Report Number : ICRR0021139

## 1. Project Data

**Country**
Benin

**Practice Area(Lead)**
Macroeconomics, Trade and Investment

**Programmatic DPL**
**Planned Operations:** 3
**Approved Operations:** 2

**Operation ID**
P132786

**Operation Name**
BJ PRSC 9 Poverty Reduction Support Cdt.

**L/C/TF Number(s)**
IDA-53890

**Closing Date (Original)**
31-Dec-2014

**Total Financing (USD)**
20,000,000.00

**Bank Approval Date**
11-Mar-2014

**Closing Date (Actual)**
31-Dec-2014

| | IBRD/IDA (USD) | Co-financing (USD) |
|---|---|---|
| Original Commitment | 20,000,000.00 | 0.00 |
| Revised Commitment | 20,000,000.00 | 0.00 |
| Actual | 20,082,114.76 | 0.00 |

| Prepared by | Reviewed by | ICR Review Coordinator | Group |
|---|---|---|---|
| Judyth L. Twigg | Robert Mark Lacey | Malathi S. Jayawickrama | IEGEC (Unit 1) |

**Operation ID**
P146665

**Operation Name**
PRSC-10 ( P146665 )

| L/C/TF Number(s) | Closing Date (Original) | Total Financing (USD) |
|---|---|---|
| IDA-53890,IDA-55970 | 31-Dec-2015 | 20,000,000.00 |
| **Bank Approval Date** | **Closing Date (Actual)** | |
| 17-Mar-2015 | 30-Jun-2016 | |

| | IBRD/IDA (USD) | Co-financing (USD) |
|---|---|---|
| Original Commitment | 20,000,000.00 | 0.00 |
| Revised Commitment | 20,000,000.00 | 0.00 |
| Actual | 20,097,401.65 | 0.00 |

## 2. Program Objectives and Policy Areas

### a. Objectives

The development objectives of this Poverty Reduction Support Credit (PRSC) series were to: (i) promote good governance and high-quality public financial management; and (ii) strengthen private sector competitiveness (PRSC-9, Program Document, p. iv; and PRSC-10, Program Document, p. iv). The Ninth and Tenth Credits were the first and second in a planned series of three operations, PRSCs 9 through 11. PRSC-11 was dropped at the request of a new government in 2016, in favor of preparing a new programmatic series to support the agenda of a new government that was elected in March 2016 and took office in April 2016.

### b. Pillars/Policy Areas

The original programmatic series focused on policy areas around promotion of good governance and high-quality public financial management (budget execution, public procurement, and governance, with a focus on anti-corruption measures), and strengthening of private sector competitiveness (strengthening of the business environment, agricultural diversification, reform in the cotton sector, improving efficiency at the Port of Cotounou, and customs reform). Overall, the series sought to support the creation of a healthy, competitive business environment conducive to investment in the country's most promising sectors. It sought to remove administrative barriers to investment, reduce transaction costs, and minimize distortions.

With the dropping of the planned PRSC-11, some PRSC-11 triggers were removed, and some PRSC-10 prior actions and triggers were modified. In addition, two technical assistance exercises were provided to the National Anti-Corruption Authority to develop a credible and strategic approach to fighting corruption, and to build a credible and effective asset and conflict of interest declaration system.

### c. Comments on Program Cost, Financing, and Dates

The two credits of US$ 20 million each in the programmatic series were approved on March 11, 2014 and March 17, 2015, respectively. PRSC-9 was fully disbursed and closed as scheduled on December 31, 2014. PRSC-10 was also fully disbursed but closed on June 30, 2016, six months later than the planned date of December 31, 2015, due to an embezzlement scandal that did not involve the operation itself but caused a suspension in budget support to the country until the issue was clarified. The ICR (p. 15) speculates that, in the absence of this delay, PRSC-11 may have been discussed at the Board prior to Benin's presidential election in March 2016 and therefore may not have been dropped.

## 3. Relevance of Objectives & Design

### a. Relevance of Objectives

The operations were highly relevant to country context, government strategy, and Bank strategy. The programmatic series was designed to follow efforts that had been supported under PRSC-7 and PRSC-8, primarily in the areas of public financial management, agriculture, and the Port of Cotonou. Despite progress, public sector capacity remained weak, particularly with respect to budget credibility, budget execution, financial reporting, overall financial accountability and procurement processes, and corruption. Benin's weak business environment was creating strong incentives to engage in arbitrage with Nigeria rather than pursuing productive, value-adding and employment-generating activities in the domestic economy. The Bank's Country Partnership Strategy (FY 2013-2017) noted the importance of combined development policy and investment operations to encourage a coherent approach to supporting structural reforms, and the country's third Growth for Poverty Reduction Strategy (2011-2015) had pillars on promoting good governance and accelerating economic growth that were well aligned with these operations' objectives.

#### Rating

High

### b. Relevance of Design

Most of the actions supported by the program were directly and plausibly aligned with achievement of the objectives, complementing other Bank operations in the country. It was a shortcoming, however, that the program was quite broad, covering more areas than is generally considered best practice. In addition, some of the prior actions were incomplete and could not have been expected to lead to desired outcomes. For example, the prior action related to public-private partnerships (PPPs) required the law only to be submitted to the legislature rather than fully adopted and implemented. Prior actions related to the cotton sector and anti-corruption measures did not have well-defined outcomes, and some expected outcomes (for example, increase in the value of non-cotton agricultural exports) were not attributable to actions of the program (see Section 4 below).

The macroeconomic framework at appraisal was adequate for both PRSC-9 and PRSC-10. The government had adopted a conservative fiscal stance in response to exogenous food and oil price shocks and following the global financial crisis. Real growth of gross domestic product averaged 5.4% in 2012 and 7.2% in 2013, supported by increased cotton production, strong activity at the Port of Cotonou, and rising telecommunications and transport output, and was projected to average 5.4% for the period 2014-2016. The macroeconomic framework had been supported by the satisfactory implementation of an International Monetary Fund Extended Credit Facility since 2010; the final review of that facility in June 2014 confirmed that Benin had made strong progress.

**Rating**
Substantial

## 4. Achievement of Objectives (Efficacy)

### Objective 1
**Objective**
Promote good governance and high-quality public financial management

**Rationale**
**Budget execution**: Prior actions included implementation of measures aimed at making the new Organic Law on Financial Legislation (LOLF) effective through adoption of implementation decrees, and approving the Transparency Code by the National Assembly to improve budget transparency and strengthen executive accountability (PRSC-10). The government adopted decrees concerning public accounting, budget nomenclature, the public accounting plan, and the government's financial operation table that were central to making the new LOLF effective and supporting its implementation. A comprehensive training plan for officials in various line and central ministries was executed. An action plan for implementing the LOLF and the new budget framework was approved in 2013 and executed, with technical and capacity-building support provided by the Bank and other partners. As a result, the time required to submit national accounts to the Chamber of Accounts decreased from nine months in 2012 to fewer than six months in 2017, meeting the target. The unallocated percentage of the budget decreased from 12.4% in 2012 to 10.4% in 2017, but did not meet the target of less than 5%; this was the only outcome target for this sub-objective, and it is not a strong measure of budget execution (although it is an appropriate governance indicator, capturing whether or not unallocated funds have been used to fund off-budget expenditures). A better indicator would have been actual budget outturn in relation to the budget approved by the legislature.

**Public procurement**: Prior actions included publication of procurement manuals, completion and publication of 2008, 2009, and 2010 procurement audits, and annual evaluations of the procurement system (PRSC-9); and delegation of procurement authority to line ministries, up to a given threshold, in line with best procurement practices (PRSC-10). Procurement manuals were published, and procurement audits and annual evaluations of the procurement system were completed, to support effective application of a new procurement code. The dissemination of procurement manuals supported the decentralization of procurement activities, as authority to award procurement contracts was delegated to sector ministries. As a result of this decentralization and support for the new procurement code, the average public procurement delay for goods decreased from 64 days in 2012 to 36.4 days in 2017, exceeding the target of 50 days; for services decreased from 71 days in 2012 to 40.4 days in 2017, exceeding the target of 60 days; and for public works decreased from 59 days in 2012 to 33.5 days in 2017, exceeding the target of 60 days.

**Governance**: Prior actions included appointment and installation of all National Anti-Corruption Authority (ANLC) members (PRSC-9) and the formalization of financing mechanisms for the ANLC (PRSC-10); filing of asset declarations of serving ministers with the ANLC (PRSC-10); the approval and publication of a timetable for implementation of an Open Data Initiative (PRSC-9) and National Data Archive (PRSC-10) to increase transparency, strengthen the demand side in public policy debates, and facilitate increased citizen engagement; and hiring of an additional three inspectors and creation of a specialized internal audit unit of the Customs administration (PRSC-10).

All members of the ANLC were appointed, and its financing mechanisms were formalized. The ANLC acts as a resource and knowledge center for the government in the fight against corruption; works with the judiciary to identify, denounce, and bring to the attention of judicial authorities individual or systemic cases of corruption; and processes asset declarations made by public officials. The Bank assisted the ANLC with strategy development, and technical assistance was provided to develop the asset and conflict of interest declaration system. 100% of ministers completed a declaration of assets in 2017, exceeding the target of 95%. However, only 37% of National Assembly members completed this declaration in 2017, not meeting the target of 95%. The planned monitoring and control system for asset declaration was not implemented.

The operation supported the development of an appropriate institutional framework, set within existing structures, for implementation of the internal audit function. This support was intended to complement efforts to improve the Port and customs performance, reduce trade costs, and increase transparency. One external and several internal audits of customs transactions were undertaken.

The operation helped launch the development of the National Data Archive and an Open Data Initiative, and more than 20 databases were posted on the Open Data site, achieving the target, but the Initiative has not been fully implemented due to technical difficulties. As a result, only four databases were posted on the National Data Archive web site, not meeting the target of 10 databases.

Overall, although important progress was made in public financial management, with outcomes indicating improved budget control and execution as well as increased efficiency, progress on basic elements of governance remained modest. A lack of political will impeded achievement of key targets around asset declaration and open data. The ICR (p. 23) notes that Benin's score on Transparency International's Corruption Perceptions Index remained stagnant at 36 between 2012 and 2016, with its country ranking remaining at 94 out of 174 countries. As a result, achievement of this objective is rated Modest.

**Rating**
Modest

### Objective 2

**Objective**
Strengthen private sector competitiveness

**Rationale**
**Business environment**: Prior actions included centralization of the recording and registration of credit within a single institution (PRSC-9), as well as the submission to the National Assembly of a PPP bill (PRSC-9) and a Competition Act (PRSC-10), and creation of a PPP unit (PRSC-9); finalizing an agreement between the Certified Management and Accounting Centers (CGAs) (PRSC-9); and inclusion in the 2015 national budget of a measure to simplify the tax regime for small- and micro-sized enterprises (PRSC-10). The tax regime for small- and micro-sized enterprises was simplified. An agreement between the tax administration and CGA facilitated tax compliance and tax filing for micro-, small- and medium-sized enterprises. Partially as a result, the number of formally registered companies increased from 29,386 in 2012 to 45,446 in 2017, exceeding the target of 35,000. The percentage of the labor force in salaried employment increased from 7% total and 3.4% female in 2012, to 13% total and 6.9% female in 2017, exceeding the respective targets of 9% and 4.5%. However, it is unlikely that these results are attributable entirely to measures supported by the series. Two PPP arrangements or contracts were concluded, not reaching the target of 6, largely because the PPP law was not adopted; in this case, there was a design flaw in the prior action, requiring the law only to be submitted to the legislature rather than fully adopted and implemented. According to the ICR (p. 6), information is not yet available for the target on credit registry coverage.

**Agricultural diversification and cotton reform**: Prior actions included establishing an institutional framework for implementation of the Strategic Program for Reform of the Agricultural Sector (PSRSA) by adopting a decree describing the organization and operation of the Ministry of Agriculture and its regional decentralized entities (CARDERs) (PRSC-9); approving decrees nominating Board members and a Director General of an agricultural credit guarantee facility (PRSC-10); and conducting an external audit of the 2012-2013 cotton campaign with release of the audit report (PRSC-10). The series supported an institutional reform at the Ministry of Agriculture and strengthened CARDERs (the ICR does not provide specific information on CARDERs' institutional strengthening). Five new specialized agencies became operational under the PSRSA, exceeding the target of 4; the ICR does not provide specific information on these agencies or their functions. Three non-cotton agricultural commodities established an inter-professional association, not reaching the target of 4; it is not clear how this action was intended to further the PSRSA's goals. 16.9% of non-cotton farmers had access to extension services through CARDERs; a baseline and target were to be established during the preparation for the dropped PSRC-11 and are therefore not available. Agricultural credits were not extended, and therefore the target of CFAF 3 billion not reached, as the operationalization of the National Agricultural Development Fund (a credit guarantee facility) was expected to be supported during PSRC-11; for the same reason, the percentage of total credit extended to agriculture decreased from 4% in 2012 to 2.6% in 2017, not reaching the target of 6%. The ICR reports that the value of non-cotton agricultural exports increased from CFAF 65 billion in 2012 to CFAF 162.97 billion in 2017, exceeding the target of CFAF 120 billion, but it is unclear how this result can be attributed to the series, given the quality and strength of the prior actions that were taken, and taking account of those that were not.

Almost no progress has been made with the cotton sector, despite its economic importance to the country. Political economy issues make reform in the sector a challenge. During the preparation of PRSC-10, at the request of the government, cotton sector reform was removed as a prior action for PRSC-10 and became a trigger for the dropped PRSC-11, and the government is no longer pursing the reform. The planned PRSC-11 trigger would have developed an actionable road map/strategy for cotton sector reform, with that strategy validated by the government.

**Port and customs reform**: Prior actions included approval of a decree limiting the number of official checkpoints along transport corridors to three (PRSC-9); passing a new Customs Code to introduce modern practices (PRSC-10); and signing by the Directorate General of Customs and Excise of the Convention on migration to the ASYCUDA World system, a new internet-based customs system that would simplify communications with private sector partners and improve systems performance (PRSC-10). A new customs code was passed (replacing the code from 1966), bringing the country's Customs administration in line with international standards and practices (the World Customs Organization Framework of Standards to Secure and Facilitate Trade, the revised Kyoto Convention, and the Agreement on the Facilitation of World Trade Organization trade). The Directorate General of Customs and Excise migrated its automated system for customs data to the ASYCUDA World (internet-based) platform, improving performance through access to internal and external databases and simplified communications with private sector partners. Partially as a result, dwell time at the Port of Cotonou decreased from 27 days in 2012 to 6.2 days in 2017, almost reaching the target of 5 days. The cost of exporting decreased from an average of US$ 1079 per container in 2012 to US$ 745 in 2017, exceeding the target of a 10% reduction in real terms. The cost of importing decreased from US$ 1549/container in 2012 to US$ 1389 in 2017, also exceeding the target of a 10% reduction. The number of checkpoints per corridor (on the Cotonou-Ouagadougou and Cotonou-Niamey corridors), using West Africa Trade Hub data, decreased from 8 in 2012 to 3 in 2017, meeting the target. The ICR (p. 26) notes that other factors outside the series, including the introduction of a "single window," a truck management call and control system, and new lighting and security systems, also contributed to the observed outcomes.

Although progress was significant in Port and Customs reform, reform was slow or non-existent in relation to PPPs , agricultural credits, and the important cotton sector. Achievement of this objective is therefore related Modest.

**Rating**
Modest

## 5. Outcome

The objectives were highly relevant to country context, Bank strategy, and government strategy. Relevance of design was substantial, given convincing linkages between most of the operations' policy areas and intended outcomes. Achievement of both development objectives, however, was modest. Achievement of good governance and high-quality public financial management was hindered by shortcomings in transparency of financial management and anti-corruption measures. Achievement of private sector competitiveness was negatively impacted by lack of attention and government commitment to cotton sector reform. Taken together, these ratings indicate significant shortcomings in the operations' preparation and implementation, leading to an Outcome rating of Moderately Unsatisfactory.

### a. Outcome Rating

Moderately Unsatisfactory

## 6. Rationale for Risk to Development Outcome Rating

Reforms in procurement, internal audit in customs, and tax simplification for small business are significant steps forward and are likely to be sustained.

The limited achievements in the agricultural sector could be deepened and extended through the first operation of a new development policy financing series (Fiscal Reform and Growth Credit, US$ 40 million, P160700), which was approved by the Board on November 28, 2017. Its main area of focus is agriculture sector, but it also supports reforms to increase domestic revenue mobilization and improve public expenditure management.

However, there are reasons for concern. The macroeconomic framework deteriorated during the implementation of the program, especially in 2015 and early 2016, because of the presidential election. Although there was improvement in 2017 with the 2017 Extended Credit Facility program, difficulties remain with the cotton sector. The monitoring and control of the asset declaration system and the corruption monitoring system have not yet been put in place, and progress toward full functionalization of the Open Data Initiative is not forthcoming. There is significant political opposition to these reforms, as well as to broader enhancements in procurement and public services.

### a. Risk to Development Outcome Rating

Substantial

## 7. Assessment of Bank Performance

### a. Quality-at-Entry

The analytical base supporting the sectors for intervention, prior actions, and triggers was sound and well documented in the program documents. Coordination with other development partners involved in budget support was effective, reducing transaction costs. The International Monetary Fund (IMF) and other partners were fully consulted in the preparation of the series, and the IMF made substantive contributions to its design (though the program documents do not note the existence of a special donor group to monitor budget support, as is often the case). Key lessons were cited from prior experience: the relatively strong impact of areas that were already the focus of Bank and/or donor operations; the importance of a targeted reform agenda; the high likelihood of resistance to change and limitations in administrative capacity; the importance of realistic scope and well-specified indicators; and the importance of political economy context. Risk assessment focused on political economy and governance risks, focusing on upcoming presidential elections. Fiduciary, institutional capacity, technical design, and sustainability risks were rated moderate, and macroeconomic risk was considered low. Overall, risk assessment did not sufficiently flag and mitigate risks related to the political environment (especially around the cotton sector) and the overall macroeconomic framework (though it should be noted that the Bank team could not have anticipated the exogenous factors leading to the delay in PRSC-10's effectiveness by over six months). In addition, the program documents contained minimal discussion of implementation arrangements, even though the program covered a wide and diverse area that should have been expected to present coordination challenges. There were also shortcomings with the indicators and targets (see Section 9 below).

#### Quality-at-Entry Rating

Moderately Unsatisfactory

### b. Quality of supervision

A substantial amount of Bank-supported technical assistance contributed to the design and implementation of the series. The Bank team displayed necessary flexibility in adjusting to changing circumstances, adapting to political economy concerns (specifically around the delegation of authority for signing procurement contracts to sector ministries, where the prior action was moved from PRSC-9 to PRSC-10) and accommodating delays caused by an embezzlement scandal during March 2015 - February 2016.

#### Quality of Supervision Rating

Satisfactory

#### Overall Bank Performance Rating

Moderately Unsatisfactory

## 8. Assessment of Borrower Performance

### a. Government Performance

This programmatic series was designed in a context of strong and renewed government commitment to pursue substantive reforms in strengthening private sector competitiveness, improving public financial management, and promoting good governance. The newly elected government in 2016 worked to restore macroeconomic and fiscal stability following a period of mismanagement shortly before the 2016 election. Although PRSC-11 was dropped, the government subsequently implemented some of its triggers related to food safety, agriculture sector financing, budget execution and procurement, customs, and external audit of the Customs Administration. However, some key actions on anti-corruption, the Open Data system, and the cotton sector were abandoned. The PRSC-10 trigger related to the design and implementation of a monitoring system to track progress in fighting corruption was dropped largely due to lack of government commitment to provide resources for it. Soon after the 2016 election, the new government restored control of the cotton sector to the private sector.

### Government Performance Rating

Moderately Unsatisfactory

### b. Implementing Agency Performance

Day-to-day processes required to implement reforms were carried out by the technical departments of sector ministries and independent agencies. These implementing agencies were committed to the operations' goals, despite capacity constraints. According to the ICR (p. 30), the Ministry of Economy and Finance was particularly effective in convening line ministries in agreement on a meaningful reform program, and its focal point unit -- the Unit in Charge of Monitoring Economic and Financial Reforms -- was integral to design and preparation of the program. However, according to the ICR (p. 28), low salaries and the politicized nature of reform limit the government's ability to recruit and retain skilled staff in vital positions, reducing overall administrative capacity.

### Implementing Agency Performance Rating

Moderately Satisfactory

### Overall Borrower Performance Rating

Moderately Unsatisfactory

## 9. M&E Design, Implementation, & Utilization

### a. M&E Design

The PRSC series and other externally-financed budget support operations used performance indicators and targets set out in the Growth for Poverty Reduction Strategy and sector program budgets. The results framework identified the institutions responsible for data collection. Sector ministries were to collect data and transmit it to the Monitoring Unit for Economic and Financial Programs, which was to conduct analysis and produce periodic reports. The donor community and the government agreed on an annual review process that included quarterly review meetings, additional meetings on special subjects as needed, a mid-year progress review, individual sector reviews, and a joint donor-government review mission each year. The Bank contributed to every element of this process.

Most of the indicators were measurable, directly linked to the objectives, and time-bound. However, there was a large number of indicators (24), and more focus would have been appropriate. Some baseline data were missing. The indicator for PPPs was insufficiently ambitious, requiring the government only to submit a draft law rather than getting the law adopted and implemented. In addition, the indicator targets should have been set for 2016 rather than 2017, given that the targeted closing date for the last operation in the series (the cancelled PRSC-11) was December 2016. The results framework was modified for PRSC-10, with two indicators reformulated to reduce the level of disaggregation; four indicators dropped because they did not adequately measure the objectives, because data were missing, or because they had been successfully completed and evaluated during previous operations. Seven new indicators were added.

### b. M&E Implementation

The Ministry of Economy and Finance coordinated supervision and monitoring of the reform program across relevant ministries, departments, and agencies. The annual review process from which the operations' indicators were largely drawn proceeded as planned. The ICR does not address the degree of satisfaction of the donor community with implementation of the M&E framework.

### c. M&E Utilization

On the basis of the annual review process, donors (including the Bank) regularly assess planning and programming moving forward, based on the information reviewed.

### M&E Quality Rating

Modest

## 10. Other Issues

### a. Environmental and Social Effects

All actions supported by the operations were policy-oriented and were considered unlikely to have significant negative environmental effects. The operations were expected to have a favorable long-term impact on poverty reduction and growth with equity, supporting improvements in the business environment and therefore promotion of investment and economic growth, as well as greater transparency and anticorruption efforts that would limit rent-seeking and the influence of elite groups; however, the operations did not achieve planned progress related to transparency and anticorruption.

### b. Fiduciary Compliance

The Program Document for PRSC-9 (p. 30) notes that the government was in the process of adapting to a rigorous budget regime set out in its 2013 LOLF budget framework law, and that the proposed operations supported these efforts. Further improvements were expected in curbing the use of exceptional budget-execution procedures. One remaining issue was delay in the production of the government's annual accounts by the Treasury and budget-audit reports by the Chamber of Accounts; the time required to submit national accounts to the Chamber of Accounts was an outcome indicators of the series, with the target of reduction from nine months to fewer than six months having been met.

### c. Unintended impacts (Positive or Negative)

None reported.

### d. Other

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## 11. Ratings

| Ratings | ICR | IEG | Reason for Disagreements/Comment |
| --- | --- | --- | --- |
| Outcome | Moderately Unsatisfactory | Moderately Unsatisfactory | --- |
| Risk to Development Outcome | Substantial | Substantial | --- |
| Bank Performance | Moderately Unsatisfactory | Moderately Unsatisfactory | --- |
| Borrower Performance | Moderately Unsatisfactory | Moderately Unsatisfactory | --- |
| Quality of ICR | | Substantial | --- |

**Note**

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.

## 12. Lessons

The ICR (pp. 30-31) highlights several useful lessons with which IEG concurs, including:

**Political economy considerations are essential to the timing, sequencing, and level of ambition of reform.** In this case, there was inadequate consideration of internal resistance and vested interests in opposition to governance and cotton sector reforms. Better consideration of these political concerns may have led to a more gradual approach, keeping in mind the need to construct a legislative, institutional, and regulatory environment conducive to reform. It is also important to note that the process of policy dialogue around governance and broad political economy issues can have longer-term impact, outside the results framework of a single operation or series of operations.

**Political cycles often create risks of deteriorating macroeconomic frameworks.** In this case, the 2016 election involved electorally timed interventions in fiscal policy and some reversal of structural reform. Timing the implementation of reform measures to align with political cycles can mitigate against reversals and keep authorities engaged in agreed reform processes.

IEG adds the following lesson:

**Attribution of observed results can be ensured only through carefully designed prior actions.** In this case, particularly in relation to PPPs and agricultural diversification, the prior actions were inadequately specified to lead to intended outcomes.

## 13. Assessment Recommended?

No

## 14. Comments on Quality of ICR

The ICR provides a comprehensive account of the operations' context, achievements, and shortcomings. It is clear, concise, analytic, and adherent to guidelines. Its sections on preparation, focusing on lessons learned from prior experience and risk assessment, are particularly well detailed. It carefully outlines and analyzes relevant political economy factors. Its discussion of M&E implementation and utilization, however, is thin.

### a. Quality of ICR Rating

Substantial