**Annex III.1: Benchmarking Against the Public Sector GPS**

1. In benchmarking IFI adherence to these GPS, the following will be taken into account:

	* Consistency with the GPS is measured on the basis of the IFI’s consistency with the EPs.
	* An IFI can achieve consistency with an EP by implementing all of the associated OPs. Alternatively, an IFI may also achieve consistency with an EP by adopting other practices that it believes (and the benchmarking consultant agrees) meet the intent of the EP.
	* Unless stated otherwise in the wording of an OP, the judgment that an OP is being implemented should be based on evidence of actual implementation of the OP; it is not sufficient for the IFI to document procedures and policies if these are not carried out in practice.
	* The benchmarking scheme allows for “partial” scores. In other words, OPs may be found to be “fully implemented”, “partially implemented”, or “not implemented”. Consistency with the corresponding EP may be found to be “fully consistent”, “partially consistent”, or “not consistent”. The determination of the EP rating is left to the judgment of the benchmarking consultant, but it would be unusual for an EP to be rated “fully consistent” if one or more of the associated OPs were found to be “partially implemented”.
	* EPs and OPs that are not relevant for an IFI are not included in that IFI’s benchmarking assessment. For example, the GPS contains one EP (#4D) that is relevant only for IFIs that provide policy-based lending. This EP would be ignored for IFIs that do not provide PBLs. In addition, within a particular EP, some OPs may be relevant only for IFIs that provide PBLs. For IFIs that do not provide PBLs, consistency with the EP is based on consistency with the remaining OPs. For example, if an EP has four OPs and one OP is relevant only for IFIs that provide PBLs, the IFIs that do not provide PBLs would be assessed against only the remaining three OPs to determine their consistency with the EP.
2. The following schematic illustrates the benchmarking process. Benchmarking will be used to characterize the extent of harmonization across institutions at the level of each EP. However, the ECG may decide at a future date to apply a scoring mechanism for comparative purposes.

Determine Consistency

with the EP

Determine Consistency

with the EP

Examine the IFI’s

Operational Practices

under each EP

OPs listed under each EP:

Fully Implemented

Partially Implemented

Not Implemented

Score each EP:

Fully Consistent

Partially Consistent

Not Consistent