

Revised July 1, 2014

"OP/BP1.00 " *Poverty Reduction* ", were revised on July 2014 to take into account the recommendations in " World Bank Group A New Approach to Country Engagement" (R2014-0089), which were approved by the Executive Directors on May 22, 2014. As a result of these recommendations, ; [OP/BP 13.16, Country Portfolio Performance Reviews](#) has been retired, [OP/BP 2.30 Development Cooperation and Conflict](#) references to ISN were replaced by CEN and included in the Country Engagement Directive; [OP 1.00 Poverty Reduction](#) footnote 2 has been deleted; [BP 3.10, Financial Terms and Conditions of IBRD Loans, IBRD Hedging Products, and IDA Credits](#), [OP/BP 4.02 Environmental Action Plans](#), [OP 8.00, Rapid Response to Crises and Emergencies](#), [OP 11.00, Procurement](#) have also been updated to reflect editorial changes.

Questions on this OP should be referred to the Sector Director, PRMPR.

## Poverty Reduction

1. The Bank's mission is sustainable poverty reduction. Poverty encompasses lack of opportunities (including capabilities), lack of voice and representation, and vulnerability to shocks. The Bank's support for poverty reduction is focused on actions, consistent with its mandate, to increase opportunity, enhance empowerment, and strengthen security.<sup>1</sup> Within this broad framework, a critical priority is promoting broad based growth, given its proven importance in reducing poverty.
2. The Bank supports borrowing countries in articulating their vision and strategy for reducing poverty and attaining development results. This vision normally forms the foundation for the Bank's assistance to countries, which the Bank lays out in the Country Partnership Framework (CPF) and supports through economic and sector work and lending operations.<sup>2</sup>
3. As part of economic and sector work, the Bank periodically prepares poverty assessments for member countries in which it has an active program, in close collaboration with national institutions, partners and civil society groups.<sup>3</sup> A poverty assessment includes the following:
  - an analytical synthesis of the existing body of knowledge<sup>4</sup> on three topics: (a) assessment of the poverty situation; (b) analysis of the impact of growth and public actions on poverty; and (c) appraisal of poverty monitoring and evaluation systems;
  - an identification of key knowledge gaps with respect to these three topics;<sup>5</sup> and
  - new analysis that addresses selected identified gaps or complements existing work.

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1. This approach is consistent with the World Development Report 2000/2001 on *Attacking Poverty*, and with the multidimensional vision of poverty reduction contained in the Millennium Development Goals and the Bank's commitment to accelerating progress towards these goals.

2. Some other Operational Policies that are closely related to the Bank's poverty reduction mission are: [BP 2.11, Country Assistance Strategies](#) [OP 2.30, Development Cooperation and Conflict](#), [OP/BP 8.60 Development Policy Lending](#), [OP/BP 9.00 Program-for Results Financing](#), and [OP/BP 10.00 Investment Project Financing](#).

3. The frequency of poverty assessments is determined as part of the CPF process.

4. This body of knowledge may be based on poverty analysis conducted by the government of the country, the Bank, other donors, research organizations, civil society groups, or other partners.

5. For a discussion of how these topics are covered in a good practice poverty assessment, see the "[Guidance Note on Poverty Assessments](#)".

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The Bank reflects in the CPF the findings of the poverty assessment and the work program to fill knowledge gaps.

### **Responsibilities**

4. The country director oversees the preparation of the poverty assessment for the country. The Poverty Reduction Board (PRB) reviews poverty assessments to ensure that they satisfy the requirements of paragraph 3. In consultation with the Poverty Reduction Group (PRMPR) in the Poverty Reduction and Economic Management Network, the PRB provides guidance on poverty-focused CPFs, poverty assessments, and poverty analysis. The PRB also carries out occasional reviews to assess the quality of these products.

5. Drawing on input from the Networks and the Regions, the PRB periodically assists management in reporting to the Executive Directors of the World Bank on key aspects of the Bank's work in addressing poverty reduction.