**Annex IV.1: Benchmarking against the Private Sector GPS Fourth Edition**

Compliance with the GPS Fourth Edition is measured by the extent to which IFIs fulfil the Elements defining each of the EPs. The assessment is made by examining the IFI’s practices and judging their consistency with the Elements of the EPs. An IFI can achieve full compliance with an EP by implementing all the associated standard OPs documented in the GPS. However, the IFI can also adopt alternative, non-prescribed practices that it believes (and the benchmarking consultant agrees) are consistent with the EP; these may in turn be incorporated in future revisions to the GPS. Note that compliance will rely on evidence of the IFI actually implementing appropriate practices; it is not sufficient for the IFI to have documented procedures and policies if these are not then carried out in practice.

Benchmarking scores will show the proportion of EP Elements (as relevant to each institution) with which the IFI’s practices are determined to be consistent, along with the consultant’s decisions on each Element individually. Compliance with the Elements of the Generic EPs will be reported separately from the Elements of the Private Sector EPs. Additionally, the benchmarking will highlight EPs where the IFI is found to be particularly strong or, conversely, falls significantly short of an acceptable level of compliance. The latter information is intended to assist the IFI in identifying its own internal strengths and weaknesses and aims to promote continuous improvement in evaluation practices. The determination of strong or weak EPs is not rigidly defined, but is left to the judgment of the benchmarking consultant based on those Elements of the EP that are complied or not complied with.

The following schematic illustrates the benchmarking process and presentation of the results for each institution.

