

# The Importance of Country Policy Institutional Assessments

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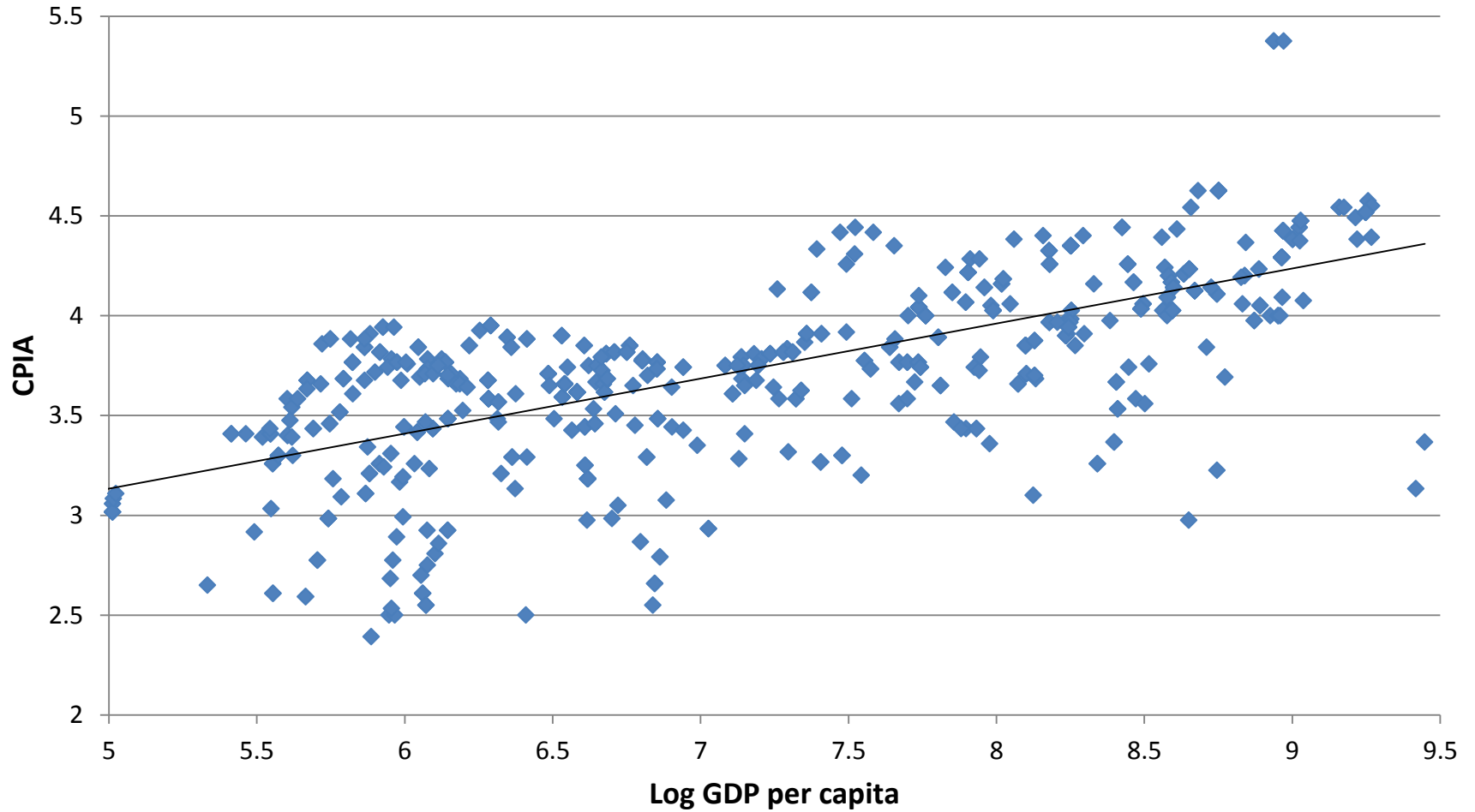
*Presentation at World Bank Group Youth Summit 2014*

*“Methods for Measuring Governance in Africa  
and Assessing Areas for Improvement”*

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# Quality of institutions and GNI per capita

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# Dimensions of the CPIA

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## **A. Economic Management**

- Monetary and Exchange Rate Policies
- Fiscal Policy
- Debt Policy and Management

## **B. Structural Policies**

- Trade
- Financial Sector
- Business Regulatory Environment

## **C. Policies for Social Inclusion/Equity**

- Gender Equality
- Equity of Public Resource Use
- Building Human Resources
- Social Protection and Labor
- Policies and Institutions for Environmental Sustainability

## **D. Public Sector Management and Institutions**

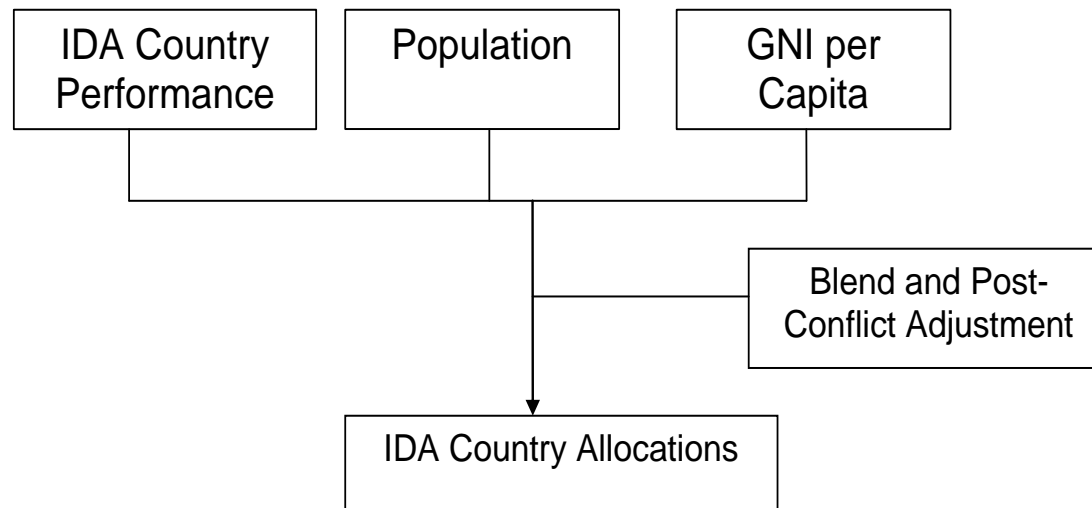
- Property Rights and Rule-based Governance
- Quality of Budgetary and Financial Management
- Efficiency of Revenue Mobilization
- Quality of Public Administration
- Transparency, Accountability, and Corruption in the Public Sector

# Bedrock of IDA allocations

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## Eligibility for IDA:

- GNI per capita below threshold **US\$1,205** (in FY14)
- Limited access to capital markets

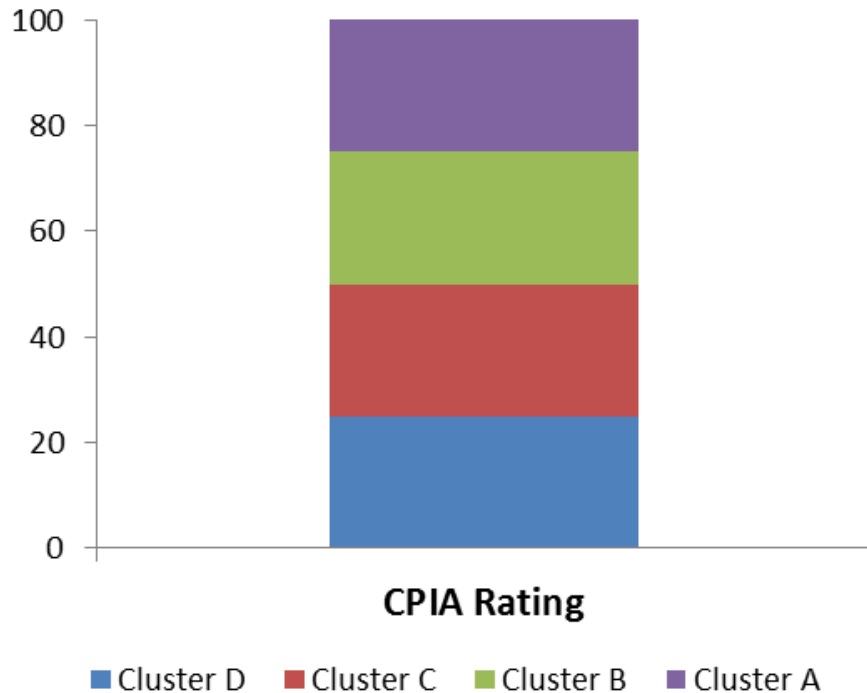


*CPIA scores are disclosed as IRAI (IDA Resource Allocation Index)*

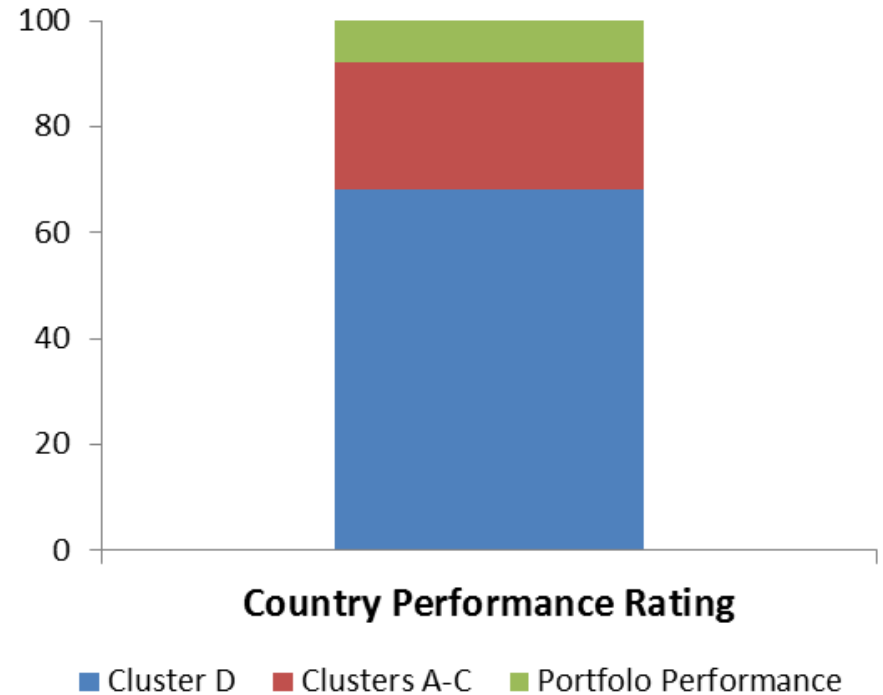
*For more information, please visit: <http://www.worldbank.org/ida/IRAI-2013.html>*

# Importance of good governance

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*Cluster A:* Economic Management  
*Cluster B:* Structural Policies



*Cluster C:* Policies for Social Inclusion and Equity  
*Cluster D:* Public Sector Management and Institutions

# Other uses of the CPIA

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- Helps identify “Fragile States” and eligibility for exceptional IDA allocations
- Identify countries for extra attention on fiduciary risks and governance
- Informs the Country Partnership and policy dialogue
- Input for assessing a given country debt sustainability
- Research on the determinants of growth and poverty reduction
- Input in the Bank’s Global Monitoring Reports