June 16, 2014

Response from the CIF AU: Approval by mail: Review of CIF Reporting Requirements: Findings and Recommendations

Response to Trust Fund Committee members' comments on the Report entitled "REVIEW OF CIF REPORTING REQUIREMENTS: FINDINGS AND RECOMMENDATIONS"

1. Comment from UK

"We would like to thank the work of the CIF AU task team in taking forward this work. We are content with the recommendations in the paper as they stand, but look forward to the further work planned for the November 2014 meetings.

However, we do have one substantive comment. Given the significant investment in developing the Enterprise Risk Management (ERM) tool, and importance of risk management, it would be useful to clearly set out where this fits within the Reporting Framework."

Response:

We agree that we should incorporate the risk management related reporting including the Risk Report and the ERM Dashboard into the CIF Reporting Framework. This has been reflected in the revised document that is being circulated for approval.

2. Comment from Canada

"Thank you for the opportunity to review and comment on the document entitled, *Review of CIF Report Requirements: Findings and Recommendations.* We are pleased to approve the following recommendations proposed in the document, including:

· Maintaining a reporting requirement repository and keeping guidance documents up to date to reflect any new requirements;
· Establishing a structured reporting framework, and using the five major reports as the main tools to provide information to the Trust Fund Committee;
· Developing clear timelines for reporting; and,
· Keeping reporting requirements under review.

With respect to the proposal in Annex D, while we support the notion of streamlining the existing reporting requirements, we request clarification on the specific proposal to retire the CTF Independent Technical Review at the project level. The reason provided states that the MDBs already have existing internal peer review processes, and that it is costly to undertake these reviews. It is our understanding that the MDBs do not pay for these reviews, as they are paid for out of the CIF Administrative budget and that the

expenditures associated with the investment plan independent technical review process were estimated at $59,480 for the CIF FY13 Business Plan and Budget. We also note that the recent independent evaluation (May 2014) did not comment on the effectiveness of these reviews. We would appreciate further justification from the CIF Admin Unit on the reasons for retiring this requirement, including whether the MDBs intend to circulate their internal peer review evaluation for CTF consideration at the project review stage.

We look forward to receiving a response from the CIF Admin Unit and would request an extension to the approval deadline, by two business days, upon receipt of a response."

Response:

First, we would like to clarify that the CTF and SCF have different procedures for an additional independent technical review. In the early discussions on the CTF, the Trust Fund Committee agreed that there should be an independent review of each CTF project. Additional administrative budget is not provided for such reviews. For the SCF, the Trust Fund Committee requested that an independent technical review be undertaken of the investment plan and that such review be submitted to the relevant Sub-Committee when an investment plan is submitted for endorsement. The funding in the CIF Administrative Budget is for the independent review of Investment Plans that was agreed under the SCF procedures. The proposal in the report is to eliminate the independent technical review for *CTF Projects*.

The independent evaluation (lines 573-575) does indicate that "This evaluation also did not see evidence that CTF's project reviews enhance project quality, over and above the standard MDB quality review procedures. The CTF process appears duplicative."

Recognizing that it is proposed that a more comprehensive list of proposals to streamline the requirements will be developed and that an action plan to respond to the recommendations of the independent evaluation will be discussed during the joint meeting of the CTF and SCF Committees in June, we have deleted this proposal from the revised paper with a view to allowing the paper and its recommendations to be approved by mail. We welcome the opportunity to elaborate upon this further during the Committees' discussion of the action plan.

June 10, 2014

Approval by mail: Review of CIF Reporting Requirements: Findings and Recommendations

Dear Patricia,

We would like to thank the work of the CIF AU task team in taking forward this work. We are content with the recommendations in the paper as they stand, but look forward to the further work planned for the November 2014 meetings.

However, we do have one substantive comment. Given the significant investment in developing the Enterprise Risk Management (ERM) tool, and importance of risk management, it would be useful to clearly set out where this fits within the Reporting Framework.

Regards,

Ben

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June 10, 2014

Approval by mail: Review of CIF Reporting Requirements: Findings and Recommendations

Dear Patricia,

Thank you for the opportunity to review and comment on the document entitled, *Review of CIF Report Requirements: Findings and Recommendations.* We are pleased to approve the following recommendations proposed in the document, including:

- Maintaining a reporting requirement repository and keeping guidance documents up to date to reflect any new requirements;
- Establishing a structured reporting framework, and using the five major reports as the main tools to provide information to the Trust Fund Committee;
- Developing clear timelines for reporting; and,
- Keeping reporting requirements under review.
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With respect to the proposal in Annex D, while we support the notion of streamlining the existing reporting requirements, we request clarification on the specific proposal to retire the CTF Independent Technical Review at the project level. The reason provided states that the MDBs already have existing internal peer review processes, and that it is costly to undertake these reviews. It is our understanding that the MDBs do not pay for these reviews, as they are paid for out of the CIF Administrative budget and that the expenditures associated with the investment plan independent technical review process were estimated at $59,480 for the CIF FY13 Business Plan and Budget. We also note that the recent independent evaluation (May 2014) did not comment on the effectiveness of these reviews. We would appreciate further justification from the CIF Admin Unit on the reasons for retiring this requirement, including whether the MDBs intend to circulate their internal peer review evaluation for CTF consideration at the project review stage.

We look forward to receiving a response from the CIF Admin Unit and would request an extension to the approval deadline, by two business days, upon receipt of a response.

Best regards,
Jennifer

Jennifer Purves
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