



# GUIDANCE NOTE ON MANAGING TRUST FUNDS FOR RESULTS

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## Table of Contents

<b>1. BACKGROUND</b> .....	2
<b>2. RESULTS FRAMEWORKS</b> .....	3
<b>2.1. Overview of Results Frameworks</b> .....	3
<b>2.2. Results Frameworks for Different Types of Trust Funds</b> .....	4
<b>3. SETTING UP THE RESULTS FRAMEWORK FOR AN UMBRELLA PROGRAM</b> .....	6
<b>3.1. Results Framework for an Anchor Multi-Donor Trust Fund</b> .....	6
<b>3.1.1. The Anchor MDTF Development Objective</b> .....	7
<b>3.1.2. The Anchor MDTF Theory of Change</b> .....	8
<b>3.1.3. Outcome indicators at the anchor MDTF level</b> .....	9
<b>3.2. Results Frameworks at the Pillar Level</b> .....	9
<b>3.2.1. Pillar level development objectives and outcomes</b> .....	10
<b>3.2.2. Intermediate results</b> .....	11
<b>3.2.3. Defining indicators</b> .....	12
<b>3.2.4. Predefined indicators</b> .....	13
<b>3.2.5. Indicators for training and capacity building</b> .....	14
<b>3.3. Results Frameworks for Associated Trust Funds</b> .....	16
<b>4. SETTING UP THE RESULTS FRAMEWORK FOR STANDALONE TRUST FUNDS</b> .....	16
<b>4.1. Standalone TFs established for a pre-defined set of activities</b> .....	17
<b>4.2. Standalone TFs financing a program of activities not defined at the time of establishment</b> .....	17
<b>5. SETTING UP THE RESULTS FRAMEWORK AT THE GRANT LEVEL</b> .....	18
<b>6. MONITORING AND EVALUATION OF TRUST FUNDS</b> .....	19
<b>6.1. Monitoring implementation and revising the results framework</b> .....	19
<b>6.2. Aggregating results</b> .....	20
<b>6.3. Evaluation</b> .....	21
<b>6.3.1. Evaluation purposes and requirements</b> .....	21
<b>6.3.2. What should be evaluated</b> .....	22
<b>6.4. Budgeting for monitoring and evaluation</b> .....	23
<b>6.5. Getting assistance on results-based management and M&amp;E of trust funds</b> .....	24
<b>7. REPORTING RESULTS TO DEVELOPMENT PARTNERS</b> .....	24
Annex 1: Template for Results Frameworks for Umbrella Programs .....	26
Annex 2: Template for Results Frameworks for Standalone Trust Funds .....	27

## Guidance Note

# Managing Results for Trust Funds

### 1. BACKGROUND

1. The World Bank Group (WBG) is committed to achieving its goals of ending extreme poverty and promoting shared prosperity by 2030, and to supporting the 2030 agenda for achieving the sustainable development goals (SDGs).

2. The WBG aims to improve its development effectiveness by mobilizing resources to achieve better development outcomes in support of the twin goals and the SDGs. Development effectiveness is measured in terms of how the use of resources leads to the achievement of expected results. Monitoring and evaluation (M&E) is essential to anchor results-based management as it provides information to verify progress towards and achievement of results, supports learning from experience, and promotes accountability for results. Thus, all operations, regardless of the source of financing, are designed around specific development outcomes, and implemented and monitored using a results-based management approach.

3. All trust funds (TFs) are required to have indicative results frameworks at the trustee level. This guidance note is intended to assist Bank staff who manage TFs -- program managers for umbrella TFs and task team leaders (TTLs) at the trustee level for standalone TFs -- with their efforts to improve the results-based management of TFs.<sup>1</sup> The overall purpose is to provide guidance in defining and articulating results frameworks and the subsequent measurement, monitoring, and evaluation of results achieved using TFs. The guidance encourages a shift from reporting on processes and outputs to observing and reporting on outcomes. The guidance builds on the Bank's existing procedures and requirements on results frameworks for Bank-financed operations.

4. The anticipated results and development outcomes that a TF seeks to achieve are an integral part of the preparation of a concept note that precedes the establishment of the TF. Views of the Development Partners (DPs) that wish to participate in the TF on these anticipated results and development outcomes inform the preparation of the concept note. The anticipated outcomes and the pathways to be used to achieve them form the basis of the results framework of the TF.

5. Development of the results framework is a collaborative process involving the DPs contributing to the TF and representatives of client countries in which the TF will be used, as relevant. It should be noted that at conception, the results framework is indicative, and should be viewed as dynamic and subject to reasonable changes as circumstances evolve and as experience with a TF is gained. Discussion with DPs about what will be monitored, when, and how can be useful in creating a shared understanding of what data will be available to them and when. With this knowledge, DPs will have a

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<sup>1</sup> Program managers refers to Bank staff who manage an umbrella program and TTL at the trustee level refers to Bank staff who manage standalone TFs. For both umbrella programs and standalone TFs, grant level activities are managed by TTLs at the grant level. Guidance for TTLs at the grant level can be found in other guidance notes depending on the type of activity financed by the grant (e.g. guidance on IPF or guidance on ASA).

good sense of what information they can expect to receive and what will be available in annual progress and completion reports.

6. Within the Bank, results frameworks for TFs must be aligned with the Bank's strategies, particularly the relevant Country Partnership Frameworks (CPFs), as well as applicable strategies at the corporate, regional and Global Practice (GP) level.

## **2. RESULTS FRAMEWORKS**

### **2.1. Overview of Results Frameworks**

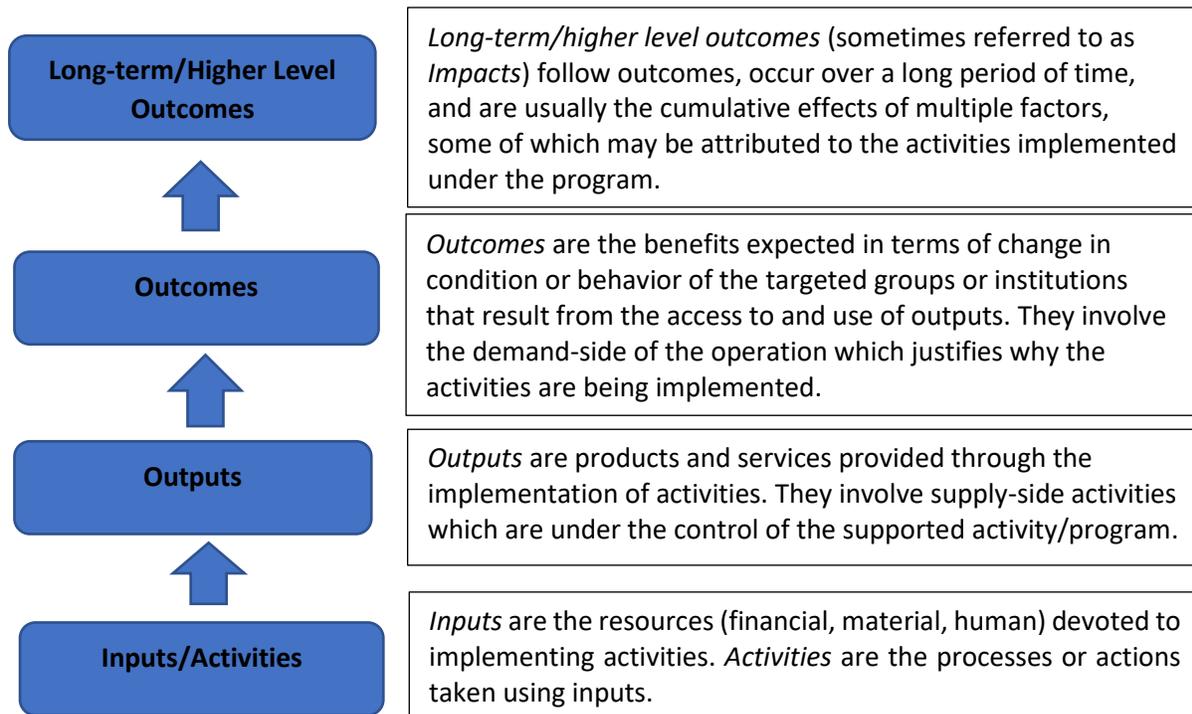
7. Results frameworks are management tools used to monitor and report on the different levels of results expected from particular activities or programs. A well-constructed results framework defines the overall development objective or outcomes anticipated by the programs/activities; indicates how progress towards achieving those objectives or outcomes will be measured; and identifies the activities and outputs that will enable the achievement of these outcomes with associated targets. This allows stakeholders (clients, DPs and implementors of the program) to monitor progress during implementation, make adjustments as necessary, and to assess achievements at completion.

8. Results frameworks include three main elements:

- (i) *Development Objective(s)*. A statement of the Development Objective, which clearly states the intended outcome(s) of the activities to be financed.
- (ii) *Results Indicators*. A set of indicators measuring progress towards achieving outcomes at the development objective level and outcomes and intermediate results (outputs and outcomes) at the level of the program's results areas/pillars/components.
- (iii) *Monitoring and Evaluation (M&E) Plan*. An M&E plan specifying how indicators will be measured (units of measurement; methodology; baseline values and targets, as relevant). Responsibility for data collection and reporting should also be made clear.

9. The results framework is underpinned by a **theory of change** (sometimes referred to as a results chain or logic model) that details the logical steps required to achieve the desired development outcome. It outlines the activities that will generate outputs that in turn will lead to the outcomes that contribute to the achievement of the overall development objective, illustrating the causal relationship between each step. Importantly, the theory of change describes the critical assumptions (in terms of critical conditions necessary but outside the scope of the activity/program) for achievement of the outcomes. Teams should identify the risks to project outcomes if the expected critical conditions do not occur and what may be done to adjust for unanticipated conditions. The theory of change also shows how different activities relate to one another and how they contribute collectively towards higher level objectives/outcomes.

**Figure 1: Key Results Terminology**



10. Development literature shows a correlation between well-defined results frameworks and achievement of development outcomes. When programs have poorly articulated objectives, weak results frameworks and/or unclear theories of change, it is often hard to explain how activities funded were relevant, to identify successes or show whether the intended outcomes have been achieved.

## 2.2. Results Frameworks for Different Types of Trust Funds

11. All trust funds have an indicative results framework at the trustee level. The results framework is developed in consultation with the DPs, as part of the trust fund design and establishment process.<sup>2</sup> Results frameworks for TFs differ somewhat depending on the type of TF being established. DP contributions can be channeled through TFs supporting an umbrella program, or through a standalone TF as described below.

12. The majority of donor contributions to TFs going forward will be for TFs that are part of an **umbrella program** (also known as the umbrella 2.0). An umbrella program supports one or more of the priority fundraising areas of the Bank’s operational business units (GPs, Regions or Central Units<sup>3</sup>) as defined in their Strategic Fundraising Plan. Umbrella programs have a relatively broad thematic, sectoral, or geographic scope, enabling a strategic approach for development partners and the Bank to finance common priorities and establish a higher-level dialogue on priority policies and programs. The broad nature of the umbrella program means that activities to be financed under the umbrella are

<sup>2</sup> As part of consultation with DPs, relevant documents must be shared well in advance and appropriate time should be allotted to DPs for review and feedback.

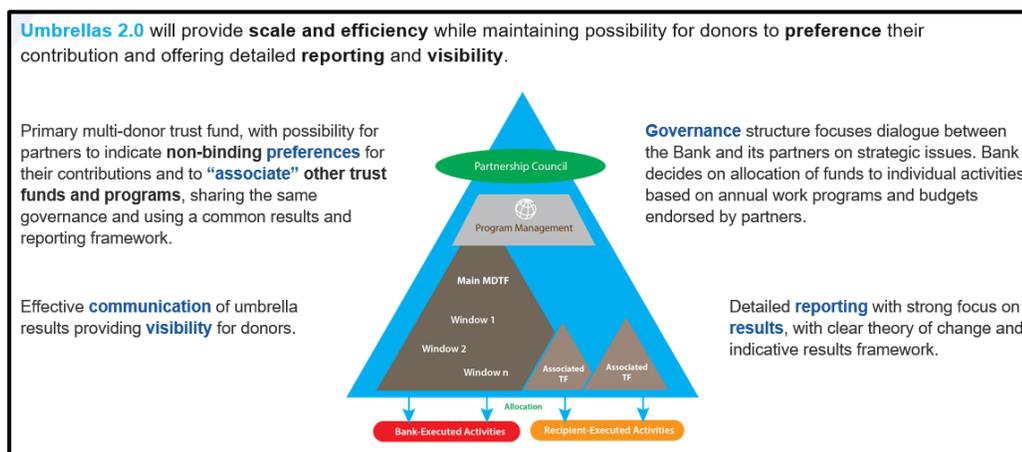
<sup>3</sup> Central units are Bank units involved in trust fund administration and management. These include DFi, LEG, WFA, BPS, ITS and OPCS.

generally grouped around organizing themes (pillars). The umbrella program thus creates a platform for setting goals for more meaningful outcomes due to the collective contribution of multiple actions around complementary themes.

13. Umbrella programs are “anchored” in a multi-donor trust fund (MDTF). In some cases, the umbrella program will simply consist of the MDTF. Associated trust funds can also be established under the umbrella to finance specific activities, sectors, themes, and/or geographic areas in cases where a donor is unable to contribute to the main MDTF<sup>4</sup>. The overarching development objective and a theory of change of the anchor MDTF are the same as those of the umbrella program, and associated trust funds contribute to this development objective and theory of change.

14. An umbrella program has a common results framework aligned with the business unit’s priorities, to help ensure that activities financed by the umbrella program are relevant to the business unit’s priorities or and will bring about significant change. The umbrella program also establishes common annual progress reporting based on the agreed results framework thereby eliminating or minimizing the need for individual, customized reports for a multitude of TFs (refer to the *Bank Guidance: Trust Fund Reporting to Development Partners* for more information on reporting).

**Figure 2: Operational Structure of an Umbrella Program**



15. **Standalone TFs** are allowed for niche activities or activities that are not a core priority for the relevant business units but are still of strategic interest. A standalone TF could support a specific activity or a set of pre-identified activities that are agreed with the donor at the time of establishment or could finance a program of activities supporting a specific development objective, with individual activities identified over time. Results measurement for standalone TFs is different from umbrella programs in that their development objective are likely to be more specific, and indicators to measure progress and targets for outcomes can be identified *a priori*.

<sup>4</sup> Donors might be unable to join an anchor MDTF due to their own internal policies, regulations or similar issue, typically because they require dedicated financial reporting (“tracking” of their contributions to their area of preference).

### **3. SETTING UP THE RESULTS FRAMEWORK FOR AN UMBRELLA PROGRAM**

This section provides guidance on how to set up a results framework for a typical umbrella program. There may be instances in which exceptions or different approaches are necessary, for example, in emergency contexts. When these situations arise, Program Managers consult with Development Finance Trust Funds and Partner Relations (DFTPR) and with Operations Policy and Country Services (OPCS) about how best to accommodate the need for a suitable results framework.

#### **3.1. Results Framework for an Anchor Multi-Donor Trust Fund**

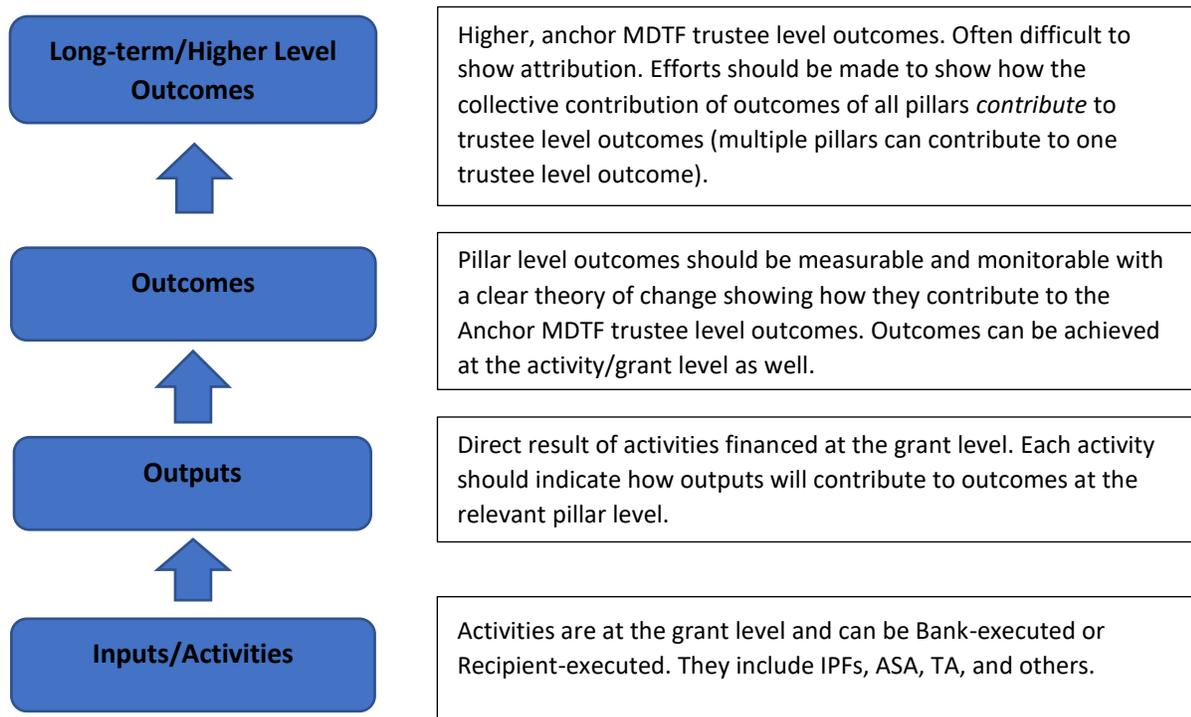
16. Umbrella programs are “anchored” in a MDTF. The overarching development objective (DO) and the theory of change for the umbrella program are the same for the anchor MDTF. Because the scope of the anchor MDTF is expected to be broad and comprise more than one type of intervention, the anticipated outcomes of the anchor MDTF are organized under pillars that represent specific thematic, sectoral, or geographic approaches or activities. The results measurement architecture of the anchor MDTF therefore consists of the overarching DO, pillars that support the achievement of the anchor MDTF’s DO, and results frameworks for each pillar. Results frameworks for pillars include a DO for the pillar (aligned with the DO of the anchor MDTF); show the logical flow of activities, outputs, and outcomes; and include indicators with baselines and targets (where relevant and feasible) to measure the achievement of the pillar’s DO. These are all underpinned by a theory of change that demonstrates the causal relationships between activities funded under each pillar and how these contribute to the achievement of the anchor MDTF’s DO (see Figure 3).

17. Activities funded under each pillar (Investment Project Financing, Advisory Service and Analytics, Technical Assistance, etc.) will, in turn, have their own objectives and results frameworks underpinned by theories of change which are set up by the teams receiving the grants from the TF. The activities selected for financing under the anchor MDTF or associated TFs can be Bank or recipient-executed and their selection might depend on requests for assistance from the Bank’s client countries, opportunities to apply new tools or analytic methods, as well as the availability of experience and expertise of Bank staff. In all cases, the pillar-level development outcomes and the underlying activity level development outcomes are expected to support or contribute to the overarching anchor MDTF’s DO. This flexibility permits the umbrella program to match needs and opportunities with responsive and well-conceived activities that have a clear link to the overall program development objective<sup>5</sup>.

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<sup>5</sup> See OECD’s Guiding Principles for *Managing for Sustainable Development Results* (<http://www.oecd.org/dac/results-development/docs/mfsdr-guiding-principles.pdf>) for additional detail on results-based management approaches.

**Figure 3: Key Results Terminology as related to the Anchor MDTF**



### 3.1.1. The Anchor MDTF Development Objective

18. The DOs for an anchor MDTF (umbrella program) need to be broad and overarching because potential activities to be financed are not typically identified at the time of establishment of the program. For an anchor MDTF, funds are allocated to activities in a two-stage process. In the first stage, DPs commit funds to one or more thematic areas of interest with criteria for supporting a program of activities, not knowing the specific activities that will be funded. The anchor MDTF's resources are only allocated at the project or grant level as a part of the second stage, following the fund's governance arrangements and consistent with its pillars and anchor MDTF's DOs. Allocations to the project or grant level can take place over the life of the TF. As a result, for TFs supporting an anchor MDTF, it is unlikely that all activities to be financed will be known at the TF inception stage. It is all the more important, therefore, that the DO for the anchor MDTF is clear, and that pillars are established with intended outcomes that logically contribute to the overall anchor MDTF DO (the theory of change). This logic and clarity are necessary to identify relevant activities for funding under the anchor MDTF and ensure that they contribute to the intended outcomes that the umbrella program seeks to support.

19. Development objective for the umbrella program are agreed with the DPs when structuring the anchor MDTF for the umbrella. The anchor MDTF's DOs are expected to be broad and aspirational in nature and the overall goals are expected to be simultaneously supported in multiple ways. The anchor MDTF DOs is therefore as a high-level statement of the development area or problem that the umbrella will target and provides adequate flexibility to accommodate multiple pillars. An anchor MDTF's overall DOs may be linked to complex issues such as the overall health and sustainability of the global marine environment or helping ensure that the global population has access to a basic level of education.

20. As an example, the overall development objective for the PROBLUE Umbrella Program is “*to achieve integrated and sustainable economic development in healthy oceans*”. In this case, the broad development objective statement provides the thematic context under which the various pillars are organized (Improved Fisheries Governance; Marine Litter & Pollution Prevention and Reduction; Blueing of Oceanic Sectors; and Integrated Seascape Approach). In turn, each of the pillars contribute to advancements in areas that support the overall development goal. Another example is the Energy Sector Management Assistance Program (ESMAP) which has an overall development objective of “*helping client countries to achieve energy security, address energy poverty, and mitigate and adapt to climate change*”. This objective is supported by various types of interventions organized around three thematic areas (pillars): energy access, renewable energy, and energy efficiency<sup>6</sup>. In each of these examples, each pillar has its own theory of change and indicative results framework. The outcomes realized within each of the pillars collectively inform the overall narrative of the anchor MDTF and contribute to its development objective.

### **3.1.2. The Anchor MDTF Theory of Change**

21. The anchor MDTF’s theory of change is the logic articulating how the DO (or desired changes) are expected to be met. The theory of change comprehensively defines the intended outcomes that an anchor MDTF is trying to achieve, the factors (and assumptions) that are necessary for the outcomes to occur within a particular context and how these are related to one another causally. It helps the Bank and development partners contributing to the MDTF to:

- focus the DOs and anticipated results at the appropriate level and agree on pillars that contribute logically towards achieving the DOs;
- develop a common understanding about what is achievable given the duration and funding of the MDTF; and
- align the M&E framework for tracking implementation and measuring progress towards achieving results.

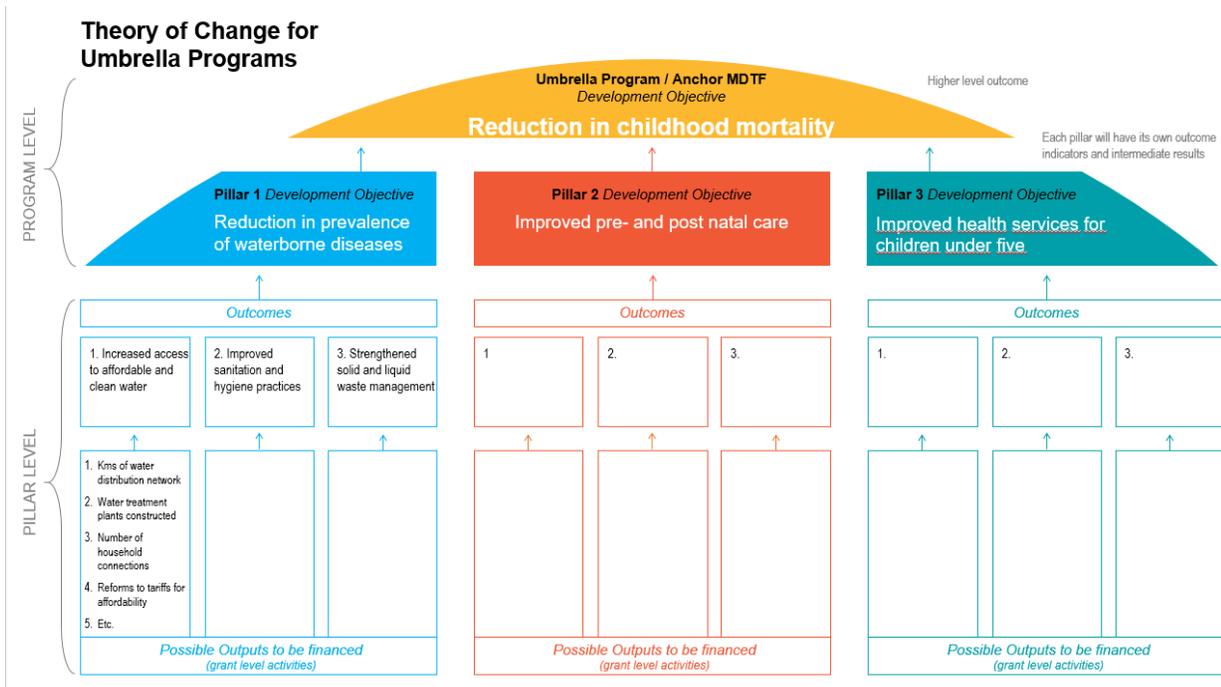
22. A draft theory of change should accompany the inception of the anchor MDTF and be refined as the design is completed. The theory of change can be adjusted during implementation and should be used at the closing of the TF to assess the causality of trust-funded activities and outcomes achieved.

23. The theory of change can be presented in various forms. It is often presented with clear linkages between different steps to achieve the desired outcome. A simplified example is presented in Figure 4. The theory of change should always be viewed as dynamic and subject to change as new circumstances arise and experience is gained. The identified pathways and critical assumptions are monitored throughout implementation and adjusted as necessary. The theory of change should also highlight any synergies or dependencies between and among the pillars of the Anchor MDTF where they exist.

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<sup>6</sup> ESMAP’s business plan for FY2017–20

Figure 4: Theory of Change for an Anchor MDTF



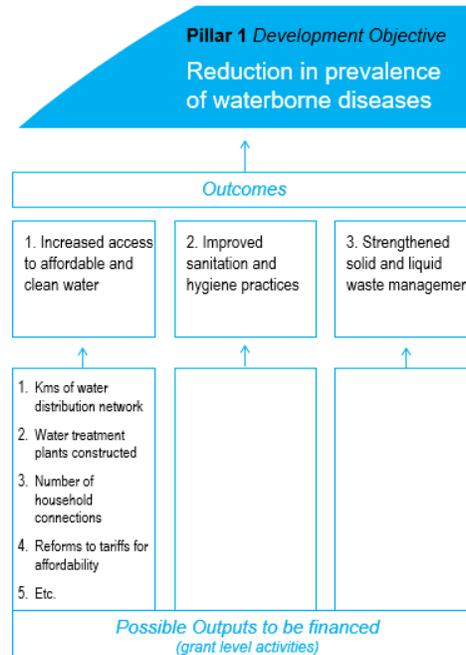
### 3.1.3. Outcome indicators at the anchor MDTF level

24. Typically, development objectives are measured through **outcome indicators** that show whether and to what extent the intended outcomes of programs have been achieved. However, the broader the development objective, the harder it usually is to identify a limited set of outcome indicators that capture the collective outcomes of all the pillars under the program. As such, specific measurable outcome indicators for the DO level of the anchor MDTF are not required. In these cases, the pillar level outcomes *de facto* reflect the achievement of the anchor MDTF level outcomes. Where the breadth of coverage of the anchor MDTF is narrower, it may be possible to identify outcome indicators, in which case, these are included in the Results Framework.

### 3.2. Results Frameworks at the Pillar Level

25. The level of detail that can be expected in a results framework at the pillar level needs to be tailored to the level of specificity that exists at the time that the anchor MDTF is established. A pillar's results framework consists of the development objective of the pillar, intended outcomes (DO-level), and intermediate results that show progress towards achievement of the pillar's DO-level outcomes. The results framework for the pillar is underpinned by its own theory of change which reflects the causal linkages between the activities to be financed through grants and the associated outputs that will lead to the intended outcomes. The sequencing of these activities is supported by a series of assumptions about conditions necessary to move from one stage to the next, e.g. the outputs that are determined to be necessary to support the achievement of the expected outcomes (see Figure 5).

**Figure 5: Theory of Change for Pillar Level**



### 3.2.1. Pillar level development objectives and outcomes

26. The **development objective** of a pillar must contribute to the anchor MDTF DO and should have been explained in the theory of change for the umbrella program as a whole. Unlike the anchor MDTF DO, the pillar level DO can be more focused and specific as it will address one aspect (thematic, geographic, etc.) of the anchor MDTF DO. However, it still needs to be flexible enough to accommodate activities that will only be selected at a later stage of implementation.

27. In the example of the PROBLUE Umbrella Program, the anchor MDTF DO is “to achieve integrated and sustainable economic development in healthy oceans”, and the DO of each pillar is as follows:

- Pillar 1: To improve governance in fisheries including aquaculture
- Pillar 2: To prevent and reduce marine litter and pollution
- Pillar 3: To strengthen environmentally-friendly economic opportunities in traditional and new oceanic activities
- Pillar 4: To strengthen integrated and sustainable management of coastal and marine areas

Similarly, if an anchor MDTF had a DO of “reduction of prevalence of waterborne diseases”, the pillar-level DOs could be:

- Pillar 1: To increase affordable access to clean water
- Pillar 2: To improve sanitation and hygiene practices
- Pillar 3: To strengthen solid and liquid waste management in a sustainable way

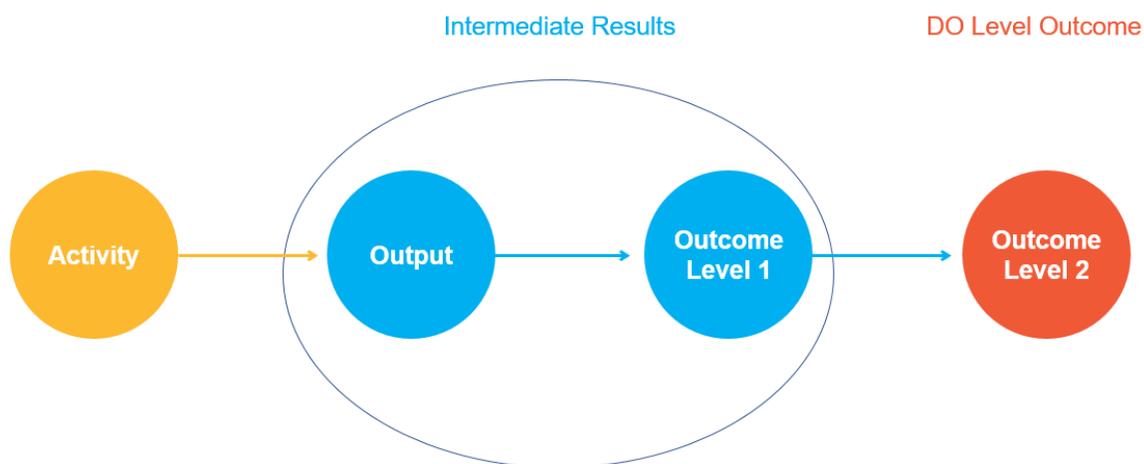
28. The pillar level DO should be expressed as **outcomes** which are the benefits expected in terms of change in condition or behavior of the targeted groups or institutions that result from the access to and use of outputs produced through TF financing. Outcomes are the demand-side of the program which justify why the activities are being implemented. Achievement of an outcome often depends on the cooperation of other people or institutions beyond the control (but not necessarily the influence) of those implementing a TF's activities. Most important, the intended outcomes determine what outputs and activities will be funded through the TF.

29. The pillar's DO-level outcomes must be measurable where possible through corresponding **outcome indicators** (these could include a qualitative narrative). To illustrate, if a DO seeks to prevent and reduce marine litter and pollution, there must be one or more corresponding outcome indicators that demonstrate the changes in behaviors or practice that support reduction in marine litter and pollution; similarly if the DO is to improve sanitation and hygiene practices, there must be one or more corresponding outcome indicators that demonstrate progress towards changes in sanitation and hygiene practices. Measurement of change requires comparison with a baseline situation, and measurement of success requires establishment of a target (either quantitative or qualitative).

### 3.2.2. Intermediate results

30. Intermediate results are the results that are necessary in order to achieve the pillar level DO. Intermediate results can be both **outputs and outcomes**.

**Figure 6: Theory of Change for Intermediate Results**



31. Outputs represent supply-side deliverables (such as an event, a product, a good, or a service). Examples of outputs include:

- Number of people trained, number of people attending study tours, number of workshops, seminars, or conferences
- Plans, strategies, policy notes, handbooks, manuals, curricula
- A study, a report, a website, an evaluation, a knowledge product
- Physical infrastructure like a dam, a road, a school, a power plant, a health clinic

32. Outputs are usually within the control of those implementing an activity, can be budgeted with resources from the TF, and follow the completion of an activity. The assumption is that one or more outputs (or intermediate results) are preconditions to achieve the desired outcomes included in a TF's DO. A new school curriculum (an output) is an achievement, but its benefits occur when teachers use the new curriculum (an intermediate outcome) and student performance improves (a DO-level outcome). Farmer adopting a new technology would be an intermediate result for a TF whose DO is to increase agricultural production. In every instance it should be clear how expected outputs will contribute to the desired outcomes.

33. Intermediate results can also be **outcomes**. They are called intermediate outcomes if the results chain leading from output to the DO-level outcome involves a number of steps. For example, "improved access to water" is an outcome, but for the purposes of a TF where the DO-level outcome is "reduction in incidence of waterborne diseases", improved access to water would be considered an intermediate outcome (or intermediate result)—a necessary condition to achieve the next desired level of outcome.

34. At the pillar level, it is often not possible to establish **baselines and targets for intermediate results** because the activities to be funded (including their nature or number) are not known at the time the program is established. In order to be able to show progress towards achieving the DO, Program Managers develop a menu of applicable and measurable indicators for the fund's intermediate results for each pillar. Program Managers then require that trust-funded activities use one or more of the predefined indicators that are best suited for the funded activity or project. The TTLs at the grant or disbursement level reports the results achieved for each of the selected indicators. In turn, a Program Manager's annual progress reports to DPs discusses the cumulative/collective intermediate and DO-level results achieved for the entire TF. Program Managers and window managers may use other indicators if relevant activities are proposed that contribute to the DO that were not foreseen or considered at the time the TF was established.

35. To the extent possible, Program Managers are encouraged to keep track of targets set at the activity/grant level and aggregate these targets (where possible) in progress reports. Over time, as these projects/activities are implemented, Program Managers can report on progress against aggregated targets for intermediate results indicators derived from the approved activities. For example, if 5 grants are approved and each proposes to train 500 people, the aggregated target for the 5 grants would be 2500 people trained, and the Program Manager can then report on progress against that target. The aggregated targets will evolve over time as additional grants are approved and implemented.

36. At the grant level, all trust-funded grants and activities follow the respective instrument-specific guidelines for results management. For example, TF grants funding Investment Project Financing adhere to Results Frameworks and M&E Guidance Note for IPF.

### **3.2.3. Defining indicators**

37. Good indicators have five well-known characteristics. They are considered to be S.M.A.R.T.
- **Specific** means that the indicator accurately matches the intended result as stated and not any other aspect. For example, if the outcome to be measured is "increased access of youth to jobs", then the "number of youths provided with skill training" is not a specific measure of the desired outcome. It is an output which would contribute to the outcome. A specific indicator in this case could be "the percentage of targeted youth who have jobs".

- **Measurable** means that the indicator can be measured and verified objectively such that the indicator value is consistent regardless of who is analyzing the data. Concepts that are not easily measured or that require a subjective judgment should be avoided. For example, words like “successful”, “sustainable”, or “operational” should be used only if they are precisely defined. An indicator such as “number of public institutions successfully using the new e-procurement system” is not measurable because it is not clear how “successful” is defined. However, the “number of public institutions reporting that at least 95% of awarded contracts were processed through the new e-procurement system” is clear and objective about the measurement. Although quantitative indicators are commonly used, Program Managers should appreciate that such indicators may not capture the level of complexity that is necessary to monitor and fully understand complex change processes. Under these circumstances program managers can usefully consider a combination of quantitative and qualitative indicators.
- **Adequate** means that the indicator is enough to assess the targeted result. For some results, more than one indicator may be needed to capture all aspects of the targeted result. For example, “increased access to basic services” may need more than one indicator to capture the different basic services targeted with improved access: people with access to improved water, people with access to electricity, people with access to all season roads, etc.
- **Reliable or Realistic** means that the data required for measurement of the indicator is available or can be collected in a cost-effective way and at a frequency and precision that is useful for monitoring purposes. Some indicators present major problems for data collection owing to the cost or skills required (e.g. large-scale sample surveys). The collection method should be stable and consistent, through all measurement cycles, so that changes in data are not due to changes in data collection methods.
- **Targeted** means that the measurement of the indicator is clear and linked to the direct beneficiaries. For example, a DO that aims to “to promote financial inclusion through microfinance loans” should define an indicator to measure microfinance loans facilitated through the trust-funded activities rather than measuring national figures for the provision of microfinance loans<sup>7</sup>.

#### 3.2.4. Predefined indicators

38. The Bank has identified standardized [Corporate Results Indicators \(CRIs\)](#) to be used at the project level when applicable. These indicators are intended to rationalize and improve the process of tracking results for corporate reporting and help to demonstrate how individual projects contribute to the Bank’s strategic directions in measurable terms. With only a limited number of such indicators, however, many trust-funded activities will not have corresponding CRIs. When CRIs are applicable, they are expected to be used in the results frameworks for TFs. All hybrid TFs<sup>8</sup> are required to use the indicators *that are relevant to their interventions*. Program managers are encouraged to use the CRI for hybrid TF and for BETFs whenever they are applicable. Furthermore, where feasible, program managers consider relevant IDA results indicators and [SDG](#) indicators (for country-based umbrellas in particular).

39. Consistent with corporate priorities and commitments, where possible, indicators are also **disaggregated by sex** and by whether the results have occurred in **fragile or conflict-affected states**

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<sup>7</sup> For further discussion of the attributes of SMART indicators, see [OPCS, Results Framework and M&E Guidance Note](#).

<sup>8</sup> Hybrid trust funds that comprise both recipient-executed activities and projects and Bank executed activities to appraise and supervise these projects and that can finance knowledge work. The Bank no longer administers stand-alone RETFs at the trustee level.

(FCS). Disaggregation of data by other attributes such as age and disability should also be considered where relevant and to the extent possible. Box 1 provides some suggestions on addressing gender gaps and disaggregating indicators by sex.

**Box 1: Addressing Gender Gaps and disaggregating indicators by sex**

Program Managers should consider how gaps between women and men as well as boys and girls are relevant to a TF's DO. Relevant gaps may be identified in gender strategy follow-up notes, regional or country gender action plans, systematic country diagnostics, country partnership frameworks, or other analytical reports. Program Managers should then consider how their trust-funded activities will contribute to narrowing those gaps and how attention to these gaps can be incorporated into the design and monitoring of the relevant grant activities.

Indicators should be chosen that can be reported accurately and that are linked to the TF's expected outcomes and intermediate results. As good practice, all people-level indicators should be sex-disaggregated so that potential differential outcomes can be tracked. When developing and selecting indicators for a results framework, projects can include quantitative indicators that are based on sex-disaggregated statistical data systems and administrative records (for example, educational attainment or enrollment rates for boys compared with girls). Grant-funded activities can also include qualitative indicators that capture people's experiences, perceptions, attitudes, or feelings, such as assessment of educational outcomes among boys and girls.

40. **Development partners** contributing to the TF might also have pre-defined indicators for specific issues that they would want to see monitored. The task team is encouraged to accommodate donor indicators where possible. Ultimately, the most appropriate indicators are selected taking into consideration the availability of data and the cost of monitoring the indicator. In any event, teams ensure that there is adequate consultation with the development partners and that results frameworks are shared with all the donors for feedback prior to finalizing.

**3.2.5. Indicators for training and capacity building**

41. TFs are frequently used to support **training and capacity building** but both activities pose challenges to results-based management. Training can contribute to capacity building, but it is not a measure of increased capacity. Results-based management requires that there be one or more measurable outcomes associated with training and capacity building (the number of people trained is an output, not an outcome). It is critical therefore that when training and capacity building are being financed under a TF, it is clear what kind of skills the training is expected to enhance and what specific capacity is being targeted for strengthening.

42. A **training** event may be considered a success because the participants have rated it favorably in end-of-workshop assessments, but the desired outcome would be reflected in changes in behavior, improved job performance, increased proficiency or productivity, acquisition and application of a new skills, or other changes in the target population, which can include individuals as well as institutions. To facilitate assessment of the effectiveness of trust-funded training, trainers should identify learning objectives and specify what the participants will be able to do better or differently after the completion of the training.

43. Program managers guide TTLs of trust funded activities to identify the results to be achieved through training. For example, they could compile a list of participants and then survey a sample of all grant-funded trainees several months after a training event to assess whether the training objectives

have been achieved, how the participants are applying what they learned during the training, and how the training benefitted their organizations. A single questionnaire can be used to collect data from participants in different training events. Other training-related indicators include demonstrations of proficiency using criterion-referenced tests, formal certification by a third party, changes in behavior or performance, the demonstrated ability to apply a new skill, and participant-provided examples of the training's outcomes.

44. **Capacity building** represents a situation similar to training. Enhancing, improving, developing, or strengthening capacity implies a change in an existing situation with respect to an individual's or organization's performance. To know whether a capacity-building initiative has been a success and whether the desired changes have occurred, a baseline assessment of existing capacity assets and needs is necessary.<sup>9</sup> This step need not be lengthy or exhaustive and can be made manageable by identifying what capacity is targeted for change. Organizational capacity has at least the following dimensions, although this list is not exhaustive:

- (1) Governance
- (2) Administration
- (3) Human resources
- (4) Financial management
- (5) Organizational management
- (6) Program management
- (7) Performance management

45. For TFs that seek to strengthen capacity, an important step is to decide which dimension of capacity will receive attention. In turn, the objectives of capacity development and their related indicators should reflect a clear vision of success. Judgments about success should be based on evidence of actual changes and measurable outcomes with targets.<sup>10</sup> Anecdotes or narratives about the completion of training activities, the availability of new tools or methods, or hiring more staff should be avoided.<sup>11</sup> Measurement approaches and targets should be properly adjusted when working in fragile, conflict, or violence-affected areas.

46. To address the challenges associated with training and capacity building, Program Managers work closely with the TTLs of trust-funded activities to: (a) agree on what the objectives of the training and capacity-building activities will be; (b) craft a way to assess whether the objectives have been achieved; and (c) identify what data will be collected, how, and by whom to permit this assessment.<sup>12</sup> The objectives will identify what trainees or organizations will be able to do better or differently in the months or years after the trust-funded interventions related to training and capacity building have been completed. In turn, Program Managers must then decide how they will determine whether the trust-funded training and capacity-building activities have collectively contributed to the TF's outcomes at the pillar and anchor MDTF level.

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<sup>9</sup> An internet search for "organizational capacity assessment" will provide many examples of easy-to-use organizational capacity assessment tools, including one mentioned in the next footnote.

<sup>10</sup> The [United Nations Development Programme's Measuring Capacity](#) and *The Capacity Development Results Framework*, mentioned above in section 2, provide examples of capacity-related indicators and how to measure changes in capacity. The Bank's Knowledge Sharing for Results Program has applied the lessons of the *Framework* report to identify appropriate capacity-related indicators for knowledge exchange. See <https://www.southsouthfacility.org/basic-page/south-south-facility-integrated-knowledge-sharing-approach>.

<sup>11</sup> United Nations Development Programme, [Capacity Development: A UNDP Primer \(2009\)](#).

<sup>12</sup> TTLs should also consider how they will be able to aggregate the results of multiple training and capacity-building activities achieved by different grantees.

### 3.3. Results Frameworks for Associated Trust Funds

47. This section provides guidance on how to set up a results framework for a typical associated TF. There may be instances in which exceptions or different approaches are necessary and TTLs at the trustee level consult with DFTPR and OPCS in such situations.

48. As mentioned above, an umbrella program can include associated TFs to accommodate donor requirements to support a narrower thematic or geographic scope. All associated TFs require an indicative **results framework** at the time of establishment. However, since associated TFs are within the umbrella program, their results framework must be a “subset” of the overall anchor MDTF’s results framework, contributing to the anchor MDTF’s DO. Results frameworks for an associated TF can support one or more pillars of the anchor MDTF and to the extent possible, TTLs of the associated TFs use the same indicators as the pillar level to support aggregation of results.

49. Associated TFs require a **DO** that clearly states its focus and intended objective. Some associated TFs will contribute to a single pillar of the anchor MDTF, in which case, the DO of the associated TF reflects the relevant aspects of the pillar’s DO. As associated TFs may have a geographical or sector focus, they can contribute to more than one of the supporting pillars within the anchor MDTF. In such cases, the associated TF’s DO includes relevant aspects of all the supporting pillars’s DOs. DO level indicators for associated TFs are aligned with those used for the anchor MDTF pillars as they have been established with intended/indicative outcomes that logically contribute to the overall anchor MDTF DO (the theory of change). This logic and clarity of alignment are necessary to ensure that activities financed by the associated TF are relevant and that their contributions to the pillar and anchor MDTF level are captured in the overall results.

50. As mentioned, associated TFs support either one or multiple pillars of the anchor MDTF and may vary in scope and size. In cases where an associated TF supports only one pillar of the anchor MDTF, the results framework of the associated TF will follow the same structure as for standalone TFs which are described in the next section (see section 4). Where an associated TF contributes to multiple pillars of an anchor MDTF, the results framework will follow the same structure as the results framework for the anchor MDTF, focusing only on the relevant pillars (see sections 3.1 and 3.2).

## 4. SETTING UP THE RESULTS FRAMEWORK FOR STANDALONE TRUST FUNDS

51. The results framework for a standalone TF is structured in much the same way as one of the supporting pillars within an umbrella program (refer to *Annex 2: Template for Results Framework for Standalone Trust Funds*). The standalone TF always has an overall development objective and a results chain as outlined in Figure 1.

52. For standalone TFs, results framework are prepared following guidance in section 3.2: *Results Frameworks at the Pillar Level*. All the necessary components of a results framework included in section 3.2 are applicable and required for standalone TFs (see *Annex 2: Template for Results Framework for Standalone Trust Funds*). However, there are some subtle difference based on the type of standalone TF for which the results frameworks are prepared.

#### 4.1. Standalone TFs established for a pre-defined set of activities

53. For standalone TFs established to support a pre-defined set of activities, where the DO and the related grant-funded activities are agreed in advance of the funds' establishment, the results frameworks specify DO-level outcomes with S.M.A.R.T. indicators and measurable baselines and targets. In addition, since the list of specific activities or projects that will be implemented is known at the time the fund is established, the results frameworks also include baselines and targets for intermediate results indicators. The results framework(s) at the grant level include indicators that link directly to the DO-level outcomes in the results framework at the trustee level. Beyond this general guidance, the paragraphs below provide additional advice for a few specific cases of standalone TFs where the activities are pre-defined.

54. For a standalone **TF that cofinances an investment project**, where the entire TF<sup>13</sup> is dedicated to one investment project, the results framework for the related investment project can be used as the results framework for the TF at the trustee level. The results framework indicates (possibly in a footnote) the specific contribution of the TF to the total project, so that it is not misunderstood that the entire project's results are fully attributable to the TF.

55. If **one standalone TF cofinances several investment projects**, a separate results framework must be prepared to reflect the TF's overall objectives at the trustee level following the guidance for defining results framework for pillars (section 3.2); however, since the activities are known at the time of establishment, baseline and targets for intermediate outcome indicators are included. At the grant level, each grant can use the results framework for the associated IPF, and all of these frameworks would then be aggregated at the trustee level for purposes of reporting the results.

56. Many standalone TFs support activities in association with IPF but not in the form of cofinancing, such as feasibility studies, institutional capacity assessments, or other technical assistance. In such cases, the results framework for the IPF cannot be used. A separate results framework at the trustee level is prepared for the trust-funded activities following the guidance in section 3.2 of this document with the inclusion of baseline and targets for intermediate outcome indicators.

#### 4.2. Standalone TFs financing a program of activities not defined at the time of establishment

57. In some cases, at the time of standalone TF establishment only broad DOs are agreed with the DPs, and the selection of grant-funded activities are determined during program implementation.<sup>14</sup> In such cases, results frameworks for standalone TFs must include a DO and corresponding indicators for DO-level outcomes with, where possible, measurable baselines and targets. TTLs at the trustee level<sup>15</sup> and DPs carefully manage the balance in defining the DO-level outcomes to allow flexibility to finance activities based on the evolving circumstances, latest innovation, and/or research (refer to section 3.2).

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<sup>13</sup> This excludes the resources used for project supervision and management of the TF.

<sup>14</sup> The Bank's East Asia and Pacific Region's report, [Towards a Better Understanding of Trust Fund Program Level Results Framework](#), provides several examples of how the region prepares results frameworks for its TFs, including TFs with broad objectives.

<sup>15</sup> Managers of standalone trust funds are referred as TTLs at the trustee level

58. Since the activities to be funded are not known at the time the TF is established, at the trustee level it is often not possible to establish baseline and targets for intermediate results. Similar to umbrella program results framework for pillars, TTLs at the grant level would be required to use one or more of the predefined indicators for their activities which have been developed by the trustee level TTL of the standalone TF. TTLs may use other indicators if relevant activities are proposed that contribute to the DO that were not foreseen or considered at the time the TF was established.

59. For **standalone TFs that have multiple windows, pillars, or components**, similar to an anchor MDTF in an umbrella program, a separate results framework with DO-level outcomes and intermediate results for each component may be appropriate. Separate frameworks might also be of value in instances in which trust-funded resources are allocated to different regions because the intermediate results and DO-level outcomes may vary from one region to another.

60. Similar to an anchor MDTF in an umbrella program, when multiple results frameworks are created for a single standalone TF, the outcomes for each window, pillar, component, or region must contribute directly to the DO at the trustee level. The intermediate results in each results framework should be linked to the corresponding DO-level outcomes in that framework. Whereas the activities associated with each results framework may be considerably different, all trust-funded activities should have a plausible linkage and be necessary to achieve the DO at the trustee level. Put in other terms, the integrity of the causal linkage between a TF's overall development objective at the trustee level and the multiple activities, outputs, intermediate results, and DO-level outcomes must be assured.

61. For **jointly implemented standalone TFs** for which the Bank and the IFC share responsibility, the results framework should be at the trustee level.<sup>16</sup> Results from each separately managed portion of the TF would then be aggregated for purposes of reporting. The Myanmar Multi-donor TF provides an example of a jointly implemented TF with a common results framework. The Bank is primarily responsible for implementing the portion of the TF that addresses social development and institutional strengthening; the Bank and the IFC share responsibility and DO-level objectives for activities related to private sector development.

62. Finally, there may be instances in which exceptions or different approaches are necessary, such as in emergencies in which expected or reasonable outcomes cannot be identified in advance or with any certainty. TTLs consult with DFTPR and with OPCS about how best to accommodate the need for a suitable results framework and indicators that identify expected DO-level outcomes and intermediate results in such situations.

## **5. SETTING UP THE RESULTS FRAMEWORK AT THE GRANT LEVEL**

63. The relevant operational policies or procedures triggered by the grant-funded activity determine whether results frameworks are required **at the grant level**. Grants from TFs can finance Investment Project Financing, Development Policy Financing, Program-for-Results projects and Advisory and Analytical Services (ASA). For example, [Bank Directive, Investment Project Financing](#), governs grants that finance investment projects. Such projects are required to have results frameworks as are large or complex ASA (see [Bank Directive/Procedure, Advisory Services and Analytics](#)).

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<sup>16</sup> This also applies to anchor or associated TF in an umbrella 2.0 program.

64. There may be a few instances in which having a separate results framework at the grant-level would have little meaning or value and therefore would not be required. These instances include small, one-off activities such as a single training or workshop, a single conference, a technical-assistance mission of limited duration, etc. Even in these instances, the grant financed must contribute to the relevant DOs. A results framework is not required for the portion of a TF that supports grant supervision or program management and administration activities (including costs related to M&E of the TF and communication with DPs).

## **6. MONITORING AND EVALUATION OF TRUST FUNDS**

65. Effective M&E are fundamental components of results-based management, and Bank Directive/Procedure, IBRD/IDA Trust Funds, requires both monitoring and evaluation of all TFs.

### **6.1. Monitoring implementation and revising the results framework**

66. Although theories of change assume a logical relationship between activities, outputs, and outcomes, development is not always linear or predictable. Development depends on local leadership, the quality of relationships, and other social, economic, and political events that may be beyond the control or influence of those responsible for the implementation of development activities, including those financed by umbrella programs and standalone TFs. Program managers therefore identify and assess the validity of the assumptions they make during the design of new TFs and continuously monitor these assumptions throughout the life of a TF. If these assumptions do not hold, or new risks arise, measures to mitigate the risks and enhance the sustainability of a TF's results will need to be considered and a revision of the results framework may be necessary.

67. Results-based monitoring includes the regular collection of information on how effectively projects, programs, or activities financed by TFs are performing. Discussion with DPs about what will be monitored, when, and how creates a shared understanding of what data will be available to them and when. These are captured in the results framework(s) for the program and in the reporting arrangements (see Section 7). With this knowledge, DPs will have a good sense of what information they can expect to receive and what will be available in annual progress and completion reports.

68. An initial and indicative results framework should always be viewed as dynamic and subject to reasonable changes as circumstances change and as experience with a TF is gained. There may be instances in which it is necessary to revise a results framework including its targets, such as when a DP's contribution to a TF has been increased, delayed, or perhaps even cancelled or a new DP joins an existing TF or when a fund's duration is extended. A results framework might also need to be adjusted to accommodate unanticipated events such as natural disasters, political unrest, or changes in demand (or even lack of demand) for access to resources of TFs (for example, in response to calls for proposals). TFs designed to pilot innovative ideas or TFs that support fragile or conflict-affected areas (where capacity building, for instance, is more challenging to achieve) are other cases where revisions of the results framework should be expected after a few years of operation. In some instances, revisions might be necessary when it becomes apparent that an expected outcome is no longer feasible or when assumptions in a theory of change are found to be invalid. Changing a results framework for good reasons can be a positive sign of adaptation, not a mistake or a failure.

69. Revisions to results frameworks are possible at any time during the life of a TF, but they are made for

the right reasons and at an appropriate point in the TF’s timeline, such as after a midterm review. Regardless of when any change is made, the program manager consults the donors anytime a DO at the umbrella and/or pillar level and/or associated TF level are modified (see also para. 40). Once changes have been made in a results framework, the revised framework is uploaded to the Development Partner Center. Program managers can consult with DFTPR for assistance with uploading the revised results framework to the Development Partner Center.

## 6.2. Aggregating results

70. In annual progress reports to DPs, program managers are expected to discuss the aggregated intermediate results (and their related achievements) from all trust-funded activities. Aggregation may be challenging with an umbrella program in which activities are decided after the TF’s creation and are organized in separate pillars. For umbrella programs, early attention to the relationship between the indicators in the results framework at the program-level and at the pillar and/or associated TF-level is essential.

71. Program managers and TTLs at the trustee level can facilitate aggregation of activity-level results by requiring TTLs at the grant level to have a clearly defined DO, well-articulated deliverables, and indicators of results<sup>17</sup>, all of which linked to the TF’s DO (anchor MDTF or standalone trustee-level). Furthermore, TTLs at the grant level are required to select from among the list of predefined indicators and include these indicators in grant-funding requests. The Global Agriculture and Food Security Program and the Jobs Umbrella TF provide examples of this approach (see Box 2).

### Box 2: Umbrella Trust Funds for Jobs

Development Objective: To support the design and implementation of the Bank’s jobs strategy, which aims to design and deliver comprehensive, integrated, and high-impact job strategies in client countries and to advance the global knowledge about the most effective policies for sustainable jobs.

The TF has an overarching results framework that captures the contributions of its five pillars or components and identifies a series of expected outcomes. Most of the fund’s resources are disbursed through calls for proposals, so the activities to be funded are not known in advance. Nonetheless, the TF is still required to capture and codify all the results of the funded activities for later aggregation and reporting. The program manager has defined the meaning of each of its expected outcomes as well as the intermediate results. For purposes of aggregation, all trust-funded activities are required to use one or more of the predefined indicators.

In addition, all applicants for funding are required to identify how the activities they have proposed will contribute to results identified in the results framework at the umbrella program level through the submission of a simple results template. To facilitate this process the program manager developed a list of indicators relevant to each of the TF’s expected outcomes. Examples of several of the expected outcomes and their related indicators are given below.

Outcome	Related indicators
Improved job-related policies, programs, or strategies implemented	<ul style="list-style-type: none"> <li>✓ Number of policy reforms or recommendations identified</li> <li>✓ Number of policy reforms or recommendations accepted by client governments</li> </ul>

<sup>17</sup> Depending on a TF’s procedures and a DP’s requirements, other donor-funded ASA can also be required to have indicators for results.

Improved employment and earning opportunities	<ul style="list-style-type: none"> <li>✓ Number of beneficiaries reached, disaggregated by sex</li> <li>✓ Number of diagnostic exercises implemented</li> </ul>
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72. Results from all trust funded activities must be aggregated at the pillar level, in the case of an umbrella program, and at the trustee level in the case of a standalone TF. Such aggregation requires the use of the same indicators across similar trust-funded activities and identical or comparable means of measurement. By applying the S.M.A.R.T. approach, teams ensure that the indicators selected are measurable and can be aggregated. In the case of quantitative indicators where identical indicators across similar trust-funded activities are selected, aggregation simply requires adding the data at the trustee level. In the case of qualitative indicators, aggregation requires the data to be summarized at the trustee level and may be used to inform the overall development objective of either the pillar or umbrella. In some circumstances a TF’s results framework will use the Bank’s CRIs. Doing so facilitates the aggregation of results from multiple projects or TFs.

**6.3. Evaluation**

73. The Bank's fiduciary responsibility for TFs includes evaluation of activities and outputs as well as outcomes resulting from these. The Bank is responsible for an objective assessment of the ongoing or completed programs, projects, and activities that TFs finance.

**6.3.1. Evaluation purposes and requirements**

74. Evaluation is a systematic assessment of a TF, including its design, implementation, and results, especially its intended outcomes. Evaluation is intended to promote accountability to DPs and promote learning through providing lessons about what works and why. The credibility and quality of evaluation depends on: (a) the degree of independence of the evaluation process; (b) the degree of transparency of the evaluation process; (c) appropriate participation and consultation with relevant stakeholders throughout the evaluation process; (d) the objectivity, expertise and experience of the evaluators; (e) an appropriately defined scope and methodology; (f) clearly defined criteria for assessment; and, (g) a clear and efficient quality assurance process. Broad dissemination and adequate follow up of evaluations are important for accountability and learning.

75. Depending on when an evaluation occurs, its purpose can be either formative or summative. Formative evaluations are similar to midterm evaluations and seek to improve the implementation of an existing TF. Summative evaluations, typically completed near the completion of a TF, provide information about the effectiveness of a TF and inform decision makers about whether to continue, replicate, or scale up what the TF has achieved.

76. Concept notes for TFs describe whether and when evaluations will occur, what will be evaluated and by whom, and what kind of evaluation it will be. If attention to evaluation is delayed until a TF is nearly completed, program managers will have foreclosed the opportunity to use rigorous evaluation designs, and impact evaluations will not be possible (see below for more information on impact evaluations). A TF’s resources fund evaluations where there is an agreement with the development partners that an evaluation will be carried out.

77. The Bank Directive BP 14.40 contains instructions on thresholds for evaluations and involvement of the DPs. TFs with duration of more than five years are evaluated once every five years. Midterm

evaluations are also encouraged for TFs with duration of less than five years. The first evaluation could identify lessons learned and provide recommendations for midcourse corrections, evidence of the validity of a TF's theory of change, and DPs with empirical evidence that they have (or have not) made a wise investment of their resources in the TF. Program Managers also ensure that the Bank directive governing evaluations is followed.

78. Recipients of trust-funded grants also bear responsibility for M&E. The Standard Conditions for Grants Made by the Bank Out of Various Funds require that a recipient:

- Ensure the maintenance of policies and procedures adequate to enable it to monitor and evaluate on an ongoing basis, in accordance with indicators acceptable to the Bank, the progress of the grant, and the achievement of its objectives;
- If so required, ensure the preparation and delivery to the Bank of one or more project reports in form and substance satisfactory to the Bank, integrating the results of such M&E activities and setting out measures recommended by the recipient to ensure the project's continued efficient and effective execution, and to achieve its objectives; and,
- Ensure the delivery to the Bank, not later than the date specified for that purpose in the grant agreement, of one or more completion reports of such scope and in such detail as the Bank shall reasonably request, on the execution of the grant, the performance by the recipient and the Bank of their respective obligations under the grant agreement and the accomplishment of the grant's purposes as well as a plan designed to ensure the sustainability of the project's achievements.<sup>18</sup>

79. When developing a proposal or concept note for a hybrid TF, program managers consider how they and the TF's recipient(s) will operationalize these M&E requirements. This process includes an assessment of the recipient's institutional capacity to perform the functions and identify who will perform them. If weaknesses are identified in a recipient's capacity and ability to monitor and evaluate a grant, the program manager or the TTL at the grant or disbursing level identifies what measures will be required to strengthen capacity, especially because the Bank depends on the information that recipients provide to complete ISR and ICR reports. In addition, program managers should also be aware that the Independent Evaluation Group (IEG) assesses the quality of all ICRs, including their attention to M&E. IEG's assessment considers the design, implementation, and utilization of a TF's M&E systems.

### **6.3.2. What should be evaluated**

80. Independent evaluations of TFs can usefully assess the relevance of the fund's development objective, efficiency, effectiveness, and, when possible, its impact and sustainability.<sup>19</sup> These five criteria, commonly referred to as the DAC criteria, are widely used to evaluate development interventions. In addition, the Bank encourages TFs that reinforce country capacity and ownership and promote harmonization and alignment of DP aid modalities. Depending on a TF's purposes, each of these objectives may also be issues to be evaluated.

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<sup>18</sup> See [The Standard Conditions](#) (February 2012).

<sup>19</sup> See OECD/DAC, [Principles for Evaluation of Development Assistance](#) (1991). The criteria are defined in the [OECD/DAC's Glossary of Key Terms in Evaluation and Results-based Management](#). The *Glossary* is available in multiple languages. The [External Evaluation of the Trade Facilitation Facility](#), provides an example of an independent, external evaluation using the five DAC criteria. The evaluation report includes the terms of reference for the evaluation in an annex.

81. Program managers ensure adequate consultation with DPs to discuss possible or likely criteria for an evaluation during the proposal or concept stage. This discussion can usefully include consideration of what issues, approaches, or evaluation methods might be used. Clarity and meaningful discussion in concept notes about M&E of the TF are also desirable. These concerns further suggest the desirability of a close relationship between a TF's results framework and the evaluation of the TF. The framework identifies the expected outcomes and thus a means to assess the fund's relevance and effectiveness in achieving the outcomes. In turn, this suggests that the framework should be designed with evaluation in mind.

82. In addition, program managers are encouraged to engage early with DPs about which issues should receive attention during an evaluation. Most DPs are likely to encourage or even require use of the five DAC criteria, but the information to address some of them (for example, efficiency and sustainability) is not usually included in a results framework. Early engagement with DPs will allow a program manager to ensure the routine and ongoing collection of additional data that would permit the DPs' questions or concerns to be addressed in the evaluation. When DPs initiate an evaluation, the Bank and these partners agree on its scope and conduct.

83. Program managers can include an indicative evaluation plan in their concept notes. These plans could include: (a) consideration of which evaluations might occur and when; (b) the methods to be used and their data requirements; (c) a strategy to ensure use and communication of evaluation(s); and, (d) a projected budget for implementation of the evaluation plan. Early consideration of an evaluation plan provides opportunities to employ rigorous methods of evaluation (such as use of a counterfactual) and will demonstrate to DPs the Bank's commitment to results-based management of TFs.

84. In addition to evaluations of TFs that the Bank initiates as part of its commitment to results-based management, the standard provisions in Administration Agreement (AA) also permit DPs to initiate reviews or evaluations of trust-funded activities at any time up to closure of a TF. For such evaluations the Bank is required to provide all relevant information within the limits of its policies and procedures. Program managers contact DFTPR and the World Bank Group Finance and Accounting (WFA) prior to responding to a request for such an evaluation to ensure consistency with the TF's AA. If a DP wishes to initiate an evaluation of a TF in accordance with this AA, the DP is required to bear all of the costs, including those the Bank incurs (this is done outside of the TF resources through separate arrangements with the Bank). These reviews or evaluations cannot include a financial, compliance, or other audit of a TF. TTLs need to raise awareness (at the corporate level) that reviews are being requested by contacting DFTPR and WFAAS prior to committing to undertake such reviews or evaluations, to ensure consistency with these principles, and to seek any additional information.

#### **6.4. Budgeting for monitoring and evaluation**

85. When preparing indicative budgets for TFs, program managers include resources for both M&E as part of the fund's program management and administration costs. These expenses are charged to the TF. The amount devoted to these expenses will vary with the size, scope, and duration of the TF, but amounts ranging from 3 to 5 percent of the total contributions to a TF provide a starting point.<sup>20</sup> TFs with contributions over \$10-\$15 million can reasonably devote lower percentages to M&E.

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<sup>20</sup> [OPCS, Results Framework and M&E Guidance Note.](#)

86. When deciding on a suitable budget for M&E, program managers consider both these functions and address several important questions. What will it cost to regularly collect the data required to monitor the TF's implementation and to determine whether the expected outcomes have been achieved? Can proxy indicators be used in the place of "ideal" indicators that would require costly data-collections methods? For RETF activities, do recipient governments have the skills required to conduct the necessary M&E or will they require the Bank's assistance for training and capacity building? Do the proposed indicators impose unreasonable financial or administrative burdens on recipients? How much money will be required to provide a credible evaluation that meets a DP's expectations?

87. Early consideration of the timing, frequency, and scope of an evaluation of a TF, ideally during development of a concept note for the TF, is helpful in deciding how much to budget for M&E. To illustrate, program managers or TTLs at the trustee-level should consider whether they and their DPs want to know whether (a) a TF has achieved and contributed to the anticipated outcomes or (b) an impact evaluation is required to establish whether a TF's interventions have caused and explain the outcomes achieved. The Bank supports the use of impact evaluations when it is desirable to establish or validate a hypothesized linkage between an intervention and the achievement of a longer term or higher-level outcome.

#### **6.5. Getting assistance on results-based management and M&E of trust funds**

88. Program managers or TTLs at the trustee level in need of assistance with the development of results frameworks as well as the M&E of their TFs can seek help from several sources within the Bank. Several Global Practice Groups have M&E specialists who are available to assist Bank staff with their M&E responsibilities. The Bank has also created a [Results Measurement and Evidence Stream](#), which is a collaborative community of practice with more than 150 members who work on M&E and results management.<sup>21</sup> The Bank also maintains a list of more than 1,000 non-Bank M&E practitioners (accessible through the Skill Finder at the Bank's eConsultant2 Resource Center). Inclusion on the list does not reflect the Bank's vetting or endorsement of these practitioners.

89. IEG also provides advice and support to operational units engaged in the development of evaluation capacity and has produced several relevant publications. Its website contains considerable useful information, including [Writing Terms of Reference for an Evaluation: A How-to Guide and Managing Evaluations: A How-to Guide for Managers and Commissioners of Evaluations](#).

### **7. REPORTING RESULTS TO DEVELOPMENT PARTNERS**

90. The *Bank Guidance: Trust Fund Reporting to Development Partners*, provides detailed guidance on the content and format of reports to the Bank's DPs. In accordance with the administration agreements that govern TFs, these reports are provided with reference to the results framework agreed with the DP(s). For example:

- **Annual progress reports** identify the DO, list all outcomes (including at the pillar level) and intermediate results the TF seeks to achieve (as defined in the indicative results framework), and

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<sup>21</sup> Further information on this initiative can be obtained at <https://worldbankgroup.sharepoint.com/sites/wbsites/results-measurement-and-evidence-stream-rmes-public/Pages/index.aspx>

report on the results achieved for the current period and since inception. When relevant these reports also describes any significant variance (over- or underachievement) between results expected and results achieved to date. If underachievement is reported, the report discusses the likelihood that the final targets for the outcomes will be achieved during the life of the TF.

- **Completion reports** identify the DO, list all outcomes (at the pillar level) and intermediate results, including baseline values and outcome targets the TF was expected to achieve, and the actual results achieved through the end of the TF. When relevant, the reports discusses and explains any significant variance (over- or underachievement) between outcomes expected and outcomes achieved over the life of the TF. Additional topics to be discussed include (a) unintended results, both positive and negative; (b) the likely sustainability of the results achieved; and, (c) the lessons learned during implementation that may be of value to the Bank, its DPs, and to program managers and/or TTLs of similar TFs.

91. For both progress and completion reports, program managers and TTLs are also encouraged to include compelling results stories and innovations undertaken by individual grants that can enrich discussion on achievement.

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### Annex 1: Template for Results Frameworks for Umbrella Programs

<b>Umbrella Program/ Anchor MDTF Level</b>	<b>Trust Fund name: XYZ (overarching) Development objective: XYZ</b>
<b>DO-level outcome 1</b>	<b>Describe Outcome 1:</b>
Indicator 1 (if available)	<b>NOTE 1:</b> DO-level outcome indicators at the anchor MDTF level are not required. Program managers are expected to report on how the pillar level objectives <i>contribute</i> to the overarching DO outcomes. Where outcome indicators at the anchor MDTF level can be identified, these are included here.
<b>DO-level outcome 2</b>	<b>Describe Outcome 2:</b>

<b>Pillar Level (results frameworks for each pillar)</b>	<b>Pillar 1: XYZ Development objective: XYZ</b>			
<b>Pillar level outcome 1</b>	<b>Describe Outcome 1:</b>			
	<b>Unit of Measure</b>	<b>Baseline</b>	<b>End Target</b>	
<b>Outcome 1 indicators</b>				
Indicator 1				<b>NOTE 2:</b> Pillar level DO indicators could be qualitative as well as quantitative. <b>NOTE 3:</b> Baselines and targets might not be available at the inception of the trust fund and are developed and refined throughout implementation according to grants financed.
Indicator 2, etc.				
<b>Pillar level outcome 2</b>	<b>Describe Outcome 2:</b>			
<b>Outcome 2 indicators</b>	<b>Unit of Measure</b>	<b>Baseline</b>	<b>End Target</b>	
Indicator 1				
Indicator 2, etc.				
<b>Intermediate results indicators</b>	<b>Unit of Measure</b>	<b>Baseline</b>	<b>End Target</b>	
Indicator 1				<b>NOTE 4:</b> TFPMs develop a menu of recommended and measurable indicators to be used for grant-funded activities. These indicators are designed to facilitate aggregation of results at the trustee/program level. TTLs at the grant level are required to use one or more of the recommended indicators and/or to propose other indicators for grant-funded activities that are causally related and suitably address the DO-level outcomes. If baselines and targets are not be available at the inception of the trust fund, these are developed and refined throughout implementation according to grants financed.
Indicator 2 etc.				

## Annex 2: Template for Results Frameworks for Standalone Trust Funds

<b>Results Framework for Standalone TF</b> Trust Fund name: XYZ Development objective: XYZ					
<b>DO-level results indicators</b>					
<b>DO-level Outcome 1</b>	<b>Describe Outcome 1:</b>				
<b>Outcome 1 indicators</b>	<b>Unit of Measure</b>	<b>Baseline</b>	<b>End Target</b>		
Indicator 1 <sup>22</sup>		<b>NOTE 1:</b> DO-level outcome indicators at the trustee level could be qualitative as well as quantitative and do not require baseline and targets. TTLs at the trustee level are expected to report on how the TF activities <i>contribute</i> to the overarching DO outcomes via the DO-level outcome indicators.			
Indicator 2, etc.					
<b>DO-level Outcome 2</b>	<b>Describe Outcome 2:</b>				
<b>Outcome 2 indicators</b>	<b>Unit of Measure</b>	<b>Baseline</b>	<b>End Target</b>		
Indicator 1					
Indicator 2, etc.					
<b>Intermediate results indicators</b>					
	<b>Unit of Measure</b>	<b>Baseline</b>	<b>End Target</b>		
Indicator 1		<b>NOTE 2:</b> TTLs at the trustee level develop a menu of recommended and measurable indicators to be used for grant-funded activities. These indicators are designed to facilitate aggregation of results at the trustee/program level. TTLs at the grant level are required to use one or more of the recommended indicators and/or to propose other indicators for grant-funded activities that are causally related and suitably address the DO-level outcomes. If baselines and targets are not be available at the inception of the trust fund, these are developed and refined throughout implementation according to grants financed. Results frameworks of standalone trust funds in which activities are known in advance include specific indicators for the intermediate results with corresponding baselines and targets.			
Indicator 2 etc.					

<sup>22</sup> Each indicator’s definition and method of measurement (for both umbrella level outcomes and pillar level outcomes) is clearly described. This can be done in a separate table/annex.

