REIMBURSABLE ADVISORY SERVICES (RAS): WHAT ARE THEY?

RAS are programs offered by the World Bank to its clients in middle and high-income countries. Unlike lending products, RAS is an instrument developed to deliver specific assistance to eligible clients requiring services that cannot be fully funded from the Bank’s country program.

Under RAS programs, the World Bank works with countries at their request, providing technical advice, analytical services, and implementation support. The Bank is then reimbursed for the costs of delivering these advisory services.

Reimbursable Advisory Services are flexible and easily adapted to meet country needs, and can take many forms, including the following:

- Policy advice
- Analytical and diagnostic work
- Donor aid coordination
- Impact evaluation
- Program implementation support
- Delivery of training
- Knowledge sharing and peer learning
WHY NOW?

In Europe and Central Asia, middle and high-income countries are changing. The global economic crisis of 2008–09 exposed the vulnerability of ECA countries. Although progress has been made in addressing these vulnerabilities, deep structural challenges continue to threaten the long-term sustainability of growth, poverty reduction, and people’s well-being. In response, the World Bank is focusing its strategy in the region on competitiveness and shared prosperity to improve the lives of citizens in ECA countries through policies and investments that generate jobs and support environmental, social, and fiscal sustainability. Now more than ever, ECA countries are interested in developing their capacity to identify and implement policies that produce results to increase shared prosperity and reduce poverty.

Through the targeted response of RAS, the World Bank can bring its expertise to meet this demand. By offering access to analytical and advisory skills, as well as flexible options for financing, technical cooperation, and knowledge services, RAS programs in ECA can provide valuable help with the design, planning, and implementation of complex structural reforms.

As an important element of our engagement with middle and high-income countries, this program of services reflects the World Bank’s commitment to provide all clients with a broad and flexible menu of assistance options.
WHAT IS THE RAS PORTFOLIO IN ECA?

Demand for RAS programs from ECA countries has grown significantly across different sectors and types of clients, including subnational authorities.

The advisory service areas are diverse and include financial reporting, public sector functional reviews, innovation policies, Roma inclusion, investment climate reform, the business environment at the subnational level, pre-school and vocational education services, modernization of training academies, health care organization and financing, urban transport strategies, and the design of infrastructure investments, as well as program implementation support more broadly.

Since 2005, ECA has been engaged in over 145 RAS programs, with more than half of these launched in the past two years. Between July 1, 2013 and June 30, 2014 alone, ECA signed over 30 agreements with a variety of clients in the region.

Countries that have signed RAS agreements with the World Bank include:

- Albania
- Bosnia and Herzegovina
- Bulgaria
- Cyprus
- Czech Republic
- Estonia
- Georgia
- Greece
- Hungary
- Italy
- Kazakhstan
- Latvia
- Poland
- Romania
- Russian Federation
- Slovak Republic
- Slovenia
- Turkmenistan
WHO IS ELIGIBLE?

While the World Bank’s RAS clients are primarily middle and high-income countries, such engagement can be offered to the following types of clients:

- Governments and government institutions from among the Bank’s member countries, including those that have graduated as borrowers from the Bank;
- Subnational governments;
- Nongovernmental organizations (NGOs) and other not-for-profit private sector associations (such as chambers of commerce);
- Multilateral institutions, including development banks, regional organizations, and state-owned enterprises;
- Commercial entities (though only within the context of training programs).
WHAT ARE THE UNIQUE QUALITIES AND BENEFITS?

RAS is a distinct financial instrument with specific qualities, uses, and benefits. Typically RAS arrangements are generated from client requests and are provided in addition to the World Bank’s regular work program. RAS engagements are regulated by separate legal agreements between the Bank and the recipient(s) of the services, and as the service provider, the Bank reports directly to the client.

Quality. Since the World Bank’s establishment, quality in its advisory and analytical services has been the first priority. All Bank policies and quality assurance practices apply to RAS, including the Bank’s operational policies and safeguards.

Local Insight, Global Knowledge. Global best practices, cutting-edge knowledge products, and leading experts are what clients demand—and what the World Bank offers. The Bank, however, is uniquely positioned as a credit cooperative in which shareholders both own, and are clients of, the institution. More than providing services, the Bank partners with clients in an expanded relationship beyond the standard contractual agreements that can be offered by the private sector. Because of this distinction, the Bank does not bid on advisory services but rather engages with client countries as a development partner.

Cost of RAS Engagements. For all clients, the costs of a RAS program are determined by using uniform pricing norms based on the estimated costs of delivering the specific RAS program.