World Bank Group

The World Bank was established in 1944 and today consists of five arms, together called the World Bank Group. The Bank's low-income country arm, the International Development Association (IDA) and its middle-income country arm, the International Bank for Reconstruction and Development (IBRD), both lend to governments. The International Finance Corporation (IFC) provides investment and advice to the private sector and the Multilateral Investment Guarantee Agency (MIGA) is the Bank's political risk insurance arm. Finally, ICSID - the International Centre for Settlement of Investment Disputes – is an international arbitration institution for legal dispute resolution and conciliation between international investors.

The Bank is governed by a Board of Directors made up of the Bank's President and 25 Executive Directors (EDs), representing the Bank's 189 member countries. Only the six largest shareholders (US, Japan, Germany, France, UK and China) have their own ED, the rest are organised in constituencies. Central Asia is represented by EDS24, a constituency comprising nine European and Central Asian countries: Azerbaijan, Kazakhstan, Kyrgyz Republic, Poland, Serbia, Switzerland, Tajikistan, Turkmenistan and Uzbekistan.<sup>1</sup>

In financial year (FY) 2018, the Bank Group committed nearly US\$67 billion in loans, grants, equity investments and guarantees to both countries and the private sector around the world.<sup>2 3</sup> The majority went to middle-income countries through the IBRD, closely followed by low-income countries through IDA. The most common forms of IBRD and IDA lending are

Investment Loans (ILs), which mainly support projects, and Development Policy Loans (DPLs), which provide financial assistance to fund government programmes of policy and institutional actions. For the IFC, over half of its investments goes through financial intermediaries (FIs) – lending through third parties, such as banks and other financial institutions.<sup>4</sup>

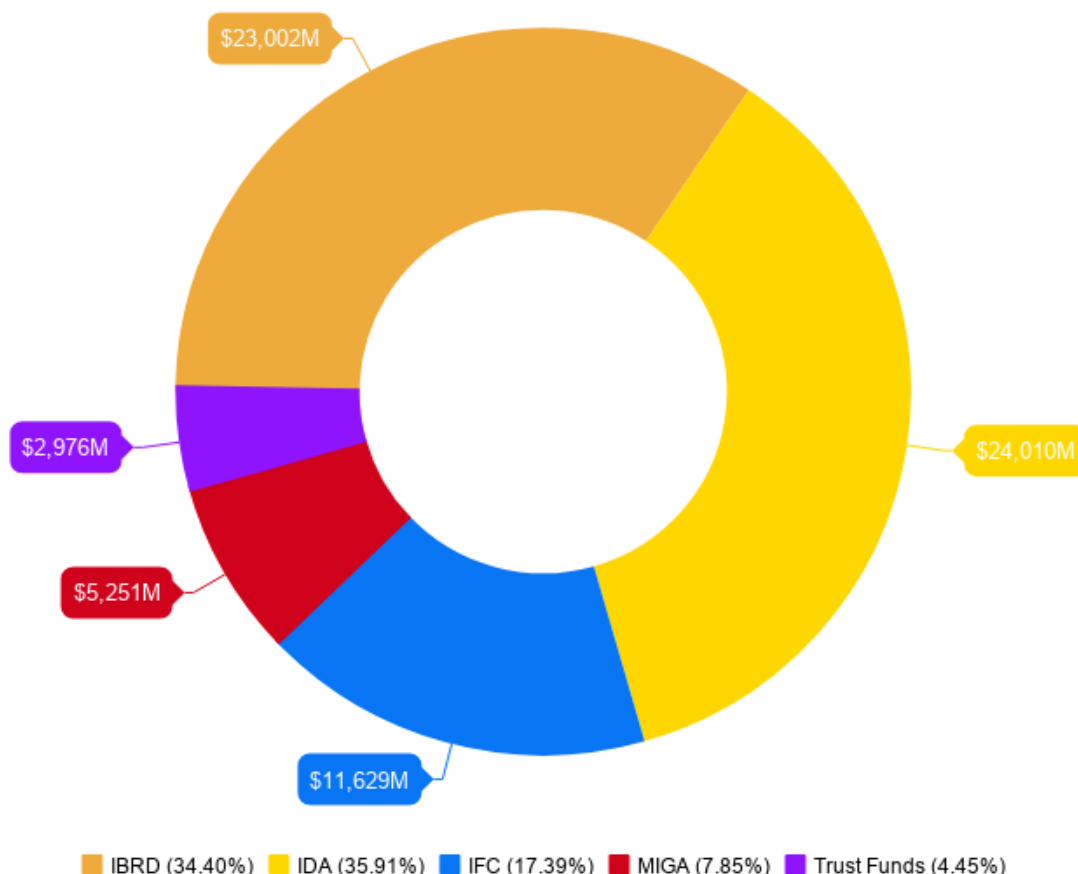
## THE WORLD BANK'S COUNTRY ENGAGEMENT APPROACH

The World Bank's Country Engagement approach was introduced in 2014, as a new model for how the Bank plans its development activities in a borrower country. It consists of four steps, resulting in two key documents: the Systematic Country Diagnos-

tic (SCD) and the Country Partnership Framework (CPF). The SCD assesses the country context, which then feeds into the development of the CPF – the actual strategy, which replaced the Country Assistance/ Partnership Strategy (CAS/CPS). These two steps should build on consultative processes with the government and key stakeholders, including civil society. The last two steps in the process reviews progress and looks at lessons learned.

**We will go through the first two steps of the Country Engagement process in more detail, followed by a guide on how civil society can engage, since the Bank is obliged to consult and involve civil society.**

## WORLD BANK GROUP COMMITMENTS FY2018



Source: World Bank Group Annual Report 2018





**Systematic Country Diagnostic (SCD) - an assessment of the country context**



**Country Partnership Framework (CPF) - the country strategy, building on the SCD**



**Performance and Learning Review (PLR) - mid-term assessment and revision**



**Completion and Learning Review (CLR) - final assessment and lessons learned for next CPF**

## Systematic Country Diagnostic (SCD)

The SCD seeks to identify the most important constraints and opportunities for accelerating progress towards the Bank's twin goals in a given country. It looks at the broader development challenges, rather than the World Bank's work. According to the Bank it should outline "a clear set of priority focus areas that ... the country should address in order to accelerate progress toward [reducing absolute poverty and boosting shared prosperity] in a sustainable way."<sup>5</sup> According to the World Bank directive on Country Engagement, the SCD serves as a reference point for the CPF consultations. While it is World Bank led, consultation with stakeholders is required: "SCD teams will also elicit the inputs of citizens regarding their priorities and preferences through consultations with various stakeholders, including civil society and the private sector."<sup>6</sup>

## Country Partnership Framework (CPF)

The CPF is a four-to-six year strategy document which guides all World Bank Group activities in a develop-

ing or transition country. All projects and programmes in a given country should be aligned with the CPF. It builds on the SCD, but the CPF focuses specifically on the World Bank and its added value in the country. This can include identification of specific sectors that the Bank plans to focus on, for example agriculture, or broader objectives, such as fiscal reforms. It also indicates the expected lending volume. It should be produced in close coordination with the Bank's counterparts in the government, and other stakeholders should be consulted, including civil society.

On occasion, when the context is uncertain, a Country Engagement Note (CEN) can replace the CPF, while the Bank develops long-term activities. These generally lasts one to two years, and while consultation is recommended it is not compulsory.

## Consultation requirements and best practice

The World Bank is required to consult with stakeholders, including civil society, on the first three steps of

the Country Engagement process. This requirement is outlined in the **World Bank Group Directive on Country Engagement**: *“To better inform the CPF, the PLR, the SCD, and, to the extent possible, the CEN, the WBG engages through consultations with the private sector, civil society and other stakeholders.”*

The need for consultation on the CPF specifically is also outlined in the non-binding **World Bank Group Guidance Note on “Country Partnership Framework Products”**: *“Throughout the preparation of the CPF (and, to the extent possible, the CEN), the team engages in consultations and appropriate collaborative processes with the government, the private sector, civil society, development partners, and other stakeholders in the country.”*

Despite this, experience suggests that World Bank staff are often unfamiliar with these requirements, in particular to include civil society in consultations. It is therefore essential that civil society knows its rights and demands to be involved.

Another important aspect is access to documents, and the World Bank’s **Access to Information Policy** require disclosure of the CPF’s predecessor, the CAS, before Board discussion – but only if the country consents. This is problematic, not the least in countries with limited or non-existent civil society space. Since the SCD is a World Bank product, there is no reason why this should not be disclosed before approval.

The benefits of stakeholder consultations and best practice are highlighted in the **Strategic Framework for Mainstreaming Citizen Engagement in World Bank Group Operations**, also approved in 2014. This document emphasises the importance of feeding back on the input received through the consultations: *“Documenting consultations and closing the feedback loop (that is, informing those consulted how their feedback has been used) is an important guiding principle.”*

## HOW TO INFLUENCE THE WORLD BANK’S COUNTRY ENGAGEMENT PROCESS

A CPF outlines what will become the rationale for World Bank projects in a borrowing country over a four to six year period. Influencing a CPF can therefore help to stop ‘bad’ projects already in process or before they happen and push for ‘good’ projects that, for example, support efforts to protect the environment or to provide energy access. Engaging in this way is also an entry point for influencing national governments as the Bank is a highly influential player in low- and middle-income countries, whether as a major donor or a behind-the-scenes provider of advice on national programmes and policies.

Here are some important steps for civil society organisations to consider when engaging in this process:

### > Find out about the process

CPFs are updated every four to six years, so the first step is to find information on when the next update will be and the timing of the consultation processes in the country of interest. Given that the SCD set the context for the CPF, it is important to engage in these consultations, too. As mentioned above, the Bank is also obliged to consult on the PLR – the mid-term review – which is a chance to raise problems or opportunities related to the CPF and push for the Bank to change direction where needed.

Finding out about the process should be straight forward, but unfortunately the information on the World Bank’s website is often incomplete or out of date, and most is only accessible in English. Civil society can point out this lack of transparency and diligence in updating public information in interactions with the World Bank. The responsibility for the development and coordination of SCDs and CPFs falls mainly to the World Bank’s country offices, but not all are responsive or even aware of the requirement to consult

– so it is important to reiterate that this is compulsory.

In the event that no clear information is available online and attempts to get information from the country office fail, email [consultations@worldbank.org](mailto:consultations@worldbank.org) for assistance.

### > **Raise awareness and build capacity**

The World Bank normally takes at least a year to draft, consult on and finalise a CPF (including the time it takes to complete the SCD). During this time international, national and local civil society can form partnerships and coalitions to find the best ways of providing analysis and communicating the importance of the process to others. For example, this can be presented as an opportunity for citizens and civil society to elevate local and national-level agendas. A good way is to organise a workshop that brings a diversity of perspectives together. This can serve as a forum for building capacity on the inner-workings and politics of World Bank activities, as well as for brainstorming collective actions to influence the country engagement and providing space for communities and CSOs to speak up on issues that matter to them.

In preparation for these activities, it is useful to map World Bank activities in the country, with specific attention to projects that have been particularly good or bad. The World Bank Group's accountability mechanisms are good sources of information on 'problem projects' – the Inspection Panel<sup>7</sup> that covers IBRD and IDA and the Compliance Advisor Ombudsman<sup>8</sup>, which covers IFC and MIGA. Local communities, sometimes supported by NGOs, can approach these accountability mechanisms when they believe World Bank projects have caused them harm or breach its policies, and details on the complaints that have been accepted for investigation are available on their websites.

### > **Get the messages right**

To be effective, messages to the World Bank must be clear and concise. There are two levels of messages:

**Consultation process** - There are two key aims here. First, to ensure that the World Bank upholds the consultation requirements for the development and evaluation of the SCD and CPF. Second, civil society can push for best practice, including asking for drafts to be shared in advance of the consultations, if this is not already the case, for consultations to be run in multiple regions; and for adequate representation of rural communities and those who may be otherwise marginalised or disadvantaged in the process. The Bank should advertise all consultations in an open, transparent and timely manner, and in relevant languages. Follow up is also important - civil society should ask for feedback on how their input into the consultations has been used in the final document, and for the Bank to translate drafts and final outputs into major local languages.

**SCD/CPF content** - These messages should seek to influence the way the strategy is shaped, including the analytical context and the strategic priorities. The main issues that civil society chooses to raise will vary from country to country, depending on priorities and concerns. This could be from a positive or negative perspective, for example encouraging the Bank to promote and scale-up best practice where investments have proven beneficial, or to state a clear 'no' to projects which are causing harm. A key role for civil society is to ensure voices of marginalised groups are heard and amplified. It is also worth emphasising the World Bank's global commitments, which should be reflected in the SCD and CPF priorities. For example, the Bank has made several commitments towards the 2030 Agenda and the Sustainable Development Goals (SDGs), including on a country level: "The SDGs and twin goals help us focus our conversations with country clients around shared goals."<sup>9</sup> On climate change, the Bank's Climate Action Plan says that the SCDs and CPFs "will consider the risks and opportunities created by climate change and countries' climate priorities".<sup>10</sup> On gender, the Bank's Gender Strategy states that the CPF must draw on a country gender assessment, and in addition the SCD



should: “take as standard practice the application of a gender lens to the main constraints and priorities they identify.”<sup>11</sup>

### > Coordinated advocacy efforts

Advocacy at multiple levels - local, national and international – is vital for influencing the Country Engagement process. At the local and national level, in-country organisations can lead, for example, by organising information sessions and workshops; by maintaining consistent contact with the Bank’s country office; and by ensuring that local voices are included and amplified throughout the SCD/CPF processes. Alliance building can form a key part of this, benefitting from the strength, experience, skills and contacts of the members.

International organisations can play a role by developing links to the World Bank headquarters in Washington DC and feeding information back to national and local organisations. This interaction should build on information about the local context and implications of World Bank activities in country, so it is essential to work closely together. International organisations can also help to foster cross-regional interaction to highlight how the Bank’s engagement on the SCD/CPF varies around the world. For example, successful advocacy on the process in one country can help other countries be more effective in their engagement.

Working together, international and national organisations can put pressure on the World Bank, jointly raising critical issues as they arise, for example through letters to the World Bank to highlight flaws in the consultation process or by communicating key demands and advocacy points in public statements, that the Bank can later be held to account for. Sometimes World Bank staff in country and in Washington DC are not responsive, in these cases it is recommended to go to the next level and contact the World Bank Executive Director representing the country in question to reiterate the demands.

### > Follow up

It is essential to allow time for follow up once the SCD and/or CPF has been released. CSOs can scrutinise the final documents for evidence of where the Bank has - and has not - included recommendations from civil society or where the document contradicts civil society demands. They can then communicate this analysis through letters to the World Bank, public statements or media releases. It is also important for civil society to share these findings with other stakeholders, in particular project affected communities and marginalised groups.

This final step is crucial in order to hold the Bank accountable for its commitments to take civil society voices into account. This includes any follow up conversations and processes, such as the PLR mid-term review and the CLR final assessment, and ultimately for the next SCD/CPF process. For these engagements to be efficient, it is important to keep monitoring World Bank related projects, programmes and policies during the implementation of the CPF.

## CASE STUDY: KAZAKHSTAN

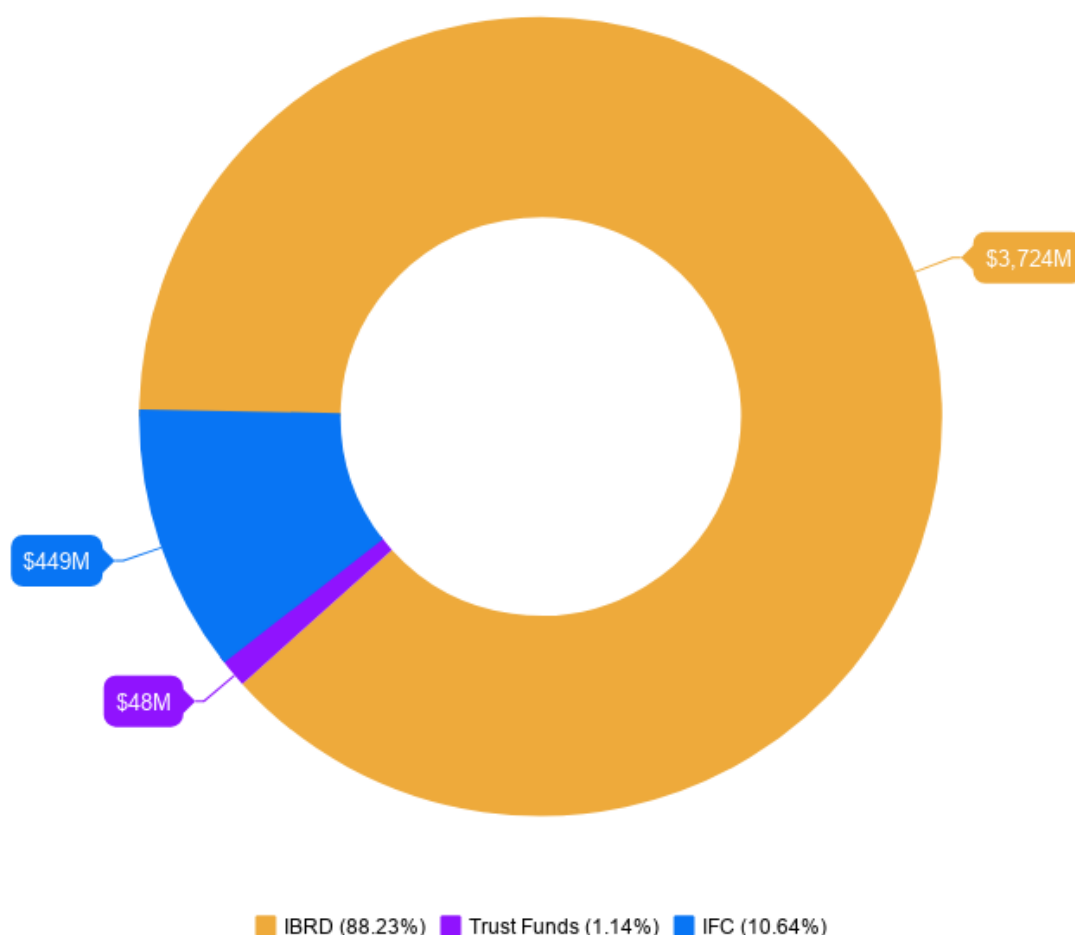
Kazakhstan has been a member of the World Bank group since 1992. As a middle-income country it falls under the IBRD. It joined the IFC in 1993 and is also a member of MIGA, but the last political risk guarantee was issued in 2010.

The current active World Bank portfolio in Kazakhstan includes 25 projects (including regional projects) with a net commitment of US\$3.8 billion, including 10 loans through IBRD, 3 Global Environmental Facility grants, and 12 IFC investments with a net commitment of US\$445 million (see Appendix page 19).

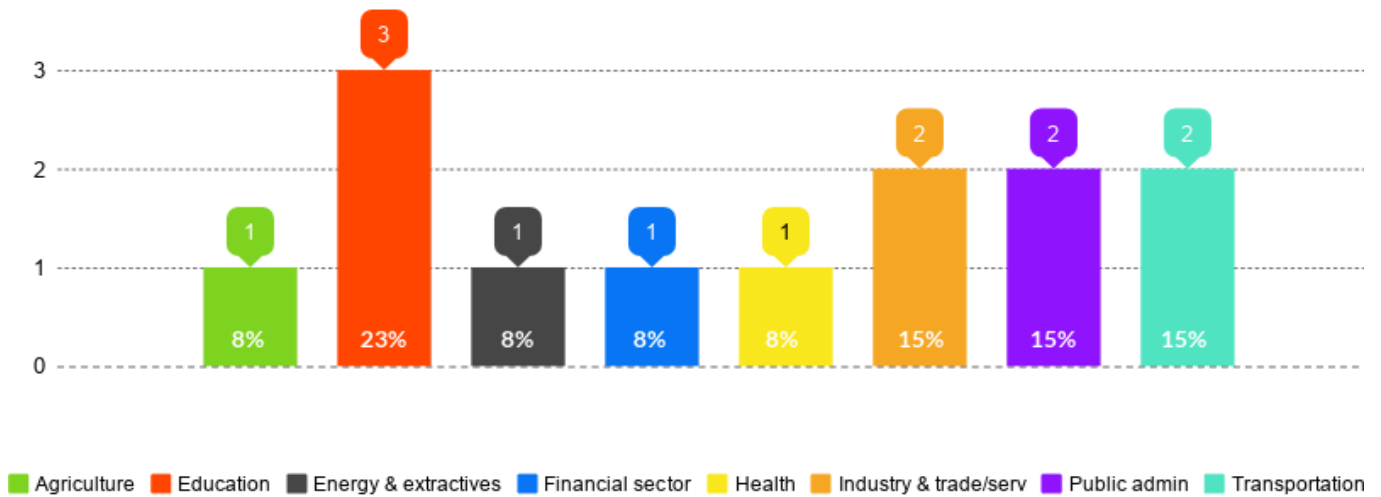
### The country engagement process

The World Bank has completed the consultations for the SCD and CPF in Kazakhstan. The SCD was consulted on during summer 2017 and was approved in April 2018. The CPF consultations ran from March to May 2018 and the final CPF, covering 2019 - 2023 is expected to be approved by the World Bank Board in April 2019. A summary of the discussions is available on the consultation website<sup>12</sup>, but lacks detail on who was consulted.

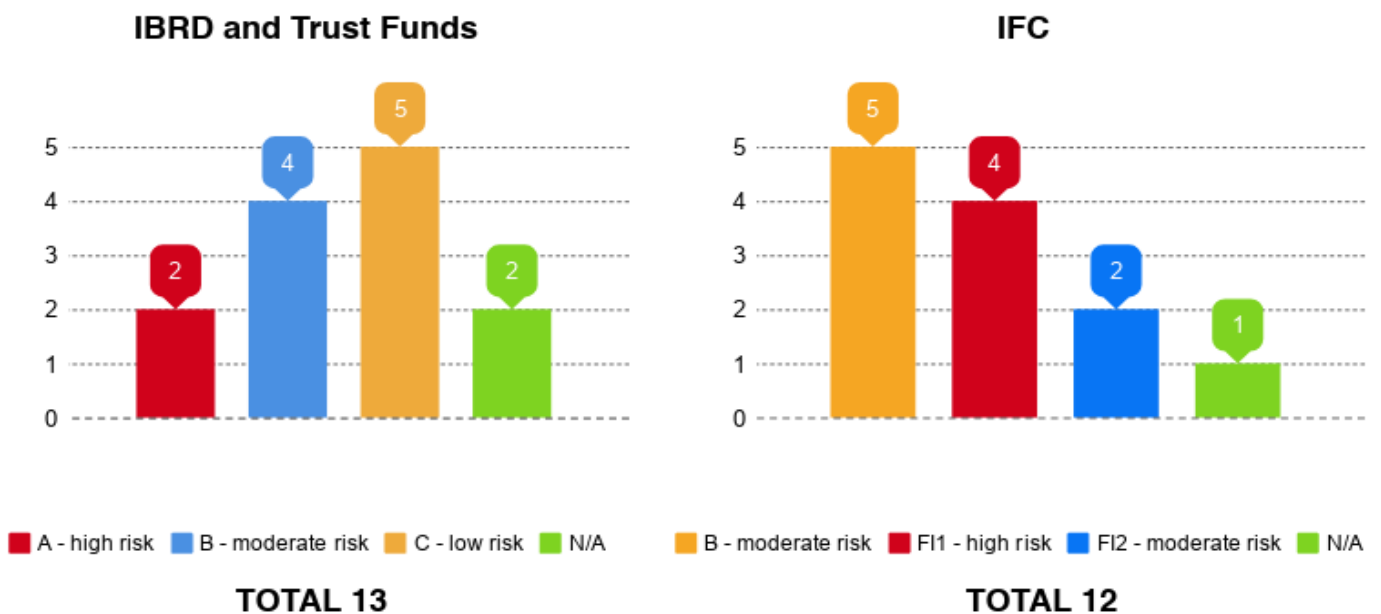
## WORLD BANK GROUP INVESTMENTS IN KAZAKHSTAN



## IDA AND TRUST FUND INVESTMENTS BY SECTOR IN KAZAKHSTAN



## ENVIRONMENTAL AND SOCIAL RISK CATEGORIES OF WBG PROJECTS IN KAZAKHSTAN



Sources: World Bank Group project databases

## Kazakhstan's Systematic Country Diagnostic - brief observations

The SCD praises Kazakhstan's progress as a middle-income economy, including poverty reduction, in the past decade but cautions that the growth model based on oil and non-tradable services is not sustainable, as the 2014 decline in oil prices showed. This includes a lack of diversified sources of productive jobs, which has left in particular lower skilled rural people vulnerable.

The SCD recommends that the country implements widespread structural reforms to improve economic management; develops the private sector and moves towards tradable services; deepen domestic and international integration; and lifts the potential of the human and natural capital. It also mentions the importance of social safety nets, to support the transition.

To address these issues and support the structural transformation of the economy, the SCD proposes four strategic pillars, underpinned by strengthened governance and public sector capacity:

- 1) Economic management for diversification: support for economic diversification and limits for state intervention in the economy
- 2) Private sector development: putting the private sector at the forefront rather than the government, which instead becomes the enabler, and reforms to the financial sector
- 3) Integration and connectivity: strengthened capabilities for external trade and increased ability to respond to external and domestic opportunities
- 4) Productive and adaptive human and natural capital: building human capital for a more productive and adaptable workforce; strengthened social system to support economic dislocations; and increased resilience and sustainabil-

ity through improved natural resource management

Building on this, the SCD identifies six areas for policy intervention:

- 1) Adopting a sound fiscal policy and reforming the financial sector to support sustainable diversification
- 2) Reducing state presence in the economy and supporting an environment for small and medium-sized enterprise (SME) development
- 3) Strengthening regional economies through infrastructure and agriculture value chains
- 4) Enhancing human capital through ensuring equal access to quality education
- 5) Enhancing social protection to support the transition of the economic model
- 6) Enhancing governance, rule of law, and accountability, and strengthening public sector capacity

The SCD puts a strong focus on the role of the private sector, coupled with reduced state intervention. This is in line with the World Bank's push for private sector led development, most significantly through its Maximising Financing for Development approach, previously called the 'cascade' principles: "to maximise the impact of scarce public resources, the cascade first seeks to mobilise commercial finance, enabled by upstream reforms where necessary to address market failures and other constraints to private sector investment at the country and sector level. ... Only where market solutions are not possible through sector reform and risk mitigation would official and public resources be applied." Civil society has criticised this heavy bias towards the private sector on a number of fronts, including that it dilutes transparency and accountability of investments, ultimately undermining democracy. For example, by putting the private sector first, the approach fails to acknowledge that there

may be trade-offs between commercial goals and the public interest, and that it can restrict the state's right to regulate in the public interest.<sup>13 14</sup>

The SCD is clear that climate change and other environmental issues, in particular related to water, present real threats to Kazakhstan. It mentions government initiatives, such as the Green Economy Law, which promotes energy efficiency and renewable energy, as well as the importance of natural resource management under strategic pillar four. Regardless of these acknowledgements the six areas for policy intervention do not include any recognition of these issues, despite the commitments in the Climate Change Action Plan to specifically consider risks, as well as opportunities, with climate change.<sup>15</sup> The SCD thus misses the opportunity to consider, for example, stepping away from fossil fuels and supporting renewable energy. The SCD also does not include any references to the SDGs apart from in the context of data collection.

## **Kazakhstan's Country Partnership Framework - what we know so far**

While the CPF has not been released yet, some indications have been made available as part of the consultation resources.<sup>16</sup>

The available World Bank materials on the CPF outline two main goals:

- Supporting public-sector efficiency and effectiveness
- Improving the environment for private-sector development and economic diversification

Building on this, there are six CPF objectives, which are also linked to the government of Kazakhstan's 2025 plan:

- Improved fiscal management
- Improved public-sector efficiency
- Improved business environment and invest-

ment climate

- Enhanced connectivity and trade logistics
- Improved delivery of social and other public services (e.g. education and health)
- Environmentally-sustainable and climate-friendly growth



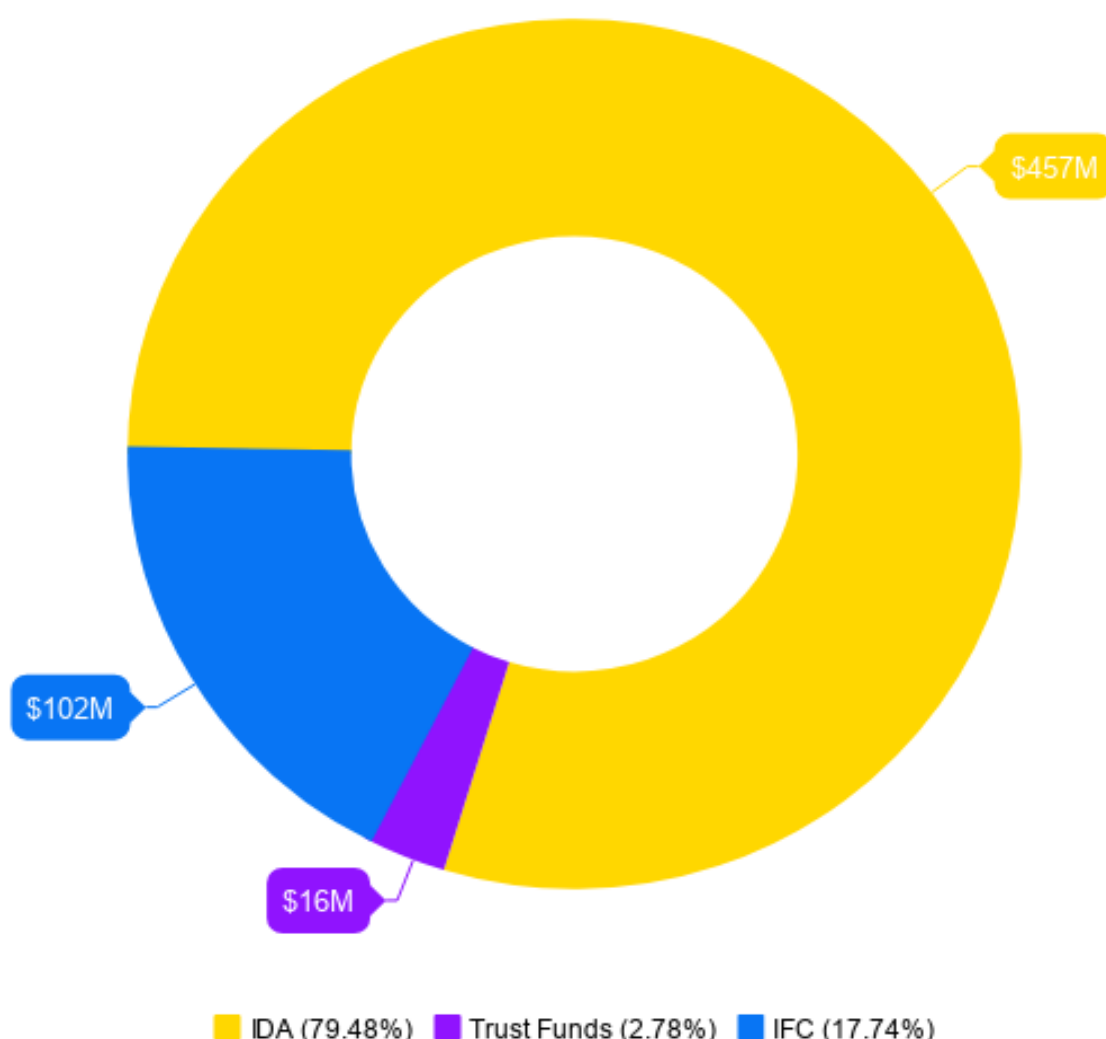
## CASE STUDY: TAJIKISTAN

Following independence in 1991, Tajikistan became a member of the World Bank in 1993 and joined both IDA and IFC in 1994. In 2002 it joined MIGA, but it has not yet received any political risk guarantees. Classified as a low-income country, Tajikistan has to date received over US\$1.5 billion in grants, highly concessional credits and trust funds from the World Bank.

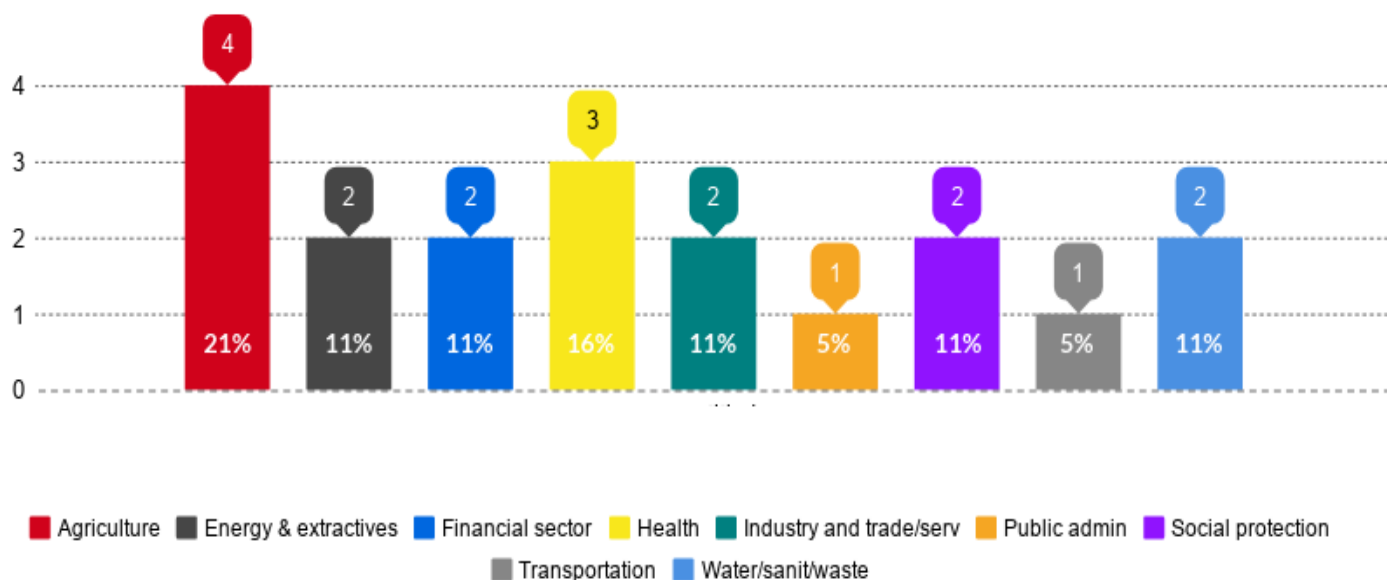
World Bank support initially focused on post-conflict reconstruction and emergency funding to address food insecurity and natural disasters, after which it moved onto projects and programmes to drive growth and job creation, including through reforms in sectors such as agriculture and education. The 2015 – 2018 Country Partnership Strategy (CPS) focused on private sector led growth, social inclusion and regional connectedness.<sup>17</sup> It will expire as soon as a new strategy is in place.

The current active World Bank portfolio in Tajikistan includes 19 projects (including regional projects) with a net commitment of US\$474 million and 15 IFC projects with a net commitment of US\$101.55 million (see Appendix, page 19).

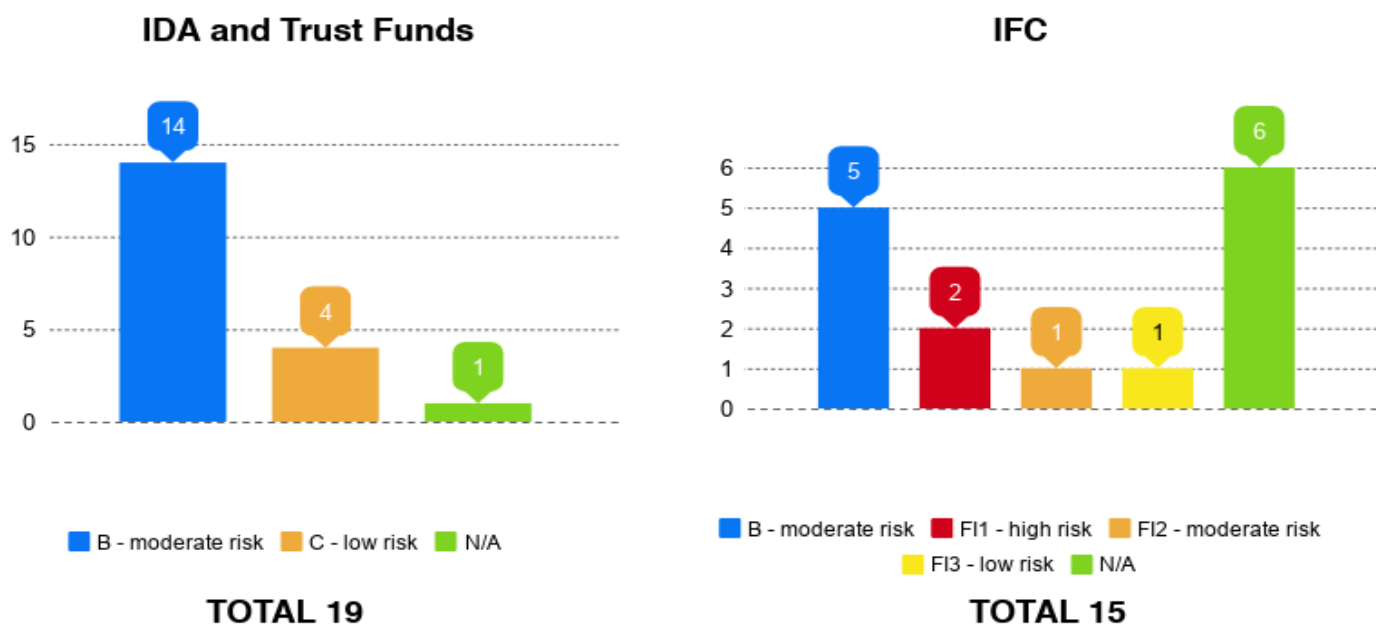
## WORLD BANK GROUP INVESTMENTS IN TAJIKISTAN



## IDA AND TRUST FUND INVESTMENTS BY SECTOR IN TAJIKISTAN



## ENVIRONMENTAL AND SOCIAL RISK CATEGORIES OF WBG PROJECTS IN TAJIKISTAN



Sources: World Bank Group project databases

## The country engagement process

Tajikistan is undergoing the final stages of the CPF process. The SCD was consulted on during spring 2017 and launched in May 2018.<sup>18</sup> The CPF will cover 2019 – 2023 and is expected to be approved by the World Bank Board in April 2019, but the final copy as well as previous drafts were unavailable at the time of writing. According to the World Bank, it consulted widely on both the SCD and CPF in the country, however, while the SCD provides a brief summary of the consultation process there is no detailed publicly available information of the discussions or lists of participants.

## Tajikistan's Systematic Country Diagnostic - brief observations

The SCD focuses in particular on assisting the implementation of the National Development Strategy of the Republic of Tajikistan for the Period Up To 2030 (NDS 2030), which was launched in 2016. NDS 2030 sets out to raise the population's living standards and estimates that US\$118 billion is needed for its full implementation. The World Bank, however, outlines gaps in the analysis, including realistic financial projections, and seeks to address some of these in the SCD.

The Rogun Hydropower plant features at the heart of NDC 2030. Located in the Pamir Mountains in the centre of Tajikistan, it will dam the Vakhsh river. A project initially envisioned in the Soviet era, the first turbine was not switched on until last year and construction is expected to go on until 2026 when it is hoped it will reach its full capacity of 3,600 MW. At an anticipated final height of 355 metres Rogun is expected to become the highest dam in the world upon completion, but it has been controversial with neighbouring countries as well as for social and environmental reasons, including the resettling efforts which started in 2009. According to Human Rights Watch, over 42,000 people are expected to be resettled due to the project.<sup>19</sup> While the World Bank

has to date not funded the implementation of Rogun, it has openly praised it and also funded studies on the dam which in essence gave the government a green light develop the project.<sup>20 21</sup> A group in Uzbekistan submitted a complaint to the Inspection Panel in 2010, raising transboundary social and environmental concerns related to the project. The Panel turned down the request for investigation after initial investigations, with the justification that the Bank was only funding the assessment studies which were due to take the issues raised into account.<sup>22</sup>

The Tajikistan government believes that Rogun will contribute to growth and government revenue, and hence poverty reduction, as it is expected to remove energy shortages and boost hydropower exports. While the SCD acknowledges that Rogun could spur growth, it cautions that continued borrowing for Rogun could risk debt sustainability, threatening economic, social and political growth. It proposes that these risks can be reduced by different measures, focusing in particular on the development of a strong private sector that invests and creates jobs. Based on these assumptions, the SCD argues that addressing a “difficult business environment” is one of the key priorities for Tajikistan. Another issue identified in the SCD is agricultural development, as a driver for employment that is constrained by several issues, such as weak value chains. It also emphasises the importance of strengthening the education and health sectors to increase employability, as well as social safety nets.

Looking forward, the SCD identifies three areas that the World Bank believes are essential for Tajikistan's development:

- Macro-financial stabilisation – through banking reforms and strengthened macro-economic management
- Effective public institutions – through enforced regulation to improve the business environment; strengthened fiscal institutions; and improved data and transparency

- Investment in strategic infrastructure and human capital – through closure of what it terms the critical infrastructure gap; and focus on education and health

Similar to Kazakhstan’s SCD, Tajikistan’s SCD presents a strong bias towards the role of the private sector as a driver of development and few alternative views are assessed. For example, the SCD points to weak legislation as a barrier for public-private partnerships (PPPs), with an underlying assumption that the PPP model is successful, in particular for infrastructure projects. But this ignores repeated warnings, even from the International Monetary Fund, of significant financial and other risks with PPPs.<sup>23</sup>

The most significant gap in the SCD is the lack of measures to address environmental issues and climate change. Significantly, the analysis notes that natural disasters and climate change “threatens Tajikistan’s economic and social development, but there is little capacity to respond”, referencing for example the risks to both agriculture and the hydropower sector. It also notes that this is a particular problem for poor and marginalised communities. Despite this, these issues are not discussed further as particular challenges and are not included in the priorities for the future. For example, the SDGs are only mentioned in the summary of the consultations. Moreover, while some gender related issues are identified, the three focus areas touch only marginally on how gender can be addressed.

## Tajikistan’s Country Partnership Framework - what we know so far

The CPF is not available yet, but some indications of the overarching structure have been shared, though are not yet publicly available. In this, three pillars have been identified:

- 1) Investing in people and strengthening social cohesion, including:
  - Early childhood development, comprising edu-

cation, health, and nutrition/water

- Rural water supply and sanitation, to improve health conditions and promote community-based tourism
  - Rural development, with a focus on the poorest, high-risk regions. Proposed projects: Socio-Economic Resilience Strengthening Project (US \$57 million), with a focus on the most vulnerable groups; and Rural Economy Development Project (US \$30 million), with a focus on value chains and micro and small enterprises
- 2) Improving the effectiveness of public institutions, including:
    - Tax administration and policy to achieve maximum voluntary tax compliance
    - Dushanbe water supply and waste water, including work on tariff methodology and sector viability
    - Financial sector
    - Air transport sector
  - 3) Taking advantage of opportunities in internal and external markets, including
    - Nurek Hydropower project Phase II, together with programme of financial restructuring of Barqi Tojik’s
    - Central Asia Road Links programme-4, joint with customs modernisation and trade facilitation
    - Digital Central Asia South Asia (CASA)
    - Extending the CASA-1000 power project to China

## World Bank documents in Russian

World Bank in Central Asia <http://www.vsemirnyjbank.org/ru/region/eca/brief/central-asia>

Kazakhstan country page <http://www.vsemirnyjbank.org/ru/country/kazakhstan>

Kazakhstan Systematic Country Diagnostic 2018 <http://documents.vsemirnyjbank.org/curated/ru/664531525455037169/Kazakhstan-Systematic-country-diagnostic-a-new-growth-model-for-building-a-secure-middle-class>

Kazakhstan CPF 2019 – 2023 introduction page <http://www.vsemirnyjbank.org/ru/news/video/2018/04/10/kazakhstan-country-partnership-framework-2019-2023>

Kazakhstan CPF public consultation page <https://consultations.worldbank.org/consultation/kazakhstan-country-partnership-framework-2019-2023>

Tajikistan country page <http://www.vsemirnyjbank.org/ru/country/tajikistan>

Tajikistan Systematic Country Diagnostic 2018 <http://documents.vsemirnyjbank.org/curated/ru/523621531893222730/pdf/126209-RUSSIAN-PUBLIC-TJK-SCD-RUS-WEB2.pdf>

## Information and analysis of the World Bank's country engagement approach in English

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World Bank, **Consultations** <http://consultations.worldbank.org>

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## APPENDIX:

### WORLD BANK GROUP PROJECTS IN KAZAKHSTAN AND TAJIKISTAN

Environmental risk category:

A, FI1 – high risk

B, FI2 – moderate risk

C, FI3 – low risk

#### World Bank projects in Kazakhstan

#	Project title	Region	US\$m	Env risk category	Type of risk	Type of project
1	Justice Sector Institutional Strengthening Project	countrywide	36.00	-	n/a	advisory service
2	Kazakhstan - Tax Administration Reform Project	countrywide	17.00	-	n/a	advisory service
3	East-West Roads Project (Almaty-Korologos Section): Western Europe - Western China International Transit Corridor (CAREC - 1b)	Kostanai obl -Astana - Akmolagos Obl - Karaganda obl - Balkhash - Burylbaita (Zhambyl obl) - Almaty - Khorgos	1,068.00	A	resettlement, air, water pollution, land destruction and pollution, generating of waste, noise, dust	direct investment
4	South-West Roads: Western Europe-Western China International Transit Corridor (CAREC 1B & 6B)	Kzylorda, South Kazakhstan, Zhambyl obl and Almaty Oblast (Kurty and Togyz), territory of Zhambyl District of Almaty oblast and Korday District of Zhambyl oblast.	2,125.00	A	resettlement, air, water pollution, land destruction and pollution, generating of waste, noise, dust, natural habitats disruption	direct investment
5	KZ skills and jobs project	countrywide	100.00	B	Hazardous or toxic materials, Traffic and Pedestrian Safety, general construction, noise	direct investment
6	Kazakhstan: Fostering Productive Innovation Project	countrywide	88.00	B	general construction, noise, dust, waste	direct investment
7	Second Irrigation and Drainage Improvement Project	Almaty obl, South Kazakhstan oblast, Zhambyl obl., Turkistan obl. Kzylorda obl.	102.90	B	dust, noise, land use conflict	direct investment
8	Kazakhstan Energy Efficiency Project	countrywide	21.76	B	air pollution, dust, noise, construction wastes, asbestos, occupational hazards	direct investment
9	Education Modernization Project	countrywide	67.00	C	n/a	direct investment
10	Social Health Insurance Project: Improving Access, Quality, Efficiency and Financial Protection	countrywide	80.00	C	n/a	direct investment
11	Kazakhstan: Southeast Europe and Central Asia Catastrophe Risk Insurance Facility	countrywide	5.00	C	n/a	direct investment
12	SME Competitiveness Project	countrywide	40.00	C	n/a	direct investment
13	Kazakhstan - Youth Corps program	countrywide	21.76	C	n/a	direct investment
			<b>TOTAL 3,772.42</b>			

## IFC investments in Kazakhstan

#	Project title	Region	US\$m	Env risk category	Type of risk	Type of project
1	Central Asia Energy Infrastructure	countrywide	3.70	-		advisory service
2	Jambyl Cement LLP	Munarat, near Balkhash lake	180.00	B	pollutant emissions (nitrogen oxides, and sulfur dioxide), pollution of air, water, soil, waste generation, health	direct investment
3	RG Brands AO	Almaty obl, Kostanai obk	30.00	B	green-house gases (GHG) emissions, health, waste, water and energy efficiency	direct investment
4	KFP	Kostanai obl, Almaty obl, North Kazakhstan	25.00	B	solid and liquid waste, health, water and energy efficiency	direct investment
5	Altyn Ajydar IV	Almaty	4.50	B	air emissions, waste generation, health	direct investment
6	ECT	Almaty, countrywide	50.00	B	effluents, health, waste	direct investment
7	BCC Equity	country wide	85.00	F11	health and safety	indirect investment
8	Arnur Credit	Shymkent, country wide	3.00	F11	health and safety	indirect investment
9	Aureos Central Asia Fund LLC	Kazakhstan (Almaty) and Azerbaijan, and secondarily in Georgia, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan	10.00	F11	health and safety	indirect investment
10	SEF Central Asian Small Equity Investment Fund	Almaty and TJ	2.50	F11	health and safety	indirect investment
11	KMF	country wide	5.00	F12	health and safety	indirect investment
12	KMF-FY16	country wide	50.00	F12	health and safety	indirect investment
<b>TOTAL</b>			<b>448.70</b>			

## World Bank projects in Tajikistan

#	Project title	Region	US\$m	Env risk category	Type of risk	Project type
1	Social Safety Net Strengthening Project	countrywide	1.80	-	n/a	advisory service
2	Zarafshon Irrigation Rehabilitation and Management Improvement Project	Zarafshon river basin: Panjakent, Ayni, K. Mastchoh, and Devashtich (Ghonchi), Shahriston districts	16.57	B	soil erosion; dumping of excavated sediments and other materials from irrigation and drainage canal structures and from the implemented civil works, health and safety	direct investment
3	Agriculture Commercialization Project Additional Financing	countrywide with focus on Khatlon, Sugd and the Districts of Republican Subordination	15.00	B	water, air and soil pollution, soil erosion, loss of biodiversity and habitats, health risks, energy and water consumption as well as solid waste management	direct investment

4	Strengthening Critical Infrastructure against Natural Hazards	countrywide starting in Khatlon Oblast	50.00	B	Water and air pollution, Dusting, Cutting of bushes, shrubs and trees, interruption of river crossing, noise, soil erosion, resettlement	direct investment
5	Nurek Hydropower Rehabilitation Project Phase I	the Vakhsh River and Pyanj River	225.70	B	Water, air and soil pollution, health and safety, dust, noise, waste generation	direct investment
6	Higher Education Project	countrywide	15.00	B	Noise, dust, waste generation, health and safety	direct investment
7	Environmental Land Management and Rural Livelihoods - Additional Financing	3 regions within the country	1.80	B	Health and safety, resettlement, child and forced labour	direct investment
8	Tajikistan Second Dushanbe Water Supply Project - Additional Financing	Dushanbe	10.00	B	water pollution, health and safety	direct investment
9	Additional Financing to TJ Health Services Improvement Project	countrywide and Khatlon and Sughd regions	10.00	B	dust, noise, waste generation, asbestos, health and safety	direct investment
10	Additional Financing for Tajikistan PAMP II	Kofarnihon river basin, Khatlon districts (Qabodiyon, Vakhsh and Qumsangir, Shahrtuz, Vahdat and Dangara districts)	12.00	B	health and safety	direct investment
11	Tajikistan Agriculture Commercialization Project	countrywide with focus on Khatlon, Sugd and the Districts of Republican Subordination	22.00	B	soil erosion, loss of soil productive capacity, soil compaction, soil pollution, surface and underground water pollution, health and environmental risks associated with agrochemicals use, loss of biodiversity; (b) agro-processing: contribution to surface water pollution, wastes generation, odor; (c) small scale construction and/or rehabilitation of the existing premises: soil and air pollution; acoustic, construction wastes, and potential asbestos issues	direct investment
12	Tajikistan Health Services Improvement Project (HSIP)	countrywide with focus on Khatlon, Sugd	15.00	B	dust, noise, waste generation, asbestos, health and safety	direct investment
13	Tajikistan Second Public Employment for Sustainable Agriculture and Water Resources Management Project	Khatlon region	18.00	B	water and air pollution; noise, soil erosion; dumping of excavated sediments and other materials from irrigation and drainage canals, structures; occupational hazards	direct investment

14	Private Sector Competitiveness	countrywide	10.00	B	Fossil fuels (mining), health and safety, environmental pollution, resettlement. It is also highly recommendable to identify local NGOs during the inception phase and initiate a professional dialogue about the scope and planned activities of the SESA.	direct investment
15	Second Dushanbe Water Supply Project	Dushanbe	16.00	B	soil and water pollution, dust, noise, health and safety, waste generation	direct investment
16	Public Finance Management Modernization Project 2	countrywide	10.00	C	n/a	direct investment
17	Tax Administration	countrywide	18.00	C	n/a	direct investment
18	Social Safety Net Strengthening Project	countrywide	3.20	C	n/a	direct investment
19	Community & Basic Health Addl Financing	countrywide	4.00	C	n/a	direct investment
<b>TOTAL 474.07</b>						

## IFC investments in Tajikistan

#	Project title	Region	US\$m	Env risk category	Type of risk	Project type
1	CASA-1000	countrywide	2.60	-	n/a	advisory service
2	Tajikistan Infrastructure Investment	countrywide	1.93	-	n/a	advisory service
3	Tajikistan Business Regulation and Investment Policy Project	countrywide	1.45	-	n/a	advisory service
4	Access to Finance and Markets for Farmers	countrywide	5.10	-	n/a	advisory service
5	Central Asia Corporate Governance Project in Tajikistan and Kyrgyzstan Phase – II	countrywide	3.00	-	n/a	advisory service
6	Electronic and Digital Financial Services	countrywide	2.97	-	n/a	advisory service
7	Tourism Promotion Services Tajikistan Limited	Dushanbe	7.00	B	air emissions, waste generation, dust, noise	direct investment
8	Pamir Energy Development	Gorno-Badakhshan Autonomous Oblast (GBAO)	8.00	B	environmental pollution (water, air, soil), waste generation, natural habitats harm, safety and health	direct investment
9	TCCell	countrywide	32.00	B	environmental pollution (soil), waste generation	direct investment

10	Tajero WrCap	Dushanbe	2.00	B	Health and safety, waste generation	direct investment
11	Giavoni	Khojand, northern Tajikistan	3.00	B	air emissions, liquid effluents, waste generation, health, safety	direct investment
12	Aureos Central Asia Fund LLC	Kazakhstan (Almaty) and Azerbaijan and secondarily in Georgia, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan	10.00	FI1	health and safety	indirect investment
13	SEF Central Asian Small Equity Investment Fund	Almaty	2.50	FI1	health and safety	indirect investment
14	Eskhata SL&SD'14	Khujand, countrywide	15.00	FI2	health and safety	indirect investment
15	IMON SL III	Khujand, countrywide	5.00	FI3	health and safety	indirect investment
			<b>TOTAL 101.55</b>			

## ENDNOTES

- 1 <http://www.worldbank.org/en/about/leadership/directors/eds24>
- 2 <http://www.worldbank.org/en/about/annual-report/fiscal-year-data>
- 3 This includes commitments through Recipient-Executed Trust Funds (RETF) – financing arrangements where the Bank manages the funding from one of more donors and plays an operational role, see <https://www.brettonwoodsproject.org/2015/03/world-bank-trust-funds/>
- 4 <https://bic-europe.org/wp-content/uploads/2018/10/Out-of-the-Dark-v7d.pdf>
- 5 [http://consultations.worldbank.org/Data/hub/files/consultation-template/towards-country-partnershipframeworkopenconsultationtemplate/materials/new\\_approach\\_to\\_country\\_engagement\\_april\\_29\\_1.pdf](http://consultations.worldbank.org/Data/hub/files/consultation-template/towards-country-partnershipframeworkopenconsultationtemplate/materials/new_approach_to_country_engagement_april_29_1.pdf)
- 6 <http://documents.worldbank.org/curated/en/940631468324888939/pdf/878460BR0R2014050Box385206B00OU090.pdf>
- 7 <https://inspectionpanel.org>
- 8 <http://www.cao-ombudsman.org>
- 9 <http://www.worldbank.org/en/programs/sdgs-2030-agenda#2>
- 10 <https://openknowledge.worldbank.org/bitstream/handle/10986/24451/K8860.pdf>
- 11 <http://documents.worldbank.org/curated/en/820851467992505410/pdf/102114-REVISED-PUBLIC-WBG-Gender-Strategy.pdf>
- 12 <https://consultations.worldbank.org/consultation/kazakhstan-country-partnership-framework-2019-2023>
- 13 <https://www.brettonwoodsproject.org/2017/07/development-rescue-finance-banks-cascade-approach/>
- 14 <https://www.brettonwoodsproject.org/2017/10/de-risking-risk-shifting-world-banks-proposed-strategy-bridge-infrastructure-gap/>
- 15 <https://openknowledge.worldbank.org/bitstream/handle/10986/24451/K8860.pdf>
- 16 [https://consultations.worldbank.org/Data/hub/files/consultation-template/kazakhstan-country-partnership-framework-2019-2023/en/related/kz\\_cpf\\_consultations\\_v12\\_fin\\_eng.pdf](https://consultations.worldbank.org/Data/hub/files/consultation-template/kazakhstan-country-partnership-framework-2019-2023/en/related/kz_cpf_consultations_v12_fin_eng.pdf)
- 17 <http://www.worldbank.org/en/news/feature/2014/06/10/tajikistan-cps-highlights>
- 18 <http://documents.worldbank.org/curated/en/680151528479302248/pdf/TJK-SCD-WEB-v300518-06052018.pdf>
- 19 <https://www.hrw.org/news/2014/06/25/tajikistan-dam-resettlement-undermines-livelihoods>
- 20 <http://www.worldbank.org/en/country/tajikistan/brief/final-reports-related-to-the-proposed-rogun-hpp>
- 21 <https://www.worldbank.org/en/news/press-release/2018/11/16/embedded-in-broader-reforms-the-rogun-hpp-could-provide-a-significant-development-impetus-to-tajikistan>
- 22 <https://inspectionpanel.org/sites/inspectionpanel.org/files/ip/PanelCases/70-Panel%20Chairperson%20Statement%20at%20the%20Board%20Discussion%20%28English%29.pdf>
- 23 See for example: <https://www.brettonwoodsproject.org/2015/09/throwing-evidence-to-the-wind-the-world-bank-continues-pushing-ppps/>





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