This 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 Executive Directors on December 3, 2013. As a result of these recommendations, OP and BP 14.25, *Guarantees*, have been retired and their content reflected accordingly in this OP and BP, as well as in the Policy and Directive, *Financial Terms and Conditions*, Bank Policy, *Lending Operations: Choice of Borrower and Contractual Agreements*, and OP and BP 8.60, *Development Policy Financing*.

Projects supported by Investment Project Financings are governed by this OP, the related BP, and the following OPs and BPs (including any relevant Operational Memoranda and Instructions [internal use only]): OP 1.00, *Poverty Reduction*; BP 2.11, *Country Assistance Strategies*; OP/BP 2.30, *Development Cooperation and Conflict*; OP/BP 3.10, *Financial Terms and Conditions of IBRD Loans, IBRD Hedging Products, and IDA Credits*; 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 4.04, *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*; OP 7.00, *Lending Operations: Choice of Borrower and Contractual Arrangements*; OP 7.20, *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*; OP/BP 11.00, *Procurement*; OP/BP 13.16, *Country Portfolio Performance Reviews*; OP 13.60, *Monitoring and Evaluation*; OP/BP 14.10, *External Debt Reporting and Financial Statements*; OP/BP 14.20, *Cofinancing*; OP/BP 14.40, *Trust Funds* BP 17.30, *Communications with Executive Directors*; and BP 17.55, *Inspection Panel*.

Questions on Investment Project Financing may be addressed to OPCS Help Desk.

Investment Project Financing

1. The Bank[1] assesses a Project proposed by the Borrower in the case of a Bank Loan, or by Project Participant(s), in the case of a Bank Guarantee, for Investment Project Financing and, upon Investment Project Financing approval, provides implementation support to the Borrower or Project Participant, in accordance with the requirements set forth in OP 10.00 and this BP.

2. The structure of this BP follows the Project cycle: identification, preparation, appraisal, approval, implementation, and completion. The documentation requirements and decision points differ depending on whether a Bank Loan or a Bank Guarantee is proposed, and on Project risk and special considerations (as described in Section C (*Projects with Special Considerations*) of this BP 10.00). Additional financing and restructurings of Investment Project Financing during

[1] The terms used in this BP have the meanings set forth in OP10.00. If a Project is financed by a Bank Loan only, the references and requirements relating to the "Borrower" and "Bank Loan" apply; and the references and requirements relating to "Project Participant(s)" or "Implementing Entity" and "Bank Guarantee" do not apply. If a Project is financed by a Bank Guarantee only, the references and requirements relating to the "Project Participant(s)", "Implementing Entity" and Bank Guarantee apply; and the references and requirements relating to "Borrower" and "Bank Loan" do not apply.

implementation also have differing documentation requirements and decision points as set out below.

A. Preparation Phase

3. The preparation phase includes identification, assessment and appraisal of the Project, various interim processing and decision steps, and approval.

From Identification through Concept

4. By the end of this stage, the Bank decides whether to proceed with further preparation of the Investment Project Financing.

5. ***Identification Stage.*** At the identification stage, the Bank consults with the Borrower or Project Participant(s), on the proposed Project, and seeks to identify the Project's overall parameters, objectives, financing requirements and sources, possible level of Investment Project Financing and other general information. After the various parties have reached a preliminary understanding on the Project concept and parameters, a decision is made to form a task team and allocate resources for further Project preparation leading to the concept decision point.

6. The Bank preliminarily, and in consultation with the Borrower or Project Participant(s):

(a) identifies the Project and its components, assesses its development objectives ("DOs"), and assesses its rationale and relation to the relevant Country Assistance Strategy;

(b) identifies the key results expected to be achieved under the Project, overall expected Project expenditures, type of activities and overall implementation arrangements;

(c) estimates the possible scope of Investment Project Financing;

(d) proposes the key features of the guarantee structure for a Project supported by a Bank Guarantee;

(e) proposes, in accordance with OP/BP 4.01 or OP/BP 4.03, as appropriate, an environmental assessment category for the Project and indicates any other potentially applicable requirements under the Bank's social, environmental and other policies;

(f) briefly identifies the type of economic rationale and/or analysis appropriate for the Project; and

(g) assesses the main risks to achieving the Project's development objectives and results, taking into account the attendant risks of inaction.

After the Project concept is developed, the Bank prepares documentation to be considered at the concept decision point.

7. ***Concept Decision.*** A decision is made at the concept decision point whether to proceed with the preparation of the Investment Project Financing, and provides appropriate guidance to teams on the future preparatory work. Decisions are also made on whether OP/BP 4.01 and/or OP/BP 4.03 applies, the relevant safeguards classification and scope of safeguards work, as well as subsequent processing and documentation requirements. For a Project supported by a Bank Guarantee, the Bank also decides on the key features of the guarantee structure, and whether to proceed to initiate negotiations with the Project Participant(s) to further develop such key features.[2] The Bank decides whether to convey an expression of interest to potential Project Participant(s) of a Project proposed for support by a Bank Guarantee, including the preliminary terms and conditions of the Bank Guarantee, with relevant caveats.

8. Upon the decision to continue with the preparation of the Project, the Bank discloses the Project information document ("PID") and integrated safeguards data sheet ("ISDS").

9. ***Preparation Advances***. Management decides on the provision of a preparation advance ("PA") from the Project Preparation Facility and on its refinancing on the following basis:

10. Upon a request from the Borrower, or in the case of a Bank Guarantee, from a member country, the Bank prepares documentation to be considered at the decision point for a PA. Management decides whether to provide the PA and the amount, subject to the limits set out below. When that decision is taken, the PA is made in US dollars and: (a) carries either interest on IBRD fixed-spread terms, or service charges on IDA credit terms; or (b) is made on IDA grant terms; depending on the member country's borrowing status. Payment of interest or service charges, where applicable, is deferred until the PA is refinanced out of the proceeds of a Bank Loan under Investment Project Financing, Development Policy Financing or Program-for-Results Financing, as applicable, or other repayment terms take effect.

11. One or more PAs may be made for an operation at any stage before the Bank approves the financing for the operation, up to an aggregate maximum amount of US$6 million for the operation (or for each Investment Project Financing in a regional operation), with the exception of Projects covered by paragraph 12 of OP 10.00 and Section C (*Projects with Special Considerations*) of this BP, in which case the maximum amount of the PA is US$10 million for each Project. Management informs the Executive Directors of approved PAs.

12. When a PA is not refinanced by the refinancing date under a Bank Loan under IPF, Development Policy Financing or Program-for-Results Financing, Management may decide to extend the refinancing date, including, in exceptional cases, to extend such date retroactively.

13. If a PA is not refinanced or the refinancing date is not extended and the PA is required to be repaid, then, upon notice by the Bank, the PA is repaid by the Borrower in ten approximately

[2] Negotiations of a Bank Guarantee are normally an ongoing process, rather than a discrete step, and may be concluded following approval by the Executive Directors.

equal semiannual installments over a five-year period. If the disbursed amount of the PA is US$50,000 or less, the PA Borrower is required to repay it within 60 days after receiving the Bank's notice to repay.

14. ***Retroactive Financing for Bank Loans.*** If requested by the Borrower, the Bank may provide retroactive financing under a Bank Loan. Retroactive financing may only be provided when: (a) the activities financed by retroactive financing are related to the DOs and are included in the Project description; (b) the payments are for items procured in accordance with the applicable Bank procurement procedures; (c) the total amount of retroactive financing is 20 percent or less of the Bank Loan amount[3] (40 percent for Projects covered by paragraph 12 of OP10.00); and (d) the payments are made by the Borrower not more than 12 months before the expected date of the signing of the legal agreements for the Bank Loan.

From Concept through Appraisal

15. By the end of this stage, the Bank decides whether to proceed to negotiations with the Borrower on the provision of the Bank Loan, or whether to continue negotiations with the Project Participant(s) on the provision of the Bank Guarantee. If decided at the concept stage, the appraisal stage may incorporate a decision point. The Bank: (a) works with the Borrower or the Project Participant(s), as it (they) prepare(s) the proposed Project; and (b) conducts various analyses. The level and nature of expected results and risks, as well as the specific nature of the Project, determine the content, methodology, scope, and depth of the analysis. The Bank conducts its own appraisal, but may rely on evaluations of the Project conducted by IFC or MIGA or by other financiers of, or relevant parties involved in, the Project whose evaluation capacity and procedures are satisfactory to the Bank. For any of the assessments listed below, the Bank may draw on evaluations by third parties, as appropriate.

16. ***Technical Assessment.*** The Bank assesses the Project's technical design or approach, and its appropriateness to the Project's DOs. This work includes consideration of the organizational and managerial structures and capacity relevant to the Project, including for monitoring and evaluation.

17. ***Economic Analysis.*** The Bank undertakes an economic analysis of the Project. The methodology takes into account the guidance provided at concept stage and focuses on quantitative analysis and, where appropriate, on qualitative analysis and contributions. The three key questions that the economic analysis addresses relate to: (a) the Project's expected contribution to the country's socioeconomic development; (b) the rationale for the public sector provision; and (c) the value added of the Bank's support. For a Project supported by a Bank Guarantee, a financial viability analysis is also required. While these key questions are relevant for all analysis, the specifics take into account country circumstances, Project context,

[3] In extraordinary circumstances, Management may approve exceptions to this limit.

alternatives and risks, and information and data availability, including existing knowledge on the economic contributions of similar Projects, as well as time constraints.

18. ***Financial Management.*** The financial management assessment considers the degree to which: (a) the budgeted expenditures are realistic, prepared with due regard to relevant policies, and executed in an orderly and predictable manner; (b) reasonable records are maintained and financial reports produced and disseminated for decision-making, management, and reporting; (c) adequate funds are available to finance the Project; (d) there are reasonable controls over Project funds; and (e) independent and competent audit arrangements are in place.

19. ***Procurement, Environmental and Social Considerations.*** The Bank considers the procurement, environmental and social and other safeguard aspects of the proposed Project in accordance with: (a) applicable Bank policies as set out in paragraphs 8 and 9 of OP 10.00; and (b) their associated BPs. Procurement in respect of Bank Guarantees is governed by the relevant paragraphs of the Procurement Guidelines and the Consultant Guidelines.[4]

20. ***Fraud and Corruption.*** Bank Loans are subject to the *Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants*. Bank Guarantees are subject to the *Anti-Corruption Guidelines for Guarantee and Carbon Finance Transactions*.

21. ***Risk Assessment.*** The Bank analyzes the risks to the achievement of the Project's DOs.

22. ***Decision.*** For Investment Project Financing for which a decision on authorizing appraisal is required, once most Project design issues have been addressed, a decision is made — whether to appraise the Project, taking into account the above analysis and information on any known breaches by the Borrower or the Project Participant(s) of its (their) obligations to the Bank under existing Bank-supported operations. For a Project supported by a Bank Guarantee, the Bank decides whether to continue negotiations with the Project Participant(s).

23. ***Prior to Appraisal.*** The Bank discloses the PID and the draft ISDS prior to appraisal. For Category A Projects (as defined in OP/BP 4.01), the summary of the environmental and social impact assessment report is provided to Executive Directors before appraisal.[5]

24. ***Appraisal.*** The Bank appraises the Project to confirm any relevant Project and Investment Project Financing information and address any outstanding legal, design and implementation issues. After appraisal, the Bank finalizes the draft Project documentation, including the draft legal agreements for a Bank Loan financing the Project.

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[4] "*Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD loans, and IDA Credits and Grants by World Bank Borrowers*"; and "*Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers*".

[5] For Projects covered by OP/BP 4.03, the summary is disclosed in the manner provided in OP/BP 4.03.

25. Generally, the following information is finalized by the Bank, following Project appraisal:

(a) the Project's definition, rationale, DOs, and scope, planned expenditures and their relation to country financing parameters[6], financing requirements and implementation and funds flow arrangements;

(b) the results framework and the monitoring and evaluation arrangements;

(c) the economic, financial, financial management, technical, procurement, social, environmental and risk assessments, and, as necessary, the relevant risk management actions undertaken or to be undertaken;

(d) information regarding the expenditures proposed to be financed by the Bank Loan that are deemed to raise particular risks (including expenditures for land acquisition, compensation for involuntary resettlement, severance payments, demining, secondhand goods, and compensation for vendors for late payments) to be described in the Project documents along with any related mitigation measures;

(e) the main legal terms and conditions of the Bank Loan, and its disbursement arrangements as set out in a draft disbursement letter, including the provisions of the Bank's *Disbursement Guidelines for Projects*;

(f) cofinancing of the Bank Loan or other collaboration arrangements with development partners and stakeholders;

(g) the structure, the proposed risk coverage, and indicative terms and conditions of the Bank Guarantee; and

(h) any proposed exceptions to, or waivers from, Bank policies or procedures.

From Appraisal through Approval

26. At the end of this stage, the Bank decides whether to approve the Investment Project Financing.

27. ***Negotiations of Bank Loans.*** Management decides to authorize negotiations of a Bank Loan based on the relevant documentation and taking into account information on any known breaches by the Borrower of its obligations to the Bank under existing Bank financed operations. After the decision to authorize negotiations (which may be taken at the appraisal decision point),

[6] Country financing parameters, which only apply to Projects financed by Bank Loans, provide the overall framework for cost sharing arrangements to be used, and the extent to which recurrent costs, local costs, and taxes and duties may be financed by the Bank, under Bank Loans in the country.

the Bank and the Borrower conduct the negotiations and seek to finalize agreement on the relevant issues and documentation. If new substantive issues or significant changes in the design of the Bank Loan are raised during the negotiations, based on a consideration of these issues, Management decides whether to proceed.

28. ***Bank Loan Approval.*** For Bank Loans requiring approval by the Executive Directors, Management informs the Executive Directors when the negotiations have been scheduled and then when they have been completed. After the negotiations, the Bank finalizes the draft Project documents for the Bank Loan, and Management decides on their submission to the Executive Directors.

29. ***Bank Guarantee Approval.*** Management may seek approval by the Executive Directors of the Bank Guarantee before negotiations have been completed. If the completion of negotiations results in substantial changes to the Bank Guarantee previously approved by the Board, Management resubmits the proposal to the Executive Directors for approval of the changes. Details on the financing requirements and implementation arrangements of the Project supported by the Bank Guarantee may be finalized after approval.

30. ***Presentation to the Executive Directors.*** If any information in the Project documents raises issues of confidentiality or sensitivity for the Borrower or Project Participant(s), or may adversely affect relations between the Bank and the Borrower or, in the case of a Bank Guarantee, the member country, and this information is deemed to be relevant to the Executive Directors in their decision-making process, such information is not included in the Project documents and is described in the memorandum of the President instead. When there are: (a) payments under any IBRD loan or IDA credit to the Borrower, or to or guaranteed by the member country, that are overdue by 30 days; or (b) payments due by the member country under any Member Country Indemnity that are overdue by 30 days; Project documents are not submitted to the Executive Directors unless an exception is granted by Management. After all requirements for presentation to the Executive Directors have been met, the Executive Directors decide whether to approve the proposed Investment Project Financing.

31. ***Approval by Management.*** Management decides whether to approve any Investment Project Financing that does not require approval by the Executive Directors.

B. Implementation Support

32. The implementation support and monitoring phase starts after approval of the Project, and includes signing and effectiveness of the Project legal agreements, Project implementation and completion, and in the Bank Loans the closing of the Bank Loan account.

33. ***Bank Loan Signing.*** After approval of a Bank Loan, the Bank arranges for signing of the legal agreements as soon as the signing requirements are met. If the legal agreements are not signed within 18 months following approval, the Bank normally withdraws the offer of the Bank

Loan. Exceptionally, Management may decide to provide the Borrower with additional time to sign.

34. ***Bank Loan Effectiveness.*** The legal agreements for a Bank Loan terminate if the conditions for their effectiveness, if any, are not met by the date specified in the agreements. When warranted, Management may decide to extend the effectiveness deadline; normally the deadline is not extended beyond 18 months after Bank Loan approval. When the effectiveness deadline is extended, dated covenants whose dates fall before the new effectiveness deadline become additional conditions of effectiveness. Any decision by Management to declare the legal agreements effective or to extend the effectiveness deadline is taken before the expiration of the effectiveness deadline. Exceptionally, if the legal agreements for the Bank Loan have terminated for failure to become effective by the effectiveness deadline, Management may decide to reinstate such agreements with the Borrower's agreement.

35. ***Bank Guarantee Signing and Effectiveness.*** The legal agreements for a Bank Guarantee are signed after approval of the Bank Guarantee and completion of negotiations. If the legal agreements are not signed within 24 months following Board approval, the Bank normally withdraws the offer of the Bank Guarantee. Exceptionally, Management may decide to provide the relevant Project Participant(s) with additional time to sign. Legal agreements for Bank Guarantees become effective in accordance with their terms.

36. ***Informing the Executive Directors.*** Management informs the Executive Directors, as part of regular operational reporting, of the following matters related to Investment Project Financing approved by the Executive Directors: (a) signing delays of more than 6 months following Bank Loan approval, and more than 18 months following Bank Guarantee approval; (b) withdrawal of the financing offer; (c) effectiveness deadlines; (d) effectiveness delays of more than 9 months after approval of a Bank Loan, and, of more than 36 months after approval of a Bank Guarantee; (e) legal agreements that terminate for failure to become effective; and (f) terminated legal agreements that have been reinstated.

37. ***Extensions Following Changes in Conditions Prior to Signing or Effectiveness of Bank Loan.*** If an extension of the deadline for signing or effectiveness involves a substantial departure from the conditions under which the Bank Loan was originally approved, the legal agreements are not signed or declared effective until Bank approval of the new conditions is obtained through a restructuring.

38. ***Borrower's Role.*** The Borrower is responsible for implementing the Project, monitoring its progress, evaluating results on completion, and meeting its contractual obligations set out or referred to in the legal agreements. Unless otherwise agreed by the Bank, the Borrower furnishes annual audited Project financial statements six months after the close of the Borrower's financial year and unaudited interim financial reports periodically. Audits are carried out by auditors with independence and capacity acceptable to the Bank, under terms of reference acceptable to the Bank.

39. ***Project Participants' Roles.*** The relevant Project Participant(s) is (are) responsible for implementing the Project supported by a Bank Guarantee, monitoring its progress and completion, and meeting its (their) contractual obligations set out or referred to in the legal agreements. The member country is responsible for evaluating results on completion of the Project. The Bank: (a) may accept audited financial statements provided by the relevant Project Participant(s) in accordance with their legal agreements relating to the Project; and (b) may rely on lender assessments of the financial reports of the Project Participant(s).

40. ***Bank's Role.*** In providing implementation support, the Bank pays particular attention to reviewing the monitoring by the Borrower or Project Participant(s) of the performance of the Project and compliance with contractual undertakings. The Bank periodically assesses the Project, and reviews the monitoring by the Borrower or Project Participant(s) of results, risks, and implementation status, updating Project information and identifying follow-up actions needed as appropriate. The Bank monitors the timeliness of the receipt of annual audited financial statements and audit reports and reviews their content and quality. For a Bank Guarantee, following completion of the Project, the Bank monitors the specific risks covered by the Guarantee until the Bank Guarantee Expiration Date. This monitoring function is carried out at the corporate level.

41. ***Bank Loan Disbursements; Suspension of Disbursements.*** After the legal agreements for a Bank Loan have been declared effective, the Bank disburses the proceeds of the Bank Loan in accordance with the terms and conditions set out in the legal agreements and in the disbursement letter. If the Bank decides to suspend disbursements, items whose exemption from suspension is, in the Bank's judgment, in the interest of the Project, will minimize delays and cost in the event that the suspension is lifted, or permit an orderly termination of the Project, may be exempted from suspension. Special commitments to pay made by the Bank to third parties at the Borrower's request are always exempted.

42. ***Cancellation of Bank Loan Amounts.*** The Borrower or the Bank may decide to cancel an unwithdrawn amount of a Bank Loan in accordance with the provisions of the legal agreements. When the Borrower decides to cancel an amount of the Bank Loan and gives notice to the Bank, the cancellation is effective as of the date of receipt of the Borrower's notice. The Bank does not accept requests for retroactive cancellations.

43. If the Bank cancels an amount of a Bank Loan, the cancellation is effective as of the date of the Bank's notice, except in the case of cancellation of the remaining unwithdrawn balance of Bank Loan after the Closing Date, in which case the cancellation is effective on the latest of: (a) the Closing Date; (b) the final date for receipt of withdrawal applications by the Bank; or (c) the final date the Bank loan account was charged for a disbursement or credited for a refund.

44. ***Suspension, Cancellation and Termination of Bank Guarantees.*** Suspension, cancellation and/or termination of a Bank Guarantee follow the relevant provisions of the legal agreements.

45. ***Restructuring.*** If the Borrower or a Project Participant proposes changes to the Project or Investment Project Financing, the Bank determines if this is a Level One or Level Two restructuring, as defined in OP 10.00 and prepares the documentation accordingly. The documentation describes the rationale for the proposed restructuring and the analysis of associated benefits and risks. Executive Directors or Management decide on the restructuring approval as appropriate. Restructurings take effect through amendments to the legal agreements or, if so established in the original legal agreements, by written notice to the Borrower. A list of all approved restructurings is included in regular operational reporting to the Executive Directors. All restructurings are taken into account in conducting self- and independent evaluation.

46. ***Closing Date***. During Project implementation, the Bank monitors the approach of the Closing Date and works with the Borrower or Project Participant(s) to ensure that closing procedures as set out below are followed. After completion, the Bank prepares a report evaluating the performance of the Project.

47. ***Extension of Closing Date.*** Upon a request from the Borrower or Project Participant(s), the Bank may decide to extend the Closing Date if the Project's DOs remain achievable, the performance of the Borrower or Project Participant(s) remains satisfactory, and the Bank and the Borrower or Project Participant(s) agree on actions that will be undertaken by the Borrower or Project Participant(s) to complete the Project. The Bank processes the extension as a restructuring.

48. ***Withdrawals after the Loan Closing Date.*** The Bank may decide, without formally extending the Loan Closing Date, to disburse or approve the use of proceeds of a Loan under withdrawal applications received within four months after the Loan Closing Date for payments made or payments due for eligible expenditures incurred prior to the Loan Closing Date. Exceptionally, and upon the Borrower's request, the Bank may decide to extend the period for receipt of such withdrawal applications. In addition, the Bank may decide to finance out of the proceeds of the Bank Loan the cost of a final audit that will be completed after the Loan Closing Date.

49. ***Closing the Bank Loan Account.*** The Bank closes the Bank Loan account within two months after the deadline set by the Bank for receipt of withdrawal applications or, if no such additional period is granted, within two months after the Loan Closing Date. Any undisbursed balance of the Bank Loan is cancelled. The Bank notifies the Borrower of the final disbursement status of the Bank Loan account and the cancellation of any undisbursed balance.

50. ***Bank Loans under Suspension of Disbursements.*** If a suspension of disbursements of a Bank Loan is in effect on the Loan Closing Date, any unwithdrawn balance of the Bank Loan is normally canceled, and the Bank Loan account is closed. Exceptionally, Management may decide to authorize a delay in canceling the balance and closing the Bank Loan account, if suspension is likely to be lifted imminently and Project and/or country circumstances warrant such a delay. Once the Bank decides to lift the suspension, Management may decide to approve an extension of the Loan Closing Date.

51. ***Extension of Bank Guarantee Expiration Date.*** The Bank, in agreement with the Project Participant(s), may decide to extend the Bank Guarantee Expiration Date, provided the Project's DOs remain achievable, and the performance of the Project Participant(s) remains satisfactory. The Bank processes the extension as a restructuring.

52. ***Investment Project Completion Report.*** After the completion of the Project, or in certain cases of additional financing (as described in Section D (*Additional Financing*) of this BP) or in certain cases involving a series of Projects, prior to the Project's completion, the Bank prepares an implementation completion and results report ("ICR"). The ICR covers, among other things, the degree to which the Project's DOs and results have been achieved and the overall Project performance, taking into consideration the Project's operating environment and, for a Bank Guarantee, its impact in mobilizing private sector financing for the Project. The ICR incorporates the evaluation by the Borrower or Project Participant(s) of the Project, as well as of its (their) performance and the performance of the Bank, if available. Management decides on the submission of the ICR to the Executive Directors, normally within six months following Project completion, and may decide to authorize an extension of time for the completion of the ICR and its submission to Executive Directors.

C. Projects with Special Considerations

53. ***Exceptional Arrangements in Situations of Urgent Need of Assistance or Capacity Constraints.*** The Borrower or member country may request the use of exceptional arrangements for an Investment Project Financing as set out in OP 10.00, paragraph 12. If Management determines that the Borrower or member country is eligible for such arrangements, the following provisions apply:

(a) when compliance with the environmental and social requirements is permitted to be deferred to the Project implementation stage, Project documents include an action plan addressing the application of environmental and social policies;

(b) when exceptional alternative legal and operational implementation arrangements are used, the Project documentation sets out the relevant capacity-building measures planned for timely transfer of implementation activities to the Borrower or member country; and

(c) the normally sequential stages of identification, preparation and appraisal may be consolidated; and the decision to authorize negotiation may be taken after a single consolidated review of a complete negotiations package.

54. ***Series of Sequential Projects.*** Such series involve, for Bank Loans, a single Borrower; or, for Bank Guarantees, a single Member Country or Implementing Entity. In addition to regular requirements, the documentation for the first Project in these series presents the rationale for a phased approach, the potential benefits and risks of such an approach, the overarching DOs for the series, overall expected results, and timeline for expected completion of each phase and the series; it also gives an indicative funding or guarantee envelope for the entire series.

Subsequently, each Project in the series is prepared and appraised individually, taking into account the performance to date of the preceding Project(s) in the series.

55. ***Other Series of Projects.*** For all series of Projects other than those described in paragraph 54 above, the documentation for the first Project in such series sets out the rationale for the series, an indicative funding or guarantee envelope, and the similar criteria and/or the common design features for the series, as applicable.

56. ***Financial Intermediary Financing.*** If an Investment Project Financing is proposed to be made in support of a financial intermediary, at the concept review a decision is taken on the appropriateness of such financing, taking into consideration the availability and appropriateness of alternative sources of financing.

57. ***Small Projects.*** For a Project financed by the Bank under a recipient-executed trust fund grant of less than US$5 million, the Bank follows simplified procedures set out in internal processing arrangements, requiring simplified assessments and risk analysis, streamlined procedures from appraisal through approval, and streamlined ex-post evaluation.

D. Additional Financing

58. When additional financing is requested by the Borrower or Project Participant(s) during implementation of a Project, the Bank follows normal Investment Project Financing procedures with the following exceptions. Management decides on proceeding with preparation on the basis of documentation justifying the need for additional financing and summarizing the implementation record and results of the Project to date. The Bank prepares documentation for the additional financing, including an updated appraisal-stage PID and, as applicable, an ISDS (covering the original Project and the new activities) for a decision point on appraisal and negotiations. Additional financing is provided through an amendment to the original legal agreements and/or new legal agreements. The legal agreements are signed before the Closing Date of the original Investment Project Financing. The ICR for the original Investment Project Financing covers the original Project and additional financings. When an additional financing request is expected to result in an overall Project implementation period that would exceed ten years, an ICR is prepared before Management's decision on appraisal and negotiations of such additional financing, and a supplemental ICR is prepared upon the full Project completion; provided, however, that if the additional financing is solely to address a financing gap or cost overrun, Management may decide to have a single ICR prepared upon the full Project completion.