

**QUALITY AT ENTRY ASSESSMENT
GUIDANCE QUESTIONNAIRE FOR ADJUSTMENT LENDING**

REVISED: 3/05/01

COUNTRY: _____ **OPERATION:** _____

Region: _____ **Task Team Leader:** _____ **Sector Manager:** _____

Country Director: _____

Sector: _____ **Operation ID:** _____ **Date Approved:** _____

LOAN/CREDIT AMOUNT (\$MIL) _____ **LOAN/CREDIT NUMBER** _____

SAL **SECAL** **OTHER**

PERSONS INTERVIEWED: TTL _____ **OTHERS:** _____

FIRST STAGE REVIEW

SECOND STAGE REVIEW

FIRST STAGE REVIEW:

PANEL LEADER/MEMBER(S): _____

Moderator: _____

Specialized Reviewers:

1. **Environment** _____

2. **Social Assessment** _____

3. **Financial Management** _____

4. **Other** _____

OVERALL RATING: _____

ASSESSMENT DATE: _____

SECOND STAGE REVIEW (if applicable):

PANEL LEADER: _____

PANEL MEMBERS: _____

DATE: _____ **PANEL RATING:** _____

SAL = Structural Adjustment Loan
SECAL = Sector Adjustment Loan

**QUALITY AT ENTRY ASSESSMENT
GUIDANCE QUESTIONNAIRE
SUMMARY ASSESSMENT SHEET**

Assessment Rating
1 = Highly Satisfactory 2 = Satisfactory 3 = Marginally Satisfactory 4 = Unsatisfactory NA= Not Applicable

- | | | |
|-----------|--|----------------------|
| 1. | Concept, Objectives and Approach | <input type="text"/> |
| 2. | Structural, Financial and Macroeconomic Aspects | <input type="text"/> |
| 3. | Poverty and Social Aspects | <input type="text"/> |
| 4. | Environmental Aspects | <input type="text"/> |
| 5. | Fiduciary Aspects | <input type="text"/> |
| 6. | Policy and Institutional Aspects | <input type="text"/> |
| 7. | Implementation Arrangements | <input type="text"/> |
| 8. | Risk Assessment and Management | <input type="text"/> |
| | OVERALL ASSESSMENT | <input type="text"/> |
| 9. | Bank Inputs and Processes | <input type="text"/> |

The relative importance of the eight quality dimensions are not of equal weight and thus the overall rating is not a simple average of the individual ratings. The program, sector, and country context influence the relative importance of these dimensions. Hence, the panel should use its knowledge, judgment and professional skills in arriving at weights to determine the overall rating.

Development Objectives

A = Development objectives outlined in the operation's documents

(Importance of development objectives addressed by the operation: **H = High, M = Moderate, L= Low N/A = Not Applicable**)

- | | | |
|-------|---|--------------------------|
| i. | Poverty Reduction | <input type="checkbox"/> |
| ii. | Macroeconomic Management | <input type="checkbox"/> |
| iii. | Structural and Sector Policy Reform | <input type="checkbox"/> |
| iv. | Private Sector Development | <input type="checkbox"/> |
| v. | Institutional Development/Capacity Building | <input type="checkbox"/> |
| vi. | Environmental Sustainability | <input type="checkbox"/> |
| vii. | Infrastructure Development | <input type="checkbox"/> |
| viii. | Other (specify) | <input type="checkbox"/> |

B = Likelihood of achieving the stated development objectives (Panelists to assess using a scale of:

HL = Highly Likely; L = Likely; U =Unlikely; HU = Highly Unlikely; or N/A Not Applicable)

- | | | |
|-------|---|--------------------------|
| i. | Poverty Reduction | <input type="checkbox"/> |
| ii. | Macroeconomic Management | <input type="checkbox"/> |
| iii. | Structural and Sector Policy Reform | <input type="checkbox"/> |
| iv. | Private Sector Development | <input type="checkbox"/> |
| v. | Institutional Development/Capacity Building | <input type="checkbox"/> |
| vi. | Environmental Sustainability | <input type="checkbox"/> |
| vii. | Infrastructure Development | <input type="checkbox"/> |
| viii. | Other (specify) | <input type="checkbox"/> |

Comments:

	Highly Likely	Likely	Unlikely	Highly Unlikely
Sustainability (Check the Appropriate Box)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(Panel's judgment of the likelihood that the operation's results will be sustainable in the longer- term)

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Assessment Rating

- | | | |
|-----------|---|---|
| 1. | Concept, Objectives and Approach | <input style="width: 40px; height: 20px;" type="text"/> |
| 1.1 | Quality and coherence of development rationale underpinning the operation?
(Overall quality of macroeconomic justification? Are the reform <i>objectives</i> specific and focused on outcomes? Reforms sufficiently but not overly ambitious?) | <input style="width: 40px; height: 20px;" type="text"/> |
| 1.2 | Consistency of the operation's objectives with: | <input style="width: 40px; height: 20px;" type="text"/> |
| | (a) CAS and the country's key development priorities? | <input style="width: 40px; height: 20px;" type="text"/> |
| | (b) Bank's Sector Strategy (for SECALS)? | <input style="width: 40px; height: 20px;" type="text"/> |
| 1.3 | Appropriateness of lending instrument (SAL, PSAL, SSAL, SNAL, other) to achieve the stated objectives? (Were alternative instruments considered?) | <input style="width: 40px; height: 20px;" type="text"/> |
| 1.4 | Extent to which lessons of experience are adequately reflected in the program's approach? (Country's track record in implementing reforms? Similar operations in the country or region? How well were lessons on tranching incorporated? OED findings?) | <input style="width: 40px; height: 20px;" type="text"/> |
| 1.5 | Adequacy of country (and for SECAL sector) knowledge underpinning the operation? (Sector-specific analysis? General public expenditure reviews, poverty analysis? Etc.) | <input style="width: 40px; height: 20px;" type="text"/> |
| 1.6 | Level of borrower ownership: | <input style="width: 40px; height: 20px;" type="text"/> |
| | (a) Degree of borrower participation in program design and implementation? | <input style="width: 40px; height: 20px;" type="text"/> |
| | (b) Credible evidence of borrower ownership and commitment based on
(i) track record; (ii) prior (pre-Board) actions; and/or
(iii) wide public dissemination of reform program? | <input style="width: 40px; height: 20px;" type="text"/> |
| | (c) Presence of strong champions? | <input style="width: 40px; height: 20px;" type="text"/> |
| 1.7 | Appropriate partnership arrangements with IMF and other donors? (Are Bank, IMF, and donors' views and advice on the key reform measures and objectives consistent? Is the Bank-Fund division of labor appropriate?) | <input style="width: 40px; height: 20px;" type="text"/> |

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2. STRUCTURAL, FINANCIAL AND MACROECONOMIC ASPECTS

- 2.1 Adequacy of external financing case for the operation? (Underpinned by an actual or prospective current account or fiscal deficit?)
- 2.2 Adequacy of overall external (Bank, IMF, other donors and creditors) financing arrangements?
- (a) Adequacy of total amount of financing relative to projected financing requirements?
- (b) Is the Bank’s financial contribution consistent with its role of providing medium-term support for structural reform? (Adequacy of financial burden sharing among the various creditors?)
- 2.3 Extent and appropriateness of medium-term framework? (Choice between self-standing one-off operation and programmatic series of operations? Links to medium-term government program of structural and social reform?)
- 2.4 Appropriateness and realism of prior actions and future conditions? (Focus on few big ticket items? Specific up-front actions rather than plans, studies and future commitments?)
- 2.5 Appropriateness of tranching arrangements?
- (a) How well does the phasing of disbursements match the financing requirements?
- (b) How well does the phasing of reforms match the phasing of disbursements?

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3. POVERTY AND SOCIAL ASPECTS

3.1 Operation's focus on poverty reduction in the context of the CAS? (Links between the reform program and poverty reduction objectives? Likely impact on the poor and other vulnerable social groups adequately assessed and reflected in the operation's design?)

*3.2 Extent to which gender issues were considered during the operation's design?

*3.3 Extent to which relevant social development issues and risks were considered in operation's design and institutional arrangements?

3.4 Quality of stakeholder analysis and consultation:

(a) Adequacy of stakeholder analysis? (Including identification and assessment of diverse social and organizational groups, stakeholders' interests affected by the program, and /or stakeholders' interests that will affect the operation)

(b) Degree of beneficiaries and other key stakeholders' participation? (Including an assessment of their attitudes toward the operation, attention to issues arising from the consultation/assessment process, and mechanisms for ongoing participation during implementation by key stakeholders whose involvement is critical to the operation's success)

3.5 Appropriateness and realism of arrangements to manage and mitigate any adverse social impacts? (as part of, or outside the scope of the operation)

*** These questions are included for testing purposes only. While panelists will rate these questions, they will not be counted in the overall rating of this section.**

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4. ENVIRONMENTAL ASPECTS

4.1 Environmental classification for SECAL operations:

(a) Was an environment classification carried out?

(b) Appropriateness of the selected environmental category?

4.2 Environmental Assessment for SECAL operations classified A or B:

(a) Adequacy and quality of EA to assess the potential impacts of planned policy, institutional and regulatory actions under the operation?

(b) Adequacy and quality of arrangements for mitigating and managing any adverse environmental impacts during (and following) program implementation? (If mitigation measures are outside the program, assess the likelihood of their successful implementation).

Quality At Entry Assessment: Guidance Questions

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5. FIDUCIARY ASPECTS

5.1 Financial Management

(a) Compliance with disbursement and auditing requirements?

(b) Were the fiduciary concerns regarding the overall use of borrower resources addressed?

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6. POLICY AND INSTITUTIONAL ASPECTS

6.1 Appropriateness of prevailing economic (especially macroeconomic) policy environment for achieving the operation's objectives? (Country's macroeconomic management satisfactory? Is the IMF program on track or have staff ascertained that the IMF has no major outstanding concerns?)

6.2 Consistency of the policy and institutional reform actions supported by the operation with the stated reform/development objectives?

6.3 Appropriate identification of agencies and institutions (e.g. government, regulatory, judicial, private sector, NGOs) responsible for program execution? Respective roles clearly defined?

6.4 Extent to which the implementing agencies have (or where they are lacking capacity, adequacy of institution building measures under other Bank or donor funded operations):

(a) Capacity to implement the operation (staff and organization structure)?

(b) Commitment to implement the program?

(c) Political economy clout to carry out the reforms?

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- 7. IMPLEMENTATION ARRANGEMENTS**
- 7.1 Prospects for completing the operation within the prescribed time-frame (realism of time allotted for completing reforms supported by future tranches, relative to their ambitiousness and institutional capacity)?
- 7.2 Extent to which the operation was ready to proceed at the time of Board approval (No effectiveness conditions or substantive reform actions unless under specifically justified exceptional circumstances).
- 7.3 Appropriateness of arrangements to monitor implementation and to review progress with the borrower? Specificity of indicators and benchmarks? Clear assignment of monitoring responsibilities to implementing agencies for:
- (a) Progress of reform programs initiated under the operation?
 - (b) Poverty and social aspects?
 - (c) For SECALS, any adverse environmental impacts?
- 7.4 Appropriateness of arrangements (e.g. baseline surveys, outcome indicators) for evaluating impact and measuring outcomes of:
- (a) Reform programs initiated under the operation?
 - (b) Poverty and social aspects?
 - (c) or SECALS, any adverse environmental impacts?

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8. RISK ASSESSMENT AND MANAGEMENT

8.1 Quality of risk assessment (with particular reference to candor, rigor, comprehensiveness and realism)

(a) Borrower commitment (including policy environment and risk of reform reversal)

(b) Social risks (including socio-political support)

(c) Macroeconomic stability

(d) Institutional effectiveness (to implement the program)

(e) Environmental impact

(f) Resilience to exogenous factors

8.2 Appropriateness of strategies for dealing with risk during program implementation?

(a) Borrower's commitment (including policy environment and risk of reform reversal)

(b) Social risks (including socio-political support)

(c) Macroeconomic stability

(d) Institutional effectiveness (to implement the program)

(e) Environmental impact

(f) Resilience to exogenous factors

8.3 Clarity and candor in recognizing residual risks (i.e. risks not amenable to mitigate) and assessing them in relation to overall risks and rewards?

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9. BANK INPUTS AND PROCESSES

9.1 Elapsed time (months):

Concept-Appraisal		
Appraisal-Board		(Was the service standard of 5 months met? (Yes/No)
Board Effectiveness		(Was the service standard of 4 months met? (Yes/No)

9.2 Preparation/Processing Expenditures (\$000)

BB	
PPF	
PHRD	
Other	
Total	

9.3 **Task team's assessment** (check the appropriate box)

Too Little	Too Much	About Right
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A. Project Preparation:

	(a) Funds				
	(b) Processing time (weeks)				
	(c) Amount spent on safeguards/fiduciary aspects (\$)				

B. Contributions to project preparation:

High	Medium	Low
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	(d) Borrower				
	(e) Other donors				
	(f) Other Bank funded activities (ESW, IDF, etc.)				

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9.4 Task team’s composition in relation to operation’s complexity? (Skill-mix, continuity, experience, staff/consultants mix?)

9.5 Appropriateness of processing time considering operation’s complexity and urgency?

9.6 Overall efficiency of resources used? (In relation to operation’s complexity).

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- | | | | |
|------|--|----------------------|----------------------|
| 9.7 | Value Added from management | | <input type="text"/> |
| | (a) Country Management | <input type="text"/> | |
| | (b) Sector Management | <input type="text"/> | |
| | (c) Regional Management | <input type="text"/> | |
| 9.8 | Quality Enhancement | | <input type="text"/> |
| | A. <u>Peer Reviews</u> | | <input type="text"/> |
| | (a) Appropriateness of reviewers' selection? | <input type="text"/> | |
| | (b) Quality of guidance given? | <input type="text"/> | |
| | (c) Appropriate use of advice provided? | <input type="text"/> | |
| | B. <u>QER</u> | | <input type="text"/> |
| | (a) Appropriateness of reviewers' selection? | <input type="text"/> | |
| | (b) Quality of guidance given? | <input type="text"/> | |
| | (c) Appropriate use of advice provided? | <input type="text"/> | |
| 9.9 | Quality of support provided by | | <input type="text"/> |
| | (a) Sector Board and Anchor | <input type="text"/> | |
| | (b) Legal | <input type="text"/> | |
| | (c) Disbursement | <input type="text"/> | |
| 9.10 | Quality of the Bank's documents (PAD, legal documents) | | |