



Bank Policy

Investment Project Financing

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Operational policy for investment project financing.

Applicable to

IBRD,IDA

Issuer

Vice President, OPSVP

Sponsor

Director, OPSPO

Section I – Purpose and Application

1. This Policy sets forth the policy framework for Investment Project Financing.
2. This Policy applies to the Bank.

Section II – Definitions

As used in this Policy, the following capitalized terms and acronyms have the meanings set out below:

1. **Bank:** IBRD and/or IDA (whether acting in its own capacity or in the capacity as administrator of trust funds funded by donors).
2. **Bank Guarantee:** a guarantee provided by the Bank (i) of financing extended by private entities; or (ii) of non-loan related government payment obligations in favor of private entities or of foreign public entities, and arising from contracts, law or regulation.
3. **Bank Guarantee Closing Date:** the closing date for a Bank Guarantee referred to in paragraph 25 of Section III of this Policy.
4. **Bank Guarantee Expiration Date:** the expiration date of a Bank Guarantee referred to in paragraph 25 of Section III of this Policy.
5. **Bank Loan:** any loan, credit or grant made by the Bank from its own resources or from trust funds funded by other donors and administered by the Bank, or a combination of these.
6. **Board:** the Executive Directors of IBRD or IDA, or both, as applicable.
7. **Borrower:** a borrower or recipient of a Bank Loan for a Project, and any other entity involved in the implementation of the Project financed by the Bank Loan.
8. **BP:** Bank Procedure.
9. **Closing Date:** refers, collectively or as the context requires, singularly, to a Loan Closing Date and/or a Bank Guarantee Closing Date, as defined in this Policy.
10. **DPF:** Development Policy Financing, as defined in Bank Policy, “Development Policy Financing”.
11. **Environmental and Social Directive:** Bank Directive, “Environmental and Social Directive for Investment Project Financing”.
12. **Environmental and Social Policy:** World Bank Environmental and Social Policy for Investment Project Financing.

13. **Environmental and Social Standards:** Borrower Requirements – Environmental and Social Standards 1-10.
14. **IBRD:** International Bank for Reconstruction and Development.
15. **IDA:** International Development Association.
16. **Implementing Entity:** any entity responsible for the implementation of a Project supported by a Bank Guarantee.
17. **Investment Project Financing (IPF):** the provision for the Project of loans, credits, grants, or guarantees by the Bank from its resources or from trust funds financed by other donors and administered by the Bank, or a combination of these.
18. **IPF Directive:** Bank Directive, “Investment Project Financing”.
19. **Level One:** the restructuring described in paragraph 23 of Section III of this Policy.
20. **Level Two:** the restructuring described in paragraph 23 of Section III of this Policy.
21. **Loan Closing Date:** the date after which the Bank may stop accepting withdrawal applications under a Bank Loan and cancel any undisbursed balance.
22. **Management:** the President or a Manager, or some or all of these persons, as applicable.
23. **Member Country Guarantee:** any guarantee provided by the member country to the Bank in connection with a Bank Loan.
24. **Member Country Indemnity:** the counter-guarantee and indemnity provided by a member country to the Bank in connection with a Bank Guarantee.
25. **MPA Financing:** the provision for the MPA Program of loans, credits, grants, or guarantees by the Bank from its resources or from trust funds financed by other donors and administered by the Bank, or a combination of these.
26. **MPA Program:** a multiphase programmatic approach program that contributes to development objectives of member states, and consists of two or more operations that have a common program development objective(s). In this sentence, an “operation” means an IPF Project or a Program-for-Results Financing.
27. **OP:** Operational Policy.
28. **OPCS:** Operations Policy and Country Services.
29. **PA:** Preparation Advance.
30. **PforR Financing:** Program-for-Results Financing, as defined in Bank Policy, “Program-for-Results Financing”.
31. **Policy:** a Policy, as defined in Bank Policy, “Policy and Procedure Framework”.
32. **PPF:** Project Preparation Facility.

33. **Procurement Policy/Directive:** Bank Policy/Directive, “Procurement in Investment Project Financing and Other Operational Procurement Matters”.
34. **Project:** a project supported by Investment Project Financing.
35. **Project Participants:** public or private entities, including the member country and Implementing Entities, participating in the development or implementation of a Project supported by a Bank Guarantee.

Section III – Scope

1. Investment Project Financing by the Bank aims to promote poverty reduction and sustainable development of member countries by providing financial and related operational support to specific Projects that promote broad-based economic growth, contribute to social and environmental sustainability, enhance the effectiveness of the public or private sectors, or otherwise contribute to the overall development of member states. Investment Project Financing is comprised of Bank Loans and Bank Guarantees. IPF supports Projects with defined development objectives, activities, and results. IPF may also support an MPA Program. The Bank disburses the proceeds of Bank Loans against specific eligible expenditures.

2. Subject to the other applicable requirements of this Policy, Investment Project Financing may be extended for any type of activities and expenditures, provided they are productive and necessary to meet the development objectives of the Project, the impact of the Project on the member country’s fiscal sustainability is acceptable, and acceptable oversight arrangements, including fiduciary arrangements, are in place to ensure that the proceeds of the Bank Loan, the proceeds of the Bank-guaranteed debt, or the Bank-guaranteed payments are used only for the purposes for which the financing is granted or the payments are made, with due attention to considerations of economy and efficiency. Under appropriate circumstances, such as to provide the Borrower with resources to allow the Project to start or to facilitate implementation of the Project, the Bank may, at the Borrower’s request, disburse a portion of the proceeds of a Bank Loan as an advance.

3. A Bank Guarantee covers, in relation to a Project: (i) loan-related debt service defaults caused by government¹ failure to meet specific payment and/or performance obligations arising from contract, law or regulation; and/or (ii) payment default on non-loan related government payment obligations. The Bank provides guarantees to the extent necessary to mobilize private financing for the Project and/or to mitigate payment risks of the Project, taking into account country, Project and market circumstances. The member country requesting the Bank Guarantee provides a Member Country Indemnity to the Bank.² The financial costs and benefits, access to private and public financing, and leverage of Bank resources, among other considerations stated in this Policy, are considered in deciding on the form of IPF, as appropriate.

¹ For the purposes of Bank Guarantees, “government” includes a member country’s political and administrative subdivisions and all other public sector entities.

² If the Bank Guarantee is backed by a trust fund, and the constituent documents of the trust fund permit, the Bank may forego the requirement of a Member Country Indemnity.

General Considerations

4. The Bank's assessment of the proposed Project and, when applicable, the MPA Program, is based on various country and Project-specific considerations, including consistency with the Bank's strategy in support of the country, Project development objectives, taking into account technical, economic, fiduciary, environmental, and social considerations, and related risks.

5. *Technical Analysis.* The Bank assesses technical aspects of the Project, including design issues, appropriateness of design to the needs and capacity of the Borrower and any Project implementation entity, institutional arrangements, and organizational issues for the implementation of the Project in the context of the long-term development objectives of the Borrower or, as appropriate, the member country.

6. *Economic Analysis.* The Bank undertakes an economic analysis of the Project. Taking into account the Project's expected development objectives, the Bank assesses the Project's economic rationale, using approaches and methodologies appropriate for the Project, sector, and country conditions, and assesses the appropriateness of public sector financing and the value added of Bank support. For Projects supported by a Bank Guarantee, a financial viability analysis is also required.

7. *Financial Management.*³ The Borrower or Implementing Entity/ies maintains or causes to be maintained financial management arrangements that are acceptable to the Bank and that, as part of the overall arrangements in place for implementing the Project, provide reasonable assurance that the proceeds of the Bank Loan, the proceeds of the Bank-guaranteed debt or the Bank-guaranteed payments are used for the purposes for which they are granted, or the payments are made. Financial management arrangements are the planning, budgeting, accounting, internal control, funds flow, financial reporting, and auditing arrangements of the Borrower and entity or entities responsible for Project implementation. The financial management arrangements for the Project rely on the Borrower's or Implementing Entity's/ies' existing institutions and systems, with due consideration of the capacity of those institutions.

8. *Procurement.* Procurement rules applicable to Bank Loans are set out in the Procurement Policy/Directive, except for procurement referred to in paragraph 12 (c) (ii) below, in which case the Bank's Administrative Manual Statement requirements apply.

9. *Environmental and Social.*

(a) Environmental and social requirements applicable to IPF with Concept Decision, or equivalent, before October 1, 2018, are set out in the following OP/BPs: 4.00, 4.01, 4.02, 4.03, 4.04, 4.07, 4.09, 4.10, 4.11, 4.12, 4.36, and 4.37, as appropriate.

(b) Environmental and social requirements applicable to IPF with Concept Decision, or equivalent, on or after October 1, 2018, are set out in the Environmental and Social Policy/Directive and Environmental and Social Standards, or OP/BP 4.03, as appropriate.⁴

³ The provisions of this paragraph do not apply to private sector parties involved in a Project supported by a Bank Guarantee.

⁴ For environmental and social requirements applicable to additional financing, see sub-section A in Section III of the Environmental and Social Directive.

10. *Risks.* The Bank assesses the risks to the achievement of the Project's development objectives with due consideration for the risks of inaction, taking into account the assessments noted above and other relevant information.

Special Considerations

11. The following types of Projects may have specific policy requirements and special considerations.

12. *Projects in Situations of Urgent Need of Assistance or Capacity Constraints.*⁵ In cases where the Borrower/beneficiary or, as appropriate, the member country is deemed by the Bank to: (i) be in urgent need of assistance because of a natural or man-made disaster or conflict; or (ii) experience capacity constraints because of fragility or specific vulnerabilities (including for small states); the Bank may provide support through IPF under normal IPF policy requirements with the following exceptions:

(a) The fiduciary and environmental and social requirements set out in OP/BP 4.01, OP/BP 4.10, OP/BP 4.11, OP/BP 4.12, the IPF Directive, and the Procurement Policy/Directive, that are applicable during the Project preparation stage may be deferred to the Project implementation stage.⁶ The environmental and social requirements exception for Category A Projects under OP 4.01 is only applicable to cases referred to in subparagraph 12(i) of Section III of this Policy.

(b) Such Projects are subject to special limits on the use of (i) PAs (see paragraphs 16-17 of Section III of this Policy) and, (ii) in the case of Projects supported by a Bank Loan, retroactive financing.

(c) When the beneficiary's capacity to implement the needed activities is insufficient, the Bank may, at the request of the beneficiary, agree to the following alternative legal and operational Project implementation arrangements: (i) the Bank may enter into arrangements with relevant international agencies, including the United Nations, and national agencies, private entities, or other third parties; and (ii) where no viable implementation alternatives exist, the Bank may execute start-up activities financed under a grant from the Project Preparation Facility (see paragraphs 16-17 of Section III of this Policy) or a trust fund, following applicable internal Bank procurement rules.

(d) Alternative implementation arrangements referred to under subparagraph (c) above are limited to the time necessary to establish or restore the Borrower's or the Implementing Entity's capacity and, in all cases, are adopted in Projects that include capacity-building measures to enable a timely transfer of implementation responsibilities to the Borrower or the Implementing Entity. Proposals for Bank-executed start-up activities are limited to activities which involve the procurement of small contracts for goods and works, and the provision of technical assistance necessary to enable the Borrower or the Implementing Entity to undertake the execution of subsequent Project activities.

⁵ With respect to Bank Guarantees, the provisions of this paragraph only apply to public sector projects.

⁶ A deferral of environmental and social requirements is not needed for projects prepared in accordance with the Environmental and Social Policy and the Environmental and Social Standards.

13. Disaster prevention and preparedness and capacity-building activities may be supported by a stand-alone Project with a contingent financing feature, or may be embedded in a regular Project through a contingent emergency response component that, once triggered, is subject to the exceptional policy requirements set out in paragraph 12 above. A Project contingent emergency response component may be used to finance a catastrophe deferred drawdown option under IDA DPF. Disbursements of funds allocated to this component are based on a pre-specified DPF trigger or triggers.

14. *Series of Projects.* IPF may support a series of Projects through several Bank Loans: (a) to a single Borrower, when the Projects' objectives require support designed as part of a program consisting of a series of two or more Projects; and (b) to multiple Borrowers facing a set of common development issues; when two or more Borrowers share common development goals, individual Projects prepared for each Borrower may be designed as part of a series of Projects with similar well-defined eligibility criteria and/or common design features. IPF supporting a series of Projects through several Bank Guarantees is designed in an equivalent manner and may involve: (a) a single Implementing Entity and one or more member countries; or (b) multiple Implementing Entities and one or more member countries.

15. *Projects Involving Financial Intermediaries.* Investment Project Financing may be used (a) to provide Bank Loans to eligible financial intermediaries to be used by them for loans and/or as equity in, final borrowers/beneficiaries for specific sub-projects; or (b) to provide Bank Guarantees to, or through, eligible financial intermediaries to be used by them in support of loans and/or guarantees to, and/or as equity in, final borrowers/beneficiaries, for specific sub-projects. Procurement rules applicable to Projects involving financial intermediaries are set out in the Procurement Policy/Directive, and environmental and social requirements applicable to such Projects are outlined in paragraph 9 of this Section.

Preparation Advances

16. The Bank may make a PA from the PPF to a Borrower listed in paragraph 17 of Section III of this Policy to finance: (a) preparatory and limited initial implementation activities for the Project or Projects; or (b) preparatory activities for operations to be financed by DPF or PforR Financing; or (c) activities that strengthen borrower institutions required to carry out the Project(s) or operations. PAs are approved by Management under special authority granted by the Board, who determine, from time to time, the ceiling on the commitment authority of the PPF and the maximum amount of individual PAs.

17. The following may be Borrowers of PAs: (a) in the case of a PA made by IDA, a member country or a regional organization; and (b) in the case of a PA made by IBRD, any IBRD-eligible Borrower. If the IBRD Borrower is not a member country, the member country's or countries' guarantee(s) of the repayment of the PA is required. A PA is made only when there is a strong probability that an operation will receive future financing by the Bank; however, granting a PA does not obligate the Bank to provide such financing. Once approved, a PA is treated as a Bank Loan under Investment Project Financing. The PA may be refinanced from the proceeds of any Bank Loan. If a Bank Loan does not materialize, the PA is repaid by the Borrower, unless at the time of PA approval by the Bank, the Borrower was eligible only to receive IDA grants, in which case the PA becomes a grant and is not repaid, but (unless the PA is made to a regional organization) the amount is deducted from the IDA allocation to the country in question.

Roles and Responsibilities

18. The Borrower prepares the Project for which a Bank Loan is sought. The Project's scope, objectives, and the contractual rights and obligations of the Bank and the Borrower are set out in the legal agreements with the Bank. The obligations include the requirement to carry out the Project with due diligence, maintain appropriate implementation monitoring and evaluation arrangements, comply with procurement, financial management, disbursement, social and environmental obligations, measure and report against the achievement of the Project's development objectives and results and provide agreed financial and audit reports. The Borrower is expected to deal in a timely and effective manner with actual or alleged problems or violations (individual or systemic) in these areas.

19. The Project Participants prepare the Project for which a Bank Guarantee is sought. The Project's scope, objectives, and the contractual rights and obligations of the Bank and the Project Participants are set out in the legal agreements with the Bank, and in the legal agreements among the Project Participants. The obligations of the Project Participants include, as appropriate, the requirement to comply with applicable environmental and social obligations, prepare and provide suitable financial statements and provide specific reports and other Project-related notices and information to the Bank. The member country is responsible for evaluating the Project's development objectives and results.

20. The Bank appraises the proposed Project and, when applicable, the MPA Program, in accordance with this Policy and other applicable policies; and if a Bank Guarantee is proposed, it develops the structure of the Bank Guarantee in consultation with the Project Participants. During Project implementation, the Bank monitors the Borrower's or the Project Participants' compliance, with its (or their) obligations as set out in the legal agreements with the Bank. The Bank also provides implementation support to the Borrower or the member country by reviewing information on implementation progress, progress towards achievement of the Project's development objectives and related results, and updates the risks and related management measures. Project implementation support and monitoring carried out by the Bank ends at the completion of the Project. However, monitoring carried out by the Bank of a Bank Guarantee continues until the Bank Guarantee Expiration Date (see paragraph 25 below).

Managing IPF and MPA Financing

21. *Approval.* The Board decides whether to approve the IBRD and IDA IPF proposal for the Project, except that in the case of the MPA Program, the Board decides whether to approve the IBRD and IDA MPA Financing proposal. Except for IDA grants and trust fund-financed grants explicitly requiring approval by the Board, all other grants are approved by Management. The Board considers and approves each IDA guarantee as meeting the special cases provision of IDA's Articles of Agreement.⁷

22. *Signing.* Signing of legal agreements for IPF takes place: (a) after all required authorizations have been issued; and (b) provided there are: (i) no payments on IBRD loans or IDA credits to the Borrower, or to or guaranteed by the member country that are overdue by 30 days or more; and (ii) no payments under a Member Country Indemnity that are overdue by 30 days or more; unless, in exceptional circumstances, Management approves the signing. In the case of the MPA Program, when a Project under the MPA Program is classified as Category A (as defined in OP 4.01 or OP 4.03 as applicable) or is classified as High or Substantial Risk

⁷ IDA's Articles of Agreement provide that "in special cases" IDA guarantees loans from other sources for purposes not inconsistent with the provisions of the Articles.

(pursuant to the Environmental and Social Policy), prior to signing of the legal agreements Management seeks the approval of the Board.

23. *Restructuring.* During implementation the Bank, the Borrower, and the member country, as appropriate, may agree to restructure the Project to strengthen its development effectiveness, modify its development objectives, improve Project performance, modify indicators, address risks and problems that have arisen during implementation, make appropriate use of undisbursed proceeds of a Bank Loan, cancel unwithdrawn amounts of a Bank Loan prior to the Loan Closing Date, extend the Closing Date, or otherwise respond to changed circumstances. A restructuring involving: (a) a change in safeguard category from a lesser category to a Category A (as defined in OP 4.01 or OP 4.03, as applicable), (b) an extension of the Bank Guarantee Expiration Date, (c) reliance on alternative procurement arrangements referred to under Section III.F of the Procurement Policy, or (d) in the case of the MPA Program, (i) a substantive or significant change in the MPA Program's development objective(s), or (ii) the addition of a new borrower(s), is referred to as a Level One restructuring and is submitted for consideration by the Board (or by Management, when the approval authority for the original IPF or MPA Financing, as the case may be, resides with Management). A restructuring involving any other modification of the Project is referred to as a Level Two restructuring. Management has the delegated authority to approve Level Two restructurings. Management periodically informs the Board of the Level Two restructurings.

24. *Loan Closing Date.* The Loan Closing Date is not extended: (a) for Bank Loans subject to suspension of disbursements, except for items exempted from suspension; or (b) for any Bank Loan to a Borrower with any outstanding audit reports or with audit reports which are not satisfactory to the Bank, unless the Borrower and the Bank have agreed on actions to address the deficiencies. In exceptional circumstances, retroactive extensions of a Loan Closing Date may be approved by Management.

25. *Bank Guarantee Closing Date; Bank Guarantee Expiration Date.* The Bank Guarantee Closing Date is the expected completion date of the Project. The Bank Guarantee Expiration Date is the date after which the Bank stops accepting calls on the Bank Guarantee.

26. *Investment Project Financing Completion Report.* The Bank evaluates and reports on the performance of the Project, except that in the case of the MPA Program, the evaluation and report is on the performance of the MPA Program and not on the individual Project(s) under the MPA Program. The report seeks to include the Borrower and member country's evaluation of the Project. For IPF approved by the Board and whose legal agreements do not become effective or for which the IPF is canceled before significant implementation is initiated, Management provides the Board with a summary note explaining the circumstances. For Projects for which the legal agreements are not signed, Management informs the Board of that as part of periodic reporting.

Recourse and Remedies

27. If the Borrower or a Project Participant does not comply with its contractual obligations to the Bank, or other events occur which give rise to a legal remedy under the legal agreements for the Investment Project Financing, the Bank consults with the Borrower or the Project Participant and requires timely and appropriate corrective measures to be taken. The Bank's legal remedies are specified in the relevant legal agreements. In the case of Bank Loans, these include suspension of disbursements of, and cancellation of, unwithdrawn amounts of the Bank Loan. In the case of Bank Guarantees, these may, depending on the transaction, include the right to suspend or terminate the Bank Guarantee. The Bank exercises such remedies when warranted

and as it deems appropriate, taking into account, among other things, country-, sector-, and investment-specific circumstances, the extent of possible harm caused by circumstances giving rise to the remedy, and the Borrower's or Project Participant's commitment and actions to address the identified problems. However, the Bank takes a graduated approach to suspension of Bank Loans for non-payment, and when a payment to the Bank under an IBRD loan, an IDA credit, or a Member Country Indemnity is overdue by 60 days, the Bank suspends all Bank Loans to, or guaranteed by, the member country concerned.

Additional Investment Project Financing

28. The Bank may provide additional financing⁸ to an ongoing, well-performing Project for completion of Project activities when there is a financing gap or cost overrun, for scaling up the development effectiveness of the Project, and/or in cases of Project restructuring, when the original Bank Loan or Bank Guarantee is insufficient for the modified or additional activities. The Bank considers the proposed additional financing on the basis of, as necessary, updated or additional assessments of areas specified in paragraphs 4-10 of Section III of this Policy. Additional financing is submitted for approval by the Board unless authority for approval of the specific financing rests with Management.

29. The Bank may agree to provide additional MPA Financing to an ongoing MPA Program if it is satisfied with the overall implementation of the MPA Program. A proposal for additional MPA Financing is submitted for approval by the Board or Management, as appropriate, considering the source of such financing. Additional financing for an individual Project within the MPA Program is committed by Management if the overall Bank financing for the MPA Program does not exceed the MPA Financing approved by the Board.

Section IV – Exception

N/A.

Section V – Waiver

The provisions of this Policy may be waived in accordance with the Bank Policy “Operational Policy Waivers”, and the Bank Procedure “Operational Policy Waivers and Waivers of Operational Requirements”.

Section VI – Effective Date

This Policy is effective as of the date on its cover page.

⁸ For environmental and social requirements applicable to additional financing, see sub-section A in Section III of the Environmental and Social Directive.

Section VII – Temporary Provisions

N/A.

Section VIII – Issuer

The Issuer of this Policy is the Vice President, OPCS.

Section IX – Sponsor

The Sponsor of this Policy is the Director, OPSPPO.

Section X – Related Documents

Bank Directive, “Investment Project Financing”.

World Bank Environmental and Social Policy for Investment Project Financing.

Borrower Requirements – Environmental and Social Standards 1-10.

Bank Directive, “Environmental and Social Directive for Investment Project Financing”.

Bank Directive, “Addressing Risks and Impacts on Disadvantaged or Vulnerable Individuals or Groups”.

Bank Policy, “Operational Policy Waivers”.

Bank Procedure “Operational Policy Waivers and Waivers of Operational Requirements”.

Bank Policy, “Procurement in IPF and Other Operational Procurement Matters”.

Bank Directive, “Procurement in IPF and Other Operational Procurement Matters”.

Bank Procedure, “Procurement in IPF and Other Operational Procurement Matters.”

Bank Directive, “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”.

“Anti-Corruption Guidelines for World Bank Guarantee and Carbon Finance Transactions”.

R2016-0263; IDA/R2016-0311 “Project Preparation Facility: Increase in Commitment Authority and Enhanced Scope”, December 30, 2016.

SecM2017-0036; IDA/SecM2017-0016 “Clarification Regarding the Use of Project-based Guarantees in Financial Intermediary IPF Operations”, January 31, 2017.

IDA/SecM2017-0024/1 “Additions to IDA Resources: Eighteenth Replenishment, Towards 2030: Investing in Growth, Resilience and Opportunity” (IDA 18 Deputies Report), February 8, 2017.

R2017-0160/4; IDA/R2017-0242/4 “Streamlining Restructuring Procedures for Investment Project Financing and Program-for-Results Financing”, July 19, 2017.

R2017-0159/4; IDA/R2017-0241/4 “Multiphase Programmatic Approach”, July 19, 2017.

Section XI – Other Applicable Rules

Projects supported by Investment Project Financing are governed by this Policy, the related Directive, and the following OPs/Policies and BPs/Directives, among others, as appropriate (including any relevant Operational Memoranda and internal Instructions /Procedures available only to staff): Bank Policy, *Operational Policy Waivers*; OP 1.00, *Poverty Reduction*; World Bank Group Directive, *Country Engagement*; Bank Policy, *Development Cooperation and Fragility, Conflict, and Violence*; Bank Policy/Directive, *Financial Terms and Conditions of Bank Financing*; *World Bank Environmental and Social Policy for Investment Project Financing*; *Borrower Requirements – Environmental and Social Standards 1-10*; Bank Directive, *Environmental and Social Directive for Investment Project Financing*; Bank Directive, *Addressing Risks and Impacts on Disadvantaged or Vulnerable Individuals or Groups*; OP/BP 4.00, *Piloting the Use of Borrower Systems to Address Environmental & Social Safeguard Issues in Bank-Supported Projects*; OP/BP 4.01, *Environmental Assessment*; OP/BP 4.02, *Environmental Action Plans*; OP/BP 4.03, *Performance Standards for Private Sector Activities*; OP/BP 4.04, *Natural Habitats*; OP 4.07, *Water Resource Management*; OP 4.09, *Pest Management*; OP/BP 4.10, *Indigenous Peoples*; OP/BP 4.11, *Physical Cultural Resources*; OP/BP 4.12, *Involuntary Resettlement*; OP/BP 4.20, *Gender and Development*; OP/BP 4.36, *Forests*; OP/BP 4.37, *Safety of Dams*; OP 4.76, *Tobacco*; Bank Policy, *Lending Operations: Choice of Borrower and Contractual Arrangements*; Bank Policy, *Security Arrangements*; OP/BP 7.30, *Dealing with De Facto Governments*; OP/BP 7.40, *Disputes Over Defaults on External Debt, Expropriation, and Breach of Contract*; OP/BP 7.50, *Projects on International Waterways*; OP/BP 7.60, *Projects in Disputed Areas*; OP 8.00, *Rapid Response to Crises and Emergencies*; OP/BP 8.40, *Technical Assistance*; OP/BP 8.45, *Grants*; OP/BP 10.20, *Global Environmental Facility Operations*; OP/BP 10.21, *Montreal Protocol*; Bank Policy/Directive, *Procurement in Investment Project Financing and Other Operational Procurement Matters*; OP 13.60, *Monitoring and Evaluation*; OP/BP 14.10, *External Debt Reporting and Financial Statements*; OP/BP 14.20, *Cofinancing*; Bank Policy, *Trust Funds*.

Section XII – Revision History

1. OP/BP 10.00, Investment Project Financing, which together replaced OP/BP 10.00, Investment Lending: Identification to Board Presentation, were revised on April 2013 to take into account the recommendations in “Investment Lending Reform: Modernizing and Consolidating Operational Policies and Procedures (R2012-0204 [IDA/R2012-0248]), which were approved by the Board on October 25, 2012.
2. OP and BP 10.00, Investment Project Financing, were updated on July 1, 2014, to reflect the recommendations in “Enhancing the World Bank’s Operational Policy Framework on Guarantees” (R2013-0206 [IDA/R2013-0298]), which were approved by the Board on December 3, 2013. As a result of these recommendations, OP and BP 14.25, Guarantees, were retired and their content reflected in OP 10.00 and BP 10.00, as well as in OP and BP 3.10, Financial Terms and Conditions of IBRD Loans, IBRD Hedging Products, and IDA Credits; OP 7.00, Lending Operations: Choice of Borrower and Contractual Agreement; and OP and BP 8.60, Development Policy Financing.
3. OP and BP 10.00, Investment Project Financing, were updated on July 1, 2016 to reflect the new Bank Policy/Directive, “Procurement in Investment Project Financing and Other Operational Procurement Matters”, which came into effect on July 1, 2016.

4. This Policy replaces OP 10.00 to comply with the Bank Policy, “Policy and Procedure Framework”.
5. This Policy was updated on August 18, 2017 to reflect the recommendations in “Streamlining Restructuring Procedures for Investment Project Financing and Program-for-Results Financing” (R2017-0160/4; IDA/R2017-0242/4), which was approved by the Board on July 21, 2017.
6. This Policy was updated to reflect the recommendations in “Multiphase Programmatic Approach” (R2017-0159/4; IDA/R2017-0241/4), which was approved by the Board on July 21, 2017.
7. This Policy was updated on October 1, 2018 to reflect the new Environmental and Social Policy/Directive, which came into effect on October 1, 2018.

Questions regarding this Policy should be addressed to the Sponsor.