## Project Data

**Country:** Niger

**Is this Review for a Programmatic Series?**
- Yes

**How many operations were planned for the series?**
- 2

**How many were approved?**
- 3

### First Project ID: P129793

**Project Name:** Gprc-2 Supplemental Financing

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**Sector Board:** Economic Policy

**Cofinancing (US$M):**

**Board Approval Date:** 02/23/2012

**Closing Date:** 06/30/2012

**Sector(s):**
- Central government administration (44%);
- Agricultural extension and research (22%);
- General industry and trade sector (17%);
- Banking (11%);
- Other social services (6%)

**Theme(s):**
- Other Financial Sector Development (34%);
- Public expenditure; financial management and procurement (22%);
- Rural services and infrastructure (22%);
- Tax policy and administration (11%);
- Social safety nets (11%)

### Second Project ID: P117286

**Project Name:**

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**Sector Board:** Economic Policy

**Cofinancing (US$M):**

**Board Approval Date:** 06/30/2012

**Closing Date:** 06/30/2012

**Sector(s):**
- Central government administration (44%);
- Agricultural extension and research (22%);
- General industry and trade sector (17%);
- Banking (11%);
- Other social services (6%)

**Theme(s):**
- Other Financial Sector Development (34%);
- Public expenditure, financial management and procurement (22%);
- Rural services and infrastructure (22%);
- Tax policy and administration (11%);
- Social safety nets (11%)

### Third Project ID: P107741

**Project Name:**

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**Sector Board:** Financial and Private Sector Development

**Cofinancing (US$M):**

**Board Approval Date:** 03/24/2009

**Closing Date:** 12/31/2009

**Sector(s):**
- Central government administration (44%);
- General agriculture, fishing and forestry sector (14%);
- Rural and Inter-Urban Roads and Highways (14%);
- Banking (14%);
- General industry and trade sector (14%)

**Theme(s):**
- Rural markets (20%);
- Debt management and fiscal sustainability (20%);
- Other Financial Sector Development (20%);
- Tax policy and administration (20%);
- Public expenditure, financial management and procurement (20%)
2. Project Objectives and Components:

a. Objectives:

The main objectives of the Growth Policy Reform (GPR) series were "to help reduce policy constraints and institutional bottlenecks preventing private sector growth, by (i) addressing the main business environment obstacles, including taxes, (ii) relieving infrastructure constraints for the private sector, (iii) specifically addressing growth of the rural sector, (iv) pursuing public finance management reform." (GPR-1 Program Document).

The Program Document for GPR-1 also refers to a fifth objective: “addressing demographic issues.” Although this does not feature in the statement of objectives cited above, the Grant and Program Summary on page vii does include it as part of the development objectives. The focus of reforms in this area was on supporting the implementation of the Government Declaration of Population Policy through institutional changes.

GPR-2 maintained the thrust of the program objectives, with two differences. First, the demographic agenda was phased out, since the emphasis was placed on the business environment and rural development agendas; second, the first objective was changed to: "strengthening of global competitiveness of Niger."

b. If this is a single DPL operation (not part of a series), were the project objectives/ key associated outcome targets revised during implementation?

No

c. Policy Areas:

The original operation contained the following policy areas for the overall program:

Pillar 1. Support to the government’s efforts to promote private sector-led growth and entry in the formal sector, by means of: (a) a reduction in the corporate tax, as a first step towards comprehensive tax reforms, (b) an acceleration and completion of the repayment process of all internal debt arrears due to the private sector, and (c) completion of the establishment of FINAPOSTE, through its recapitalization.

Reforms under this pillar were built on prior actions to clear CFAF 2.5 billion of arrears, consistent with the relevant budget inscriptions in the 2009 Law of Finance; an injection of CFAF 5.7 billion into a Treasury account at BCEAO, on behalf of FINAPOSTE; and actions to reduce the impots sur les benefices, stamp duties for registering new businesses, and submission of a new General Tax Code to the National Assembly for approval.

Pillar 2. Addressing infrastructure constraints having an impact on private sector and rural growth, by: (a) Increasing the sustainability of the road fund (CAFER), and (b) creation of a legal framework that would permit the development of public private partnerships (PPP). This pillar was supported by prior action to maintain adequate funding for road maintenance.

Pillar 3. Support to the Agricultural Sector and Rural Development through reforms that would: (a) improve the efficiency of the input marketing system, by allowing farmers to have access to inputs at better prices, and (b) support the modernization of agricultural services. This was built on policy measures by the Ministry of Agricultural Development to allow small farmers access to inputs at better prices, as prior action.

Pillar 4. Addressing Public Finance Constraints by: (a) supporting introduction of electronic processing of payables to private suppliers and improving budget preparation process, and (b) improving transparency and procurement controls by revisiting decrees 113/10/06 and 114/10/06. Prior actions supporting this pillar included making electronic processing of payables to private suppliers effective, and improvements in transparency of procurement controls.

The Program Document for GPR-1 and the ICR refer to a fifth policy area - "Demographics". The focus of reforms in this area was "to ensure that the institutional set-up for the implementation of the Government Declaration of Population Policy was made effective at the national, regional, departmental, and communal levels" (ICR, page 14). As noted in Section 2a above, the demographic agenda was not included in GPR-2.
d. Comments on Project Cost, Financing, Borrower Contribution, and Dates:

GPR-1 was in the form of a Grant of US$40 million. GPR-2 was an IDA Credit of US$50 million. It was initially envisaged that the GPR series would be implemented over a period of two years, after Board approval in March, 2009. However, the political crisis that erupted in Niger soon thereafter resulted in a delay in effectiveness of GPR-1 (May, 2010) and in Board approval of GPR-2 (June, 2011). Further, an unanticipated financing gap arose by early 2012 - the result of a poor harvest in 2011-12, on account of a combination of droughts, floods and pest attacks, together with the spillover effects of the conflict in Libya. This led to the approval of a supplemental financing operation to GPR-2, approved on February 23, 2012, which added US$15 million.

3. Relevance of Objectives & Design:

a. Relevance of Objectives:

Objectives: Substantial. The GPR program’s objectives were relevant to the Government’s most recent Poverty Reduction Strategy Paper (Plan for Economic and Social Development, 2012-15), the overarching objective of which is to achieve sustained and inclusive growth and to Pillar 1 of the World Bank Group’s Country Partnership Strategy, for the Fiscal Years (FY) 2013-16, which focuses (p.22) on promoting resilient growth through an improved investment climate, agricultural productivity and strengthened economic infrastructure. The objectives of the GPR program were also substantially relevant to the country’s developmental objectives at the time of appraisal, as reflected in the country assistance strategy (CAS) for the period FY08-11, which stressed the need to put the economy on the path of higher economic growth by addressing structural obstacles to private investment and agricultural productivity, through measures to improve the business environment and strengthen the economic infrastructure (see p.4 and p.20).

b. Relevance of Design:

Design: Modest. The design of the program was broadly consistent with its developmental objectives. The policy areas chosen in GPR-1 were mostly appropriate to meeting the overarching objectives of promoting growth through development of the private sector, improved infrastructure and enhanced agricultural productivity, plus improved public expenditure management. Outcome indicators in the results chain were relatively straightforward. The reforms being supported could, for the most part, reasonably be expected to lead to a reduction in the time and cost of setting up business enterprises and in rebuilding the working capital base of formal enterprises, improved access to finance, and greater participation of the private sector in infrastructure through public-private partnerships (PPPs). However, it should be noted that some of the targets in the results framework (broadening of the tax base, improved use of fertilizers) lacked quantitative specificity.

Diversification of the economy beyond the natural resources sector, public financial management reform and strengthening of the infrastructure sector is considered essential to achieving growth and macro-economic stability. This issue became increasingly critical in the context of various exogenous crises that followed (food crisis and floods in 2010, influx of migrant workers from Libya following the political crisis there in 2011, and a further poor harvest in 2011-12). The Supplemental Financing provided under the series in 2012 was a response to the impact of some of these external shocks.

While design broadly addressed many of the constraints to investment and private sector-led growth, there were a number of instances where the prior actions selected did not respond adequately to the key obstacles in a particular policy area. For instance, rather than focusing on the budget allocation for road maintenance, it would have been more appropriate to have identified a more sustainable financing mechanism for road maintenance. Similarly, the focus on reducing the business income tax does not appear to have fully taken into account the structure Niger’s economy, especially the role of foreign participation in the mining sector. Some of the results indicators were poorly defined and difficult to measure, in addition to which the causal link between some of the reforms undertaken and results targeted was unclear.

According to the International Monetary Fund (Niger: Ex-Post Assessment of Longer Term Program Engagement, December, 2011), macroeconomic performance during 2005-10 was satisfactory, although conditions deteriorated in 2009-10, following political instability and drought. Fiscal revenue targets established under programs with the Fund were met, and progress was made in improve public financial management. Debt management was strengthened following comprehensive debt relief. Financial intermediation improved somewhat, although financial sector reforms could have been better adapted to country circumstances.
Macroeconomic risks remain significant, and include potential political instability, difficult climatic conditions, and both technical and human capacity constraints. During implementation of the GPR series, economic outcomes were adversely affected by exogenous shocks requiring significant fiscal expenditures. Nonetheless, all performance criteria under Niger's Extended Credit Facility Program with the IMF were met at end-December 2013 and end-June 2014, except for the PCs on domestic financing.

4. Achievement of Objectives (Efficacy):

1. Reducing policy constraints and institutional bottlenecks preventing private sector growth by addressing the main business environment obstacles: Rating: Modest

Outcomes:

(a) Improved business environment in Niger: The objective of improving the business environment in Niger was achieved only to a limited extent. The 2014 Doing Business report ranks Niger 176 out of a total of 189 countries. In the West African Economic and Monetary Union (WAEMU), only Senegal and Guinea Bissau ranked below Niger (at positions 178 and 180 respectively). Moreover, Niger moved two notches down compared to the 2013 ranking. Niger's firms face more severe challenges than the average WAEMU and Sub-Saharan African country in (i) trading across borders, (ii) starting a new business, (iii) resolving insolvency, and (iv) dealing with construction permits (Figure 4). The 2009 WB-IFC Enterprise Survey reported that firms identified as main obstacles the presence of a large informal sector that poses competitive challenges to the formal sector, and the difficult access to finance. Little evidence is provided of improvement in these respects. The program team subsequently informed IEG that they had held discussions with the Authorities on Niger's DB rankings. During these discussions, "[the Authorities] explained to [the Bank team]...how some of the DB indicators do not seem to convey accurate information on Niger." In 2016, Niger's DB ranking rose to 160. However, the extent to which this can be attributed to a program that closed in mid-2012 is unclear.

One of the reasons for the program's lack of impact lies in the fact that the results chain only very partially addressed the issue of an improved business environment, focusing on five dimensions, not all of which are clearly relevant or of an unambiguously high priority: (i) reductions in cost and time to set up a firm; (ii) a broadening of the tax base; (iii) clearance of arrears to the private sector; (iv) operationalization of Finaposte (the Postal Bank of Niger) in order to provide increased access to finance and credit to rural populations; and (v) initiation of pension reform. Results, even with regard to these limited dimensions, are mixed. The cost and time to set up a firm fell marginally between 2008 and 2010 (from US$475 to US$400 and from 19 to 17 days). However, this was well short of the target. Although the number of registered tax payer firms increased from 13,000 to 18,000 between 2008 and 2011, business income tax collections actually decreased from CFAF 71.6 billion to CFAF 61.3 billion due to reduced tax rates. The Government succeeded in gradually reducing the stock of arrears outstanding in the year 2000 (the focus of GPR 1) from FCFA 112.9 billion in 2009 to FCFA 92.8 billion in 2011. At the same time, however, the Government accumulated new arrears in 2010 and 2011, which increased from FCFA 6.4 billion in 2009 to FCFA 23.1 billion in 2011. Due to implementation delays, the attempt to reform the Postal Bank was abandoned, and the Transition Government decided to liquidate it instead, as per the recommendations of the 2008 Financial Sector Assessment Program (FSAP). Increased rural access to banking services was to be enabled through a partnership between the Postal Service (Niger Poste) and a commercial bank or mobile banking operator. Although some agreements were concluded, there is no evidence to date of increased access. Pension reform was included in the program as a means of providing adequate incentives for workers to stay in the productive sector. Employer and employee contributions were raised in 2009. An actuarial study was initiated under the Transition Government. However, the Transition Government decided against further action on pension reforms, and this policy area was removed from the prior actions for GPRG-2.

2. Reducing policy constraints and institutional bottlenecks preventing private sector growth by relieving infrastructure constraints for the private sector: Rating: Modest

Outcomes:

Poor condition of the road network, reflecting inadequate maintenance, was identified as Niger’s main infrastructure constraint. Appropriately, therefore, the program aimed to support an increased maintenance effort. It was estimated that 10,189 km roads were maintained in 2009 (up from a baseline of 6,000 km in 2008), of which 51% were bituminous roads in good condition (the share of non-bituminous roads went up from 27.5% to 76%). This exceeded the target of 7,400 km. A prior action for GPR-2 was that "adequate" (estimated at CFAF 5.5 billion for 2009, CFAF 6.0 billion for 2010, and projected to rise further, by an unspecified amount, in
2011) funding for road maintenance to the Road Fund (CAFÉR) would be provided, as per the 2010 Finance Law. This, it was considered, would enable "appropriate" maintenance expenditures to be sustained. Although road maintenance expenditure rose from CFAF 2.7 billion in 2008 to CFAF 6 billion in 2011, the Government decided not to pass through fully international oil price increases to domestic fuel prices. Transfers of fuel levy receipts to the road maintenance agency were accordingly reduced, and current levels of road maintenance are still significantly below estimates for minimally adequate maintenance of the existing network.

The program also intended to support expansion of infrastructure through private-public partnerships (PPP). The first step was to have been the preparation of a new PPP Law. However, the Transition Government decided against pursuing this objective, which was dropped from the indicative prior actions for GPR-2.


Outcomes:

The ICR presents no evidence that rural sector growth has been increased. Rather, it focuses on two input enhancements (use of fertilizers and improved access to technology). If these were to lead to increased rural output, they would need to be accompanied by a complementary range of further measures. Greater use of fertilizers was to be demonstrated by an ex-post client survey, which, however, has not yet been carried out. The large increase in the number of shops selling agricultural inputs (from 20 in 2009 to 180 in 2012) may be interpreted as indirect evidence that fertilizer use has increased. No further evidence is available. Improved access to technology was to result from a new framework for delivery of extension services. As in the case of fertilizer use, results were to be measured through an ex-post client survey, but the survey had not been carried out at the time of project closure. There was an increase in number of demonstration plots (from 129 in 2009 to 419 in 2011, and an estimated 548 in 2012), and an increase in practical demonstrations of new techniques (from 240 points of demonstration in 2009 to 720 in 2011, to 960 in 2012), with a corresponding increase in number of beneficiaries (from 3600 to 10,800 producers, followed by an estimated 14,400 producers) over the same period. However, there is no clear evidence that these demonstrations led to increased productivity. The program team subsequently informed IEG that agricultural production shows high year-to-year volatility due to vulnerability to droughts, but that real agricultural output had grown by an annual average of 8% between 2009 and 2013. However, the extent to which this can be attributed to measures supported under the program is unclear.


Outcomes:

Reforms in this area were intended to strengthen the overall framework of the investment climate for private sector growth through a strengthening of public finance management. The three main constraints identified here were: Delays in processing public sector payments, inadequate documentation for Parliament to consider the Finance Law, and non-transparent and ineffective procurement processes.

Reducing delays in processing payments: Delays were reduced to an average of 10 days in 2010 from a baseline of 33 in 2003 and a target of 15 for 2010. The ICR notes however that despite the significant reduction in time to process payments, problems in liquidity management still caused the accumulation of arrears. Provide Parliament with adequate documentation to make a decision on the proposed Finance Law: Eight specific budget documents, covering information on macroeconomic assumptions, the budget deficit and its financing, debt stock, financial assets, etc., were considered to be necessary for Parliament. Six of these accompanied the submission of the 2012 budget, in addition to which the Authorities also included a Medium Term Expenditure Framework.

More transparent and effective procurement practices: The Government had adopted a new Procurement Code and revised decrees on conflict of interest and control of contract awards in line with WAEMU directives. The database of the Procurement Regulatory Agency indicates that nearly 91% of public procurements were being awarded through competitive bidding by 2011, compared to a 2008 baseline of less than 75% and a target of more than 75%.

In a broader sense, the financial support provided by the series in 2010 and 2011 was important in allowing the Government to maintain some degree of macro-economic and fiscal stability in the face of exogenous and political shocks.
5. Reducing policy constraints and institutional bottlenecks to growth by addressing demographic Issues:

Rating: Modest

Outcomes

Given that Niger's high rate of population growth was impeding its ability to improve its human capital and reduce poverty, GPR-1 supported the creation of an institutional set-up for implementation of the Government's Declaration on Population Policy (DGPP) at various levels. The transition government consolidated responsibility for population issues, promotion of women, and the protection of children in a single Ministry. The budget allocation for this Ministry increased from FCFA 3 billion in 2010 to FCFA 5.8 billion in 2011, though the extent to which this was a net increase is unclear, since some activities were transferred from other Ministries. There is evidence of greater use of modern contraceptives (up from 4.4% in 2006 to some 16% in 2010), and increased exclusive breast-feeding of infants (up from 4.4% in 2008 to 10% in 2009). However, these are partial indicators, and attribution to the program is unclear.

5. Efficiency (not applicable to DPLs):

6. Outcome:

Though relevance of objectives was substantial for the GPR Program, relevance of design was found to be modest. The efficacy of four out of the five objectives – improving the business environment, addressing infrastructure constraints, promoting rural growth and addressing demographic issues – is rated modest. The fourth objective – enhancing public financial management – was substantially achieved. Overall outcome is assessed as moderately unsatisfactory.

a. Outcome Rating: Moderately Unsatisfactory

7. Rationale for Risk to Development Outcome Rating:

The sustainability of developmental outcomes arising from the program is a function of the significant security, political and economic vulnerabilities, including that of a narrow revenue base, that continue to face Niger. In addition, capacity constraints constitute a significant risk to the sustainability of results.

As regards the medium-term sustainability of individual reform efforts, those that involved budget allocations (e.g., for roads maintenance) or constituted the initial steps of a broader reform strategy, face a risk of reversal or lack of follow through on account of the change in government and its priorities.

a. Risk to Development Outcome Rating: Significant

8. Assessment of Bank Performance:

a. Quality at entry:

The design of the GPR series took account of a broad range of analytical work, such as the Investment Climate Assessment (2006), the Country Economic Memorandum (2007), a Diagnostic Trade Integration Study (2007), annual Doing Business reports, and a Financial Sector Assessment (2008). In addition, it drew upon Public Expenditure Management and Financial Accountability Reviews (PEMFARs) of 2004 and 2008, a Public Expenditure Financial Assessment (PEFA) issued in 2008, and the 2006 Demographic and Health Survey (DHS).

Design, however, suffered from several weaknesses, particularly where the prior actions selected did not address the key obstacles in a particular policy area. In addition, some of the results indicators were poorly defined and difficult to measure, and the causal link between some of the reforms undertaken and results targeted was unclear.

As discussed in Section 10a, monitoring of some indicators was not well planned. Apart from missing
targets, some depended upon ex-post client surveys being carried out - which were not implemented in a timely manner because of governmental changes affecting technical continuity and the capacity to conduct surveys over time. The risk of such dependence on ex-post surveys in a context such as Niger's might have been taken into account at the preparation stage.

**Quality-at-Entry Rating:** Moderately Unsatisfactory

**b. Quality of supervision:**

Though these were single tranche operations, the political instability that Niger experienced during implementation called for the Bank team to provide continuous support. The team was responsive to the changes in government that took place and exercised flexibility in adjusting the content of the program (especially following external shocks). According to the ICR, the team received strong management support, including participation in missions, and there was good cooperation with the IMF and the EU, in order to present a coordinated donor approach, especially in dealing with the Transition Government in a volatile political environment. Six Implementation Status Reports (ISRs) were prepared between 2009 and 2012: these reflected moderately or fully satisfactory outcomes. According to the ICR, Aide Memoires were prepared in close consultation with the Authorities, and the team was well staffed with sector specialists and consultant expertise. The country office provided considerable on-going multi-sector support (PREM, Agriculture, Procurement, FM support, etc), with oversight by the TTL (who visited every quarter or so) and sector staff. Sector missions, covering other operations, were also used to follow up on issues covered by the DPO. However, design became less relevant during the course of implementation of the series due to the impact of internal political factors. In particular, with the change in government, following the coup, priorities changed significantly, and support for pension reform and PPP disappeared. Neither reform was therefore included as a prior action for GPR-2, and their absence significantly diluted the impact of the overall program objectives.

**Quality of Supervision Rating:** Moderately Satisfactory

**Overall Bank Performance Rating:** Moderately Unsatisfactory

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**9. Assessment of Borrower Performance:**

**a. Government Performance:**

Despite the political instability and change of governments, some reforms were implemented, so that the continuity of the series was maintained. Successive governments remained committed to the broad parameters of the reform program and to maintaining macro-economic stability. However, some key reforms initiated under GPR-1, such as pension reforms, financial sector reforms and reforms to promote public private participation in infrastructure, were not pursued by the Transition Government on grounds that agreement on such reforms would require wide-ranging consultations that could only be handled by a democratically-elected government. As a result, prior actions under GPR-2 had to be dropped or modified, thereby considerably diluting the achievement of the program’s objectives, since both reforms had an important bearing on the private sector growth agenda.

An inter-ministerial steering committee had the formal role of coordination and implementation of the program. Notwithstanding this role, in light of the political upheavals that took place during the period of the GPR series, it fell upon the Ministry of Economy and Finance to play the major role of ensuring continuity of program implementation. In addition, at key stages the Prime Minister and the Council of Ministers played an important role in ensuring progress, especially in completion of prior actions.

**Government Performance Rating:** Moderately Unsatisfactory
b. Implementing Agency Performance:

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10. M&E Design, Implementation, & Utilization:

a. M&E Design:

The program’s 15 indicators were, with some exceptions, quantitative, and provided baseline data and targets in most (but not all) cases. The link between indicators and prior actions was broadly clear, but in some cases prior actions did not address the main constraints in specific policy areas. An inter-ministerial steering committee had the overall responsibility for monitoring outputs and outcomes and ensuring that there were no slippages.

Not all indicators were easily measurable. No specific target was provided for the indicator relating to the broadening of the tax base, and two (relating to improved access and use of fertilizers, and of technology), depended upon data to be generated by ex-post client surveys, which were not properly planned and could not be carried out in time.

b. M&E Implementation:

The ICR mentions that Monitoring and Evaluation of the GPR-supported reform program relied mainly on existing government processes, including the M&E framework designed for monitoring the implementation of the Government’s PRSP. For public financial management, for instance, this took place in the context of the established Government-Development Partner dialogue, including through the Public Expenditure Management and Financial Accountability Review (PEMFAR) steering and technical committees. For agricultural sector reforms, it took place in the context of the framework for monitoring the implementation of the rural development strategy, while reforms aimed at strengthening road maintenance relied on reports prepared regularly by the Autonomous Road Maintenance Fund (CAFER). Business Environment reforms were monitored via the annual reports of the World Bank’s Doing Business reports. In face of the dramatic political changes that occurred during the period of implementation of the GPR series, it would appear that continuity in overall coordination of program implementation was adequately maintained.

c. M&E Utilization:

The ICR does not report on M&E Utilization beyond program monitoring purposes.

M&E Quality Rating: Modest

11. Other Issues

a. Safeguards:

The series did not trigger any safeguards policies.

b. Fiduciary Compliance:

No information on fiduciary compliance was provided by the ICR.

c. Unintended Impacts (positive or negative):

d. Other:
12. Ratings:

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<td>Outcome:</td>
<td>Moderately Satisfactory</td>
<td>Moderately Unsatisfactory</td>
<td>Though the GPR series produced a number of reforms, the efficacy of four out of five objectives is rated modest.</td>
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<td>Risk to Development Outcome:</td>
<td>Significant</td>
<td>Significant</td>
<td>Quality at Entry was rated Moderately Unsatisfactory on account of design shortcomings.</td>
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<td>Bank Performance:</td>
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<td>Moderately Unsatisfactory</td>
<td>While the continuity of the reform process was sustained, the commitment of the Transition and subsequent Government to some key reforms was relatively weak, contributing to an underachievement of program objectives.</td>
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<td>Borrower Performance:</td>
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<td>Quality of ICR Rating: Satisfactory</td>
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NOTES:
- When insufficient information is provided by the Bank for IEG to arrive at a clear rating, IEG will downgrade the relevant ratings as warranted beginning July 1, 2006.
- The "Reason for Disagreement/Comments" column could cross-reference other sections of the ICR Review, as appropriate.

13. Lessons:

The main lessons, taken from the ICR, with some adaptation of language, are:

(a) Programmatic operations can be useful in the context of an unstable and rapidly changing political climate, by allowing the Bank to remain engaged, maintain a dialogue with successive governments and retain the broad thrust of reforms agreed at the start of the operation. That said, a volatile political climate is not ideal for implementation of a DPO series, which calls for continuous commitment by the authorities (even when administrations change), as there is a real risk of dilution of agreed reforms.

(b) Development Policy operations, providing budget support, can be helpful in providing rapid support to countries - especially those with a narrow revenue base - in dealing with external shocks. However, for a programmatic series to be successful, design factors play a key role. It is critically important to ensure that prior actions address the key obstacles in the main policy areas of the program.

14. Assessment Recommended? ☐ Yes ☑ No

15. Comments on Quality of ICR:

The ICR is concise and generally well-written. Its discussion of the project's relevance is however not sufficiently informative. Insufficient detail is provided on the alignment of the project's objectives with the Country Assistance Strategy, and on the manner in which the design of the program contributed to an achievement of its objectives. Subject to these caveats, the quality of the ICR is satisfactory.

Quality of ICR Rating: Satisfactory