

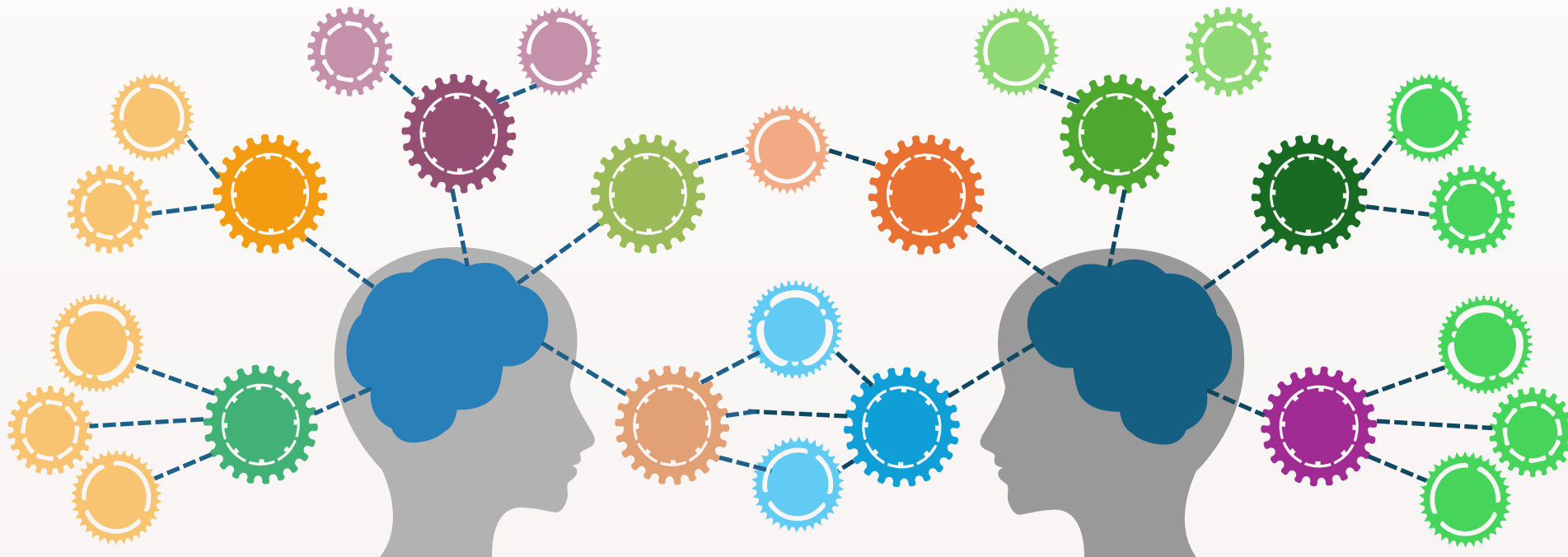
ENHANCING PROJECT IMPLEMENTATION

October 2025



What are the challenges you face in project implementation as a result of operating context?

[Open discussion]



LEARNING OBJECTIVES

After the session, participants will be able to:

- ✓ Identify potential bottlenecks in project implementation
- ✓ Understand the importance of Mid Term Reviews, restructuring, and additional financing
- ✓ Recognize World Bank Task Team's role in supporting project implementation
- ✓ Identify implementation issues/challenges
- ✓ Learn from good practice in project management

SESSION OUTLINE

- Implementation Support
- Mid Term Review (MTR)
- Restructuring
- Additional Financing

IMPLEMENTATION STATUS REPORTING AND MID-TERM REVIEW

(ISR and MTR)

REPORT ON IMPLEMENTATION PROGRESS AND RESULTS

Key questions to address in a project progress report



What is the progress toward achieving the PDO and intermediate results?



What is the progress in project implementation?
Are there major achievements?



Are there significant implementation issues, constraints, and risks that could hinder implementation and results?



Are risk mitigation measures adequate and implemented effectively?



What actions are to be taken to address challenges and improve project implementation?

MID-TERM REVIEW (MTR)

1

Purpose

Formal review to reassess the project design

3

Timing

Prepared at project midpoint or before disbursements reach 40 percent

5

Outcomes

Forward looking and problem-solving

Requirement

Mandated in the Financing Agreement or Project Operational Manual

2

Substance

In-depth assessment of institutional, fiduciary, safeguards, E&S standards, cost-efficiency, and beneficiary perceptions

4

KEY ISSUES TO CONSIDER FOR AN MTR

Reconsider/Revise PDO,
Results Indicators, End targets

Reassess project design,
risks, economic justification,
and beneficiary perceptions

Reallocate funds, redistribute
responsibilities

Recalculate the time needed
to achieve PDO

Review FM, procurement, E&S
safeguards/standards in
details

Restructure (adjust, take out,
add activities, & reassess
requirements)

Recognize and Record lessons
learned

Realistic Action Plan

GOOD PRACTICE

Plan early

Ensure M&E system and reporting is functioning effectively

Involve all stakeholders from the beginning

Government prepares an independent MTR evaluation report prior to the MTR mission

Share draft MTR report with all stakeholders and solicit feedback

Visit project sites for in-depth discussion with beneficiaries to solicit feedback

RESTRUCTURING

IPF Operations

WHY DO WE NEED RESTRUCTURING?

Pro-activity and Adaptive Implementation

Restructuring works best when it addresses unanticipated factors and takes advantage of opportunities in a timely manner
(enough time and resources to adjust and succeed.)

Restructuring is less effective
when dealing with poor
project design

WHEN TO CONSIDER RESTRUCTURING

As needed to address
issues of a Problem
Project

Often, after the Mid-Term
Review of a Project

Strategically, to support
emergency response
(applying Paragraph 12 of
IPF Policy)

When retrofitting a
portfolio, to introduce a
Contingent Emergency
Response Component
(CERC)

RESTRUCTURING EXTENDING THE LOAN CLOSING DATE

As per IPF Policy, to extend the closing date:

Project Development
Objective(s)
should remain
achievable

Performance of
Borrower/Imp. Agency
needs to be
satisfactory

Realistic Action Plan
agreed to complete the
Project

(Projects subject to suspension of disbursements cannot be extended)

In exceptional circumstances, retroactive extensions of a Closing Date may be approved by Management

ISSUES TO CONSIDER



Is the rationale for the restructuring well documented, relevant to the project situation, and supported by a Borrower request?



Is there a need to adjust the Project's Theory of Change?



Will any of the overall project risk or specific risks change?



Any implications regarding safeguards/E&S requirements?



What are the implications for the project's economic viability?



What are the effects of reallocated or canceled amounts?



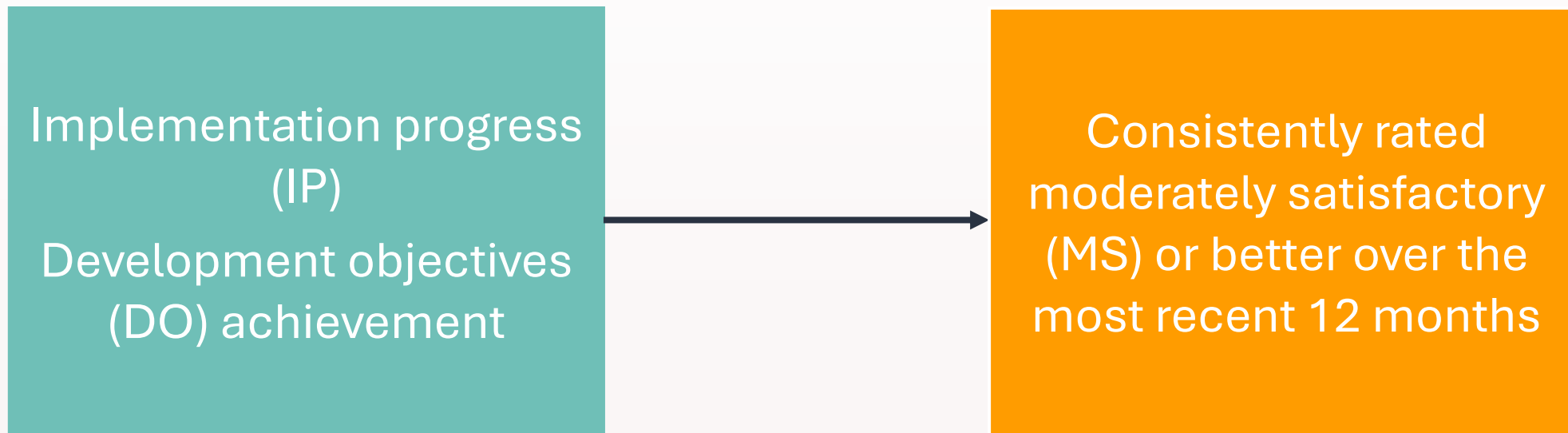
Is there a need for a legal amendment?

ADDITIONAL FINANCING

Why should the government request for additional financing?

PROJECT READINESS FOR ADDITIONAL FINANCING

Additional Financing (AF) is an opportunity to increase development effectiveness by providing more funding for a **well performing project** **which is:**



RATIONALE FOR ADDITIONAL FINANCING

Financing Gap	Cost Overrun	Scale Up	Restructuring
Shortfalls in funds anticipated at appraisal (co-financing, counterpart financing, or cost recovery)	Cost increases not anticipated at appraisal (due to inflation, exchange rate, or design changes)	Increasing or expanding successful activities that are in line with original project design	New or modified activities resulting from a project restructuring that require additional funds

Categories are not mutually exclusive -- AF can include more than one of these categories

KEY ELEMENTS TO CONSIDER FOR AF

PDO progress is based on a good implementation pace, with well measured results

Partner with efficient implementing agency/agencies

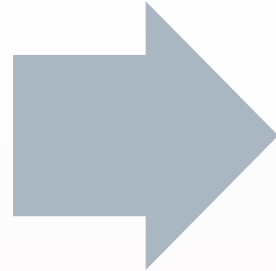
No major E&S or fiduciary issues

Disbursement pace is consistent with the original disbursement projection or better

Identify activities whose expansion can enhance development impact

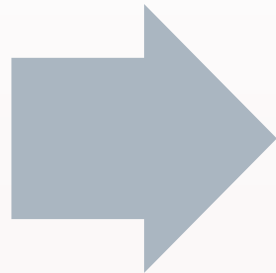
FACTORS TO CONSIDER WHEN DECIDING BETWEEN AF OR A NEW OPERATION

Development Impact



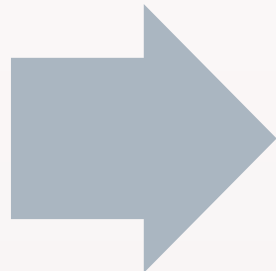
What is the potential development effectiveness of the proposed activities (scaling up or new); Will they enhance PDO achievement?

Project Scope



Does the proposed activities align with the PDO; Can they be accommodated within the current project framework, or a major restructuring would be needed?

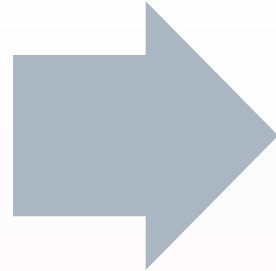
Policy and Institutional Environment



Do the proposed activities align with the country and sector's policy and institutional framework or major adjustments would be needed?

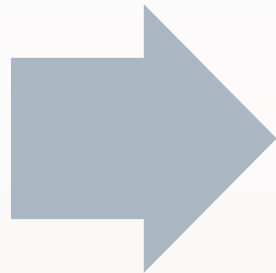
FACTORS TO CONSIDER WHEN DECIDING BETWEEN AF OR A NEW OPERATION

Financial Need



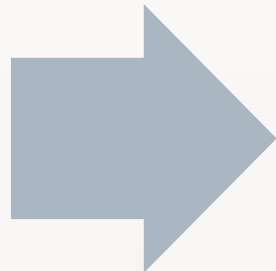
Can the financial need and requirements for the proposed activities be met more efficiently through an AF?

Operational and Absorptive Capacity



Is the government capacity adequate to implement the proposed activities and manage the additional financing?

Risks



How do the potential risks associated with the AF compare with a new operation?

ADVANTAGES OF ADDITIONAL FINANCING

AF can also be an opportunity to make changes to the project

Project restructuring may be processed together with AF even when the proposed restructuring changes, by themselves, do not require new funds.

The Project Paper can describe and justify both the Additional Financing and the Restructuring

Changes to PDO or results framework in line with current good practice

EXAMPLES

Adjustments to implementation arrangement

KEY FACTORS TO NOTE (I)

Not a new operation, but
a process to add funds to
an ongoing and
successful project

New lending
commitment

May require
parliamentary/cabinet
approval in some
countries

New Legal Agreement,
which can have different
terms and conditions,
and closing date than
original loan/credit

KEY ASPECTS (II)

Project Paper is shorter than a PAD

Results Framework of the AF replaces the original RF

Risk Assessment (SORT) considers all risks related to the original project for scaling up

Updated economic analysis is for the whole project, not just for the AF

All corporate commitments apply

KEY ASPECTS (III)

Most scale up AF include
a restructuring

Provides an opportunity
to bring in changes to the
project not related to the
AF

Can be processed and
approved together with
AF

Any changes introduced
through the AF and
restructuring will apply to
the whole Project

KEY ASPECTS (IV)

There is no cap on how long an AF can extend a project's life, but keep in mind that:

1

If overall Project implementation period with the AF exceeds 10 years: ICR needed before the Decision Meeting, and an updated ICR after project ends

2

The CD can decide that only one ICR will be needed for the project if the AF is for Cost overrun or Financing Gap

3

If the AF is for scaling up or for new activities, a waiver would be needed for not preparing the interim ICR

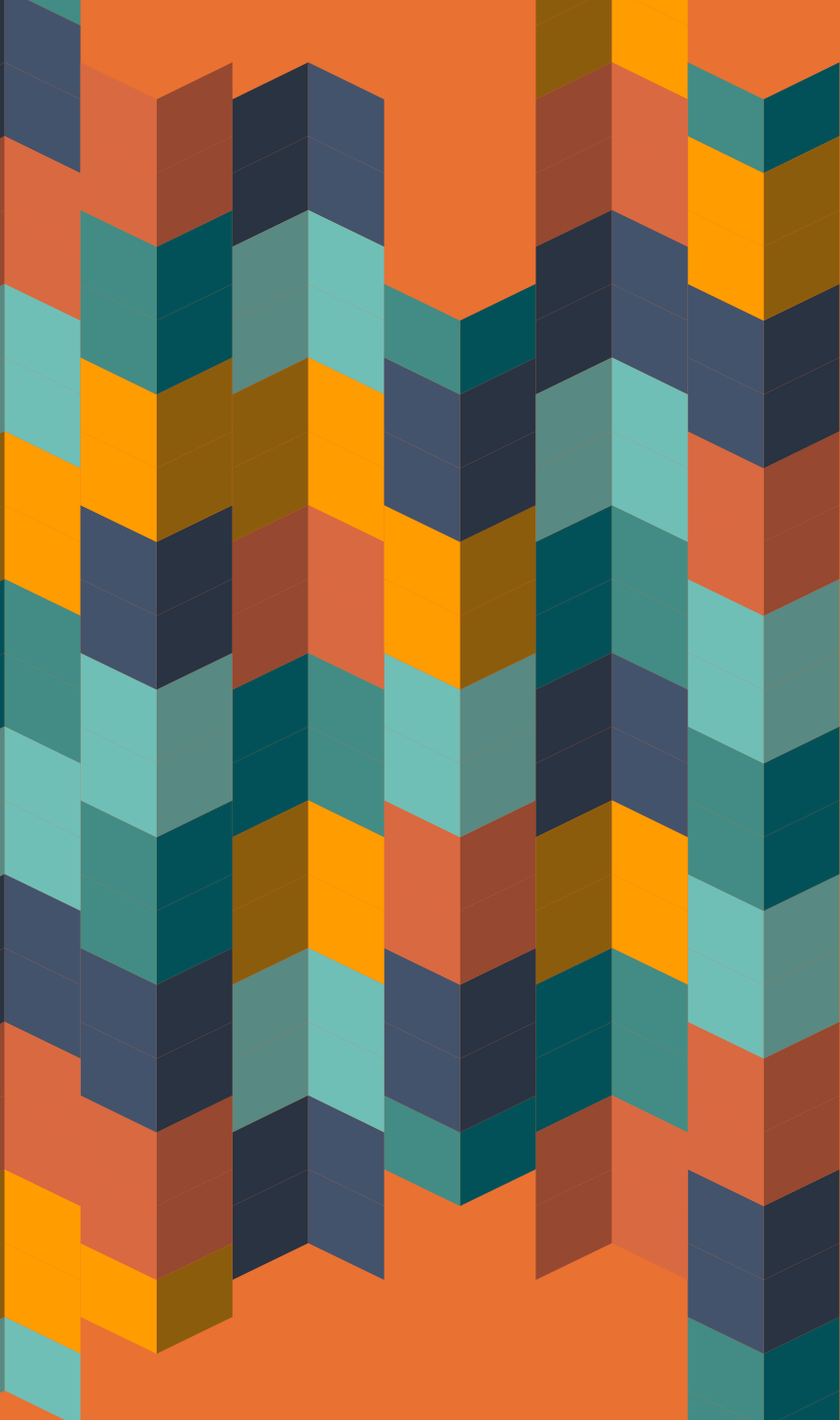
RESPONDING TO AN EMERGENCY

From Project Paper: The Federal Government of Somalia (FGS) has requested an additional financing (AF) to address drought- and flood-induced emergency needs under **the Somalia Shock Responsive Safety Net for Human Capital Project** (SNHCP, P171346). The **financing amount is US\$100 million** equivalent from the International Development Association (IDA)....**This AF will apply the procedures under paragraph 12 of Section III of the IPF Policy** (Projects in Situations of Urgent Need of Assistance or Capacity Constraints) given the country context characterized by FCV and low institutional capacity.

Scale Up Additional Financing

- The Project should be under ESF
- In compliance with Policy Requirements: “Well Performing” Project & Under implementation for 12 months (if not, exception required)
- Procedures on AF apply (with flexibilities of emergency response)
- Follows Road Map for AF
- It can include Restructuring if needed, as with regular AF

OPCS offers a Clinic on Preparation of Projects (including AF) for emergency response



GROUP WORK

Short Scenario Cases

SCENARIO 1

- The excitement that greeted the World Bank approved project **Employment for Youth in Agriculture Development (EYAD) project** started to dwindle after delays in project ratification by the government. After a long discussion, the project was finally approved, but effectiveness delay has impacted the project and in fact delayed actual activity implementation. Unfortunately, this will impact on the 5-year implementation timeline for this project. What will be your guidance to the government and the Bank to avoid this happening to other new projects? How would you ensure fast-tracking of implementation?

SCENARIO 2

- At preparation, the **Water and Sanitation Extension (WSE) project** was supposed to reach about 100,000 project beneficiaries from 5 small communities. The construction of the pipelines was going to impact about 600 properties along the right of way with substantial compensation from the government, something that has led to many discussions with no real solution. As important as the project is, there is a decision to do something about the impacted areas and project impacted persons to reduce the scope and cost associated with the compensation. How would you suggest is the way forward? Explain why you selected this approach and not others.

SCENARIO 3

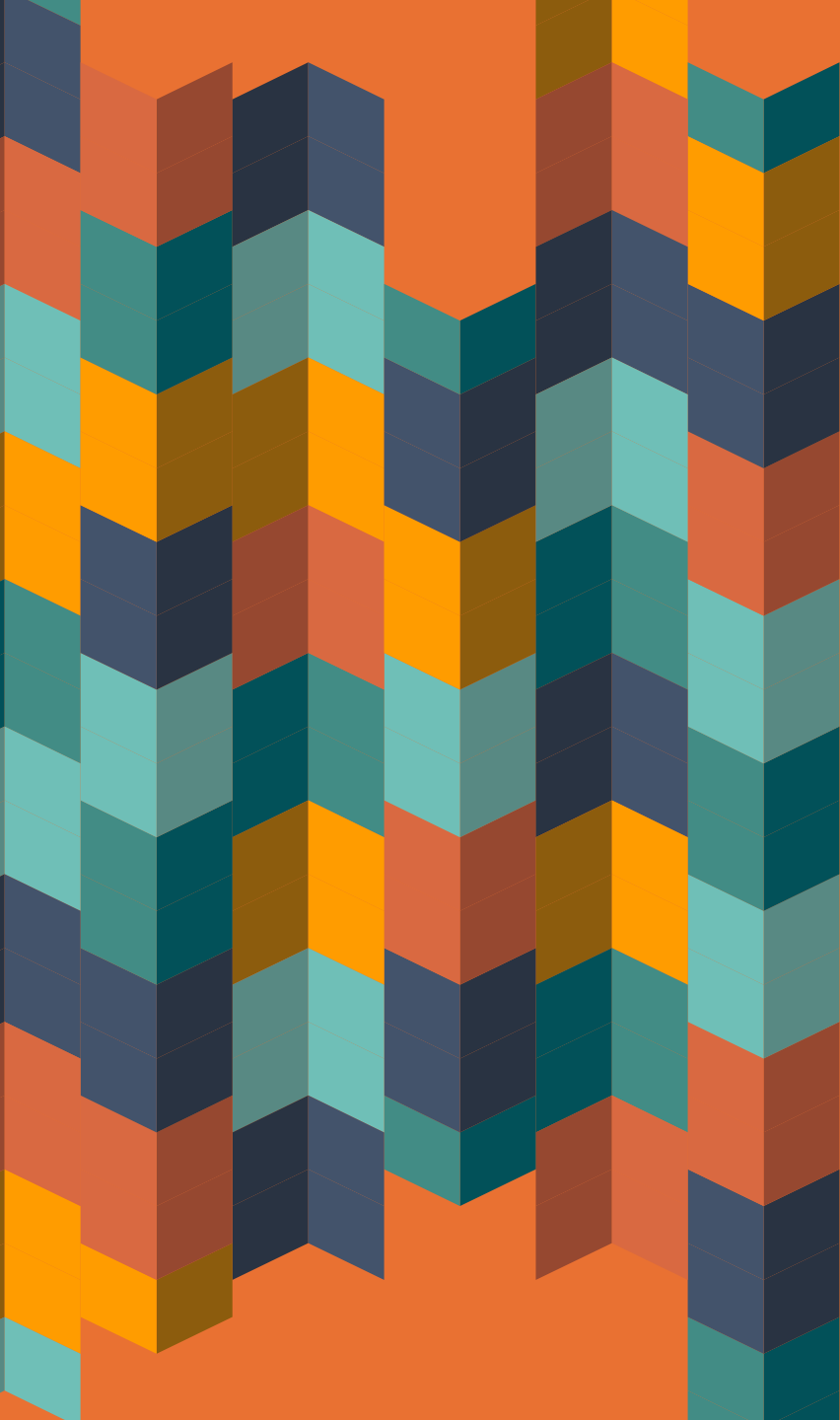
- The “**Childhood Development and Nutrition Improvement**” (CDNI) project has been under implementation for 3 years. The project is doing well as compared to other projects in the portfolio, currently rated Moderately Satisfactory (MS) on implementation progress and Satisfactory on PDO achievement progress. Disbursement, which was below 20% of project funds has suddenly increased to 65% after procurement challenges, government processes were streamlined to allow quicker clearances. The beneficiary communities have seen the impact and patronage has skyrocketed due to improved and continuous engagement with stakeholders. With the increased demand and signs of real improvement starting to show, there is discussion by the government and the Bank Task team on what can be done. If you were to advise the Government, what would you suggest they do? Give reasons for your advice to the government.

SCENARIO 4

- The **Social Protection and Women's Empowerment (SPWE) project** is due to close in 3 weeks' time, after a delay in project implementation due to several factors in the past 5 years! (65% avoidable). The project suddenly 'informally' requests for an extension to the project closing date because the project is now doing well and has started showing great signs of success. The beneficiaries, mostly poor female headed households will be disadvantaged especially because some of the identified beneficiaries have received their payments/support, whilst other payments are being processed (despite earlier discussions on the issue with no response!). Being the project coordinator of this project, how would you convince the MoF to make a case to the Country Director? What would be the key points to ensure you have a strong case?

SCENARIO 5

- After 2.5 years of implementation (out of 5 years planned), it was not clear whether the Multi-Sectoral **Roads for Agriculture Improvement and Rural Economic Enhancement (RAIREE) project** was going in the right direction and whether the PDO was not too ambitious with similarly ambitious targets and indicators. Data collection was becoming quite challenging, something not really anticipated given that each participating institution had a robust M&E system. Although the institutional arrangements were thoughtful, its implementation has proven more challenging and collaboration, information sharing etc. has become a huge burden and impact on the implementation of key activities. As a Project Coordinator, what will be the way forward for this project to help turn around implementation?



THANK YOU!

Questions?