Report Number : ICRR0020957

1. Project Data

Project ID	Project Name
P128239	South Sudan PSD Project
Country	**Practice Area(Lead)**
South Sudan	Finance, Competitiveness and Innovation

L/C/TF Number(s)	Closing Date (Original)	Total Project Cost (USD)
TF-11812	30-Nov-2014	9,000,000.00
Bank Approval Date	**Closing Date (Actual)**	
10-Jan-2012	01-Jun-2016	

	IBRD/IDA (USD)	Grants (USD)
Original Commitment	9,000,000.00	9,000,000.00
Revised Commitment	9,000,000.00	9,000,000.00
Actual	9,000,000.00	9,000,000.00

Prepared by	Reviewed by	ICR Review Coordinator	Group
Nestor Ntungwanayo	Fernando Manibog	Christopher David Nelson	IEGFP (Unit 3)

2. Project Objectives and Components

a. Objectives

The objective of the Project is "to improve access to finance for private sector development and increase employment opportunities in South Sudan." Grant Agreement (GA), p.5. The statement of objective in the PAD and in the GA is identical.

b. Were the project objectives/key associated outcome targets revised during implementation?

No

c. Will a split evaluation be undertaken?

No

d. Components

The project had four components as delineated below:

Original components:

Component 1. Establish Commercially-Viable Microfinance Institutions (US$2.8 million at approval, with actual cost of the same amount): This component has two sub-components as follows: (i) the first subcomponent aims to accelerate the creation of a viable microfinance sector that provides sustainable financial services to the economically-active poor. Under this component, the Microfinance Institutions (MFIs) will provide micro-lending to micro-borrowers for various commercial activities that are concentrated on trade and agricultural activities, (ii) the second sub-component of the project covers the operating costs of the South Sudan Microfinance Development Facility (SSMDF) for the three-year period (US$0.9 million). This sub-component supports the day to day running of the SSMDF and covers the costs of staff, recruitment of consultants, monitoring and evaluation, and the costs associated with Board meetings and training.

Component 2. Promote Micro-Entrepreneurship (US$4.4 million at approval, with actual cost of the same amount): This component intends to strengthen and build entrepreneurship in South Sudan through a Business Plan Competition (BPC) that was to finance at least 80 existing businesses and 20 start-up businesses. The BPC Program account will receive the required funds to be used as collateral once the BPC is concluded and the entrepreneurs are selected and trained. The BPC was initially planned as pilot grants to provide seed capital to potential South Sudanese entrepreneurs with business plans judged to be viable. The BPC will finance entrepreneurs in all ten states, with important consideration to women, returnees, ex-combatants, and agricultural activities.

Component 3. Mobile Payments and Trade Integration Policy Support (US$0.3 million at appraisal, with actual cost of the same amount): This component has two subcomponents: (i) to support the development of a regulatory framework for mobile banking and payments, and (ii) to provide advisory services on Trade Integration Policy at the Ministry of Commerce, Industry, and Investment, including consideration of South Sudan's membership in the East African Community (EAC).

Component 4. Institutional Strengthening of the South Sudan Business Forum (SSBF) and Project Management (US$1.5 million, with actual cost of the same amount): The objective of this component is to support the Project Coordination Unit (PCU), which is responsible for coordinating and monitoring the activities implemented under components 1, 2, and 3. This component will also provide support for SSBF, a public-private dialogue forum. This subcomponent will continue to support activities of the public and private Sector Working Groups around the formulation of the policy agenda while relying on the support of the secretariat that will provide technical assistance to both private and public sector institutions, organize meetings both within the private institutions and Government, and conduct research on private and public sector issues which can be discussed in the Forum.

Revised components:

Following the security crisis in December 2013, and the ensuing military clashes in the Northern states, the BPC was redesigned, and would cover only six states that were easily accessible and not affected by the conflict. The BPC component would target two different groups in South Sudan: (i) the first group would consist of 1,200 beneficiaries wanting to start new businesses (business start-ups), or to take part to the Business Start-up Competition (BSC), and (ii) the second group would consist of 100 beneficiaries of ongoing businesses wanting to expand their businesses, with at least 60 percent of beneficiaries being women. Under the new arrangements, the BSC awardees would each receive the South Sudan Pound (SSP) equivalent of US$1,000 and the ongoing businesses awardees would each receive the SSP equivalent US$15,000.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Cost: The grant was fully disbursed as the actual cost of the project amounted to US$9.0 million. However, an amount of US$2,430,985.00 or 27 percent of the grant, could not reach the final beneficiaries, and is still held up by a commercial bank.
Financing: The project was funded by an IDA grant in the amount of US$9.0 million.
Borrower Contribution: There was no contribution from the Borrower.
Dates: The project was approved on January 10, 2012 and became effective on August 01, 2012. It was restructured twice: (i) on October 28, 2014 to extend the the project closing date until Deceember 1, 2015 and revise the baseline and target values of the results framework, (ii) on November 11, 2015 to extent its closing date until June 1, 2016, and to complete project activities that have suffered delays due to conflict and deterioration of ground conditions. The project was closed on June 1, 2016.

3. Relevance of Objectives & Design

a. Relevance of Objectives

Addressing issues of unemployment, and lack of access to financial services was highly relevant in South Sudan at project approval as it is today. The project focused on scaling up on successful activities completed under a previous PSD project which closed in June 2012. At approval, the project objectives were consistent with the South Sudan Development Plan 2011-2013 and the World Bank's Interim Strategy Note (ISN) for South Sudan 2013/2014. The former articulated the short and long-term economic development of the country around a "diversified private sector-led economic growth and sustainable development that improves livelihoods and reduces poverty (pp 65-73)". The Bank's ISN considered the employment agenda as critical, and that the focus needed to be on developing the private sector, and investing in labor-intensive activities to improve rural livelihood and develop agribusiness potential. Unfortunately, the GoSS does not

have a current Development Plan and the Bank suspended preparation of its Country Engagement Note in 2016. The project was also aligned with the operationalization of the 20011 WDR, which focuses on targeting job creation and private sector development as entry points in post-conflict environments. The project scope at appraisal was appropriate and manageable, but its implementation was suddenly curtailed by security degradation on the ground. Overall, the relevance of project objectives was substantial at approval and remains so at project closure. The issues that the project intended to solve have exacerbated following the over three-year conflict which destroyed most of the project achievements, but the problems of unemployment and access to finance created by the massive displacement of South Sudanese will still need to be addressed when stability is restored to the country again.

Rating
Substantial

b. ### Relevance of Design

The project objectives were well-stated and aimed to attain higher-level goals of creating jobs, and improving access to finance. The results framework was sound with measurable outcomes and outputs in the areas of employment and access to finance. The RF was developed in Annex 2, on page 39-40 of the PAD, and articulates the theory of change underpinning the transformation of project activities, into outputs, outcomes and objective achievement. In order to assess the effectiveness of the support to MFI and BPC, the results framework had targets related to the number of jobs generated, people with access to finance, and the number of beneficiaries. However, because of the emergency nature of the project, and the low level of the data availability, the strength and reliability of the results framework were weakened. The Bank team did revise the RF during a restructuring operation that took place in October 2014 to factor in the consequences of a worsening security environment of the country. In all, the quality of the theory of change remained adequate despite a deplorable business context.

Rating
Substantial

4. Achievement of Objectives (Efficacy)

Objective 1
Objective
To improve access to finance for private sector development

Rationale

Outputs

- Development of a five-year strategic plan (2015 – 2019) for South Sudan Microfinance Development Facility.
- Technical Needs Assessment of Microfinance Institutions (MFIs) and Savings and Credit Cooperatives (SACCOs)
- Recommended seven (7) MFIs and (one) 1 SACCO as eligible to receive grant and Technical Assistance.
- US$1.2 million line of credit disbursed to 5 microfinance institutions
- Capacity building training to MFIs in (i) Financial management and accounting, and (ii) Fraud Prevention and Internal Control systems.
- The target of establishing Commercially-Viable Microfinance Institutions was reduced from 12,000 (M) and 26,500 (F) to a total of 6269 as the two largest MFIs (BRAC and RUFI) ceased operations in 2012. Growth was severely affected during the implementation by the December 2013 Crisis and the halting of lending by one large MFI (Finance South Sudan). The actual value of the target was unknown at project closure. Results of the supplemental indicator (related to the percentage of project-supported institutions that are reporting under the previous indicator) were unknown at project closure.
- The target value of portfolio at risk (PAR) was very low at closing, but it surged following the renewal of conflict in July 2016. The low PAR at closing is likely due to risk averseness of MFIs, which in the absence of fresh capital, would restrict lending to only best performing customer. The actual target value of the indicator was achieved and reached 2.51% against a target of 15%. A supplementary target was achieved (related to the percentage of project-supported institutions that are reporting this indicator) as the totality (100 percent) of those institutions reported that indicator.

Outcomes

- The target related to the number of people with access to finance through targeted MFIs and business competitions was missed, due to the fact that two major MFIs (BRAC and RUFI) ceased operations in South Sudan before project commencement. At project closing, the number of MFI clients was 4,035, down from 9,364 in December 2012 due to the conflict and ensuing economic downturn.
- The target of direct project beneficiaries was missed, and this target covered both the business startup challenges and the business plan competition. At project closure, only 483 out of 1,301 awardees received funds.
- The target of the number of people with access to finance through targeted MFIs was also missed, as the target value at closure stood at 1,679 for male (M) and 2,356 for female (F), against a target of 4,000 (M) and 6,000 (F).

In summary, due to the degradation of country's security conditions, the two major MFIs (BRAC and RUFI) ceased operations, with negative consequences on the number of MFI clients, the number of awardees of project funds, and the number of people with access to finance through MFIs. By project closing, MFIs

supported by SSMDF had 4,963 active borrowers, of which 59 percent were women, compared to a target of 10,000. The number of active borrowers fell steadily throughout project implementation due to the December 2013 conflict, and this decline accelerated with the resumption of conflict in July 2016. Finally, the business competitions' contribution to improving access to finance was marginal, as few beneficiries received funds. Overall, performance toward the first project objective was negligible.

Rating
Negligible

Objective 2
Objective
To increase employment opportunities in South Sudan

Rationale
Outputs

- 200 Business Startup Challenge participants were trained and 424 received grants of $1,000 each through the Kenya commercial Bank South Sudan LTD (KCB SS LTD).
- 101 Business Plan Competition Awardees were trained and 59 grantees received awards of $15,000 each through KCB SS LTD.
- 15 including 4 Civil Servants trained on Business Development Services.
- Over 30 Civil Servants trained on monitoring and evaluation reporting and report writing skills.
- 77 Senior Civil Servants trained on negotiation skills and EAC protocols
- The target number of ongoing businesses supported through Business Plan Competition (BPC) was missed due to the drop in the number of awards for existing businesses. At project closure, only 18 out of the 101 under the BPC awardees received funds due to conflict.
- The target number of startup businesses supported through BPC was also missed as the target value at closure stood at 63 (M) and 95 (F) against initial target of 420 (M) and 625 (F)
- The target number of businesses supported through BPC still in operation at the end of the project was missed , as an exact number is not available since most businesses (42/101) had not collected funds from KCB by closing, or during disbursement grace period, as a result of conflict in July 2016.
- The target number of Ministry of Commerce, Industry and Investment (MCII) staff trained on trade policy and integration was exceeded, as 75 MCII staff benefitted from training in trade negotiations, and directly supported the GoSS in successful negotiations for acceptance into the EAC.
- Mobile Money Regulations were developed and approved by Central Bank of South Sudan. The regulatory framework for mobile banking and payments was completed and presented to Cabinet, and the mobile money regulations were adopted by the Bank of South Sudan in December 2016.

Outcomes

- Due to the late and incomplete disbursement of funds to business competition awardees, only 483 businesses received funds out of 1,301 (424 for BSC, 59 for BPC). Furthermore, due to the conflict, MoTII has not been able to measure job creation of those businesses who received the award.
- Overall, the hyperinflation eroded the value of the SSP and made it unrealistic to disburse most funds to the awardees. By the time the funds for the awardees were transferred to the Kenya Commercial Bank (KCB), the project was reaching its closing date, and only 483 of the 1,301 awardees had collected their loans. Many of the awardees were displaced by the conflict and plans to measure job creation did not succeed due to the incomplete payment of funds to the awardees.

Overall, progress toward the objective of jobs creation was negligible, due to the combination of a full-blown civil war that affected most beneficiaries of awards and firms, and the inability of the intermediary bank to reach most awardees.

Rating
Negligible

5. Efficiency

Economic efficiency: There was no economic analysis at appraisal, as the project was prepared under OP/BP 8.00 to address the country's immediate reconstruction needs and there was a dearth of basic economic data to facilitate an economic analysis. Similarly, as most supported activities were in the form of TA and due to the economic slowdown triggered by the worsening security environment, there was no economic analysis prepared at the ICR phase of the project.

Administrative and operational efficiency: On the positive side, the totality of the project resources were theoretically disbursed before closure despite the post-conflict status of the country, reflecting that both the Bank and the PIU have been effective in processing the disbursement of project resources and creating the conditions for launching identified activities. On the negative side, the security and economic crises (hyperinflation) that hit the country during project implementation canceled most of the prospective gains and expected outcomes. Moreover, a total of 27% of the grant amount is still held up with a commercial bank and did not reach the final beneficiary. Based on economic, administrative, and operational performance of the project described above, overall project efficiency is rated as negligible.

Efficiency Rating
Negligible

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal	✓	0	0 ☑Not Applicable
ICR Estimate	✓	0	0 ☑Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

Rating: Unsatisfactory
The relevance of objectives is substantial, and that of design is also substantial. Progress toward both objectives is negligible, due mainly to the security crisis that cancelled out the potential outcomes of the project. Efficiency was also negligible because the potential outcomes were negated by the hyperinflation as the security crisis deeply affected the country's business environment and most of the project awardees and beneficiary firms. The project's overall outcome is rated as Unstatisfactory.

a. Outcome Rating

Unsatisfactory

7. Rationale for Risk to Development Outcome Rating

The risk to project development outcomes is rated as high. The political conflict, coupled with the falling of oil proceeds, triggered an economic slump that weakened both the Government and private sector institutions. The Transitional Government formed in late April 2016 quickly unraveled and fighting resumed, thereby destroying all hopes of restoring country's economic growth. Large swaths of the population have been displaced, and the country is facing acute security and humanitarian challenges.

The gains achieved by the project are slowly dismantling, and local micro-finance entities supported by the project are on the verge of closing down as the Government is unable to sustain them. Most of the BSC and BPC winners were not able to cash their grants due to the conflict, which displaced a big section of the population. And there is no efficient mechanism to monitor the performance of the few winners who received their funds. The Government had requested for an additional financing to further support the various institutions that had been created under the two PSD Projects, but the request was rejected by the Bank. Based on the above developments, the risk to achievements from the project is rated as high.

a. Risk to Development Outcome Rating

High

8. Assessment of Bank Performance

a. Quality-at-Entry

The Bank's approach in designing the project was sound, because the goal was to have a follow-on project that builds on achieved outcomes by a previous private sector development project, and to take advantage of existing implementing arrangements and entities. However, the major quality-at-entry weakness of the project was that the risk analysis ignored the security and political risks for a post-conflict country. One lesson related to reengaging with fragile states is that the risk for those states to fall back into conflict and instability is elevated. The PAD did not discuss this risk or mitigating mechanisms in the event of political upheaval and loss of security. South Sudan was still operating in the context of a weak environment, with fragile political systems and institutions, limited capacity and high probability of conflict resurgence. While the project was simple in its design, there were complex components that were hard to implement in a fragile environment with limited capacity.

Moreover, the selection of an international firm to carry out business competition led to significant delays due to travel restrictions. While there was still strong commitment to the private sector development program by the authorities, the design of the project did not adequately address the fact that with the phasing out of the MDTF-SS funding, support for financial management by exiting entities would only be short lived. The design acknowledged that there were still capacity challenges in financial management in the Ministry of Commerce and that after the first year of implementation, another government entity would take over financial management functions from the PFMU. However, there were no concrete plans identified on how this transition would take place.

Quality-at-Entry Rating

Moderately Unsatisfactory

b. Quality of supervision

Project start up was slow due to staff turnover in the PCU and the Bank's delay in providing adequate guidance to the PCU, which had limited expertise of Bank's procurement and financial management procedures. The composition of the Bank team was stable and there were regular supervision missions and detailed Aide-memoires and Implementation Status and Results Reports (ISRs). When the political crisis led to a deterioration in the macroeconomic situation and high levels of inflation, the Bank team engaged with the Government and Bank Management to seek a viable response to the unexpected adverse macroeconomic situation. The Bank team also agreed with the Government to redesign the BPC following the eruption of the political crisis in December 2013 and to use the BPC as a tool to support economic recovery and generate opportunities for a larger number of people. However, the Bank and Government fell short of transforming the

resources devoted to business competition into grants.

Most times, the Bank team addressed implementation constraints within its control in a timely manner. For instance, with the deteriorating security situation in the country, the Bank team stepped up its normal supervision missions with weekly videoconferences to keep in regular contact with the PCU on implementation issues. Due to the deterioration of the exchange rate, the team also took the decisive action to delay disbursement of business competition awards in order to protect their value. However, the team exhibited unsatisfactory performance in the latter stages of the project, particularly the last six month.

Quality of Supervision Rating

Moderately Satisfactory

Overall Bank Performance Rating

Moderately Unsatisfactory

9. Assessment of Borrower Performance

a. Government Performance

While the Government showed strong support for the project during the design stage, the ownership waned early on when the Ministry of commerce questioned the design of the implementation of the BPC component, which had already been adopted from the original PSD Project. The misunderstanding around this matter led to delays in launching the activities for this component. The Government bears all responsibility for the December 2013 political conflict, which prevented the project from pursuing and achieving its development objectives, a situation which was further aggravated by the delays in implementing the August 2015 Peace Agreement. Due to the worsening business environment, a number of states in the north of the country had to be left out of project activities and the disruption of the BPC activities created a situation whereby BPC winners never received their grants. The resumption of the conflict in July 2016, coupled with a worsening macroeconomic environment, had adverse effects on the microfinance sector, and on the potential outcomes of the project.

Government Performance Rating

Unsatisfactory

b. Implementing Agency Performance

The PCU was not fully staffed at project approval, and the project could not start right away. The pace of implementation picked up after technical support from the Bank team, especially for those activities under components 2 and 3, which were concentrated in the capital city. In early 2014, the SSBF launched the public-private dialogue on the impact of the conflict on the private sector and the drafting of the regulatory framework for mobile payments and banking, as well as the training of government officials on understanding, negotiating and evaluating regional integration policies. The BPC was launched in

September 2014, but the Implementing Agency faced challenges related to payment of business competition awardees during the last six months of project implementation, and could not agree with the Government and the commercial bank on how to make sure that all awardees were paid before closure. Until today, there is a pending issue related to awards not paid to the winners and still held up by the Kenya Commercial Bank

The Implementing Agency persevered with intensive supervision in the face of conflict and deteriorating economy and security. While the Implementing Agency did not address the implementation constraints as fast and as effectively as desirable, it remained constantly in touch with the Bank team and succeeded to address fiduciary weaknesses with the support of the Bank through support missions and videoconference sessions.

Implementing Agency Performance Rating

Moderately Unsatisfactory

Overall Borrower Performance Rating

Unsatisfactory

10. M&E Design, Implementation, & Utilization

a. M&E Design

The Project Coordinator was responsible for the M&E function of the project, working together with the respective implementers of the different components of the project. The PCU set up dedicated monitoring systems, which were to provide detailed information for assessing implementation progress and performance of each sub-component. The monitoring system was sufficient to collect necessary data to regularly update RF and inform management of progress. MFIs were to submit monthly reports on performance, combined with periodic M&E field visits to microfinance institutions to assess their performance. Finally, the Memorandum Of Undestandaing (MOU) between the Ministry of Commerce, the local commercial bank, and the business competition awardees required the submission of monthly reports to track progress.

b. M&E Implementation

The outbreak of conflict and ensuing economic and security deterioration limited the effectiveness of the M&E system described above. The rising transport costs and heightened security concerns limited monitoring visits from 2015 up to project closure. MFIs submitted monthly monitoring reports to SSMDF and Project management, though with significant gaps due to the lack of a robust Management Information Systems for most of the MFis. For Component 2, the M&E system relied heavily on the international consulting firm, whose ability to travel outside Juba was suspended following the December 2013 conflict. Due to the slow pace of implementation and the break out of hostilities in December 2013, a Mid-Term Review (MTR) planned for the end of October 2013 was carried out in September 2014 after the closing date had been extended to December 1, 2015. To factor in the consequences of the worsening security conditions, the result

framework was revised in 2014. The Kenya Commercial Bank played a key role in the M&E system through its monitoring of businesses, but efforts were contradicted by frequent turnover of staff assigned to the project. The project trained approximately 30 civil servants from the Ministry of Commerce on M&E to ensure sustainability of the M&E function post closure. However, the outbreak of conflict in July 2016 halted implementation of the business competitions and limited any ability to track the performance of the beneficiaries.

c. M&E Utilization

Data collected by the M&E systems were closely followed in ISRs and Aide-Memoires and were used for decision making on how to adjust project implementation given the changing environment on the ground. M&E data informed the project restructuring in 2014, including the revision of the results framework.

M&E Quality Rating

Modest

11. Other Issues

a. Safeguards

The ICR did not provide any information related to safeguards compliance. The project was classified under Environmental Category "B" in the PAD, indicating that no significant irreversible environmental and social impacts from project activities were expected. Safeguard policies triggered were (i) the Environmental Assessment (OP/BP 4.01) and (ii) the Pest Management (OP 4.09). A draft Environmental and Social Screening Assessment Framework (ESSAF) that set out specific measures to be taken for any eventual negative impacts was prepared. Project implementation did not raise any substantive safeguards issues, and ISRs rated safeguard compliance as Satisfactory throughout the project life, because there were no safeguards issues confronted during the project implementation.

b. Fiduciary Compliance

The ICR did not provide any information related to fiduciary compliance. Upon request, additional information was provided, which reported that the financial management system performed relatively well, despite capacity constraints and initial issues with internal controls. The Bank asked the PMU to bolster capacity by hiring an accounting assistant, but this was never done. However, the capacity shortcomings were overcome by the designation of a dedicated Project Coordinator, who performed many of the key functions, such as budgeting and filing of quarterly financial reports. ISRs rated FM performance as Moderately Satisfactory throughout. The final project audit was issued with an unqualified opinion. There was little procurement under the project, but the main activity (hiring of the firm to conduct the business competition) was delayed due to limited understanding of the procurement guidelines, and the challenge in assembling the evaluation groups. Fiduciary

compliance was moderately unsatisfactory given the implementation delays provoked by weaknesses in handling FM and procurement issues, and the pending issue related to project resources still held up with a commercial bank.

c. Unintended impacts (Positive or Negative)

There were no unintended impacts

d. Other

Not applicable

12. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Moderately Unsatisfactory	Unsatisfactory	27 percent of the disbursed amount is still held up with a commercial bank,and did not reach final beneficiaries.
Risk to Development Outcome	High	High	---
Bank Performance	Moderately Unsatisfactory	Moderately Unsatisfactory	---
Borrower Performance	Unsatisfactory	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.

13. Lessons

This review concurs with four lessons and recommendations identified by the ICR in the following four areas: (i) while using a Business Plan Competition award as a collateral for a bank loan is an option, there are implementation challenges in a low capacity and fragile environment, (ii) in a conflict-afflicted environment, flexibility and simplicity in the design should be the norm to respond to unexpected occurrences, (iii) in a fragile, conflict and violence (FCV) environment, the team should prepare for the worst, while hoping for the best in terms of the security situation in the country, and (iv) investments in Apex Microfinance Institutions can make positive contributions to increasing financial inclusion in fragile environments. A fifth lesson ignored during the

project design, and which was confirmed by the project implementation is that the project's design should take very seriously into account the political and security risks in fragile environments, because the risk for a post-conflict country to fall back into instability is very high.

14. Assessment Recommended?

No

15. Comments on Quality of ICR

The ICR presents a comprehensive account of the project's design, implementation and supervision, and provides a thorough discussion of the final results achieved. Detailed account of the political and security conditions, which was the key factor that derailed the project performance, permeates the report from the beginning until the end. Areas that needed improved coverage are: (i) a discussion of the project design analyzing the appropriateness of the result framework, (ii) a more detailed account of the safeguards and fiduciary compliance, and (iii) the presentation of an annex table on the project outputs by component. Additional information was provided upon request to supplement the content of the ICR on these aspects. The ICR provides a number of relevant lessons that are specific to FCV settings, which were derived directly from the project's own implementation experience.

a. Quality of ICR Rating

Substantial