



# Bank Guidance

## Bank Hosting of Financial Intermediary Fund Secretariats

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### **Content**

Directions to Establish Arrangements for Financial Intermediary Funds Hosted by the World Bank

### **Applicable to**

IBRD,IDA

### **Issuer**

Director, DFTPR

### **Sponsor**

Manager, Financial Management, DFTPR

## SECTION I – PURPOSE AND APPLICATION

1. This Guidance sets out arrangements for Bank-hosted Financial Intermediary Fund (FIF) Secretariats.
2. This Guidance applies to the Bank.

## SECTION II – DEFINITIONS

1. As used in this Guidance, the capitalized terms or acronyms have the meanings set out: (a) in Section II of the Bank Policy, "[Trust Funds](#)", (b) Section II of the Bank Directive, "Trust Funds", (c) Section II of the Bank Directive, "Financial Intermediary Funds", (d) Section II of Bank Procedure, "Financial Intermediary Funds", or (e) below:

**COI:** Conflict of interest.

**EBC:** The Ethics and Business Conduct Department of the Bank.

**FIFs Directive:** Bank Directive, "Financial Intermediary Funds".

**FIFs Procedures:** Bank Procedure, "Financial Intermediary Funds".

**GP:** Global Practice of the World Bank.

**IAD:** Internal Audit Vice Presidential Unit.

**IEG:** Independent Evaluation Group.

## SECTION III – SCOPE

1. Background
  - a. The Bank may agree to host the Secretariat for a FIF as outlined in the Bank Directive and Procedures for FIFs. Bank Secretariat hosting can reduce the impact of institutional fragmentation.
  - b. This guidance clarifies arrangements based upon good practices from FIFs currently or previously hosted by the Bank and provides an analysis of the foundation necessary to facilitate strong, collaborative, and effective relationships between the relevant governing body and the Bank, as Secretariat of a FIF.
2. FIF Secretariat Status and Accountabilities
  - a. FIF Secretariats should be established under an operational unit of the Bank to ensure strong strategic alignment between the Bank and the FIF governing body on the overarching vision, mandate, objectives, and modalities of the FIF throughout the lifecycle of the partnership.

- b. Small or sunseting FIFs have limited Secretariat staffing needs, and Bank staff may work part time for the FIF Secretariat and part time on other assignments, or with other FIF Secretariats. Work programs of staff working in FIF Secretariats are assigned by the FIF Secretariat's management to provide administrative support to the governing body of the FIF. Adequate disclosure that FIF Secretariat staff are Bank staff can prevent misunderstandings among other partners, Bank management, the FIF governing body, staff themselves, clients, and the public.
- c. Since the FIF Secretariat is part of the Bank, Secretariat staff do not decide on funding allocations, and maintain a neutral position with regard to the funding decisions to avoid any perception of conflict of interest (COI) where the Bank is one among multiple implementing entities (IEs).
- d. The Secretariat, led by a program manager, may have the following roles and responsibilities:
  - i. Providing administrative support to the partnership, particularly the governing body of the FIF, to help them fulfil their roles and responsibilities and maintain progress toward the strategic objectives of the FIF;
  - ii. Providing guidance to IEs and information on the FIF's mission, vision, goals, objectives, funding mechanisms, related processes, and requirements;
  - iii. Preparing templates for and compiling reports from IEs;
  - iv. Receiving and screening funding requests from IEs to ensure completeness and consistency with the relevant FIF documents;
  - v. Organizing and supporting IEs in the monitoring and evaluation of FIF-supported grants; and
  - vi. Exercising other tasks as required to provide administrative support to the FIF as determined by the governing body, in line with Bank policies and procedures.

### 3. The Role of the World Bank Host Unit

- a. All FIF Secretariats hosted by the Bank are part of the administrative structure of the Bank, and all relevant Bank policies – including policies on Human Resources (HR), Corporate Procurement, and the Administrative Manual – apply to all activities undertaken or managed by the FIF Secretariat staff. FIF Secretariat activities fall within the Bank's control framework.
- b. The FIF Secretariat resides within a Host Unit led by a VP and operating under the leadership and direction of the President of the World Bank. The Host Unit is also responsible for monitoring developments in a FIF which may materially impact risks to the Bank throughout its lifecycle, including the maintenance of strategic and operational alignment, and engagement in their resolution.
- c. FIF Secretariats will normally be hosted within the GP or VPU that it is most closely aligned with the sector or area of focus. This structure facilitates the maintenance of strategic and operational alignment and coherence and provides a platform for frequent and

collaborative dialogue, the benefits of which are deemed to outweigh any perceived COIs. The relevant Bank Directors, program manager of the FIF Secretariat, Host Unit Director are responsible for identifying and, with the DFI Director, for helping manage real or perceived COIs as they arise. Perceived COI risks can be minimized by explaining the different roles and responsibilities of the Bank with respect to the FIFs, and requiring staff behavior consistent with such roles and duties. A FIF governing body or FIF Secretariat concerned about COI with the Bank's oversight of a FIF Secretariat may request a FIF lifecycle internal review (see FIF Procedures).

#### 4. FIF Secretariat Staffing and Budget Plans

- a. A Bank staff member is assigned to carry out the role of the program manager of a FIF Secretariat. The Bank may consult with the FIF governing body, as applicable. The program manager of the FIF Secretariat is recruited through a competitive process, using a process for recruitment consistent with the Bank's applicable HR Policies and Procedures. The position of program manager of a FIF Secretariat is consistent with Bank norms for the level of responsibility and is typically, but not always, at the Manager level. The position level will be determined and subject to approval by the Host Unit when the FIF is established and can be reviewed as a FIF evolves. The Bank sets out a budget and staffing plan for each FIF taking into consideration any risks to the Bank. The Host Unit is responsible for approving the budget and staffing plans of the FIF before these are shared with the FIF governing body. This approval by the Host Unit considers the FIF's strategic direction, available resources, and alignment with the Bank's HR and resource management procedures.
- b. The program manager of a FIF Secretariat, or reporting Manager in the case of a non-Manager head, has discretion and authority to establish job descriptions, candidates lists, interview processes, job titles and promotions, consistent with Bank, HR Policies and Procedures within staffing plans approved by the Bank and the governing body if applicable. The program manager of the FIF Secretariat, or reporting Manager, in case of a non-Manager head, retains discretion on the timing and final decision of the appointment and dismissal of FIF Secretariat staff, subject to the Bank's Principles of Staff Employment, Staff Rules applicable HR Policies and Procedures. and.
- c. The program manager of a FIF Secretariat, or reporting Manager, is responsible for the performance evaluation, talent management, promotions, and management of all FIF Secretariat staff, consistent with related sector staffing practices and in accordance with Bank HR policies and procedures, and works closely with the HRDCS Business Partner assigned to the FIF to ensure alignment and coordination.
- d. Performance evaluations of the FIF Secretariat staff may include input from relevant FIF partners, and performance ratings will normally be determined within the Host Unit in collaboration with the program manager of the FIF Secretariat, or reporting Manager, consistent with sector practices and in accordance with the Bank's HR Policies and Procedures. Each year, Bank HR will provide the program manager of the FIF Secretariat, or reporting Manager, with specifics on the standard curve, promotion criteria, salary increases, compensation bands, caps on grade levels and all other relevant information.
- e. FIF Secretariat staff, as Bank staff, are eligible for professional mapping and talent management for career mobility and any other Bank norms for staff development.

## 5. Administrative Matters

- a. *Procurement Functions.* FIF Secretariats consult on a periodic basis with the Bank's Corporate Procurement team on projected procurement needs for each FIF over the upcoming period. Each FIF Secretariat strives to ensure timely procurement, especially during the period prior to the end of the Bank fiscal year. All FIF Secretariat procurement activities are conducted in accordance with Bank Corporate Procurement Policies and Procedures. The Resource Management Officer assigned to support each FIF Secretariat provides guidance to staff, as needed to ensure compliance with Bank rules.
- b. *Information Technology (IT).*
  - Consistent with the WBG Directive "WBG Information and Technology Services Management", a FIF Secretariat may acquire IT equipment and services it deems necessary to fulfill its mission, and shall ensure compatibility of such equipment and services within the overall security and information infrastructure of the Bank before acquisition, by consulting with WBG Information and Technology Solutions (ITS).
  - FIF Secretariat staff should use World Bank email addresses for official communications

### SECTION V – EXCEPTIONS

This guidance does not apply to the Global Environment Facility (GEF), the Global Partnership for Education (GPE), and the Adaptation Fund.

In the case of GPE and the Global Infrastructure Facility (GIF), their governing bodies have delegated some funding decisions to the Bank-hosted FIF Secretariat for some small-value allocations.

### SECTION VI – EFFECTIVE DATE

This Guidance is effective as of the date on its cover page.

### SECTION VII – ISSUER

The Issuer of this Directive is the Vice President, Development Finance.

### SECTION VIII – SPONSOR

The Sponsor of this Directive is the Director, Development Finance Trust Funds and Partnerships.

## SECTION IX – RELATED DOCUMENTS

1. Bank Policy, "[Trust Funds](#)".
2. "[Financial Intermediary Fund Management Framework](#)".
3. Bank Directive, "Financial Intermediary Funds".
4. Bank Procedure, "Financial Intermediary Funds".
5. Bank Guidance, "Selecting and Accrediting Implementing Entities under Financial Intermediary Funds".
6. Bank Guidance, "Communications for Financial Intermediary Funds".
7. Bank Guidance, "Terms of Reference for Bank Staff representing the Bank as Trustee in Financial Intermediary Fund (FIF) Governing Bodies".
8. Bank Group Directive, "[Framework of Accountability for the WBG Security Management System](#)".
9. Bank Group Directive, "[WBG Information and Technology Services Management](#)".
10. Bank Group Procedure AMS 12.04, "[WBG Application Development and Maintenance Policy](#)".

Questions regarding this Guidance should be addressed to the Sponsor.