

**THE WORLD BANK GROUP ARCHIVES**

**PUBLIC DISCLOSURE AUTHORIZED**

**Folder Title:** Operational - Policy and Procedure - Preparation of Projects - Volume 2

**Folder ID:** 30287135

**Series:** Operations Policy and procedures

**Dates:** 02/16/1966 - 08/27/1968

**Fonds:** Central Files

**ISAD Reference Code:** WB IBRD/IDA ADMCF-04

**Digitized:** 05/25/2022

To cite materials from this archival folder, please follow the following format:  
[Descriptive name of item], [Folder Title], Folder ID [Folder ID], ISAD(G) Reference Code [Reference Code], [Each Level Label as applicable], World Bank Group Archives, Washington, D.C., United States.

The records in this folder were created or received by The World Bank in the course of its business.

The records that were created by the staff of The World Bank are subject to the Bank's copyright.

Please refer to <http://www.worldbank.org/terms-of-use-earchives> for full copyright terms of use and disclaimers.



THE WORLD BANK

Washington, D.C.

© International Bank for Reconstruction and Development / International Development Association or

The World Bank


1818 H Street NW

Washington DC 20433

Telephone: 202-473-1000

Internet: [www.worldbank.org](http://www.worldbank.org)

**PUBLIC DISCLOSURE AUTHORIZED**

 **Archives**  
30287135  
A1994-039 Other #: 18 184067B  
Operational - Policy and Procedure - Preparation of Projects - Volume 2

RETURN TO  
CENTRAL FILES

**DECLASSIFIED  
WITH RESTRICTIONS**  
WBG Archives

THIS FILE IS CLOSED AS OF  
DECEMBER 1968.  
FOR FURTHER CORRESPONDENCE SEE:  
1969 - 1971.

RECORDS MANAGEMENT SECTION  
February 1969



Mr. B. Chadenet

August 27, 1968

S.J.G. Burt

Implication of the Descending Trend of Chart No. 2  
"Identification and Preparation of Projects" on  
Loans to be signed in Fiscal Year 1970

Of the 15 education projects in the forecast for signing in  
FY 1970:

1 has been appraised but is frozen pending a change in  
fiscal policies in the borrowing country.


8 are in the pipeline.

1 should soon enter the pipeline as an extension of a  
recently concluded loan for education and should require  
less preparation than is required for an entirely new project.

3 others would be second loans or credits where an  
education project is already being implemented and should  
enter the pipeline early in 1969.

2 have not yet entered the pipeline but are expected  
to do so in late 1968 or early 1969.

In addition to the above, 5 projects not originally forecast  
for FY 1970 may reach the Executive Board during that year.

  
SJBart:vct

cc: Mr. Ballantine

Messrs. Armstrong, Burt, Evans and Geolot

August 23, 1968

B. Chadenet S. Chadenet

Implication of the Descending Trend of Chart No. 2  
"Identification and Preparation of Projects" on  
Loans to be Signed in Fiscal Year 1970

Mr. McNamara wonders whether the descending trend of Chart No. 2 "Identification and Preparation of Projects" could affect our lending program for Fiscal Year 1970. Would you prepare a reply similar to the one given by Mr. Evans by close of business on Friday, August 30.

Attachment

BChadenet:jfh

Mr. Robert S. McNamara

August 23, 1968

B. Chadenet B. Chadenet

Implication of the Descending Trend of Chart No. 2  
"Identification and Preparation of Projects" on  
Loans to be Signed in Fiscal Year 1970

In response to your question, as the Agriculture Division is mainly responsible for the descending trend of the chart, I have asked Mr. Evans to review the situation of the agricultural loans and credits to be signed in Fiscal Year 1970.

As shown in Mr. Evans' memorandum, of the 51 projects to be signed in Fiscal Year 1970,

- 28 are in the pipeline (Chart No. 4)
- 8 will enter the pipeline at its lower end and later because they are repeater operations (no need to identify or prepare them)
- 15 have not yet entered the pipeline because they are still in the preliminary stage of identification, and we are not yet devoting any time to them.

I am asking the Education, Public Utilities and Transportation Divisions to carry out similar analyses which I will send you later.

Attachment

BChadenet:jfh

c.c. Mr. Aldewereld

Messrs. Armstrong, Burt, Evans and Geolot

*B Chadenet  
of Aug 22 on  
Project of  
Operation*



Mr. B. Chadenet

August 22, 1968

L.J.C. Evans

Progress of Operations

Reference Mr. McNamara's query on your July Progress of Operations Chart No. 2 ("Identification and Preparation of Projects"): "What is the trend implied as to the number of loans to be signed in FY 1970?". The following is the position so far as agricultural operations are concerned:

- a) In July we had 38 projects at "appraisal and negotiation", (Chart 3), and 42 projects at "identification and preparation", (Chart 2). In addition we have a supporting list of 53 projects which are not yet formally entered into our "progress of operations" reports or on to your charts, because they are in early stages of identification (by our Permanent Missions in Nairobi and Abidjan or by FAO), and they have not yet reached the stage where a significant amount of staff time in Washington is being devoted to them.
- b) The 51 agricultural projects for which in the Five Year Program loans and credits are to be signed in FY 1970 are derived from the following:
  - i) from projects now at "appraisal and negotiation", (Chart 3), 5
  - ii) from projects at "identification and preparation", (Chart 2), 23
  - iii) "repeater" loans or credits, 8
  - iv) projects in early stages of identification, not yet shown on your charts. (These are ones on which we shall have to work hard in FY 1969 to have them ready for signing in FY 1970). 15

51

cc: Messrs. Wapenhans/Veraart

LJCEvans:1kt  
IBRD

Mr. A. F. Geolot

July 8, 1968

F. Higginbottom

Critical Path Diagram

I return herewith your original Critical Path Diagram attached to your memo of June 28 with some comments thereon. The times suggested for the various tasks are also indicated. I also attach herewith some notes and suggestions in connection therewith.

Attachments



FHigginbottom/gc.



Mr. H.Young/Mr.S.C. Hardy

July 5, 1968.

G. Mahoney

Critical Path Diagram  
A.F. Geolot Memo of June 28, 1968

It appears that the effort here might be to prepare a master Critical Path Diagram (CPD) for a typical project. I think this could be very helpful to those charged with preparing a CPD for a specific project.

With this idea in mind I have the following comments:

1. Quite obviously there are several activities (tasks) not shown both within and without the Division. Some secondary events are not shown but the main events seem to be fairly well covered.
2. To prepare a master diagram and resolve comment 1 above, I suggest that a comprehensive list of every possible task be prepared. This should include tasks by any Bank Division, Department or group that may be involved as well as all tasks that may be performed by Government or others outside the Bank. When this list is finalized all events could be identified and related to all tasks requiring prior completion.
3. From 2 above it is a simple matter of drafting to prepare the master CPD which, of course, would not show task time. Perhaps different masters should be prepared for Highways, Ports, Railroads, Utilities, Agriculture, etc.
4. With a master CPD the individual in charge of a specific project could prepare a draft of a project CPD by abstracting appropriate tasks and events from the master. After the draft CPD has been reviewed and approved (I would suggest by the Section, Division and Working Party) times could then be assigned to the tasks and the critical path determined. The matter of time assignments is very important and all event times should be reviewed and agreed upon by those involved.
5. It should be noted that assigning times and identifying the critical path before complete agreement is reached on all tasks and events can result in considerable wasted effort and time.
6. Making the diagram and determining the critical path can be very beneficial as it requires those responsible for the project to identify all work items (tasks) at an early stage, determine their interrelation (events) and to plan the entire project in detail. However, much of the value of the CPD will be lost if it is not kept up to date at frequent intervals and the critical path adjusted to reflect slippage, added or deleted tasks, etc.

#### General

I believe that the CPM would be a valuable tool as it quickly shows the project status at any given time and most importantly, it pinpoints delays and enables a quick determination of their effect, if any, or specific events ~~on~~ the target date. I would be glad to help as needed to get this operational.

*GM*  
GMahoney/lf  
cc: Mr. D.C. Elliott



## OFFICE MEMORANDUM

TO: Messrs. ✓ Carmichael, Engelmann, Hardy,  
Hogg, Sir Gordon Mackay  
FROM: A.F. Geolot  
SUBJECT: Critical Path Diagram

DATE: June 28, 1968

The attached diagram is an attempt to show the flow and timing of tasks and events in transportation appraisals. Not all the tasks (symbolized by lines) nor all the events (symbolized by circles) are common to all appraisals.

No event can take place unless the task arrowed into it has been completed and no task can begin before the event from which the task proceeds. I would like you to (i) add to the diagram tasks and/or events that have been left out, (including tasks that would be parallel in time with other tasks, as well as those which would be consequent), (ii) check that the sequence is correct, (iii) put against each task the normal time (or range of time) for typical appraisals in your section. Where an included task is not performed for your type of appraisal put in the time as zero.

You will note that most of the tasks and events on the attached diagram are primarily related to this Division's activities; a few (e.g. preparation of loan documents and the economic report) are the responsibility of other departments. At a later date we intend to incorporate complete diagrams from the other departments but until then I think we should indicate in our diagram the tasks and events of common occurrence **that concern** the other departments and which are obviously pertinent to the progress of the project.

In addition please mark in any tasks that would have to be performed by the Government indicating the earliest event at which they could start and the latest event by which they must be finished. Examples would be the arrangements for setting up a port authority, review and revision of railway tariffs as a condition of negotiation.

Please return completed diagrams by July 5.

If you have any queries please ask Mr. Messenger or Mr. Elliott.

Attachment

DCElliott:mdi

1. It might be better if diagram was arranged in three groups.

A. Project Identification events 1 - 8

B. Project Preparation events 9 - 34

C. Project Appraisal events 34 - 36

Not all groups are wanted for all projects, but where needed the final event forms a specific requirement before next stage can proceed.

2. Special conditions, e.g., formation of Port Authority national or local might come in A or B or be condition of effectiveness after event 56.

3. Port project do not generally have final engineering prior to appraisal.

4. Times indicated are <sup>at</sup> best "guesstimates"

5. Sub event 12, 13, 14 and 15 will not be true if credit made for preliminary/final engineering. In this event Government must select consultants and advise Bank.



Mr. Gerald Alter (Through Mr. Wiese)

May 7, 1968

S. Shahid Husain

Delays in Processing of Projects

In response to your invitation at the Staff Meeting for suggestions to expedite the processing of projects, I have put down a few - based on our experience in Brazil.

1. Clearance of Appraisal Reports Within the Projects Department

Even the first draft of a report, before its submission to the Working Party, has to be reviewed by a number of persons within the particular division of the Projects Department. For example, the first draft of the Brazil highways' appraisal report had to be reviewed by five individuals within the Transportation Division, namely Messrs. Schaefer, Head of the Mission, North, Sub-section Chief for Highways in the Western Hemisphere, Hardy, Section Chief for Highways, Hogg, Chief Economist, and Baum, Assistant Director. My suggestion is that since we seek to employ as project engineers and economists highly qualified persons, there should be sufficient confidence in their ability to allow a first version of an appraisal report to be presented to the Working Party - which, after all, is a working party and not the final authority - without review by supervisors. This approach has a number of merits. It allows the expression of views by other interested departments at a fairly early stage in the formulation of the project before attitudes in the Projects Department harden owing to positions taken at higher levels. Moreover, since the comments and views of all concerned departments would have been obtained at a sufficiently early stage, there would be only one process of revision and rewriting of the report. This would be after its review by the Working Party and by the respective supervisors in the Projects Department.

2. Interruption of Report Writing by Missions

It is not uncommon for members of appraisal missions to be sent on other missions before they can finish writing the appraisal report. For example, Mr. Hughes, Economist on the Brazil highway appraisal mission, was pulled out to work on Yugoslavia, Afghanistan and the Brazil transport survey before he could even start writing the economic section of the appraisal report; Mr. Schaefer, Chief of the Mission, had to go on missions before he could write his portion of the report. Consequently, Mr. Parmeggiani, the Deputy Chief of the Mission, waited long months before the report could be written and, finally, when it was written it was found that Mr. Parmeggiani's work was not up to the mark. It would be a good rule, to be reduced to writing, that members of returning appraisal missions should not be sent on other missions and should not be engaged in other work until the completion of their report and its processing by the Working Party. Any departure from this rule should be reported by the Chairman of the Working Party to the Director of the Area Department concerned.

May 7, 1968

### 3. Competing Priorities

Very often different projects compete for the time and attention of the same persons in the Projects Department. Sometimes the Area Departments concerned are not consulted in the setting of priorities. I suggest that as a rule the Area Departments should be formally consulted whenever competing demands are likely to delay the submission of an appraisal report.

### 4. Time Limit for the Submission of Appraisal Reports

I suggest that a flat time limit, say three months, be set for the submission of the first draft of an appraisal report to the Working Party, and that any significant delays be reported by the Chairman of the Working Party to the Department head. Obviously, this time limit would be appropriate only if the measures suggested in 1, 2 and 3 are taken. Given these measures, the three-month limit would be a reasonable one.

cc: Mr. Chaufournier  
Mr. Wiese

SSHusain:be



Mr. Duncan S. Ballantine

December 11, 1967

Cornelis P. van Dijk

Project Preparation: Possible use of Pro-Formas, by Mr. J. J. Stewart

1. I found Mr. Stewart's proposals for the use of pro-formas in project preparation most useful and support his suggestion that we should use these pro-formas in some country as a test case. My only question, after studying Mr. Stewart's paper is whether this is really enough? Is a project sufficiently prepared as soon as a government has filled out the pro-formas?

2. The pro-formas have been based on "an analysis of the statistics important enough to have been included in recent appraisal reports" (para. 5). But is not there much information, vital for a thorough appraisal of a project, which does not go into an appraisal report, if only because of lack of space?

3. Mr. Stewart's study also assumes that the quantitative or numerical information, which can be given in the pro-formas is "precisely the essential data" whereas "descriptive prose" is less essential (para. 4 points a, b, c). Personally I find the "descriptive prose" often more revealing than statistics and would consider that:

- a. statistics in developing countries are highly unreliable;
- b. statistics, even when correct, reveal their proper importance only after analysis and interpretation;
- c. by concentrating on the quantitative aspects, a government's qualitative assessment of its education system and its needs might go unnoticed.

I therefore suggest that, while maintaining the pro-formas, we invite the government in question to interpret and analyse its own statistics, by asking specific questions in such matters as:

- i. existing gaps in the present education system;
- ii. quality of instruction;
- iii. efficiency of the system, utilization of resources;
- iv. links between education plan and the country's development plan;
- v. diversification of the system in view of manpower needs.

4. Apart from the abovementioned observations, I would suggest the following in respect of the pro-formas:



(a) Chapter III Educational Expenditures should contain a table in which expenditure, for each level of education, is subdivided into (i) personnel expenditure, (ii) material expenditure.

(b) I suggest another breakdown of the first table of Chapter IV Manpower Requirements:

- professional and sub-professional occupations should be separated since they are trained at different educational levels;
- science-based and non-science-based occupations should be separated.

The two tables, presented in this chapter, would be sufficient if the government provides us, at the same time, with a sufficiently detailed and reliable manpower study. If this is not the case, we should ask for considerably more information, at least:

- present (and projected future) labor force by economic sector, by occupation, by educational attainment and by nationality;
- economic development plan (by sector);
- unemployment statistics;
- emigration of skilled manpower (brain-drain).

In addition we should ask for information about the wage and salary structure.

(c) I found chapter V Teacher Training difficult to read:

- in the tables the existing teaching force appears to be broken down by origin, rather than by qualifications (which is more relevant);
- at the bottom of the tables the total number of teachers in service (A,B,C) is compared with the numbers needed, showing deficits year by year. This presentation disguises the replacement factor (both normal replacement and replacement of expatriate teachers) and makes it difficult to judge whether the output of the teacher training institutions (last page of chapter V) is adequate. It would be useful to know whether the government plans or is committed to replace expatriate teachers and in what period of time.

Mr. Duncan S. Ballantine

- 3 -

December 11, 1967

- lacking from the tables: teachers' salaries  
number of working hours  
breakdown of teacher requirements  
by subject.

CPvanDijk:rg  
IBRD/IDA

cc: Mr. J. J. Stewart  
Operational Files  
Division Files

*Project Preparation*

## CROSS REFERENCE SHEET

**COMMUNICATION:** Memo

**DATED:** April 26, 1967

**TO:** Mr. Darnell

**FROM:** Mr. van Gent

**FILED UNDER:** Liaison - Bank/FAO

**SUMMARY:**

FAO draft outline for Forestry Project Preparation.



CROSS REFERENCE SHEET

COMMUNICATION: Memo

DATED: April 25, 1967

TO: Mr. George F. Darnell

FROM: Mr. M. J. Walden

FILED UNDER: P. & P. - Bank/FAO

SUMMARY:

Draft Outline of Fisheries Projects.

Suggestions regarding FAO draft outlines for project preparation Fisheries.

## CROSS REFERENCE SHEET

**COMMUNICATION:** Memo

**DATED:** April 24, 1967

**TO:** Mr. Helmers, Mr. Walden, Mr. von Gontard  
Mr. van Gent

**FROM:** Mr. Darnell

**FILED UNDER:** P. & P. - Bank/FAO

**SUMMARY:**

Suggested FAO draft outlines for projects preparation.

Mr. Andrew Kamarek through Bertil Walstedt

December 16, 1966

Jack Baranson *JB*

Staff Meeting Discussion on Agricultural Projects Presented to Home Office  
by Field Division

Reference is made to the presentation by Otto Meiss and the subsequent discussion on the differences over an agricultural project between the Washington office and the East African Field Staff. There is an almost inevitable bias against "outsiders" doing what a department considers its function. (There are some very familiar analogies here to organizational difficulties that occur between home offices and field staffs in international corporations.)

The thought occurred to me that this difficulty might be overcome by altering the role of the Field Staff and their procedure. It should be the Field Staff's role to identify project opportunities in the field and then request a Washington Staff member on temporary assignment to help prepare a project proposal. This procedure would give the Department an opportunity to build in what experience has taught them should be in a proposal. It would also help to bridge the psychological and operational gap between Washington staff and field personnel.

JB:cm

cc: B. Walstedt





# Record Removal Notice



<b>File Title</b> Operational - Policy and Procedure - Preparation of Projects - Volume 2		<b>Barcode No.</b>  30287135		
<b>Document Date</b> 25 October, 1966	<b>Document Type</b> Memorandum			
<b>Correspondents / Participants</b> To: Mr. Knapp From: L. Nurick				
<b>Subject / Title</b> Project preparation loans and credits				
<b>Exception(s)</b> Attorney-Client Privilege				
<b>Additional Comments</b>		<p>The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.</p> <table border="1"><tr><td><b>Withdrawn by</b> Sherrine M. Thompson</td><td><b>Date</b> 16-Mar-16</td></tr></table>	<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> 16-Mar-16
<b>Withdrawn by</b> Sherrine M. Thompson	<b>Date</b> 16-Mar-16			

Mr. B. Chadenet

February 16, 1966

S. Takahashi *ST*

Project Identification and Preparation -  
Operational Memorandum

1. The Agriculture Division has the following comments to offer on the Revised Operational Memorandum relating to Project Identification and Preparation:

Paragraph 2 a)

Whereas project Identification does involve the preliminary determination of the nature of potential projects, we wonder whether it also determines the "size". Surely no more than an order of magnitude can be arrived at at this early stage in the life of a project.

Paragraph 4

Six principal means for the identification of projects are listed. There is also a seventh, though perhaps not a principal, method of identifying project and that is Bank Technical Assistance Missions such as the mission which is currently being planned for Mauritania. This mission is similar to an economic mission though mounted at the request of the government. It will, inter alia, be looking for projects to identify for possible future Bank lending.

Paragraph 5 c)

We suggest that rather than "following the execution of the feasibility study....", what is meant here is following the initiation of the feasibility study, since execution perhaps implies completion. Two lines later in the same sentence reference is made to "the studies" which should presumably be in the singular.

Paragraph 7

We have some difficulty in the first sentence. In the case of Identification under paragraph 4 a), b), d), e) and possibly f), there is no doubt that the Area Department is responsible. However, for Identification Missions mounted under the FAO/IBRD Cooperative Program as in paragraph 4 c), the Projects Department is responsible. Thus when a specific project Identification mission is mounted, as mentioned in the second sentence of paragraph 7, the consultation is by the Projects Department and with the other Departments.

Later in this paragraph it is stated that this Department is "responsible for providing necessary briefing" for Identification and Preparation Missions. This Department is in fact responsible for a good deal more than just briefing. We actually establish the composition and selection of personnel, prepare the terms of reference, and review the missions' reports.



Paragraph 8

We find the second sentence of this paragraph to be a little confusing (perhaps it is the superfluity of punctuation).

2. We welcome the clear definition of what constitutes project Identification and Preparation. This is particularly important to us because of the FAO Program where both Project Identification and Preparation missions are normally the responsibility of FAO. Similarly we welcome the strong position taken in the second sentence of paragraph 9.

3. Undoubtedly, this Operational Memorandum will be the subject of discussions in Rome when Messrs. Aldewereld and Demuth are there in March. In this connection we think it most important that an understanding is reached at that time with regard to the responsibilities for Project Identification and Preparation in the countries served by the Bank's two African offices. There is, at present, a certain amount of confusion as to what is the responsibility of FAO as opposed to the Nairobi and Abidjan offices. The whole question of coordination of work in these countries needs to be ironed out.



Mr. B. Chadenet

February 16, 1966

D.S. Ballantine *DSB*

Assistance in Project Identification and Project Preparation

I do not think that the first two sentences of para. 7 are in accord with actual practice or could be applied. If project identification is understood as defined in para. 2(a) above it must be done by the Projects Department, albeit in cooperation with the Area Department and recognizing that Department's primary responsibility for lending programs.

The second sentence, indicating that assignment of Bank staff for participation in sector studies, etc. is a responsibility of Area Department, is also misleading unless it means final approval and responsibility for the composition of such missions. As far as the Education Division is concerned, the personnel to be assigned come generally from the Division, Unesco, or as outside consultants. In all cases, their assignments to these missions must be correlated with other assignments for which the Division is responsible. It is a standard practice of this Division to refer all nominations to the Area Department concerned and secure its agreement, but the actual responsibility for selection and assigning personnel is in fact exercised by the Division and must be.

It is recognized that the Development Services Department has responsibility for all relations with Unesco. In actual practice it prefers not to be involved in routine operations but to be consulted only on questions of policy and general procedure. Thus, the second sentence of para. 8 as I read it is somewhat misleading.

DSBallantine:js  
IBRD