

How The Project Cycle Works

1. Country Assistance Strategy

The World Bank proposes financial, advisory and technical services to help countries identify their priorities and reach their main development goals.

2. Identification

Ideas for creating meaningful change are discussed. Borrower and Bank representatives weigh development objectives and project impacts, risks, alternatives and timetable.

6. Evaluation

After a Borrower completes a project, the Bank's Independent Evaluation Group (IEG) measures the outcomes against original objectives and assesses whether or not the project's results can be maintained over the long term. A number of projects are further scrutinized in detailed impact evaluation reports.



3. Preparation, Appraisal and Board Approval

With advice and financial assistance from the Bank, the Borrower conducts studies and prepares detailed project documentation. The Bank assesses the economic, technical, institutional, financial, environmental and social aspects of the project. When the Bank and the Borrower agree on the terms of a loan or credit, the project is presented to the Bank's Board of Executive Directors for approval.

5. Implementation and Completion

At the end of the loan or credit disbursement period (anywhere from 1-10 years), a completion report identifying project results, problems and lessons learned is submitted by operations staff to the Bank's Board of Executive Directors for information purposes.

4. Implementation and Supervision

The Borrower implements the project, issuing contracts through a competitive bidding process that follows the Bank's procurement guidelines. World Bank staff periodically supervises the project to make sure that the loan proceeds are used for intended purposes and with due regard for economy, efficiency and effectiveness.

FOLLOW AN EXAMPLE



1. In the mid 1990s, Ghana's poverty reduction strategy included improving education to strengthen people's ability to gain employment.

2. The Basic Education Sector Improvement Project (1996-2002) was designed to support the government's policy of free, compulsory, universal basic education. To improve enrollment and learning outcomes in Ghana, the project focused not only on improving schools, classrooms, teacher training and textbooks but also on establishing an innovative information system that would help track school data more effectively.

3. A \$50 million credit to Ghana from IDA, the Bank's fund for the world's poorest countries, was approved by the Board in June 1996.



4. In April 1999, at the mid-term review, Ghana's Basic Education project was restructured to limit its scope due to weak administrative and financial management capacity. Once the project became more manageable, the government achieved the desired outcomes: a new Education Management Information System was established; 11 million textbooks were printed and distributed; 2,300 classrooms rehabilitated and 151 primary and secondary schools built.

5. Increased teacher training and availability of textbooks helped improve English and math test scores. The new information system was an important first step in the education sector's long-term overhaul. But the project's overly ambitious design and weak donor coordination led to implementation difficulties and delays.

6. The project cycle resumes... Learning from experience and adapting to change, Borrowing governments and World Bank development experts conceive new projects to overcome poverty and pursue inclusive and sustainable growth.