



## Deposit Insurance Strengthening Project (P154219)

EUROPE AND CENTRAL ASIA | Bulgaria | Finance, Competitiveness and Innovation Global Practice | IBRD/IDA | Investment Project Financing | FY 2016 | Seq No: 6 | ARCHIVED on 10-Mar-2019 | ISR36007 |

Implementing Agencies: Bulgarian Deposit Insurance Fund, Bulgarian Deposit Insurance Fund

### Key Dates

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Bank Approval Date: 18-Mar-2016

Effectiveness Date: 28-Jun-2016

Planned Mid Term Review Date: 28-Feb-2018

Actual Mid-Term Review Date: 22-Feb-2018

Original Closing Date: 31-Dec-2018

Revised Closing Date: 31-Dec-2019

### Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective is to strengthen the financial and institutional capacity of the Bulgarian Deposit Insurance Fund(BDIF) so as to enable it to meet its deposit insurance and bank resolution obligations.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

### Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Satisfactory
Overall Risk Rating	● Moderate	● Moderate

### Implementation Status and Key Decisions

The project implementation is on track. The WB granted extension of the closing date by 12 months and adjustment of one of the PDO indicators to allow for more time for achievement of the two remaining DLIs. The entire loan amount (EUR 300 mln) has been disbursed. Eight out of ten DLIs have been achieved. The team continues to monitor carefully progress towards achievement of the remaining DLIs. The next implementation support visit is to be held in the fall of 2019.

## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● Moderate	● Moderate	● Moderate
Macroeconomic	● Moderate	● Moderate	● Moderate
Sector Strategies and Policies	● Substantial	● Moderate	● Moderate
Technical Design of Project or Program	● Moderate	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	● Moderate	● Moderate	● Moderate
Fiduciary	● Moderate	● Moderate	● Moderate
Environment and Social	● Low	● Low	● Low
Stakeholders	● Moderate	● Moderate	● Moderate
Other	--	● Low	● Low
Overall	● Moderate	● Moderate	● Moderate

## Results

### PDO Indicators by Objectives / Outcomes

Strengthen the financial capacity of the BDIF				
►BDIF reserves reach the equivalent of 1 percent of covered deposits, in the absence of bank failures (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.75	--	1.26	1.00
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2019

Strengthen the institutional capacity of the BDIF				
►BDIF performing its legally mandated technical functions, including in any future bank failures in which its resources are utilized (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	Yes	Yes
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2018



### Intermediate Results Indicators by Components

Increase the Borrower's reserves through premium collection from banks				
▶Risk-based premium collection (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Yes	--	Yes	Yes
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2018
▶Premium collected from banks (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	270,000,000.00	220,000,000.00
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2018

Make progress in asset recovery process from bankrupt banks				
▶Recoveries from bankrupt banks (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	236,330,000.00
Date	31-Dec-2015	--	31-Jan-2019	31-Dec-2019

Strengthen the Borrower's funding structure				
▶Long-term loan or back-stop funding facility mobilized by BDIF (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	300,000,000.00	300,000,000.00
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2018

Improve the Borrower's ability to anticipate and respond to problems in banking sector				
▶Updated BNB-BDIF MOU in place (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	Yes	Yes
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2018



►Results of Asset Quality Review shared with BDIF (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	Yes	Yes
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2018

Improve the Borrower's ability to undertake depositor payout and bank resolution functions				
►Public awareness strategy in place (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	Yes	Yes
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2018
►BDIF Contingency Plan in place (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	Yes	Yes
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2018

## Data on Financial Performance

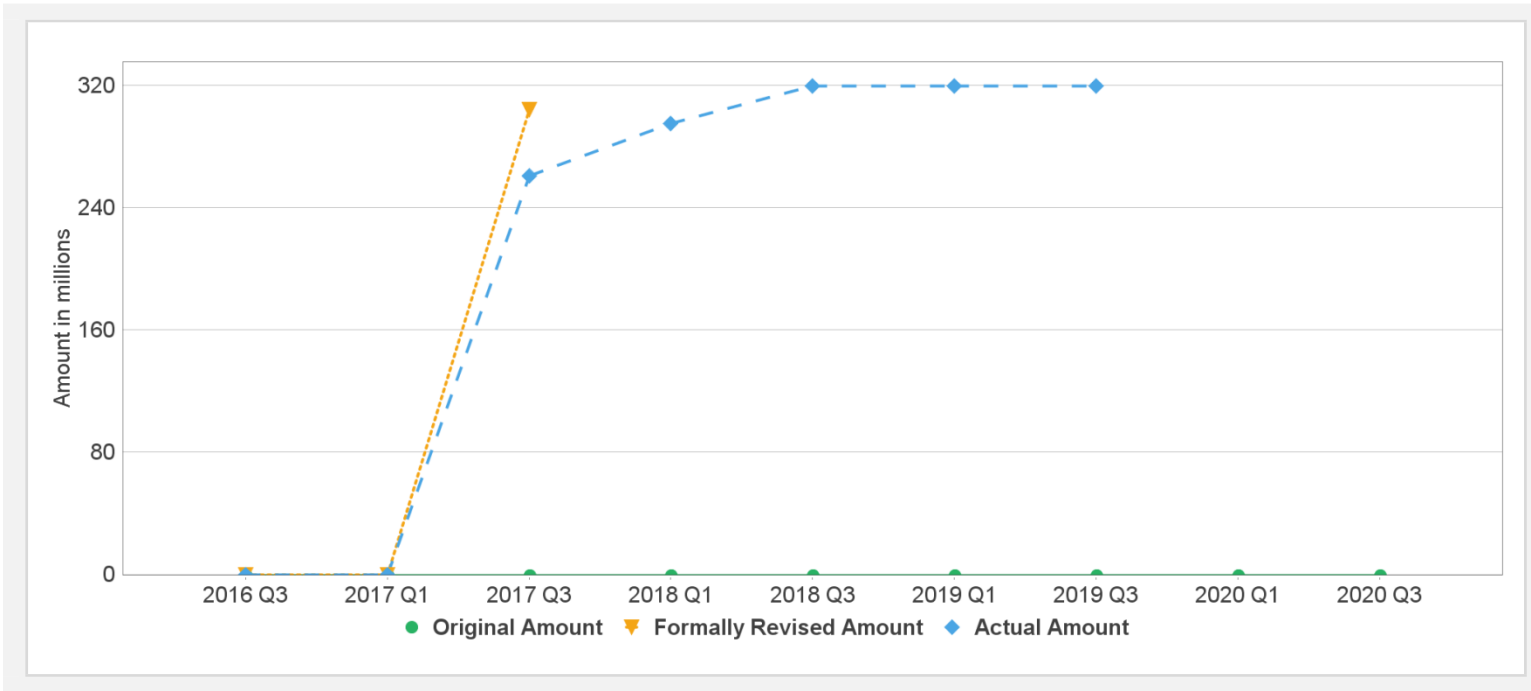
### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P154219	IBRD-85960	Effective	USD	327.47	327.47	0.00	319.73	0.00	100%

### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P154219	IBRD-85960	Effective	18-Mar-2016	01-Apr-2016	28-Jun-2016	31-Dec-2018	31-Dec-2019

### Cumulative Disbursements



## Restructuring History

Level 2 Approved on 06-Dec-2018

## Related Project(s)

There are no related projects.