

ANNEX 2: CORPORATE SCORECARD FY05

Mission: To promote sustainable private sector investments in developing countries, as a way to reduce poverty and improve people's lives.

CLIENT SATISFACTION MEASURES	FY05 RESULTS	FY06 ESTIMATES	FY08 TARGET OR BENCHMARK
External: % of satisfied respondents in the Annual Client Survey	79%	NA	Benchmark: FY05
DEVELOPMENT IMPACT MEASURES	FY05 RESULTS	FY06 ESTIMATES	FY08 TARGET OR BENCHMARK
A. Ex-post Development Impact Measures			
% satisfactory or better ex-post development outcomes (XPSRs) – IEG ratings	59%	NA	65% on projects committed FY06-08 ¹
B. Ex-ante Development Impact Measures			
<u>Pillar 1. Strengthen the Focus in Frontier Markets</u>			
Commitments in Sub-Saharan Africa	\$445m	\$500-600m	\$735 – 875 million
Commitments in MSME ²	\$1,099	\$0.8-1.1b	\$1.1 – 1.3 billion
% of IFC total commitments in frontier countries, compared with the frontier share of developing member country GDP ³	28%:18%	31%:17%	Overweight in Frontier
<u>Pillar 2. Build Long-term Partnerships with Emerging Global Players</u>			
Number of projects with new clients as % of total project count	56%	50%	Larger than 50%
Domestic sponsors as % of total number of commitments	66%	66%	Benchmark: FY05
South-south commitments	\$484m	\$338m (as of March 06)	Benchmark: FY05
<u>Pillar 3. Differentiate through Sustainability Competencies</u>			
Renewable Energy and Energy Efficiency projects IFC Commitments ⁴	\$221m	NA	EIR target for the World Bank Group
Total RE/EE Component	\$832m	NA	
% of Clients who received significant E&S input in Annual Client Survey	69%	NA	Benchmark: FY05
% of Clients who said E&S input had impact on their business	64%	NA	Benchmark: FY05
<u>Pillar 4. Address Constraints to Private Sector Growth in Infrastructure, Health and Education</u>			
Commitments in infrastructure, ICT, health and education	\$880m	\$1.2-1.4bn	\$1.5 – 1.8 billion
of which, ICT ⁵	\$200m	\$330m	Benchmark: FY05
of which, Infrastructure other than ICT	\$599m	\$900m	Benchmark: FY05
of which, Health and Education	\$81m	\$120m	Benchmark: FY05
Commitments in Sub-nationals	\$0m	\$13m	Benchmark: FY05
Number of mandates in Advisory Services to Private-Sector Participation in Public Infrastructure Services	Closed – 4 Ongoing - 21	Closed – 3* Ongoing – 28*	Benchmark: FY05
<u>Pillar 5. Continue to Emphasize Local Financial Market Development</u>			
Commitments in Financial Sector ⁶	\$2,183m	\$2.0-2.2bn	\$2.1 – 2.5 billion
of which, Housing Finance ⁷	\$565m	\$600m	Benchmark: FY05
Commitments in Local Currency Financing	\$820m	\$297m*	Benchmark: FY05
Number of Technical Assistance and Advisory Services in Financial Sector ⁸	135	125*	Benchmark: FY05

FINANCIAL AND ORGANIZATIONAL PERFORMANCE MEASURES	FY05 RESULTS	FY06 ESTIMATES	FY08 TARGET OR BENCHMARK
IFC net commitments	\$5,373m	\$5,600 - 6000m	\$6,015 – 7,150million
IFC committed syndications	\$1,076m	\$1,660m	Benchmark: FY05
Operating income ⁹	\$1,953m	\$1.5-2.1bn	FY06 Plan: \$517 million
Return on Net Worth	20.6%	NA	Benchmark: FY05
Return on Net Worth, adjusted for TAAS ¹⁰	21.0%	NA	6.0%
Technical Assistance and Advisory Services, DFO Expenditures ¹¹	\$122m	NA	Benchmark: FY05
Loan portfolio: Non-performing loans	6.4%	6.0%*	Benchmark: FY05
Maintenance of AAA Rating	Yes	Yes	Yes
Productivity: # Commitments / Investment staff ¹²	0.55	0.56*	Benchmark: FY05
Productivity: \$ Commitments / Investment staff	\$12.4m	\$12.5m*	Benchmark: FY05
HR Dimension			
Diversity: % of Sub-Saharan African and Caribbean Nationals	7%	8%*	WBG target 10%
Diversity: % of Female Workers	38% GF-GG 23% GH+	41% GF-GG* 24% GH+*	45% GF-GG 30% GH+
Staff morale: % of satisfied respondents in the Biannual Staff Survey ¹³	NA	81%	Benchmark: FY06

* Actuals to date (March 2006).

¹ There is generally 5-6 years lag for ex-post results.

² MSME commitments include: direct MSME borrowers; financial institutions with more than 50% of their business clients being MSMEs; and any other investments that explicitly target MSMEs as primary beneficiaries.

³ Frontier countries are low income (World Bank income category) or highest risk (Institutional Investor rating of 30 or less) countries. The comparator is the size of frontier economies as a % of all IFC's developing member countries, measured by GDP in current US dollars.

⁴ Based on commitments only as of end FY05. Projects with RE/EE components totaled \$2.9billion, in which IFC invested \$705million. The \$221m figure above represents the % of the IFC investments corresponding to the % of total project cost estimated to be represented by RE/EE components. FY06 numbers will be reported after the end of FY06.

⁵ Information and Communication Technologies.

⁶ Not including funds.

⁷ Does not include direct commercial bank lending that targets housing finance sector.

⁸ Active TA projects.

⁹ Excluding unrealized gains of \$163 million from IFC's investments in Limited Liability Partnerships and certain investments in Limited Liability Corporations (FY05). If these gains are included, the return on net worth would be 22.6%.

¹⁰ IFC Return on Net Worth based on operating income adjusted for FMTAAS expenses: IFC expenses contributions to the Trust Fund program, FIAS, PEP, Project Development Facilities, SME Capacity Building Fund, special Environmental Facilities, and other programs. The target ROE of 6 percent is based on 1) a potential range of 6-8 percent for a commercial benchmark, based on returns of commercial banks and other IFIs adjusted for leverage (Board technical briefing on "Benchmarking IFC's Profitability," November 2003), and 2) adjusted for IFC non-commercial activities (Board Technical briefing on "Unbundling Non-Commercial Activities," January 2003).

¹¹ Donor-funded Operations (DFO) expenditures include overhead costs and cost of delivering projects in the following 27 DFO programs: Trust Fund program, FIAS, DEVCo, six Environmental Facilities, SME Capacity Building Fund, SME Initiatives, Grassroots Business Initiatives, Project Development Facilities, and PEPs.

¹² Total number of projects divided by the total number of investment officers from grade F to H, excluding managers, industry specialists, economists/strategists, and budget officers.

¹³ Biannual Staff Survey 2005, percentage of favorable respondents on "overall satisfaction" section.