



# WBG SCORECARD FY24-FY30 METHODOLOGY NOTE

## WBG Client Context & Vision Indicators

The purpose of this note is to ensure the rigor, transparency, and reproducibility of the WBG client context and vision indicators included in the new WBG Scorecard FY24-FY30, as well as their alignment with the WBG’s vision. Technical teams were asked to provide a sufficiently detailed methodology so that anyone who reads this note can understand its rationale, theory of change, data sources, and method of calculation.

Definitions included in this template are aligned to the WBG Scorecard paper endorsed by the Board on Dec 19<sup>th</sup>, 2023. The methods notes are living documents and will be subject to updating and revision pending operational inputs and implementation lessons over time.

OVERVIEW	
<b>INDICATOR NAME</b>	Percentage of people covered by social protection and labor programs in the total population and in the poorest quintile
<b>SUB-INDICATORS</b>	N/A
<b>VISION / CLIENT CONTEXT</b>	<input type="checkbox"/> Vision indicator <input checked="" type="checkbox"/> Client context indicator
<b>OUTCOME AREA</b>	<input checked="" type="checkbox"/> Protection for the Poorest <input type="checkbox"/> Healthier Lives <input type="checkbox"/> Green and blue planet and resilient populations <input type="checkbox"/> Sustainable food systems <input type="checkbox"/> Affordable, reliable, and sustainable energy for all <input type="checkbox"/> Digital services <input type="checkbox"/> More and Better Jobs <input type="checkbox"/> No Learning Poverty <input type="checkbox"/> Effective Macroeconomics and Fiscal Management <input type="checkbox"/> Inclusive and equitable water and sanitation services <input type="checkbox"/> Connected Communities <input type="checkbox"/> Digital connectivity <input type="checkbox"/> Gender equality and youth inclusion <input type="checkbox"/> Better Lives for People in Fragility, Conflict, and Violence <input type="checkbox"/> More private investments
<b>SDG ALIGNMENT</b>	<p>See <a href="https://sdgs.un.org/">https://sdgs.un.org/</a> for further details on SDGs:</p> <input checked="" type="checkbox"/> 1. No Poverty <input type="checkbox"/> 2. Zero Hunger <input type="checkbox"/> 3. Good Health and Well-being <input type="checkbox"/> 4. Quality Education <input type="checkbox"/> 5. Gender Equality <input type="checkbox"/> 6. Clean Water and Sanitation <input type="checkbox"/> 7. Affordable and Clean Energy <input type="checkbox"/> 8. Decent Work and Economic Growth <input type="checkbox"/> 9. Industry Innovation and Infrastructure <input type="checkbox"/> 10. Reduced Inequalities <input type="checkbox"/> 11. Sustainable Cities and Communities <input type="checkbox"/> 12. Responsible Consumption and Production <input type="checkbox"/> 13. Climate Action <input type="checkbox"/> 14. Life Below Water <input type="checkbox"/> 15. Life on Land <input type="checkbox"/> 16. Peace, Justice and Strong Institutions <input type="checkbox"/> 17. Partnerships for the Goals
<b>UNIT OF MEASURE</b>	<input type="checkbox"/> Number of people <input type="checkbox"/> Number of countries <input type="checkbox"/> USD <input type="checkbox"/> GW <input type="checkbox"/> Hectares <input type="checkbox"/> tCO2eq/year <input checked="" type="checkbox"/> Other: Share of the population in the poorest quintile covered by SPL
<b>LEGACY INDICATOR NAME</b>	<input type="checkbox"/> WB Old Scorecard indicator <input type="checkbox"/> WBG Old Scorecard indicator <input checked="" type="checkbox"/> N/A
RATIONALE	
<b>DEFINITION</b>	The percentage of the population in the poorest quintile covered by social protection and labor programs (SPL). The indicator is estimated by dividing the number of SPL beneficiaries in the poorest quintile by the number of the population in the poorest quintile, multiplied by 100. It includes direct and indirect beneficiaries (all members of the household where at least one

## DEVELOPMENT RELEVANCE

member receives an SPL program. The poorest quintile is generated using pretransfer per capita welfare (income or consumption); the pre-transfer welfare is generated by subtracting 50 percent of social insurance and labor market transfers and 100 percent of social assistance transfers. SPL includes social assistance programs (conditional and unconditional cash transfers, social pensions, public works programs, fee waivers and targeted subsidies, school feeding program, in-kind transfers, and other social assistance), social insurance (contributory pensions and other social insurance), and labor market programs (passive and active measures). The indicator is generated by country and then aggregated at the regional and income group levels.

The source of the indicator is the Atlas of Social Protection: Indicators of Resilience and Equity (ASPIRE). ASPIRE is the World Bank's premier compilation of indicators to analyze the scope and performance of social protection programs. Developed by the Social Protection and Jobs (SPJ) Global Practice, ASPIRE provides indicators for 129 countries on social assistance, social insurance and labor market programs based on both program-level administrative data and national household survey data. ASPIRE is an ongoing project that aims to improve SPL data quality, comparability, and availability to better inform SPL policies and programs. ASPIRE also produces SPL coverage indicators for the total population and for different population groups (pre- and post-transfer income/consumption quintiles, urban and rural populations, and poor and non-poor defined by the relative and international poverty lines). These indicators are used for each SPL program captured in the survey, and for 12 standardized SPL program categories and three SPL areas.

The social protection (SP) coverage indicator has the following features:

- It is generated using official nationally representative household surveys.
- Its target population is World Bank client countries.
- Actual country coverage is 101 countries out of 144 World Bank client countries.
- For a country data point, it uses the most recent survey year within a 10-year time window (2013-2022).
- The indicators do not rely on imputation for missing values, nor inter- or extrapolation.
- It provides the best information available despite caveats.

The World Bank supports social protection and labor (SPL) systems in client countries as a central part of its mission to reduce poverty on a livable planet through sustainable and inclusive growth. The World Bank's SPL strategy lays out ways to deepen World Bank's involvement, capacity, knowledge, and impact in SPL. In this context, ASPIRE is the main World Bank tool to track the outcomes of the SPL strategy.

### Data availability and coverage (1998 – 2022):

East Asia & Pacific: 21; Europe & Central Asia: 25; Latin America & Caribbean: 22; Middle East & North Africa: 11; Sub-Saharan Africa: 42; South Asia: 8.

Data are based on unbalanced panels, with coverage depending on survey availability:

- AFR: 104 data points for 42 countries in the time period 1998 -2020
- EAP: 60 data points for 21 countries in the time period 1999 -2021
- ECA: 128 data points for 25 countries in the time period 2004 -2021
- LAC: 182 data points for 22 countries in the time period 2001 -2021
- MNA: 18 data points for 11 countries in the time period 2002 -2018
- SAR: 26 data points for 8 countries in the time period 2004 -2019

Regional representativity depends on the frequency with which countries implement HH surveys and whether they share the microdata with the World Bank. Representativity and timeliness of the indicator is highest in the ECA and LAC regions, moderate in EAP, low-to-moderate in SSA, and low/non-representative for SAR and MNA. Indicators are generated for about 50 new surveys annually, mostly from LAC and ECA.

## LIMITATIONS

The same indicator is reported to track SDG indicator 1.3.1: Proportion of population covered by social protection floors/systems, by sex, distinguishing children, unemployed persons, older persons, persons with disabilities, pregnant women, newborns, work-injury victims, and poor and vulnerable people. This SDG indicator includes sub-indicators supplied by the International Labour Organization (ILO) and by the World Bank/ASPIRE. Specifically, ASPIRE provides indicators on the coverage of social assistance, social insurance, and labor market programs for the total population and for population in the poorest quintile. ASPIRE coverage indicators refer to the “effective” coverage definition, measuring the direct and indirect beneficiaries who are receiving social protection benefits at the time when nationally representative household survey data are collected. “Effective” coverage is directly relevant to SDG 1: ending poverty in all its forms.

ASPIRE coverage indicators do not include individuals who have benefits guaranteed but are not receiving them at the time when the survey is administered (for example, people who actively contribute to old age pensions and are entitled to the benefits when reaching retirement age).

Information on country SPL programs included in ASPIRE is limited to what is captured in the respective national representative household survey and does not necessarily represent the universe of programs existing in the country. In addition, the availability of ASPIRE indicators depends on the type of questions included in the survey. If transfer amounts are available, for example, indicators for adequacy, benefit incidence, and impact on poverty can be generated. If only program participation questions are included in the survey, only non-monetary indicators can be generated, such as coverage or beneficiary incidence. However, household surveys have the unique advantage of allowing analysis of program impact on household welfare. With such caveats in mind, ASPIRE indicators based on household surveys provide an approximate measure of social protection systems performance.

The indicator can be improved in the following dimensions, should budget and management support be available:

- **Timeliness:** Defining solutions for countries with infrequent household surveys. For example, apply extrapolation, interpolation, and for countries that do not capture SP information in their welfare surveys, and link them to rapid phone surveys focusing only on the collection of SP data. Feasibility of implementation and cost: Hard/Moderate
- **Regional representativity:** Improve survey representation by the regions. The status is as follows: ECA and LAC high; EAP medium; SSA medium-low/25 percent of countries; SAR/MNA low. Feasibility of implementation and cost: Hard/Moderate
- **Relevance:** Improve the collection of large/medium sized SP programs in household surveys. For this it is necessary to assess whether household surveys already capture the main SPL programs by cross-checking with data from administrative sources (matching tool). Feasibility of implementation and cost: Hard/Moderate
- **Availability of information on transfer values:** Modify survey design to capture monetary values for at least cash and near-cash transfer programs. Also, surveys should collect program data at the correct assistance unit of the program and reciprocity. Feasibility of implementation and cost: Hard/Moderate
- **Availability of resources to ensure better quality data on SPL programs in HH surveys:**
  - Review/address changes in the universe of SPL programs captured in a country over time (i.e., Ecuador took out a section where some in-kind and other social assistance programs were captured, Bolivia stopped capturing monetary values for some conditional cash transfers). Solution: use a common support approach to track changes (+ correct trend; - underestimate coverage).
  - Engage with SP country teams to identify the list of large/medium sized programs, a necessary input to prepare SPL questions or SP modules in the household surveys. This is an important activity given that the number of SP programs changes over time quite frequently.
  - Engage in dialogue with poverty colleagues and national statistics offices (NSOs) to collect better information on SPL programs in household surveys.

- Calibrate the tool that matches programs captured through administrative sources with those collected in household surveys. This is an ex-post data quality control tool.

## DATA AND CALCULATION

### DATA SOURCE(S)

Data are based on national representative household surveys. Data source is ASPIRE: The Atlas of Social Protection - Indicators of Resilience and Equity, The World Bank.<sup>1</sup> ASPIRE uses nationally representative household survey data from NSOs to estimate SPL distributional performance indicators. NSOs follow their own validation processes to ensure quality. The ASPIRE team relies on these data and on the validation and harmonization processes done by the World Bank's Poverty and Equity practice when data is used from their repositories (mainly for welfare aggregates). Furthermore, results on coverage of SPL programs, as well as other performance indicators, are validated by the ASPIRE team through trend comparison, outlier analysis, and consultations with World Bank Task Team Leaders, specialists, and country counterparts. Indicators are validated and cleared by NSOs when required by these institutions before publication.

### METHOD OF CALCULATION (CORE)

Data are calculated from national representative household surveys using ASPIRE:

$$Coverage_{poorest\ quintile} = \frac{Beneficiaries_{poorest\ Quintile}}{Total\ Population_{poorest\ Quintile}}$$

Generally, ASPIRE indicators are based on a first-level analysis of original household survey data (with no imputations) and a unified methodology that does not necessarily reflect country-specific knowledge or in-depth country analysis relying on different data sources (administrative program-level data). Unit-record data of nationally representative household surveys are collected by NSOs and provided to the World Bank for analytical purposes. The ASPIRE team harmonizes social protection information captured by these household surveys to make the analysis reasonably comparable across countries and over time.

The ASPIRE harmonization methodology for household survey data rests on the following three steps:

- 1) **Identification and classification of SPL programs:** Household surveys are carefully reviewed to identify SPL program information. Once this information is identified, two levels of analysis are implemented: first, variables are created for each of the country-specific programs found in the survey; second, program variables are aggregated and harmonized into 12 SPL program categories, and two private transfer categories. The country-specific programs included in these main SPL categories are documented in detail and validated with World Bank country task teams in close coordination with national counterparts. To generate the indicators, the following variables are also used: household identification number, location (urban/rural), household size, welfare aggregate, household weight, and two poverty lines: a relative poverty line, defined as the poorest 20 percent of the welfare distribution, and the international poverty line of PPP \$2.15 per day.
- 2) **Welfare aggregates:** Households are ranked in quintiles of per capita welfare (income or consumption). Special efforts are made to include the most recently updated welfare aggregates officially agreed with NSOs and/or harmonized by the World Bank's Global Monitoring Database (GMD) initiative led by the Poverty and Equity Global Practice. These welfare aggregates are comparable across countries and across years for global poverty monitoring and welfare measurement.
- 3) **PPP conversions:** All monetary variables (transfer amounts) and welfare aggregates are deflated to 2017 values and then expressed in 2017 purchasing power parity (PPP) terms. To this effect, the private consumption PPP conversion factor is used.

Once the information is harmonized, performance indicators are generated using the ADePT social protection software. For regional and global comparisons, monetary variables and welfare

<sup>1</sup> See: [datatopics.worldbank.org/aspire/](https://datatopics.worldbank.org/aspire/)

	aggregates are deflated to 2017 values and then converted to international PPP values as explained above.
<b>METHOD OF CALCULATION (DISAGGREGATION)</b>	Indicators are disaggregated by income /consumption quintiles, rural and urban populations, and poor and non-poor defined by the relative and international poverty lines.
<b>VERSION</b>	Version 1. Revised March 28, 2024