

World Bank Seminar Series at Kobe and Hiroshima Universities

**Global Development Challenges Facing Humanity**



---

*Seminar Number 6*  
*Global Public Goods and Development – A Guide for Policy*  
*Makers*

Anders Hjorth Agerskov, Senior Policy Officer  
International Affairs, World Bank

May 12, 2005

---

# Global Public Goods and Development

## *A Guide for Policy Makers*

*"Global public goods are an often ignored but enormously important aspect of multilateralism. Whether we are talking about preserving biodiversity, preventing climate change, fighting the spread of communicable diseases, establishing rules for trade and aviation, or setting global standards of human rights, it is impossible for any single state to secure such goods on its own. Quite the contrary, global public goods can only be attained if countries work together, and globalization has only increased this fundamental interdependence."* Kofi Annan Secretary-General United Nations, July 2002.

### CONCEPTS

**Markets often fail to provide public goods.** The term "global public goods" (GPG) is based on the traditional notion of a public good, first mentioned by David Hume, and later introduced into economic terminology by Paul Samuelson in the 1954 article "The Pure Theory of Public Expenditure." The idea behind Samuelson's theory was that while a market may allow individuals with self-interest to create and allocate many goods optimally, there exists a class of goods that are not produced adequately in a market system because of its voluntary nature, so-called public goods.

**Public goods are under-supplied because of their non-rival and non-excludable nature.** Non-rivalry goods are those, where any one person's consumption of the good has no effect on the amount available for others. Non-excludable means that it is impossible – or prohibitively costly – to exclude those who do not pay for the good from consuming it. Samuelson often used the lighthouse as a symbol to explain a public good. With all ships being able to use the lighthouse and it being impossible to determine who would be using the lighthouse and charge them, there would be no incentive for the private to provide the good. This is called the free-rider problem. Hence, the need to supply public goods is often used to justify government involvement in the production of public goods.

**Certain public goods are global.** Public goods are considered global when they have universal benefits, covering multiple groups of countries and all populations. The discovery of a vaccine against HIV or an agreement to reduce carbon dioxide emissions are often cited as examples of GPGs. The World Bank with its particular focus on reducing poverty defines GPGs as:

*"...commodities, resources, services and systems of rules or policy regimes with substantial cross-border externalities that are important for development and poverty-reduction, and that can be produced in sufficient supply only through cooperation and collective action by developed and developing countries."*<sup>1</sup>

**GPGs are always impure.** No GPG is pure in the sense that its consumption is truly non-excludable, non-rivalry and global.

---

<sup>1</sup> Albert Binger, "Global Public Goods and Potential Mechanisms for Financing Availability," Fifth Session of the Committee for Development Policy, April 7-11, 2003.

Exclusion often happens as a result of a lack of access as in the example of a public beach (no nearby public roads lead to the beach), government internet site (no access to a computer or language barrier), meeting (can be difficult/expensive to get to the venue in terms of time and place), etc. Similarly, the consumption can reduce its availability to others, e.g., in the case of city streets (due to congestion), free publications and broadcast frequencies (because only a limited number is available).

**GPGs differ greatly.** Not only are real-life GPGs impure, they also vary considerably. Kaul divides GPGs into natural global commons (e.g., ozone layer), human-made global commons (e.g., AIDS vaccine), and global policy outcomes (e.g., global trade agreement).<sup>2</sup> Another way to look at these goods is in terms of stocks and flows, where stocks would denote e.g., the ozone layer and the body of international law; and flows the additional goods delivered to enhance the stock of GPGs, e.g., a new trade agreement or – in the case of Global Public Bads – the emission of CO<sub>2</sub>. Yet another way to look at GPGs is whether they require joint action (e.g., a trade agreement) or can be implemented country-by-country (e.g., distribution of anti-retro viral therapy for HIV/AIDS patients).

**Demand related variations on the GPG concept.** Since GPGs are always impure (except in textbooks), it is not surprising that related concepts exist. Below are listed some variations on the GPG theme. They all relate to demand side effects, whether in the form of exclusion of consumers or the interdependence of their demand.

- ♣ *Global issues – by consensus.* Issues like gender equality, human rights, water, etc. become global when there is sufficient “international concern”. Such concern is often expressed at the United Nations, by the G8, by the Development Committee, at WTO Ministerial Meetings, etc. Global issues may require substantial international agreement for progress to take place – i.e., consensus among all members in the case of the WTO – or just sufficient international financial support, e.g., to launch a program to promote gender equality.
- ♣ *International Public Goods – by geographical exclusion.* Most goods do not benefit everybody globally, e.g., malaria is mostly a problem of the developing world. This has led some to use “international” instead of global, though this author uses GPGs as shorthand, recognizing its limitations.
- ♣ *Club goods – by exclusion.* Club goods are an intermediate case between a pure public and a pure private good. While club goods by definition are exclusive as they allow for the good to be priced, their optimal size is generally a group of people, who can share the good without diminishing each other’s consumption utility.
- ♣ *Network effects* is a result of the change of utility that a persons derives from a good when the number of other persons consuming the same kind of good changes. The classical example is that of the telephone, which increases in value as more people get connected. The opposite would be true of roads.

---

<sup>2</sup> Kaul (1999, p. 453).

**Supply related variations on the GPG concept.** The concepts below highlight how decisions regarding the production of goods impact third persons in a way that was not integrated in the production function.

- ♣ *Externalities – as a by-product of a third party action.* Closely associated with, but separate from the notion of GPGs, are externalities. Externalities arise when the effects of certain actions are *not* caused directly by the affected party but by someone else undertaking an action for another purpose. Such externalities are frequently called third party effects and can be positive or negative.<sup>3</sup>
- ♣ *Spillovers – as externality, but no action required.* Spillovers occur when actions taken impact negatively or positively third persons and they are not taken into account – or fully into account – by the decision maker. Spillovers also occur in the form of passiveness, where a third person does not take an action to stop the spillover (e.g., an upstream oil leakage is not cleaned up).
- ♣ *Joint products* represent a class of public good for which an activity simultaneously yields two or more outputs that may vary in their degree of publicness. An effort aimed at safeguarding biodiversity could take place by increasing transparency in the process of auctioning logging rights to companies with forest management plans, this will in turn strengthen private sector development, increase government revenue, safeguard the value of the forest as a carbon sink and contributor to watershed management, ensure livelihood of future generations, and lastly protect biodiversity assets.

**Governance is key to understanding GPGs.** While understanding GPGs and related concepts is a useful foundation, what remains key is the governance arrangements necessary for the production of GPGs, i.e., how they are i) prioritized, ii) organized, and iii) financed. What follows below is treatment of each theme.

#### PRIORITIZATION Global Priorities

**Urgency, need and political will lend priority to GPGs.** The urgency is often triggered by international events such as crises (e.g., the International Financial Architecture grew out of the East Asia financial crisis) and summits (e.g., the Global Environment Facility was established in connection with the Rio summit on sustainable development). The needs may spring from extreme hardship such as the AIDS pandemic. The political will to finance GPGs may spring from a government's political agenda (e.g., the promotion of gender equality), the need to produce deliverables (often the case when a country has a chairmanship of an international body) and the aim to position the government globally on an issue. In some cases, companies may also show a similar will, e.g., by donating products and patents towards the production of a GPG – usually as a corporate charity, to gain free publicity or as part of their corporate social responsibility efforts.

**International organizations, donor government and civil society play a key role in the prioritization of GPGs.** Decisions about the production of GPGs are usually taken by international

---

<sup>3</sup> Binger (2003, page 6)

organizations in concertation with donor governments and civil society organizations. The political bodies of the international organizations, in the case of the World Bank the resident Board (represented by its Executive Directors) or the Development Committee (represented by Governors – often Ministers of Finance or Development), may or may not have been involved in such decisions. This would depend on the costs, extent to which the good falls clearly within the mandate of the organization, and the degree of political consensus about the need to produce the good.

**The Development Committee has defined five GPGs of importance to poverty reduction.** Recognizing the need to define more clearly the GPG priority areas for the World Bank, and by way of inference, the development community, the Development Committee<sup>4</sup> endorsed the following five GPG priorities:

- ♣ Communicable diseases
- ♣ Environmental commons
- ♣ Development information and knowledge
- ♣ Trade and economic integration
- ♣ International financial architecture

**UN has identified six clusters of global challenges.** The UN High-level Panel on Threats, Challenges, and Change identified in its report<sup>5</sup> from December 2004 six clusters of threats with which the world must be concerned now and in the decades ahead, see below. These areas clearly go beyond the poverty reduction objective, though some of them may in one way or another be linked also with the Bank's development work.

- ♣ War between states
- ♣ Violence within states
- ♣ Poverty, infectious diseases, and environmental degradation
- ♣ Nuclear, radiological, chemical, and biological weapons
- ♣ Terrorism
- ♣ Transnational organized crime

## ORGANIZATION Organization of Global Programs

**Global programs are a key vehicle for delivering GPGs.** GPGs are increasingly being organized in global programs, though many continue to be delivered by solely by the international organizations. However, global programs are mainly the story of global partnerships that have as members governments, private sector, civil society, academia, etc. These partnerships, or global public policy networks, have the clear comparative advantage of being able to mobilize the legitimacy needed to facilitate collective action. The individual partners may bring elements of a formal mandate (often residing with an international organization); political will to ensure support (CSOs often play a role as opinion leaders and spokes persons on an issue) and implementation/enforcement (which often resides with national governments through their formal powers); and financial support (typically donor governments). If the production of a GPG is especially demanding in terms of legitimacy or resources, global partnerships have generally been the governance framework of choice. Table 1 describes some of these programs, and more are listed in appendix 1.

---

<sup>4</sup> Source.

<sup>5</sup> See *A More Secure World: Our Shared Responsibility. Report of the High-level Panel on Threats, Challenges, and Change*. New York: United Nations, A/59/565, 2 December 2004. Online at <http://www.un.org/secureworld/report2.pdf>

**Some agents have themselves the necessary incentives to produce GPGs.** Denmark has supported financially energy produced by windmills without seeking guarantees from other countries that they would also reduce carbon emissions. Similarly, governments have (and more should have) taken actions to reduce custom tariffs, because this is clearly in their own interest. Thus, GPGs do not necessarily have to be produced by international organizations or partnerships, though this often is the case. The above cases merely show how national inventive and power structures promote or hinder the national production of GPGs.

**Table 1. Global Partnerships: New Trends in Multilateral Action<sup>6</sup>**

“The partnership structures created through global initiatives use diverse approaches to governance and implementation. Some examples of partnerships with World Bank involvement follow.

**Global Environment Facility (GEF):** Initiated in 1990, GEF is a major multilateral fund that helps developing countries fund projects and programs that protect the global environment. It is governed by the GEF Council, representing 159 donor and developing countries, and the Bank serves as trustee. The GEF relies on three implementing agencies (United Nations Development Program (UNDP), United Nations Environment Program (UNEP), and the World Bank) and another six multilateral executing agencies. By using existing agencies with their regular procedures, GEF has reinforced rather than undermined the international architecture supporting investments in environmental sustainability and created linkages to ongoing country programs.

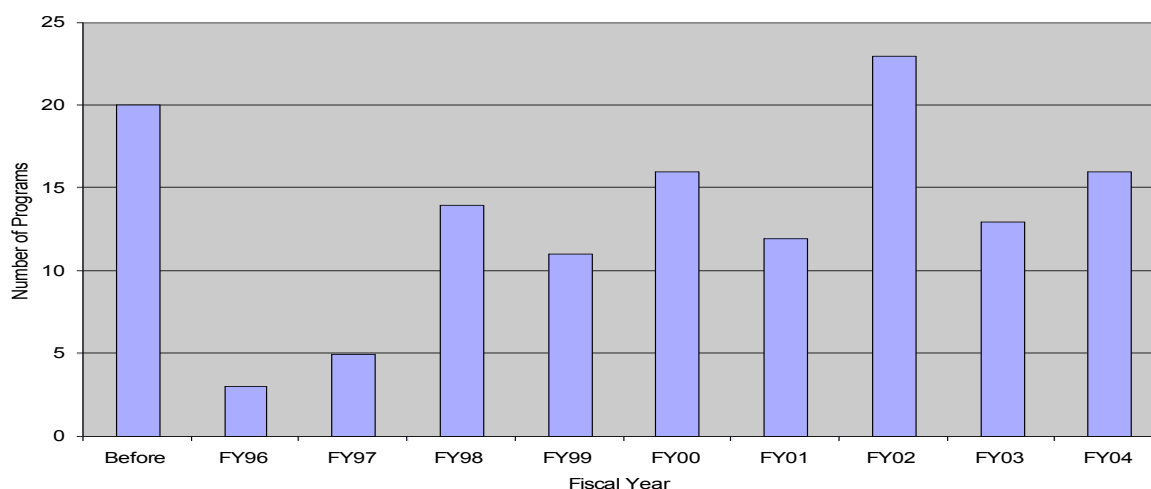
**Consultative Group to Assist the Poorest (CGAP):** Created in 1995, CGAP is a consortium of 28 public and private development agencies working together to expand access to financial services for the poor in developing countries, particularly through microfinance. It is housed at the Bank but has its own governance structure. Its membership and governance body is the Consultative Group of Member Donors, including representatives from bilateral agencies, multilateral agencies, and private organizations. An Executive Committee is made up of donors and microfinance industry representatives. An Investment Committee composed of World Bank and International Finance Corporation staff approves grants and oversees the CGAP Trust fund. The CGAP secretariat implements the CGAP work program.

**Global Alliance for Vaccines and Immunization (GAVI):** Launched in 1999 in response to stagnating global immunization rates and widening disparities in vaccine access among industrialized and developing countries, GAVI is a coalition of global leaders in immunization. A public-private partnership, GAVI brings together governments in developing and industrialized countries, established and emerging vaccine manufacturers, nongovernmental organizations, research institutes, UNICEF, World Health Organization, the Bill and Melinda Gates Foundation, and the World Bank. GAVI has three core governing bodies: a Board, an Executive Committee, and a Working Group. GAVI is merging with the previously separate Vaccine Fund and its governance has evolved in the past two years, in light of proposed innovations such as the IFF Immunization pilot facility.”

**Global programs have grown strongly in the last ten years.** The number of global programs is in the hundreds, with poverty related programs making up a very large share. The World Bank participates in around 300 poverty related global programs of which about 130 are of a significant size and, hence, monitored formally. The figure below lists the age of the global programs in the Bank’s portfolio. It is evident that the 1990s brought a

<sup>6</sup> A Strategic Framework for the World Bank’s Global Programs and Partnerships, Draft, 4/24 2005, page 6-7.

substantial increase in the number of global poverty related programs with the growth now seemingly having stabilized.



**Figure 2.** Age of Global Programs in Bank Portfolio.

**World Bank has established criteria for its involvement in global programs.** The growth in global programs gave rise to concerns about maintaining Bank selectivity in its involvement in global programs. Selectivity criteria were established, requiring for Bank involvement an emerging international consensus that global action is needed; consistency with the Bank’s development objectives; the need for Bank action to catalyze resources and partnerships; and a significant comparative advantage for the Bank<sup>7</sup>.

**Global programs are driven by cost/benefit considerations.** The decision to establish a global program is driven by the cost/benefit considerations of each member of the program. These decisions depend strongly on the type of actor (e.g., company, civil society organization, international organization, government, etc.); the characteristics of individual organizations; and the nature of the program. What follows below are some of the factors that in the past have determined the willingness of partners to launch a global program.

**Table 2.** Factors influencing the decision to launch a global program

<i>Decision Factor</i>	<i>Dimensions</i>
Benefits	<ul style="list-style-type: none"> <li>♣ Utility for <i>ultimate beneficiaries</i>, often governments and poor people in developing countries.</li> <li>♣ Utility for <i>immediate beneficiaries</i>, e.g., international organizations and governments often consumed the knowledge products produced by global programs.</li> <li>♣ <i>Intergenerational utility</i>, which often embodies a trade-off between medium-term adjustment costs and long-term gains.</li> <li>♣ Utility of a GPG as a <i>political deliverable</i>, e.g., the extent to which it helps strengthen support among a donor’s or institution’s constituencies.</li> </ul>

<sup>7</sup> Insert source.

Costs	<ul style="list-style-type: none"> <li>♣ <i>Relative production costs</i> vis-à-vis other governance arrangements, i.e., the competitiveness of the global program – economies of scale and scope or ability to facilitate collective action.</li> <li>♣ <i>Transaction costs</i> in terms of negotiating the partnership / governance agreement, additional consultations due to the participatory governance arrangements that often follow with global programs, any additional costs of complying with the personnel, procurement, and safeguard policies of the program secretariat (which mostly reside with international organizations).</li> </ul>
Financing	<ul style="list-style-type: none"> <li>♣ Access to <i>necessary funding on the required terms</i>, e.g., amount of funds, any front-loading, untied (to national procurement), other flexibility in fund coverage (capital purchases, salaries, etc.), in-kind contributions, and fees leverage from consumers.</li> </ul>
Risks	<ul style="list-style-type: none"> <li>♣ <i>Governance</i> related risks, e.g., gridlocks due to disagreement or extreme costs of consensus building, or from the fact that it is not clear whether management is provided by the board of the program or by the institution physically housing it.</li> <li>♣ <i>Mismatch of accountability and influence</i>, e.g., making a partner responsible for a function without giving it the necessary influence</li> <li>♣ <i>Reputational risks</i>, e.g., that the global program or one of its prominent members become subject of politically or otherwise costly criticism.</li> <li>♣ <i>Fiduciary risks</i>, e.g., the misappropriation of funds.</li> <li>♣ <i>Conflicts of interests</i>, e.g., stemming from a person providing oversight on behalf of a partner while being responsible for delivering the work program of the global partnership.</li> </ul>
Positioning	<ul style="list-style-type: none"> <li>♣ Access to a <i>network</i> partners for use in other work areas</li> <li>♣ Change – positive or negative – in the redistribution of <i>rights and obligations</i>, following the establishment of an agreement, standard or similar GPG. Often this is a by-product of the GPG, not the intended outcome.</li> <li>♣ Constrained or expanded <i>sphere of influence</i>.</li> </ul>

**Global programs embody seven core functions.** Global programs have distinct comparative advantages that render them more effective in providing certain core functions. Below is a list of the seven most important functions with a few, illustrative examples.

- ♣ *Knowledge.* The production and sharing of knowledge is central to most global partnerships. The production of knowledge may take the form of global trade research, country level analysis of barriers to trade, etc. In some cases, the Bank may contribute to funding infrastructure that allows the sharing of knowledge – e.g., through the Global Development Network (network of researchers) and Global Distance Learning Network (videoconference facilities and know-how).
- ♣ *Coordination.* Some global programs may have strong elements of coordination, e.g., of work programs or interventions by developing country governments. Examples of the latter are the Nile Program and Roll Back Malaria, where spill-over effects necessitate coordination.

- ♣ *Policy making* deals with standard setting (e.g., core labor standards), and advocacy to promote standards (e.g., the dissemination of the report of the Global Commission on Damns embodying recommendations for the development community).
- ♣ *Resource pooling* aims to raise new resources and enable contracting among various types of resources (e.g., staff time, funds, legitimacy/mandate, knowledge, network, patents and products).
- ♣ *Governance*. While policy making relies on the legitimacy of the global program and its members, and thus governance, another aspect relates to the need through the governance of the program to manage fiduciary, political, and other risks. Individual organizations may not be able to ensure the satisfactory governance arrangements, and hence seek to organize the activity in a global partnership.
- ♣ *Market creation*. A few programs may help create markets. This has been the case with the Prototype Carbon Fund that has facilitated the trading in pollution shares.

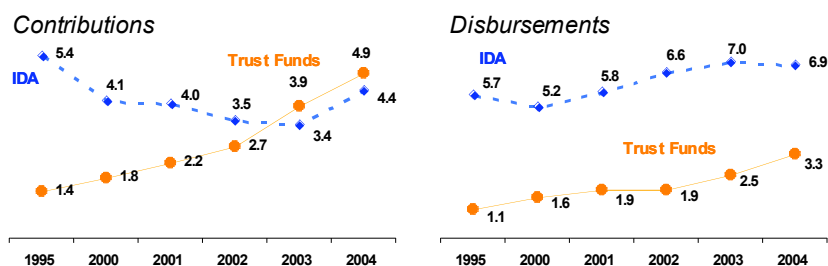
**Globalization, global governance gaps and new global actors are driving the creation of global partnerships.** The demand for global solutions, often embodied in global programs, has been strengthened by the increase in trade, finance, technology flows, importance of standards (e.g., IT does not work without standards), spread of modern transportation and telecommunications technology, etc. These flows have brought pressure on existing, global policies and standards. This pressure is being complemented by an increasing number of actors demanding a voice at the global level, especially among civil society organizations and the private sector. The capacity of international institutions has been strengthened, but not to the extent that they can meet these demands. These are some of the key reasons for the emergence of global programs and partnerships.

## FINANCING Trends and Options for Financing Global Programs

**Development aid finances most of the global programs with World Bank participation.** The global programs are generally financed by official development assistance. The figure below shows that contributions to low-income countries through the World Bank's soft window, the International Development Association (IDA), is stagnating while contributions to trust funds by donor countries in the North financing most of the global programs are on the increase, even surpassing IDA in terms of contributions. Other financial sources include the contributions from international organizations like the UN and the World Bank.

**Figure 1.** IDA and World Bank Administered Trust Funds, 1995-2004 (current \$bn)<sup>8</sup>

<sup>8</sup> *Note:* Trust funds data cover all trust funds administered by the World Bank. Three trust funds (the Global Environment Facility; the Global Fund for AIDS, TB, and Malaria; and the Heavily Indebted Poor Countries' Initiative) accounted for more than 50 percent of trust fund contributions and disbursements in 2004. IDA data include contributions from all donors. They also include the Japan Government's PHRD/JSDF trust funds, which are not globally oriented but are extremely important in supporting country level programs and priorities. *Sources:* World Bank Trust Fund Operations Department; OECD-Development Assistance Committee; World Bank staff estimates.



**Options for innovative financing are being explored.** The Development Committee and the International Monetary Finance Committee asked that the Bank and the Fund continue their work on proposals to complement increased aid flows and commitments with innovative mechanisms, such as the International Finance Facility, global taxes, and others, and report on how to take such options forward<sup>9</sup>. What follows below is a brief overview of this work.

- ♣ *International Financial Facility.* An International Financial Facility (IFF) pilot has been established to accelerate the production of new vaccines and to stimulate private sector investments with the view of lowering vaccine costs. This program would rely largely on the governance structures and country programs of the Global Alliance for Vaccines and Immunization (GAVI) and the Vaccine Fund. If successful, this pilot would serve as proof of concept for some aspects of the larger IFF, including the capacity to garner donor support for such a mechanism and acceptance of IFF-generated AAA bonds by rating agencies and capital markets.
- ♣ *Global taxes*<sup>10</sup>. The World Bank and IMF has on behalf of Ministers assessed proposals for global taxes on carbon emissions (could raise \$60-120bn), financial transactions, aviation fuel (about \$9bn), maritime pollution (about \$1bn), arms sales (about \$2.5-5bn), global commons, multinationals' profits, etc. along criteria such as revenue adequacy and stability, efficiency, equity, ease of collection, and minimum required coalition size. No consensus exists on such taxes.
- ♣ *Voluntary Contributions.* Private contributions for development from individuals, NGOs, and private foundations are increasing. Some mechanisms, for example the use of opt-in charges on routine credit card or utilities payments, could be undertaken by banks or companies. Others, such as income tax deductions or the creation of a special purpose global lottery or premium bond, would require regulatory action by participating countries. Public/private partnerships, such as in work on vaccine pull mechanisms, are another way in which voluntary contributions can be used to foster development.

## EVALUATION Governance and Management of Individual Programs

### **Evaluation endorses global program as a governance model and sets a new agenda for strengthening their effectiveness.**

The Operations Evaluations Department (OED), a unit independent of World Bank management reporting to the Bank Board, has over

<sup>9</sup> Financing the Development Agenda, DC2005-0008, April 25, 2005, paragraph 19.

<sup>10</sup> Financing the Development Agenda, DC2005-0008, April 25, 2005, table 1.

recent years evaluated<sup>11</sup> Bank oversight of global programs and the governance within the programs themselves. OED, which is the entity spearheading this work globally, has identified some key challenges that the World Bank address. However, the Bank being just one of several partners, it is safe to say that these challenges are for the international development community as a whole as an increasing amount of aid is being channeled through global programs as opposed to only through country teams be it in the World Bank or other institutions.

1. Develop a **global strategy** for the Bank's involvement in global programs, approved by the Board and periodically updated, that exploits the Bank's comparative advantage as a multisectoral development financing institution with a global reach and strong capacity in policy analysis and gives greater prominence to alleviating poverty; and ensures that global programs *add value* beyond what the Bank can accomplish through partnerships at the country level. In other words, OED is challenging the development community to more clearly define which GPGs are critical for reducing poverty, and to formulate a coherent policy for deciding whether to deliver a service through country teams or global programs, cf. table 2 above.
2. Strengthen **links between global programs and the Bank's regional and country operations** in prioritizing its global programming activities. With the creation of a new interface between developing countries and the development community, it becomes more important to avoid duplication and confusion at the country level as the number of programs vying to support the country increases.
3. Develop a **financing plan** for high-priority programs, particularly for those providing genuine global public goods, whether in the form of global policies, new products, technologies, knowledge, or practices that benefit the poor. This requires identifying under-funded long-term GPGs, and strengthening "venture capital" funding. The development community is constantly struggling with ways to increase the flows to developing countries and to those areas of the highest priority. The Development Grant Facility, which has been used to finance most of the Bank's contribution to GPGs, has found it difficult to reallocate funds. This is often the problem of phasing out support for some programs, while phasing in for others. Efforts have been exerted to build-in up-front sunset clauses that will allow for the phase out of programs so as to free up financing for other GPGs.
4. Establish approval, **oversight**, and exit/reauthorization criteria and procedures for Bank-supported global programs that will help them to add value to the Bank's mission. This includes: applying the subsidiarity criterion for approvals (in essence, whether the GPG better delivered through a Bank country team or through a global program); separating Bank oversight from the implementing management (to mitigate conflicts of interests); clarify for staff serving on the governing bodies of global programs their roles, responsibilities, and accountabilities (strengthening the effectiveness of global program governance); institute clear, well-planned, and well executed reauthorization/exit

---

<sup>11</sup> *Addressing the Challenges of Globalization: An Independent Evaluation of World Bank Involvement in Global Programs — Phase 2 Report* (World Bank Operations Evaluation Department, June 21, 2004, CODE2004-0049)

processes (to promote timely phase-out of a program); apply with partners universally accepted standards of good governance, management, results-orientation, and evaluation (strengthen overall effectiveness).

5. Strengthen the **voice** of the Bank's client countries on the governing bodies of global programs for better balance between industrial and developing countries. There has been concern that the role played by donor governments and international organizations should be better complemented by representatives of developing countries. The two key challenges in promoting this goal are to devise ways in which to build in such voice (e.g., which persons from what country should sit on the Board?) and to finance their participation in the meetings of the global programs.
6. OED should include global programs in its standard **evaluation** and reporting processes. This includes working with the Bank's global partners to develop international standards for the evaluation of global programs and reviewing selected program-level evaluations conducted by Bank-supported global programs (both internally and externally managed), much as OED reviews other self-evaluations at the project and country levels. The governance arrangements covering global programs have not kept pace with the increase in global programs. While the Bank has policies and procedures covering fully its work, some global programs remain independent or not clearly under the coverage of Bank policies or those of another reputable organization (e.g., UN organization). Part of this governance vacuum reflects the lack of knowledge about what should govern global partnerships, part of it the challenge of implementing a framework governing hundreds of global partnerships.

## Appendix 1. Regional and Global Programs

**Table 1.** Examples of Regional and Global Programs with World Bank Participation.

<b>Regional Programs</b>	
Africa	Nile Basin African Programme for Onchocerciasis Control (APOC) Partnership for Capacity Building in Africa (PACT) Private Enterprise Initiative - Private Investor for Africa
East Asia and the Pacific	APEC - Finance & Development Program
Eastern Europe and Central Asia	Roma Education Fund
Latin America and the Caribbean	Clean Air - Latin American Cities
Middle East and Northern Africa	Gender Research for Arab & Farsi Speaking Countries Maghreb/ITC/WTO procurement Modernization
<b>Global Programs</b>	
Development Economics	Global Development Network (GDN) Trust Fund for Statistical Capacity Building-II (TFSCB-II)
Environment Rural Development Social Development	PROFOR - Program on Forests (FPPI Profor) BioCarbon Fund The Consultative Group on International Agricultural Research (CGIAR) Global Environment Facility (GEF) Post Conflict Program Prototype Carbon Fund (PCF) United Nations Convention to Combat Desertification (UNCCD)
Finance	Financial Sector Reform and Strengthening Initiative (FIRST)
Education Health	Education For All - Fast Track Initiative Partnership (EFA/FTI) International AIDS Vaccine Initiative (IAVI) Roll Back Malaria (RBM) The Global Forum for Health Research (GFHR) UNAIDS
Infrastructure Urban Development	Cities Alliance (CA) Extractive Industry Transparency Initiative (EITI) Energy Sector Management Assistance Programme (ESMAP)
Economic Management	G-24 - Global Governance and Developing Country Voice
Trade	Integrated Framework for Trade Related TA
Private Sector	Corporate Governance Forum
Training	Global Distance Learning Network (GDLN)