WBG SCORECARD FY24-FY30 METHODOLOGY NOTE

WBG Results Indicator

The purpose of this note is to ensure the rigor, transparency, and reproducibility of the WBG results 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, 2023. The methods notes are living documents and will be subject to updating and revision pending operational inputs and implementation lessons over time.

OVERVIEW	
INDICATOR NAME	**GW of renewable energy capacity enabled**
SUB-INDICATORS	• Renewable energy capacity enabled with direct support • Renewable energy capacity enabled with indirect support • Renewable energy capacity enabled with policy support
OUTCOME AREA	☐Protection for the Poorest ☐Healthier Lives ☐Green and blue planet and resilient populations ☐Sustainable food systems ☒Affordable, reliable, and sustainable energy for all ☐Digital services ☐More and Better Jobs ☐No Learning Poverty ☐Effective Macroeconomics and Fiscal Management ☐Inclusive and equitable water and sanitation services ☐Connected Communities ☐Digital connectivity ☐Gender equality and youth inclusion ☐Better Lives for People in Fragility, Conflict, and Violence ☐More private investments
SDG ALIGNMENT	**See https://sdgs.un.org/ for further details on SDGs:** ☐ 1. No Poverty ☐ 2. Zero Hunger ☐ 3. Good Health and Well-being ☐ 4. Quality Education ☐ 5. Gender Equality ☐ 6. Clean Water and Sanitation ☒ 7. Affordable and Clean Energy ☐ 8. Decent Work and Economic Growth ☐ 9. Industry Innovation and Infrastructure ☐ 10. Reduced Inequalities ☐ 11. Sustainable Cities and Communities ☐ 12. Responsible Consumption and Production ☒ 13. Climate Action ☐ 14. Life Below Water ☐ 15. Life on Land ☐ 16. Peace, Justice and Strong Institutions ☐ 17. Partnerships for the Goals List of specific UN targets (if applicable):
DISAGGREGATION	☐Youth ☐Sex ☐Disability-inclusive ☒FCS ☒SS, SIDS and LDCs ☒IDA, IBRD, IFC and MIGA ☒Country income groups ☒Regions ☒WBG Joint Programming
ENGAGEMENT TYPE	**WORLD BANK** ☒IBRD ☒IDA ☒Trust Fund (TF) ☐Advisory Services and Analytics (ASA) ☐Treasury Products (including technical assistance) **IFC** ☒IFC Investment ☒IFC Upstream and Advisory Services **MIGA** ☒MIGA Guarantee

ENGAGEMENT INSTRUMENT	**WORLD BANK** ☒IPFs ☒DPFs ☒PforR ☒Guarantees ☒TF: IDA ☒TF: IBRD ☒TF: RETF[1] ☒TF: GEF[2] ☒TF: MONT[3] ☒TF: SPF[4] ☐ASA: BB[5] ☐ASA: BETFs/EFOs[6] ☐ASA: RAS[7] **IFC** ☒Loans ☒Equity ☒Blended Finance ☒Syndications ☒Asset Management ☒Advisory Services ☐Trade and Commodity Finance ☒Treasury Client Solutions **MIGA** ☒Political Risk Insurance ☒Credit Enhancement ☐Trade Finance Guarantees
LEGACY INDICATOR NAME	☐WB Old Scorecard indicator: ☐WBG Old Scorecard indicator: ☒N/A
RATIONALE	
DEFINITION	The number of gigawatts (GW) of the generation capacity of renewable energy enabled with direct support, indirect support, and/or enabling policy support through operations supported by IBRD, IDA, IFC, and MIGA. This includes direct investments in physical infrastructure (both greenfield and brownfield), enabling infrastructure (transmission and distribution, grid integration, and energy storage), support to private sector investment in renewable energy markets (project and corporate financing, guarantees, and transaction advisory), and the development of government policies, laws, or regulations that are expected to accelerate the expansion of renewable energy capacity.
REPORTING TIMELINE	☒Results achieved[8] ☒Results expected[9]
DIRECT/INDIRECT	☒Direct[10] ☒Indirect[11]
ACTUALS/ MODEL-BASED	☒Actuals ☒Model-based
UNIT OF MEASURE	☐Number of people ☐Number of countries ☐USD ☒GW ☐Hectares ☐tCO2eq/year ☐Other: _____ [Please specify]
THEORY OF CHANGE	**Please see Annex 1 for a visualization of the theory of change.**

[1] RETF: Recipient Executed Trust Fund
[2] GEF: Global Environment Facility
[3] MONT: Montreal Protocol
[4] SPF: Special financing
[5] Bank's own administrative budget (BB).
[6] Donors (via Bank-executed Trust Funds (BETFs) or Externally Financed Outputs (EFOs).
[7] Clients (via Reimbursable Advisory Services (RAS).
[8] New WBG Scorecard paper (Section G): it refers to *results that have occurred* at a given moment of the projects' results horizon. *Results achieved* can be based on actuals at the project level or can use model-based estimations at the portfolio level relying always on available project level data inputs.
[9] New WBG Scorecard paper (Section G): it refers to the *anticipated results* over the projects' results horizon. *Expected results* is based on the latest available estimations of future results, including model-based or other informed estimations.
[10] New WBG Scorecard paper (Annex I, Technical Criteria): it refers to outcomes with sufficient causal proximity to WBG interventions to allow for attribution of results.
[11] New WBG Scorecard paper (Annex I, Technical Criteria): it refers to outcomes where attribution is located further down the causal chain, relative to WBG interventions, and may be contingent on other exogenous factors.

OUTCOME TYPE/ SUBTYPE	**Outcome type/subtypes from the IEG taxonomies developed in Results and Performance of the World Bank Group Annual Review (RAP) 2021 mapped to the outcome(s) measured by the indicator.**[12] **WORLD BANK** C. Enterprise or sectoral performance improved I. Public assets improved L. Natural capital sustained **IFC** **Project-level outcomes:** 1.1. Access to goods and services 1.2. Quality and affordability of goods and services 2.1. Suppliers and distributors reached 2.2. Improved capacity of suppliers and distributors 2.3. Improved sales and profitability of suppliers and distributors 6.2. GHG reduction **Market-level outcomes:** 10. Resilience in the market 13. Sustainability in the market **MIGA** **Project-level outcomes:** 1.1. Access to goods and services 1.2. Quality and affordability of goods and services 1.6. Economic return 2.1. Suppliers and distributors reached 2.2. Improved capacity of suppliers and distributors 2.3. Improved sales and profitability of suppliers and distributors 6.2. GHG reduction 7.1. Gross value added 7.2. Induced/ indirect employment **Foreign investment-level outcomes:** 9. Business and sector practices 10. Market development 12. Sustainability 13. Signaling effects
INCLUSION CRITERIA	This indicator measures in GW the capacity of electricity or heat production from renewable energy enabled with direct support, indirect support, and/or enabling policy support. Renewable energy is defined as electricity or heat from renewable sources, namely: the sun (solar photovoltaic, concentrated solar, solar water heater), wind; water (hydropower, wave, tidal); combustion of organic matter from sustainable sources (bioenergy); or thermal potential of the earth (geothermal). This covers energy produced and distributed through electricity grids, district heating networks, liquid biofuels, off-grid renewable energy, bulk, and distributed sources. The term "renewable energy capacity" used in this note covers renewable power generation capacity and renewable heat production capacity. **Key interventions counted toward the indicator include:** • Construction, rehabilitation, upgrading, or acquisition of **renewable electricity and heat production infrastructure**, including large grid-connected/district heating renewable energy facilities, co-generation facilities, small and distributed renewable energy production installations, off-grid electricity systems, and electricity mini-grids.

[12] Independent Evaluation Group: RAP 2021.

	• Construction, rehabilitation, upgrading, or acquisition of **transmission and distribution infrastructure** that is aimed at absorbing the additional renewable electricity and heat production capacity, and preparing for future capacity expansion. Examples include transmission and distribution infrastructure projects aimed at enabling renewable energy integration or evacuating energy from a renewable energy power and heat production facility.
	• Design, supply, installation, and deployment/operation of **energy storage systems** (power and heat) and related equipment in energy network systems to improve network flexibility and enable higher penetration of renewable energy.
	• Installation or upgrade of equipment to support the strengthening of **dispatch and digitalization** of energy network operations aimed at enabling renewable energy integration.
	• Activities that support **de-risking of renewable energy investments**, including the establishment of risk sharing and risk mitigation mechanisms, providing political risk guarantees, credit enhancements, piloting specific technologies and/or business models, and supporting the development of bankable renewable energy projects.
	• **Financing and acquisition** of energy service providers to ensure financial sustainability that enables renewable energy expansion or long-term reliability.
	• **Transaction advisory** to support project preparation and/or address specific issues to improve project readiness to raise financing.
	• Development of **policies, laws, and regulations** to accelerate the expansion of renewable energy capacity. Examples include but are not limited to:
	  ○ Activities that support the development of policies and incentive mechanisms aimed at promoting renewable energy deployment and increasing its share in the energy supply (e.g., renewable energy feed-in tariff and feed-in premiums, tax, economic or financial incentives for renewable energy).
	  ○ Policies and regulations for competitive and transparent procurement of renewable energy,
	  ○ Strengthening legal, regulatory, and institutional frameworks to reduce barriers and create an enabling environment for private investments.
	  ○ Supporting actions for priority dispatch and greater integration of renewable energy in the energy networks.
	  ○ Policies supporting the expansion of production of low-carbon fuels (e.g., low carbon hydrogen and ammonia).

ADVANTAGES	The indicator directly contributes to SDG7: affordable, reliable, sustainable, and modern energy for all. It also supports the World Bank Group's mission of ending poverty on a livable planet. The indicator captures both direct and indirect outcomes of World Bank Group interventions by including activities that strengthen the transmission and distribution infrastructure to facilitate renewable energy integration; that scale up private investments for renewable energy; and that provide upstream support to create enabling policy, regulatory, and institutional conditions for accelerating renewable energy development. The indicator ensures that results achieved through World Bank Group interventions serve near-term imperatives such as energy security, energy affordability, and job creation in client countries.
LIMITATIONS	Challenges are presented by variability in client data collection methods; units of measurement (GW of installed capacity or GWh of energy production); and timeliness of reporting. Furthermore, for MIGA and IFC, reporting actual results achieved on a fiscal year basis is challenging, as MIGA and IFC collect results data directly from clients, who typically align their fiscal year with the calendar year. Thus, harmonization of data across World Bank Group institutions remains a challenge. The indicator has some limitations in attributing outcomes of the indirect and enabling policy support for renewable energy provided under World Bank Group interventions that may be contingent on external factors (e.g., economic fluctuations and market conditions, changes in political or regulatory environment, technological advancements, etc.).

DATA AND CALCULATION	
INTERNAL DATA SOURCE(S)	☒World Bank's Operations Portal (PADs, PDs, ISRs, and ICRs) ☒World Bank's Operations Portal (Lending and Portfolio) ☒IFC Operational Portal (iDesk/iPortal) ☒IFC AIMM System ☒MIGA DEIS ☒MIGA Portfolio Records ☐Other

METHOD OF CALCULATION (CORE)	**Step 1: Data collection and reporting at the project level.**
	
	The input data for this indicator are reported by clients and are either estimated (for expected results) or collected (for achieved results).[13] World Bank Group teams review data provided by the client and enter it into the relevant project documents and/or internal systems. At the project level, the renewable energy capacity enabled is measured in megawatts (MW).
	
	Renewable Energy capacity enabled through direct support: Data on expected results rely on the project feasibility studies and technical assessments that provide estimates of renewable energy capacity enabled by the construction, rehabilitation, upgrading, or acquisition of renewable energy production infrastructure. Data on achieved results during project implementation are reported based on clients' project implementation/completion reports that could be collected and/or verified during field visits to project sites. In addition, for MIGA projects, Annual Monitoring Reports (AMRs) and MIGA's Results Measurement System will be used. These reports will demonstrate the physical progress of works and specify the MW value of the renewable energy capacity installed.
	
	Renewable energy capacity enabled through indirect support:[14] Data on expected results rely on various data sources, including but not limited to feasibility studies that estimate the impact of the project interventions and the MW value of renewable energy capacity enabled through least-cost generation plans, or integrated master plans prepared by clients or other internal or external agencies. Data on achieved results during project implementation are reported based on clients' project implementation/completion reports covering the progress of expansion of transmission and distribution (T&D) infrastructure; installation of batteries or grid operational equipment; implementation of activities that support de-risking of renewable energy investment; transaction advisory; and the development of bankable renewable energy projects.
	
	Key principles of estimation and measurement of renewable energy capacity enabled through indirect support include:
	• Network development plans or other technical studies prepared by the client to define the **network infrastructure** (e.g., T&D lines and infrastructure, battery storage, or grid operational equipment) needed to integrate renewable energy in line with electricity or heat generation plans and national targets over a time horizon. The target value for the project-level renewable energy capacity indicator included in the results framework of a network infrastructure project may be derived from these studies.
	  ○ If the network infrastructure is constructed specifically to evacuate renewable energy from one or more renewable energy facilities, this capacity is the expected result.
	  ○ If the network infrastructure is part of a system-wide effort to strengthen the network to absorb anticipated renewable energy, then the expected result is equal to the increase in renewable energy capacity in the three years after the

[13] The project teams are expected to provide support to the client to establish or strengthen their monitoring and evaluation (M&E) systems to ensure the quality of data on RE capacity enabled.

[14] In the case of estimation and measurement of the renewable energy capacity enabled through indirect support, the additionality principle applies, which posits that but for intervention, the renewable energy capacity would not be enabled.

network infrastructure becomes operational, as calculated in the technical studies.
    - The achieved renewable energy capacity results will be equal to the expected renewable energy capacity results at the completion of the network infrastructure, even if renewable energy capacity is not yet available. Furthermore, this corresponding MW of capacity will be reported as the result achieved in the Implementation Completion Results Report (ICR).
    - Where non-renewable energy capacity also benefits from the network infrastructure, the renewable power generation capacity will still be counted.
    - Existing renewable energy capacity that benefits from new network infrastructure is not included to avoid double-counting, unless the network infrastructure reduces curtailment of existing renewable energy production. The quantum of generation that is no longer curtailed should be converted into capacity and included in the results.
- If the project supports the development of **de-risking mechanisms** for renewable energy investments, the potential renewable energy capacity attributable to these activities is counted towards the indicator. The results horizon in this case is limited to the project timeframe, covering the period between the approval and closing dates. If de-risking mechanisms are provided for direct investments with private co-financings, the results under these interventions will be considered as renewable energy capacity enabled through direct support.
- If the project provides **transaction advisory**, the potential renewable energy capacity enabled by this advisory work is counted toward this indicator. The principles on results horizon and counting potential capacity used for development policy financing (DPF) will apply to the transaction advisory as follows:
    - If transaction advisory support is provided under one project followed by subsequent financing of renewable energy physical infrastructure, then the MW of renewable energy capacity enabled should be counted once under the project that provides direct support.
    - If transaction advisory support is provided by one institution without pre-identified financing, the MW of renewable energy capacity should be recorded under the expected results for that institution. This continues until direct support for such capacity is in place and completed by the same institution, at which point the MW capacity is recorded under expected/actual results for the institution providing the direct support. If more institutions within the World Bank later provide direct support for the project, the reporting of expected results should transition from the institution that counted expected results for the transaction advisory to the institutions providing direct support subject to proportioning as explained in the section above.

Renewable energy capacity enabled through enabling policy support (relevant for IBRD and IDA only)[15]: The renewable energy capacity enabled as a result of development policy financing (DPF) prior actions is counted towards this indicator. The results horizon under DPFs covers the project timeframe between the approval and closing dates. Therefore, the expected results under the DPF prior actions refer to the targeted results, as defined by the project results frameworks that will occur within the project timeframe. Respectively, the results achieved and reported in Implementation Status and Results Reports (ISRs) and Implementation Completion Results Reports (ICRs) refer to project results that have occurred, or plausibly occurred, within the project timeframe.

In the case of DPFs, this indicator counts the potential renewable energy capacity enabled. To be counted towards this Scorecard indicator, the indicator(s) appearing in the DPF results framework should make explicit reference to MW of potential renewable energy capacity contracted,

[15] In the case of estimation and measurement of the renewable energy capacity enabled through policy support, the additionality principle applies, which posits that but for intervention, the renewable energy capacity would not be enabled.

awarded, developed, or added to the grid. These examples are not meant to provide an exhaustive set of possible project-level results indicators, but merely to illustrate some of the principles of what could be considered as potential renewable energy capacity enabled by DPF prior actions.

Step 2: Validate project-level results data

The reporting teams across the World Bank Group institutions receive raw project-level results data from relevant internal databases and systems. Each team is required to review and validate data; see Quality Assurance section for further details.

Step 3: Calculate the imputed capacity (if needed)

In cases where IBRD, IDA, IFC, and MIGA projects that are focused on the construction, rehabilitation or upgrade of renewable energy generation facilities report only the volume of renewable energy generated using the GWh unit of measurement, then the reporting teams should calculate the imputed capacity. The imputed capacity measures the capacity of a renewable energy generation facility based on its actual energy production performance and its capacity factor.

The imputed renewable energy capacity is calculated based on the following formula:

$$RE_{gen.cap}\ (MW) = \frac{RE_{annual\ output}\ (MWh)}{8760\ hours\ \times capacity\ factor}$$

The reporting team should follow up with the project team to confirm the country- and technology-specific capacity factor to be used for the project calculations. If project-level data on the capacity factor is not available, the reporting teams will use the International Energy Agency's (IEA) data on the capacity factors by technology type, which is updated annually.

If the imputed capacity is calculated for the project, the reporting team will make manual adjustments in the calculation and reporting sheet. The reporting team should also proactively engage with the project teams (or directly with clients), should recommend including the renewable energy capacity indicator in the results framework, and should directly report MW values in future reporting cycles.

Step 4: Calculate the stock of expected results and the stock of results achieved.

Stock of results achieved: Aggregate the indicator achieved values at the project level for the reporting cycle to determine the total MW of renewable energy capacity enabled by World Bank Group operations at the portfolio level.

Stock of expected results: Aggregate the indicator expected values that will occur over the project's entire results horizon to determine the overall expected total MW of renewable energy capacity enabled by World Bank Group operations at the portfolio level.

Step 5: Convert results to GW.
This indicator measures the renewable energy capacity enabled using the GW unit of measurement. However, at the project level, the data is reported using the MW unit of measurement. The reporting teams will convert the calculated results by dividing the value in MW by 1,000.

Step 6: Disaggregate results.
See the Method of calculation (Disaggregation) below for further details.

METHOD OF CALCULATION (DISAGGREGATION)	• **FCS**: Results are aggregated according to the most recent FCS list.[16] • **Small States (SS), Small Island Developing States (SIDS), and Least Developed Countries (LDCs):** Results are aggregated according to the most recent list of SS,[17] SIDS,[18] and LDCs.[19] • **IDA/IBRD/IFC/MIGA**: Project data are used to aggregate results by institution. • **Region:** Project data are used to aggregate results by WBG region.[20] • **Country income group**: Results are aggregated according to the income level list.[21] • **WBG joint programming:** The standardized approach specified in the Corporate Scorecard Disaggregation Methodology is followed.
PRINCIPLES TO AVOID DOUBLE COUNTING	**For more information, please refer to the Common Principles to Limit Double Counting.** In cases of joint or complementary projects across the World Bank Group, there is a risk of double counting. To mitigate this risk, the reporting teams will adhere to standardized formats of data collection and reporting and follow the standardized data-sharing protocols among WBG institutions currently under development. In the case of projects that provide indirect or enabling policy support to renewable energy, which may be subsequently followed by financing provided by any of the World Bank Group institutions, there is a residual risk of double counting - notwithstanding best efforts of due diligence to identify overlapping impacts of different activities across institutions and fiscal years. For more information, please refer to the annex on Common Principles to Limit Double Counting.
QUALITY ASSURANCE PROCESS	Designated units responsible for the corporate reporting on this indicator across the World Bank Group institutions will engage with the project teams to provide guidance and training on the application of this method note to their operations. Staff members involved in project preparation and implementation are expected to be aware of project-level activities that are counted toward the indicator, methods to estimate renewable energy capacity enabled by these activities, data sources, and data collection mechanisms for this indicator. The reporting teams will also facilitate cross-institution and cross-region learning; exchange of good practices; enhancement of the quality of results frameworks with renewable energy capacity enabled outcomes over time; and improvement of consistency in the estimation of renewable energy capacity enabled across the projects. If the project activities meet the inclusion criteria for this indicator, the project teams, in consultation with the clients, should consider including a relevant indicator to the project results framework to measure the renewable energy capacity enabled.[22] The focal points responsible for the reporting should validate the completeness and consistency of the project-level data reported for this indicator. This includes checking whether the right measurement units have been used across the projects, whether all fields have been completed in the dataset, and whether data are internally consistent and realistic. These can be a combination of manual and automated checks in the calculation and reporting sheet.[23] The focal

[16] WB: Classification of Fragile and Conflict-Affected Situations
[17] https://www.worldbank.org/en/country/smallstates/overview.
[18] UN List of SIDS: List of SIDS
[19] UN List of LCDs: List of LDCs
[20] WBG regions are Africa West, Africa East, East Asia & Pacific, Europe & Central Asia, Latin America & the Caribbean, Middle East & North Africa, and South Asia.
[21] WB Data: WB Country and Lending Groups
[22] It is the client's responsibility to estimate, collect and report data for this indicator throughout the project. As data quality at entry is a key determinant of the project's performance and a critical element for corporate reporting, it is recommended that project teams work closely with the clients to estimate the targeted results and provide any technical support needed. The facilitate data collection and reporting for this indicator, the project team should provide detailed guidance to the clients, covering the unit of measurement, data sources, methodology for data collection, and reporting responsibilities. The guidance could be issued as a separate M&E Manual that is compiled during preparation or the first months of implementation. Throughout project implementation, the project teams should also assess whether the data for this indicator has been collected and reported by the clients in a methodologically sound manner and whether M&E arrangements are functioning well or need to be adjusted. In case of any issues related to data availability and reliability, the project teams should identify measures and actions needed to address these issues in a timely manner.
[23] Specifically, the focal points are encouraged to check: (i) projects that report a progress value much higher than the one reported in the previous cycle, which seems unrealistic to be achieved over one year, (ii) projects that report a progress value smaller than the baseline or significantly higher than the target value, (iii) projects that report significantly large results in their first or second reporting year or do not report any progress for more than 5 years, (iv) projects that report several values related to different type of renewable energy support (to avoid any potential double counting), (v) project that report generation capacity using units of measurement other than MW, or (vi) projects that report the generation output in MWh or GWh but do not include generation capacity indicator in the project results framework. If any errors are identified, the focal points should request accurate data from the project teams (or directly from clients) and make manual adjustments in the calculation and reporting sheet. The focal points should also proactively engage with the project teams (or directly with clients) to rectify the inaccuracies for future reporting periods.

	points should record any inconsistencies in the data identified, manual adjustments and revisions made, and any additional assumptions used for the calculations to complete the reporting sheet. The purpose of keeping these records is to maintain the history of each data point in case it is ever necessary to revise the whole data series back through time, explain revisions to the data, or update the calculation methods. Following the data validation, the calculation and reporting sheet with the key reporting figures will be shared with Energy (Industry) specialists and (or) Sector Economists/Results Measurement Specialists for additional data quality checks. Upon completion of the annual reporting cycle, the reporting protocols will be reviewed and updated based on the feedback and experience of the focal points responsible for reporting to ensure data consistency and comparability across IBRD, IDA, IFC, and MIGA. The calculation methods will continue to evolve and be further developed as the Bank's experience in implementing the methodology grows. Certain concepts may be deepened and clarified over time, while other aspects are added or dropped due to developments in technologies, policies, practices, and consumer behavior. This methodology note will be reviewed and updated periodically to capture lessons learned from reporting on this indicator.
VERSION	Version 1. Revised March 28, 2024.

ANNEX 1: Theory of Change