



1. Operation Information

Operation ID

P158111

Operation Name

TN Business Environment&Entrepreneurship

Country

Tunisia

Practice Area (Lead)

Macroeconomics, Trade and Investment

Non-Programmatic DPF

L/C/TF Number(s)

IBRD-87610

Closing Date (Original)

31-Dec-2018

Total Financing (USD)

537,364,076.40

Bank Approval Date

13-Jun-2017

Closing Date (Actual)

31-Dec-2018

IBRD/IDA (USD)

Co-financing (USD)

Original Commitment

500,000,000.00

0.00

Revised Commitment

500,000,000.00

0.00

Actual

537,364,076.40

0.00

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2. Program Objectives and Pillars/Policy Areas

a. Objectives

The program document (PD, p. v) says that “the program development objective is to help Tunisia (i) improve the business environment, and (ii) support entrepreneurship and deepen access to finance.”

b. Pillars/Policy Areas



The DPL had two policy areas: (a) business environment; and (b) entrepreneurship and access to finance.

Business environment. This pillar covered aspects of competition, private investment, public investment management and ports. The pillar had four prior actions:

- **#1 – Competition Law.** The four implementing decrees of the new Competition Law No. 2015-36 dated September 15, 2015, are published in the Official Gazette (Nos. 51, 72, 87, of 2016 and 13 of 2017).
- **#2 – Investment Law.** Publish the new investment law and its implementing decree No-2017-390 in the Official Gazettes No. 82 of October 7, 2016 and No. 25 of March 28, 2017. The law reinforces the rights and guarantees of investors and market access regulation.
- **#3 – Public Investment Management Framework.** The Decree No. 2017-394 dated March 29, 2017 establishing a unified public investment management framework for public investment projects (PIPs) and public private partnership (PPP) has been published in the Official Gazette No. 26 of 2017.
- **#4 – Digitalizing Port Procedures.** The Minister of Finance and the Minister of Transport have issued Circular No. 86 dated November 14, 2016, replacing Circular No. 19 dated May 30, 2011, to introduce the digitization of remaining port procedures. Circular No. 86 has been published on the website of the Ministry of Finance.

Entrepreneurship and access to finance. This pillar covered aspects of credit information, seed and equity capital, bankruptcy regime and households' access to housing finance. The pillar had four prior actions:

- **#5 – Legal Code for Seed and Equity Capital.** The Council of Ministers has approved on April 28, 2017, and the Head of Government has transmitted to Parliament on May 2, 2017, the draft Code for Seed and Equity Capital (*Code des Organisms d'Investissement Collectif*), enhancing access to finance of young firms and entrepreneurs.
- **#6 – Credit information.** The Council of Ministers has approved on February 24, 2017, and the Head of Government has transmitted to Parliament on February 27, 2017, the draft Law (*loi organique*) on Credit Bureau improving credit information and promoting access to credit for young micro, small and medium enterprises (MSMEs), and entrepreneurs.
- **#7 – Bankruptcy Regime.** The new Law of Collective Procedures No. 2016-36 dated April 29, 2016, simplifying the Borrower's bankruptcy regime, has been published in the Official Gazette No.38 dated May 10, 2016.
- **#8 – Household Access to Housing Finance.** To improve households' access to housing finance, the Decree No. 2016-1126 dated August 18, 2016, revising the eligibility criteria of the Social Housing Promotion Fund (*FOPROLOS or Fonds de Promotion du Logement pour les Salaris*), has been published in the Official Gazette No. 71 dated August 30, 2016.

c. Comments on Program Cost, Financing and Dates

The operation consisted of a development policy loan for Euro 457.2 million, equivalent to US\$500 million. The actual amount disbursed was US\$537 million; the different dollar amounts arise from changes in the Euro/US\$ exchange rate. The loan was approved on June 13, 2017 and closed on December 31, 2018 as planned.

3. Relevance of Design



a. Relevance of Objectives

Before the 2011 revolution, Tunisia's economic policies delivered growth rates higher than the regional average in addition to lower poverty rates and substantial improvements in indicators of human development. At the same time, the policies did not correct economic distortions that had slowed the growth of employment and generated economic and social disparities both at the household and regional levels. The constitutional reform of 2014 and the democratic election of governments opened the doors to structural reforms to help address the economic distortions that constrained growth and favored a small group of people. To address these issues, the government issued in 2015 a guidance note on its development strategy and in 2017 published its Five-Year Development Plan (2016-2020) focused on "economic efficiency based on innovation and partnership, social inclusion and sustainable development."

The World Bank's Systematic Country Diagnostic (SCD, 2015) identified five constraints to growth and inclusion, of which this DPL supported actions that touched on three of the constraints: business environment, access to finance by firms and households, and infrastructure, connectivity and trade logistics. The government's guidance note and the SCD steered the design of the World Bank's Country Partnership Framework (CPF) 2016-2020 and its three pillars. The CPF Pillar 1: Restoring an Environment Conducive to Sustainable Economic Growth and Private Sector-Led Job Creation, had the objectives of (a) strengthening macroeconomic and fiscal management; (b) improving the enabling environment for private sector competitiveness, and (c) fostering sound financial sector development. Objectives (b) and (c) were supported by this DPL. The program's objectives were aligned with the government's Five-Year Development Plan and with Pillar 1 of the CPF 2016-2020. Specifically, the program supported the government's Development Plan in business climate and promotion of private investment (Axis 2) and financing of the economy (Axis 3). Also, Pillar 1 of the CPF was supported by the operation's two policy areas of (a) improving the business environment (competition, private investment, logistics) and (b) supporting entrepreneurship and deepening access to finance (access to credit, bankruptcy, and rules for seed and equity capital).

b. Relevance of Prior Actions

Rationale

Policy Area 1. Business environment

PA #1 – competition policy. The relevance of PA#1 is *Highly Satisfactory*.

The prior action sought to increase competition in the internal market by addressing shortcomings in competition policy: (a) lack of an adequate legal framework to promote competition within the private sector and between private sector companies and state-owned enterprises; (b) lack of government capacity to enforce competition policy; (c) ineffective enforcement of antitrust policy and dilution of enforcement responsibilities among agencies; (d) government support for public sector state-owned enterprises. The legislation gave more power to the Competition Council (relative to the Ministry of Commerce), created incentives to encourage the detection of cartels, reduced the costs of mergers in the private sector and reduced the administrative costs to the government of reviewing mergers. The relevance of PA#1 is *Highly Satisfactory*.

PA#2 – private investment. The relevance of PA#2 is *Satisfactory*.



The prior action sought to reinforce the rights and guarantees of investors and improve the access of private investors to the Tunisian market. The new Investment Law and the implementation decree sought to correct shortcomings of the existing law such as legal guarantees and restrictions on access to certain markets. The law (a) adopted a general framework for investment and moved away from a tax incentives–only approach; (b) focused on financial incentives (in contrast to tax incentives); (c) reduced the regulator's discretionary power by adopting the principle of "silence is approval"; (d) liberalized recruitment for expatriate managers; and (e) reduced the number of activities subject to authorization when foreign ownership exceeds 49 percent.

PA#3 – public investment management. The relevance of PA#3 is *Highly Satisfactory*.

The prior action sought to reduce the losses in public investment by changing processes in the investment cycle. Processes were estimated to cost the country some 30 percent of the amount invested. To achieve the savings the government established a unified public investment management framework for public investment projects (PIP) and public private partnership (PPP) projects that covered the appraisal, selection and prioritization, financing modalities and continuous monitoring of all investment projects. This PA is precondition for improved public investment management. Effectiveness will require subsequent attention and support to apply the framework. World Bank management informs that the "Bank has been providing significant technical assistance and training to government officials to support the application of the framework."

PA#4 – port procedures. The relevance of PA#4 is *Satisfactory*.

The prior action sought to stem the decline in port productivity by improving container management through the digitalization of all port procedures. One important port procedure that had been optional but became mandatory was to submit electronic notice of the arrival of merchandise. Better management was expected to reduce dwell time (e.g., the amount of time that cargo or ships spend within a port) from 16.6 days in 2016 to 12 days in 2018.

Overall, the relevance of prior actions in Policy Area 1 is *Satisfactory*.

Policy Area 2. Entrepreneurship and access to finance

PA#5 - seed and equity capital. The relevance of PA#5 is *Moderately Unsatisfactory*.

Regulations for venture capital-type financing constrained the financing for young firms. The regulations required multiple approvals and submission of information to protect investors while entrepreneurs wanted less protection and regulation. The prior action aimed at cutting the regulatory burden on sophisticated investors and introducing new financial vehicles and corporate forms in the country. The prior action lacked sufficient relevance because it consisted of the Council of Ministers approving a *draft* code for seed and equity capital and the Head of Government transmitting the draft to Parliament. Because the law had not been approved its potential impact on the regulatory burden was uncertain.

PA#6 – credit information. The relevance of PA#6 is *Moderately Unsatisfactory*.

Laws and regulations governing the financial sector did not support the operation of credit bureaus, and their absence led to lack of information about borrowers' creditworthiness. As a result, creditworthy borrowers were often unable to obtain credit from financial institutions. The prior action was aimed at eliminating these barriers and authorizing the operation of credit bureau companies that would help produce information about entrepreneurs and young micro, small and medium enterprises so they can have access to credit. The prior



action lacked sufficient relevance because it consisted of submitting to Parliament a draft law on credit information and promoting access to credit after approval by the Council of Ministers.

PA#7 – bankruptcy regime. The relevance of PA#7 is *Satisfactory*.

The prior action sought to simplify bankruptcy procedures, cap the privilege of the state in the liquidation of businesses, give creditors a larger role in insolvency procedures and encourage them to save viable businesses. The reforms sought to address some aspects of the laws on company restructuring and bankruptcy that limit the role creditors can have in solving bankruptcy problems, making it difficult to rescue companies, exit business and solve the high level of non-performing loans.

PA#8 – household access to housing finance. The relevance of PA#8 is *Moderately Satisfactory*.

The prior action sought to improve access to housing finance –especially for low-income households and non-salaried people– by revising the eligibility criteria to obtain financing from FOPROLOS (*Fonds pour la Promotion du Logement Social* -Social Housing Promotion Fund) and allowing (a) higher prices for eligible loans and (b) lending for acquiring land and for self-construction of houses. FOPROLOS cannot cover a large population because it has cumbersome operating procedures, including limited room to restructure distressed loans, limited distribution by the Housing Bank and centralized loan decisions in the Ministry of Housing. It is unclear if the published decree that revised the eligibility criteria addressed these problems. It seems that the eligibility criteria addressed by this PA was only one of several binding constraints to housing finance.

With two PAs moderately unsatisfactory, one PA moderately satisfactory and one PA satisfactory the relevance of prior actions in Policy Area 2 is *Moderately Satisfactory*.

Macroeconomic framework

Between 2013 and 2015, Tunisia had a Stand-By Arrangement with the IMF in the amount of \$1.6 billion, of which \$1.5 billion were disbursed. During the period Tunisia preserved macroeconomic stability and initiated fiscal and banking reforms amidst a political transition, a crisis in neighboring Libya, and other exogenous shocks. Some progress occurred: gradual fiscal consolidation, lower energy subsidies, reduced inflation, and reduction in banking sector vulnerabilities (including the recapitalization of public banks). Important challenges remained: weak growth, declining productivity, fragile banking sector, uneven progress on reforms in business climate, and current government expenditure rising relative to total expenditure. In May 2016, the IMF Board approved a four-year Extended Fund Facility for \$2.8 billion that supported a reform program aimed at raising investment and social spending, more exchange rate flexibility, keeping inflation under 4 percent and reducing the fiscal deficit to stabilize public debt below 70 percent of GDP by 2020.

Rating

Satisfactory

4. Relevance of Results Indicators

Rationale



Policy Area 1. Business environment

- RI #1 from prior action #1. The relevance of RI#1 is *Moderately Unsatisfactory*.

Number of anti-competitive practices prevented or eliminated: 6 in 2018 (baseline: 3 in 2016). The indicator measures the number of anti-competitive practices “eliminated or prevented” but does not measure changes in competition. This RI does not clearly define an anti-competitive practice or how prevention is to be measured. It also does not differentiate by degree of impact on competition of the practice eliminated or prevented. It is therefore a weak measure of progress toward the objective. The indicator can be measured and the information can be obtained.

- RI #2 from prior action #2. The relevance of RI#2 is *Satisfactory*.

Publication and availability on the website of the MDICI of the list of activities subject to investment entry authorization, the deadlines, procedures and the terms and conditions for their granting. (no baseline).

The indicator brings transparency to the rules governing market access although it does not address the need to ensure even and equitable application of the rules and does not inform about the accessibility of the information. It could have been complemented by an indicator on the number of firms accessing the information.

- RI #3 from prior action #2. The relevance of RI#2 is *Moderately Unsatisfactory*.

Publication and availability on the website of the MDICI of the draft report for consultations as well as the final report on the recommendations and concrete proposals for streamlining investment entry authorizations (no baseline).

The indicator represents an output of the loan. These documents are not useful to assess if (a) the prior action led to more investment, (b) investors consider the business environment better today than before and (c) the results achieved can be attributed to the change in the legislation. The ICR notes that the “indicator that focused on consultation should have contributed to improve administrations involvement if it was adequately organized”; the ICR does not inform if the organization was adequate or the administration improved. (par. 35)

The indicator can be measured and observed.

- RI#4 from prior action #3. The relevance of RI#4 is *Moderately Satisfactory*.

Share of investment projects for which a feasibility study, including a cost-benefit analysis, has been completed during the pre-investment phase: 80 percent in 2018 (baseline: 40 percent in 2016). The share of projects undertaking cost-benefit analysis represents a step forward in managing public investments, but it does not speak to the quality of the analysis and whether investments represent good value for money. The ICR notes (par. 24) that the indicator refers to number of projects; while informative, a more economically and fiscally meaningful measure would have referred to the share of total value. The



indicator can be measured and obtained; it could have been clearer about whether it referred to number or value of projects as well as if it applies to new project only.

- RI#5 from prior action #4. The relevance of RI#5 is *Satisfactory*.

Container dwell time: 12 days in 2018 (baseline: 16.6 days in 2016). The indicator is appropriate to measure the impact of the action carried out (digitalization of port procedures and electronic notice of arrival of merchandise). The indicator is clear, can be measured and obtained.

The relevance of the results indicators for this policy area is Moderately Satisfactory.

Policy Area 2. Entrepreneurship and access to finance

- RI#6 from prior action #5. The relevance of RI# 6 is *Unsatisfactory*.

Amount of seed and equity capital raised from investors: TND 300 million -average per year in 2017-2018 (baseline: TND 200 million -average per year in 2012-2016). The expected result cannot be associated with or attributed to the approval of a draft law by the Council of Ministers and transmitted to Parliament.

- RI#7 from prior action #6. The relevance of RI# 7 is *Unsatisfactory*.

Number of private credit bureaus licensed and operational: 1 in 2018 (baseline: 0 in 2016). The expected result cannot be associated with or attributed to the approval of a draft law by the Council of Ministers and transmitted to Parliament because Parliament has not approved the law.

- RI#8 from prior action #7. The relevance of RI#8 is *Satisfactory*.

Number of cases initiated under the new law on collective procedures: 200 in 2018 (baseline: 0 in PD and 85 in ICR for 2016). Simplifying the bankruptcy regime is likely to lead to more bankruptcy cases initiated after the law changes. The indicator has a logical connection to the prior action, and the baseline and target values are clearly identified and can be measured.

- RI#9 from prior action #8. The relevance of RI#9 is *Satisfactory*.

Number of FOPROLOS loans: 600 in 2018 (baseline: 286 per annum in 2013-2015). Widening the net of potential users of FOPROLOS housing finance is likely to lead to more households having access to finance. The indicator has a logical connection to the prior action and the baseline and target values are clearly identified and can be measure.

The relevance of the results indicators for this policy area is *Moderately Satisfactory*.

The overall relevance of the results indicators for the two policy areas is *Moderately Satisfactory*.



Rating

Moderately Satisfactory

5. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

Improve the business environment

Rationale

Under this objective the program supported interventions in four areas: competition, private investment, public investment management and ports.

Competition. The expected result was to have six anti-competitive practices prevented or eliminated. Actual result: the authorities prevented or eliminated 22 anticompetitive practices between 2017 and 2019, exceeding the target. From the number alone, however, it cannot be concluded the extent to which markets are more open to competition (or are expected to be). The results were not achieved.

Investment. The expected result was to have the Ministry of Development, Investment and International Cooperation (MDICI) publish and have in its website: (a) the list of activities subject to investment entry authorization, and the deadlines, procedures and terms and conditions for their granting; and (b) the draft report for consultations as well as the final report on the recommendations and concrete proposals for streamlining investment entry authorizations. The website has the required list and related documents (127 authorizations of economic activities and 143 administrative authorizations); the site does not have the reports of the consultations. The result indicator was partially achieved. However, it is too soon to assess the effect of reforms on private investment (national and foreign).

The prior action had an unintended consequence: a new Tunisia Investment Agency was created for large investments, which runs contrary to the idea of reducing complexity of procedures and the number of agencies. Its creation, not directly (but indirectly) supported by the DPF, was part of the implementation package of the new investment law.

Public investment management. The expected result was to increase the share of public investment projects with a feasibility study – including cost-benefit analysis – from 40 percent to 80 percent between 2016 and 2018. The expected result was exceeded: at loan closing, the share reached 85 percent of the total number of projects.

Ports. The expected result, a fall in container dwell time, was not achieved. Dwell time increased from 16.6 days in 2016 to 19 days in 2018.

Based on the indicators achieved and not achieved, the review rates objective 1 as *Partially Achieved*.

Rating

Moderately Unsatisfactory



OBJECTIVE 2

Objective

Support entrepreneurship and deepen access to finance

Rationale

Under this objective the program supported interventions in four areas: seed and equity capital, credit information, bankruptcy regime and access of households to housing finance.

Seed and equity capital. The expected result for the program was exceeded. For the period 2017-2018: the seed and equity capital raised was about 470 million Tunisian Dinars (TND), above its target of TND 300 million. The result cannot be attributed to the prior action because Parliament did not approve the Law.

Credit information. The program did not achieve the expected result of licensing at least one credit bureau and have it operating in 2018.

Bankruptcy Regime. The expected result was to have 200 bankruptcy cases initiated by 2018 from 85 in 2016 (PD has 0 cases, ICR corrects to 85 cases). The actual number was 163.

Household Access to Housing Finance. The expected result was to have 600 new FROPOLOS loans by 2018, up from 286 per year in 2013-2015. The actual result was 385 loans.

Based on the indicators achieved and not achieved, the review rates objective 2 as *Partially Achieved*.

Rating

Moderately Unsatisfactory

Overall Achievement of Objectives (Efficacy)

Rationale

Since efficacy for both objectives is moderately unsatisfactory, overall efficacy is moderately unsatisfactory. Under objective I (improving the business environment), port productivity fell, and there is no information on the impact of the changes to the investment law. For competition, 22 anticompetitive practices were prevented or eliminated but it is not known if these were particularly competition-reducing practices or if competition in the internal market increased. For public investment about 85 percent of the public investment projects are subject to a feasibility study which should augur well for the efficiency of investment expenditures. Under objective II (supporting entrepreneurship and access to finance), the legal reforms for credit information and seed and equity capital were not approved by Parliament; therefore, any change in the results indicators cannot be associated with the program's prior actions. The reforms in bankruptcy procedures led to a larger number of bankruptcy cases initiated, which shows progress in this area even if the target value of cases initiated was not achieved. The revisions to the eligibility criteria for housing finance led to a larger number of households receiving financing for housing, which shows progress in this area even if the number of those receiving finance fell short from the targets the program set.

Overall Efficacy Rating



Moderately Unsatisfactory

6. Outcome

Rationale

The program shows positive results in bankruptcy, housing finance, competition and public investment. Reforming the bankruptcy regime permitted initiation of a substantial number of bankruptcy cases when none had been initiated before. Reforming the eligibility criteria for housing permitted an increase in the number of households with access to finance, even though the numbers of households receiving financing fell short of the targets. On competition, the authorities eliminated a number of anti-competitive practices whose impact is likely to be felt more in the medium term than just after their elimination. On public investment management, a larger share of investment projects is now subject to more rigorous analysis, which should lead to better returns to public investment in the medium term.

The program did not have impact on ports, credit information, private investment, and seed and equity capital. Productivity fell in ports, the credit information bureau was not established, and Parliament did not approve the laws modifying the existing laws for private investment and seed and equity capital.

a. Rating

Moderately Unsatisfactory

7. Risk to Development Outcome

The outcomes achieved are likely to be sustained. Over the last five years the government and parliament have shown their disposition to reform economic institutions, which makes it likely that the reforms carried out will be maintained. Second, the economic and social distress caused by the COVID-19 pandemic strengthen the necessity of reforming economic policies and institutions to lift the economy from the downturn as recovery requires the government to improve the climate for business and entrepreneurship. Some of this is evident already, as several Bank-supported operations are extending some actions the DPL supported, moving further along the results chain toward measurable outcomes. However, some reforms have not produced the expected benefits because of inadequate technical assistance, lack of coordination among government agencies or opposition from vested interests (e.g., union in ports, private credit bureau). This will need to be closely monitored going forward.

8. Assessment of Bank Performance

a. Bank Performance – Design

Rationale

The DPL was a bridge between the Governance, Opportunities, and Jobs series of DPLs (2012-2016) and the Investment, Competitiveness and Inclusion DPL (2018). The Bank used knowledge acquired from



previous analytical work and the experience gained in the preparation and execution of the 2012-2016 DPL series to define prior actions and the results framework. There were also weaknesses. The pressing budget needs of the government and the stand-alone nature of the operation limited its leverage and ability to support complex reforms. The main implementing agency, the MDICI, the Bank's main institutional counterpart lacked the political weight to lead and coordinate some difficult and sensitive reforms. The program document identified well the risks of the operation, but mitigation measures proposed were inadequate to manage them when they materialized. The results chain was clear and mapped prior actions to results. Some of the results indicators, however, were not appropriate given the short duration of the standalone operation and the time it takes for policy actions to have impact.

Rating

Moderately Unsatisfactory

b. Bank Performance – Implementation

Rationale

The Bank conducted two supervision missions, November 2017 and November 2018. . The ICR notes that presence of the staff in the field ensured regular supervision; it also indicates that policy dialogue continued through complementary missions for other operations, but it does not show that it covered and influenced the supervision and performance of the DPL. The supervision missions collected information on the indicators (4 in the first mission), but “most of the administrations were not aware of the results indicators at the time of the ICR mission (ICR., par. 50); this suggests that the dialogue between the Bank and the government over the DPL was scant.

Rating

Moderately Unsatisfactory

c. Overall Bank Performance

Rationale

Bank performance was moderately unsatisfactory both in the design and in the implementation of the operation.

Overall Bank Performance Rating

Moderately Unsatisfactory



9. Other Impacts

a. Social and Poverty

The ICR did not identify impacts.

b. Environmental

Not applicable.

c. Gender

The ICR did not identify impacts.

d. Other

Not known.

10. Quality of ICR

Rationale

The ICR is adequate to assess the performance of the operation. The narrative and analysis support the ratings and focus on the results of the operation. The lessons section has a good organizational framework but could have been shorter and more to the point. The second part of the lessons section, on prior actions 1 and 2, refers to facts and findings; it does not offer lessons for other Bank operations.

The ICR should have focused more on the DPL and reported less about other Bank operations, most of which was unnecessary to understand the DPL's background and assess its results and achievements. The excess reporting on other operations is prevalent in section 3 on assessment of outcomes, making it more difficult to understand the contribution of the DPL

With some editing and proofreading, the text could have been clearer and shorter.

a. Rating



Substantial

11. Ratings

Ratings	ICR	IEG	Reason for Disagreement/Comments
Outcome	Moderately Unsatisfactory	Moderately Unsatisfactory	
Bank Performance	Moderately Unsatisfactory	Moderately Unsatisfactory	
Relevance of Results Indicators	---	Moderately Satisfactory	
Quality of ICR	---	Substantial	

12. Lessons

The ICR offers several lessons, with which IEG agrees.

- When there is a strong expectation of rapid disbursement, a standalone DPL operation might not be suited for deep and longer-term reform. When this operation was approved the Bank was approaching its exposure limit to Tunisia; therefore, the opportunity cost of approving a large loan is high if its implementation risks are high.
- To capture the impact of reforms, the results framework must have results indicators that measure the operation's impact over its time horizon. With a strong M&E system in place it is unlikely that prior actions 5 and 6 would have been adopted, and it would have been evident that the impact of reforms supported by prior actions 4 and 7 would take more time than the duration of the DPL.
- More effective arrangements are necessary to facilitate coordination, monitoring and follow-up of reforms implemented. Leadership and coordination of politically sensitive reforms requires a powerful and capable entity with the authority to supervise other ministries and agencies and quickly address bottlenecks and issues with commitment to reform. This role was played by the MDICI which, post-revolution, had lost part of its mandate and its capacity to coordinate reform implementation by other ministries.
- To enhance the impact on results it is necessary to (a) allocate more resources for technical assistance to support implementation and (b) redress the balance of the Bank's internal incentives from preparing new operations to monitoring the impact of subsequent operations.

13. Project Performance Assessment Report (PPAR) Recommended?

No