

# THE ZERO CLUB – MTI (Part 9)

MTI in Africa: 14 Countries, 99 Projects, \$10.4 Billion Committed, Zero Satisfactory

Parminder Brar · mdbreform.com · May 2026



## Executive Summary

**The record.** The World Bank’s Macroeconomics, Trade and Investment Global Practice committed \$41.8 billion across 389 IEG-evaluated projects in Sub-Saharan Africa. The S+ rate by commitment is 23.6 percent — fewer than one dollar in four reached Satisfactory outcomes. In 14 countries, the rate is zero: 99 projects, \$10.4 billion committed, not one rated Satisfactory or Highly Satisfactory by IEG. This is the Zero Club.

**The independent test.** If three decades of MTI conditionality had produced genuine institutional change, that change should be visible in the Bank’s own annual Country Policy and Institutional Assessment. It is not. In Niger — the most MTI-intensive Zero Club country (15 operations, \$1.65bn) — every MTI-targeted CPIA criterion deteriorated between 2006 and 2024. Across all 14 countries, the Transparency, Accountability and Corruption criterion — the lowest-scoring in the entire CPIA framework — either deteriorated or remained unchanged in 8 of 13 countries with data. PEFA assessments confirm the form-function split: budget documentation scores B or above in 8 of 11 countries while public access to fiscal information scores D in 10 of 11. The form the DPF prior actions require improves. The function that determines whether reforms are real does not.

**Why the pipeline never stops.** The companion paper on institutional power architecture (mdbreform.com, April 2026) documents the supply-side mechanism: approximately 50 percent of Country Director tenures in eight major Africa CMUs were held by macroeconomist-track individuals who allocate 1.5 to 2 times more of the IDA lending envelope to DPOs. The DPO instrument is the fastest to prepare, the cheapest to supervise, and the most efficient at producing the Finance Ministry relationships that generate institutional political capital. But the supply side is only half the equilibrium. A companion game theory analysis (mdbreform.com, April 2026) identifies the demand side: the borrowing government’s dominant strategy is to accept every DPF regardless of whether the previous one achieved its objectives. IDA terms — 38-year maturities, 6-year grace periods, 0.75 percent service charges — mean the cost of accepting a failing DPF is near-zero. The cost of refusing concessional finance is high. No rational Finance Minister rejects a \$250 million IDA credit because the last one was rated MU. Both sides are individually rational. Neither has an incentive to exit. The result is a Nash equilibrium that has persisted across 14 countries for up to 28 years.

**The structural finding.** The Zero Club is not 14 separate country failures. It is one institutional pattern repeated 99 times. The instrument rewards legal compliance over functional change. Governments adopt the outward forms of reform — laws gazetted, portals launched, strategies approved — to trigger disbursements, while the underlying capability remains absent. The DPO paper (mdbreform.com, March 2026) calls this isomorphic mimicry. IEG calls it, more politely, ‘prior actions that are not credible or deep enough to trigger change.’

## Case Selection and Methodology

**Scope.** This paper examines all 389 IEG-evaluated MTI projects in Sub-Saharan Africa from the IEG ICRR/PPAR master database (March 2026). Commitment-weighted analysis is used throughout. CPIA data is from the World Bank CPIA database (2005–2024). PEFA data is from published PEFA assessments (2016–2025 framework).

**Why S+ and not MS+.** This analysis uses the Satisfactory or above (S+) threshold from IEG’s six-point outcome scale (1 = Highly Unsatisfactory through 6 = Highly Satisfactory). Moderately Satisfactory sits at 4 — below the Satisfactory threshold of 5. A project rated MS has partially or mostly achieved its objectives but has not, by the Bank’s own definition, achieved them satisfactorily.

The use of Satisfactory as the meaningful benchmark is not an idiosyncratic reinterpretation. It reflects the standard that operates across the World Bank Group’s own evaluation architecture — everywhere except the lending-side corporate reporting that governs IDA and IBRD headline metrics:

**IFC** investment evaluations use a four-point scale (Highly Successful, Successful, Mostly Unsuccessful, Unsuccessful) in which Successful is explicitly the pass/fail point. There is no ‘Moderately Successful’ buffer. IEG’s RAP reports present IFC development outcomes against the ‘Mostly Successful or above’ threshold for the expanded six-point scale, but the original four-point architecture established Successful as the operative standard.

**MIGA** guarantee evaluations historically used a four-point scale (Excellent, Satisfactory, Partly Unsatisfactory, Unsatisfactory) through FY2019, with Satisfactory as the explicit pass/fail threshold — no intermediate category existed. After FY2019, MIGA shifted to a six-point scale aligned with IFC. But crucially, IEG’s RAP reporting continues to centre on ‘Successful or better’ as the meaningful benchmark. RAP 2024 reports that ‘72 percent of guarantee projects were rated satisfactory or better’ — using Successful, not Mostly Successful, as the positive threshold.

**The institutional inconsistency is stark.** IFC anchors performance around Successful. MIGA anchors performance around Successful. But IDA/IBRD corporate reporting normalised Moderately Satisfactory or above as its headline metric — a category that, by the Bank’s own rating definitions, encompasses projects that have not achieved their objectives satisfactorily. The softening of the benchmark is not uniform across the Bank Group. It is primarily a feature of lending-side corporate reporting — the reporting that governs the largest concessional fund in the world.

**The practical difference.** Under MS+, the Zero Club countries would report a substantially higher success rate — because most of the 99 projects are rated MS. That is precisely the problem. Once MS+ becomes the headline success metric, partial achievement and full achievement become analytically indistinguishable. The 60-percentage-point gap between IDA’s MS+ rate (91 percent) and its S+ rate (31 percent) is the space in which delivery failure is absorbed, normalised, and rendered invisible to shareholders. S+ captures whether teams are delivering against stated objectives, not merely avoiding outright failure.

**On the MS threshold.** The prevalence of Moderately Satisfactory ratings across the Zero Club — the modal rating for Africa MTI — means these operations delivered partial value. The significance of the Zero Club is not that 99 projects produced nothing. It is that across 99 evaluated projects in 14 countries spanning up to 28 years, none crossed IEG’s threshold for having satisfactorily achieved its stated objectives. A portfolio in which partial achievement is the ceiling and full achievement never occurs is a portfolio whose design model warrants scrutiny, not one that can be dismissed as having delivered no benefit at all.

**Limitations.** IEG ratings measure project delivery against stated objectives, not broader macro-economic impact. DPF operations face inherent attribution challenges. CPIA and PEFA are complementary diagnostics with their own methodological limitations; they are used here as independent tests of whether conditionality produced measurable institutional change, not as definitive measures of state capacity.

**Why MTI.** This paper focuses on the Macroeconomics, Trade and Investment Global Practice because it is the worst-performing GP in Africa by project count. Across 143 IEG-evaluated MTI projects closing between FY2015 and FY2025 in Sub-Saharan Africa, 18 were rated Satisfactory or Highly Satisfactory — a project-count S+ rate of 12.6 percent. This is the lowest of any Global Practice at meaningful scale in the region. Social Protection achieves 63.9 percent. Urban, Resilience and Land achieves 48.7 percent. Agriculture achieves 36.3 percent. Energy achieves 39.3 percent. MTI is the GP that produces the fewest Satisfactory outcomes per operation, manages the largest DPF portfolio, and has committed \$22.4 billion across the period — the second-largest commitment volume in Africa. A GP that succeeds one time in eight while managing the second-largest portfolio warrants dedicated examination.

## 1. The Aggregate Record: MTI in Africa

Macroeconomics, Trade and Investment is the Bank’s largest Global Practice in Africa by project count. Its S+ rate by commitment — 23.6 percent — is the lowest of any major GP in the region. The decade trajectory tells the story:

Decade	Projects	Committed	S+ Rate
1990s	35	\$4,296M	42%
2000s	96	\$7,803M	29%
2010s	189	\$12,955M	3%
2020s	67	\$16,607M	32%

Source: IEG ICRR/PPAR database, March 2026. Commitment-weighted. Sub-Saharan Africa only.

The 2010s collapse — 3 percent S+ on \$13 billion — coincides with the decade of maximum DPF scaling in Africa. Over the same period, major sector GPs in Africa generally achieved commitment-weighted S+ rates between 35 and 60 percent: Social Protection 61 percent, Urban 57 percent, Agriculture 38 percent, Energy 37 percent. MTI’s 3 percent is not marginal underperformance — it is an order-of-magnitude gap. The 2020s partial recovery to 32 percent is driven largely by the Benin Exception (four consecutive S on \$450 million). The rating distribution across all 389 projects: 165 MS (42%), 93 MU (24%), 73 S (19%), 42 U (11%), 8 HS (2%), 4 HU (1%).

**Why MS dominates.** The gravitational pull toward Moderately Satisfactory is not accidental. DPF operations are structurally difficult to rate below MS because prior actions are typically met (they are designed to be achievable) and partial outputs can usually be documented. A U rating requires the ICR team to conclude that the operation largely failed to achieve its objectives — a finding that reflects on the Country Director, the Practice Manager, and the government counterpart simultaneously. The institutional cost of a U rating is high; the institutional cost of an MS rating is negligible. The result is a rating distribution in which MS functions as the default for operations that achieved formal compliance without functional reform — precisely the isomorphic mimicry pattern the DPO paper describes. Once the MS floor is established and the MS+ corporate target normalises partial achievement, the distinction between operations that transformed institutions and operations that merely disbursed becomes invisible in corporate reporting.

### THE DECADE QUESTION

*In the decade when IDA volumes scaled most aggressively and DPF became the dominant instrument for budget support across Africa, MTI delivered Satisfactory outcomes on 3 percent of \$13 billion in commitments. The Bank’s largest GP in Africa succeeded less than one time in thirty.*

## 2. The Zero Club

In 14 African countries, MTI has never delivered a Satisfactory outcome. These countries account for 25 percent of all Africa MTI commitment:

Country	Projects	Committed	S+ Rate	Period
Angola	6	\$2,190M	0%	FY1999–2023
DRC	6	\$1,670M	0%	FY2003–2024
Niger	15	\$1,647M	0%	FY1995–2023
Madagascar	11	\$924M	0%	FY1998–2021
Zambia	10	\$840M	0%	FY1996–2013
Nigeria	7	\$812M	0%	FY1999–2017
Togo	13	\$742M	0%	FY1999–2023
Zimbabwe	2	\$650M	0%	FY1994–1998
Guinea	7	\$448M	0%	FY2002–2022
Congo-Brazzaville	3	\$241M	0%	FY1995–2007
The Gambia	7	\$146M	0%	FY2009–2023
Lesotho	5	\$87M	0%	FY2009–2014
Comoros	5	\$25M	0%	FY2011–2022
Djibouti	2	\$15M	0%	FY2004–2009

Source: IEG ICRR/PPAR database, March 2026. Countries with ≥2 MTI projects evaluated. Zero S+ by commitment.

The Zero Club includes oil-rich middle-income economies (Angola), large fragile states (DRC), Sahelian countries under security stress (Niger), post-conflict transitions (Guinea, The Gambia), landlocked southern African states (Zambia, Lesotho, Zimbabwe), island states (Comoros, Djibouti), and commodity-dependent economies (Congo-Brazzaville). The failure is not confined to a particular country type, income level, or fragility status. The common factor is the MTI instrument model.

### 3. The Independent Test: CPIA and PEFA

If MTI’s DPF conditionality had produced genuine institutional change, that change should be visible in two independent diagnostics the Bank itself produces: the Country Policy and Institutional Assessment (annual, 2005–2024) and the Public Expenditure and Financial Accountability framework (periodic, country-level). Both tell the same story: it is not visible.

#### 3.1 CPIA: The Five MTI-Targeted Criteria

MTI’s 39 percent share of all DPAD prior actions maps onto five CPIA criteria: Fiscal Policy, Debt Policy, Trade, Financial Sector, and Business Regulatory Environment (DPO paper, Section II.E). The table below shows how those five criteria moved in each Zero Club country between 2006 and 2024:

Country	Fiscal	Debt	FinSec	BusReg	Cluster D	TAC
Niger	-0.5	-0.5	-1.0	+0.5	-0.4	-0.5
Madagascar	0.0	+0.5	-0.5	-1.0	-0.7	-1.0
Zambia	-1.0	-0.5	+0.5	+1.0	-0.3	-0.5
Lesotho	-1.5	-0.5	-0.5	+0.5	-0.5	-0.5
DRC	0.0	+1.0	+0.5	0.0	+0.3	+0.5
Nigeria	-0.5	0.0	-0.5	+0.5	-0.1	0.0
Togo	+2.0	+2.0	+0.5	+1.0	+1.2	+1.0
Guinea	+0.5	+1.0	0.0	0.0	+0.3	0.0
Comoros	+0.5	+1.0	0.0	+0.5	0.0	-0.5

*Source: World Bank CPIA database, 2006–2024. Change = 2024 minus 2006 (or earliest available). Cluster D = Public Sector Management cluster. TAC = Transparency, Accountability and Corruption criterion. Angola excluded (no CPIA data after 2010). Zimbabwe, Congo-Brazzaville, The Gambia, Djibouti, Lesotho also shown.*

**Niger is the most damaging case.** The country with the most MTI operations (15) and the third-highest commitment (\$1.65bn) shows deterioration on every single MTI-targeted criterion: Fiscal Policy -0.5, Debt Policy -0.5, Financial Sector -1.0, Cluster D -0.4, Transparency/Accountability -0.5. Fifteen operations. \$1.65 billion. Twenty-eight years. And the Bank’s own annual diagnostic says the country went backwards in every domain MTI targets.

**Transparency, Accountability and Corruption — the lowest-scoring CPIA criterion across SSA — deteriorated or stagnated in 8 of 13 Zero Club countries with data.** Five deteriorated (Niger -0.5, Madagascar -1.0, Zambia -0.5, Comoros -0.5, Lesotho -0.5). Three remained unchanged (Nigeria 3.0→3.0, Guinea 2.5→2.5, Congo-Brazzaville 2.5→2.5). This is the criterion the DPO paper identifies as carrying ‘the lowest score of all 16 CPIA criteria’ and ‘recording more country-level downgrades than upgrades.’ It is the criterion most directly targeted by governance and fiscal transparency conditionality.

#### 3.2 PEFA: Schick’s Seven Foundational Indicators

Allen Schick identified seven indicators as the non-negotiable basics of functional public financial management: budget reliability (PI-01), cash management (PI-21), payroll controls (PI-23), procurement (PI-24), financial data integrity (PI-27), basic accounting (PI-29), and external audit (PI-30). These are the controls that determine whether public money reaches schools, clinics, and the people who need it. Eleven of the 14 Zero Club countries have published PEFA assessments under the 2016 framework (Angola, Comoros, and Congo-Brazzaville do not). Across these 11 countries, the Schick 7 average is 1.90 out of 4.0 — below the already-weak SSA average of 2.10.

Country (Year)	PI-01	PI-21	PI-23	PI-24	PI-27	PI-29	PI-30	Avg
DRC (2020)	D	C	D	C+	D	D	D	1.36
The Gambia (2024)	D	D	D+	D	C+	D+	D+	1.43
Madagascar (2021)	D	C	D+	D+	C+	D+	D+	1.64
Nigeria (2019)	C	B	D	D	D+	D+	D+	1.64
Guinea (2018)	D	C	D+	B	D	D+	D+	1.64
Zimbabwe (2018)	B	C	C+	D+	D	D	D+	1.79
Zambia (2025)	A	D+	D+	C	D+	C+	D+	2.07
Lesotho (2025)	A	B	D+	D+	D+	D+	D+	2.07
Niger (2023)	D	B	D+	B+	C	C+	D+	2.14
Djibouti (2023)	B	B	C+	D	C+	C	C+	2.36
Togo (2023)	A	B+	D+	B	B	C+	D+	2.71
Zero Club Average								1.90
SSA Average (n=46)	2.30	2.42	2.01	2.14	2.09	2.05	1.66	2.10

Source: PEFA Secretariat database, 2016 framework. Score conversion: A=4, B+=3.5, B=3, C+=2.5, C=2, D+=1.5, D=1. Avg = mean of 7 Schick indicators. Angola and Comoros excluded (no PEFA data).

**The trend data is more revealing than the snapshot.** Five of these 11 countries have repeat PEFA assessments, enabling direct comparison over time: Niger (2017→2023), Madagascar (2018→2021), Zambia (2017→2025), Togo (2016→2023), and Lesotho (2017→2025). Across these five countries and 35 indicator-observations on the Schick 7, the aggregate change is +0.19 — essentially zero. But the distribution of that change tells the story:

Schick 7 Indicator	Avg Change	Improved	Declined	Unchanged
PI-01 Budget Reliability	+1.20	3 of 5	0 of 5	2 of 5
PI-21 Cash Management	+0.40	3 of 5	2 of 5	0 of 5
PI-27 Financial Data Integrity	+0.30	2 of 5	2 of 5	1 of 5
PI-23 Payroll Controls	-0.10	1 of 5	1 of 5	3 of 5
PI-24 Procurement	-0.10	1 of 5	2 of 5	2 of 5
PI-29 Basic Accounting	-0.20	0 of 5	1 of 5	4 of 5

PI-30 External Audit	-0.20	0 of 5	2 of 5	3 of 5
ALL SCHICK 7 (35 obs)	+0.19	10	10	15

Source: PEFA Secretariat database. 5 of 14 Zero Club countries have repeat assessments under the 2016 framework. The remaining 6 with PEFA data (DRC, Nigeria, Zimbabwe, Guinea, The Gambia, Djibouti) have only one assessment.

The form-function split is visible in the numeric data. Budget reliability surged (+1.20) — three countries reached A. This is the easiest ‘form’ indicator to improve: it measures whether aggregate expenditure matches the approved budget. Cash management improved moderately (+0.40). But the ‘function’ indicators — the controls that determine whether money is spent properly and accounted for — either declined or froze: external audit -0.20 (not one country improved), basic accounting -0.20 (not one country improved), payroll controls -0.10, procurement -0.10. Ten improved. Ten declined. Fifteen unchanged. After billions in DPF conditionality targeting exactly these systems, the basic PFM controls barely moved — and the accountability indicators got worse.

**Zambia is the most striking case:** the Schick 7 average fell from 2.50 to 2.07 between 2017 and 2025. Budget reliability went from B to A — the form improved to the highest possible grade. But payroll controls fell from C+ to D+. Cash management fell from C+ to D+. Basic accounting fell from B+ to C+. Financial data integrity fell from C to D+. Five of seven indicators declined while the one DPF prior actions most easily target — budget reliability — improved. Madagascar declined from 1.93 to 1.64, with four of seven indicators worsening. Even Togo, the Zero Club’s strongest PEFA improver (+0.79), saw external audit decline from C to D+.

### THE SCHICK 7 FINDING

*The PEFA data, assessed across all seven of Schick’s foundational PFM indicators, confirms the CPIA finding independently. Budget reliability — the upstream indicator most amenable to DPF conditionality — improved strongly. External audit, basic accounting, payroll controls, and procurement — the downstream indicators that determine whether reforms are functional — either declined or remained unchanged. The form of public financial management improved. The function did not. Across \$10.4 billion in MTI conditionality and 99 evaluated projects, the basic controls that determine whether public money reaches its intended purpose show little aggregate improvement over the past decade.*

A fourth independent diagnostic confirms the pattern from the demand side. The Open Budget Survey — the only independent, comparative measure of budget participation — scores Sub-Saharan Africa at 12 out of 100 on public participation in the budget process (OBS 2023; global average 15; sufficiency threshold 61). Seven countries provide zero formal participation mechanisms: Burundi, Chad, Equatorial Guinea, Niger, Senegal, Somalia, and Sudan. Niger — the most MTI-intensive Zero Club country, with 15 operations and \$1.65 billion committed — has no citizen engagement in the budget process whatsoever. The DPFs condition on budget documents, which improve. The public has no access to the results, which does not change.

## 4. The Six Failure Modes

The per-country analysis (Annex A) identifies six distinct failure modes across the 14 Zero Club countries. These are not mutually exclusive — most countries exhibit two or three simultaneously:

**1. Scaling without learning (Niger, DRC).** Commitment grows while ratings stagnate. The Shared Growth Credits (\$170M, all MU) were followed by the Laying the Foundation series (\$600M, both MS). The most recent operation (\$250M, FY2023) was rated MU. IEG warned about ‘semi-automatic budget support’ while the portfolio was ‘increasing rapidly.’ The operations got larger. The outcomes did not improve.

**2. Oil-cushion immunity (Angola, Congo-Brazzaville).** Resource revenues make DPF conditionality non-binding. Angola’s Growth and Inclusion DPF series (\$1.7bn, 3× MU) carried word-for-word identical IEG lessons across all three operations. The government had no fiscal incentive to reform. The Bank designed for international visibility rather than institutional readiness.

**3. Debt-service lending (Zambia).** IEG explicitly documented that ‘the volume and frequency of IDA’s adjustment lending to Zambia were influenced by the desire to keep the Borrower current on its external debt service obligations’ (IEG PPAR 30498, 2004). Actual lending exceeded agreed IDA allocations by 136 percent. ‘Never was the goal of keeping Zambia current with its external debt obligations mentioned among the stated objectives.’ The pressure for large credits ‘undermined quality at entry.’

**4. Political fragility and SOE capture (Madagascar, Togo).** Political transitions reverse reforms; SOE governance is the binding constraint but lies outside MoF control. Madagascar’s JIRAMA utility has been a DPF conditionality target for over a decade without achieving financial viability. Four consecutive DPFs addressed JIRAMA; ‘the long-term result sought remains elusive.’

**5. Vested interest capture (Guinea, The Gambia, Zimbabwe).** Reforms are enacted by the executive but reversed by legislatures, interest groups, or political leaders. Guinea’s government reversed the VAT increase after public protests — a risk ‘not flagged in discussions at appraisal.’ The Gambia’s National Assembly stripped the procurement reform of its key provisions after Cabinet approved it.

**6. Federal-state tension (Nigeria).** Sub-national DPOs are constrained by a structural design flaw: state governments cannot control federal policy. Lagos’s fiscal targets depended on inter-governmental revenue transfers outside its control. The Bank designed operations as though states were independent countries.

Three structural constraints crosscut all 14 countries: diffuse objectives (every country’s DPF series spanned too many sectors with too many prior actions); form over function (prior actions measured legal enactment, not implementation); and institutional amnesia (IEG documented the same lessons across multiple evaluation cycles without design modification).

## 5. Why the Pipeline Never Stops

The companion paper on institutional power architecture (mdbreform.com, April 2026) documents the structural mechanism that sustains the MTI DPF pipeline despite three decades of documented underperformance:

**The economist career pipeline.** The power architecture paper documents that approximately 50 percent of substantive Country Director tenures across eight major Africa CMUs (Nigeria, South Africa, Ethiopia, Kenya, Tanzania, Senegal, Ghana, DRC) from 2000 to 2023 were held by macroeconomist-track individuals. Across 60+ tenures, the estimated DPO share of total approved IDA/IBRD commitment averaged 45–65 percent under economist CDs versus 8–25 percent under non-economist CDs — a differential of 18–20 percentage points per tenure. These are approximations based on the World Bank’s lending database, rounded to the nearest 5 percentage points (see Institutional Power Architecture and Portfolio Distortion at the World Bank, mdbreform.com, April 2026, for country-by-country CD profiles and methodology).

**The DPO instrument advantage.** DPOs can be prepared in under six months versus two to four years for investment projects. They require no procurement, no safeguards, no implementation unit. A single TTL can manage a \$250 million DPF. The institutional incentives — disbursement targets, pipeline pressure, budget-per-dollar-managed efficiency — favour DPF over investment lending regardless of development outcome.

**The portfolio distortion.** Economist Country Directors allocate 45–65 percent of the IDA lending envelope to DPOs. Non-economist CDs allocate 8–25 percent. The differential averages 18–20 percentage points — hundreds of millions of dollars per tenure redirected away from investment operations. MTI’s global S+ rate is 18.5 percent — the lowest of any GP at scale — while managing the largest committed volumes.

**The conditionality circularity.** The Letter of Development Policy required for DPO approval is produced through a dialogue in which the Bank’s Country Economist shaped the reform agenda the government endorses. The Bank defines the policy agenda; the government endorses it; the Bank lends against it. The entity that produced the prior action language is not an independent verifier of whether the condition has been met.

**The borrower’s rational strategy.** A companion paper on the platform applies game theory to the DPF relationship and identifies a stable Nash equilibrium (Why the System Does Not Learn, mdbreform.com, April 2026). The borrowing government’s dominant strategy is to accept every DPF regardless of whether the previous one achieved its objectives. The money is concessional — IDA terms offer 38-year maturities, 6-year grace periods, and 0.75 percent service charges. The cost of accepting a failing DPF is near-zero for the Finance Ministry. The cost of refusing concessional finance is high: reduced IDA allocation, weakened Bank engagement, less budget space. No rational Finance Minister rejects a \$250 million IDA credit because the last one was rated MU by IEG. The Finance Ministry has also discovered, across decades of DPF cycles, that accepting prior actions does not require implementing them. Isomorphic mimicry — signing letters, gazetting laws, creating committees — is the Finance Ministry’s rational dominant strategy in a game where it must signal reform to maintain financing relationships while managing the political economy constraints that make genuine reform difficult. The government’s behaviour is perfectly rational given its payoffs. So is the Bank’s. That is why the equilibrium has persisted across 14 countries for up to 28 years.

### THE INSTITUTIONAL LOGIC

*The current incentive structure may unintentionally favour instruments that maximise lending efficiency and institutional visibility even where outcome performance is weak. The DPO is faster to prepare, cheaper to supervise, and produces Finance Ministry relationships that generate institutional political capital. Until the incentive changes — until MTI's performance metrics weight S+ outcome rates rather than commitment volumes — the pipeline is unlikely to self-correct without structural reform.*

*A note on causality. The evidence presented here does not claim that economist leadership alone causes weaker outcomes, or that DPF is inherently incapable of producing results. Economist Country Directors may be assigned to countries in macro crisis where DPFs are the appropriate instrument. Crisis countries may inherently require budget support. DPO-heavy portfolios may be endogenous to fiscal emergencies rather than to CD background. The evidence suggests, rather, that the current institutional incentive structure systematically favours rapid-disbursing policy lending even where repeated evaluation evidence questions its effectiveness — and that no institutional mechanism connects MTI's outcome performance to its lending authority. The correlation between economist CD tenure and DPO intensity is sufficiently stable across countries, time periods, and macro environments to suggest that professional identity may shape instrument preference alongside country context.*

## 6. The Benin Exception

Benin is the only country in Africa where MTI broke decisively from the pattern. After nine consecutive MS/MU ratings on \$277 million (FY2008–2019), Benin achieved four consecutive Satisfactory ratings on \$450 million (FY2021–2024). The shift coincided with a fundamental change in DPF design:

Phase	Period	Operations	Committed	Result
Early success	FY1999–2008	3	\$90M	1 MS, 2 S
Collapse	FY2008–2019	9	\$277M	1 MS, 8 MU
Recovery	FY2021–2024	4	\$450M	4 S

The collapse phase followed the standard PRSC/PRSG model. The recovery phase shifted to focused ‘Fiscal Management and Structural Transformation’ and ‘Unlocking Human and Productive Potential’ operations. The same design shift that explains Rwanda’s DPF bifurcation — \$1.36 billion in sector DPFs at 100% S+ versus \$598 million in broad PRSGs at 0% — explains Benin’s recovery. The instrument is not the problem. The design model is.

### 6.1 The Counterexamples: Where MTI Works

The Zero Club argument is strengthened, not weakened, by acknowledging where MTI has succeeded — because the conditions for success illuminate why the standard model fails:

**Rwanda.** Rwanda’s MTI portfolio is itself bifurcated: \$598 million in broad-based PRSGs at 0% S+, \$1.36 billion in sector-specific DPFs at 100% S+. The same country, the same government, the same institution. The variable is design specificity and government ownership. Rwanda’s governance foundation — IFMIS to all 416 sectors, e-procurement at 100%, IPSAS adopted — was built before the DPFs scaled. The institutional sequencing the Zero Club countries lack is precisely what Rwanda invested in first (see The Rwanda Model, [mdbreform.com/rwanda/](http://mdbreform.com/rwanda/)).

**Cabo Verde.** Cabo Verde’s MTI portfolio achieves 45.4% S+ on \$242 million across 13 projects. As a small island state with strong fiscal discipline and a relatively capable public administration, Cabo Verde represents the institutional profile where MTI DPFs can work: focused reform agenda, limited number of implementing agencies, genuine government ownership, and an economy small enough that conditionality is not diluted across competing priorities.

**Benin (FY2021–2024).** The four consecutive S-rated operations (\$450M) demonstrate that the recovery is possible within the standard DPF instrument. The conditions: a shift from broad PRSCs to focused fiscal/structural operations, sustained Bank dialogue, and a government that treated the reform agenda as its own rather than a condition for disbursement.

The pattern across all three is consistent: MTI succeeds where (a) government ownership is genuine rather than performative, (b) design is focused on specific sectors rather than the entire macro-fiscal agenda, (c) institutional foundations exist before financing scales, and (d) prior actions measure functional change rather than legal enactment. These are the conditions the DPO paper identified. The Zero Club is the empirical evidence of what happens when all four are absent.

### 6.2 The DPF Bifurcation: MTI vs Sector DPFs Across Africa

The Rwanda paper documented a sharp bifurcation within a single country: \$1.36 billion in sector-specific DPFs at 100% S+ versus \$598 million in broad MTI-managed DPFs at 0% S+. The same pattern holds continent-wide:

DPF Category	Projects	Committed	S+ Rate
--------------	----------	-----------	---------

MTI-managed DPFs (Africa)	357	\$40.7bn	23.8%
Sector-GP-managed DPFs (Africa)	301	\$25.7bn	43.0%
MTI DPFs in Zero Club countries	88	\$9.9bn	0.0%
Sector DPFs in Zero Club countries	47	\$2.0bn	8.7%

Source: IEG ICRR/PPAR database, March 2026. Commitment-weighted.

Across all of Africa, sector-GP-managed DPFs outperform MTI-managed DPFs by 19.2 percentage points. Energy sector DPFs achieve 86.3 percent S+. Social Protection DPFs achieve 53.3 percent. Transport DPFs achieve 54.5 percent. Even Governance DPFs — operating in the same institutional environments as MTI — outperform at 26.3 percent. The instrument is the same. The variable is which GP manages it, how focused the design is, and whether prior actions target functional change in a specific sector or aspirational reform across the entire fiscal system.

In the Zero Club countries specifically, MTI-managed DPFs achieve 0 percent S+ on \$9.9 billion. Sector-managed DPFs achieve 8.7 percent on \$2.0 billion — still weak, but not zero. The few S-rated sector DPFs in Zero Club countries include Niger’s Governance-managed public finance adjustment credits (FY2001 and FY2005, both S) and Madagascar’s Urban-managed Disaster Risk Management DPF (FY2024, S). Partial gains occurred even in Zero Club countries — but they occurred through sector GPs, not through MTI.

## 7. Conclusion

The Zero Club documents one of the most persistent and institutionally significant patterns of underperformance in the World Bank’s Africa portfolio. Fourteen countries, 99 projects, \$10.4 billion committed, zero percent Satisfactory. The Bank’s own independent evaluation system has never rated a single MTI operation in these countries as having achieved its objectives satisfactorily. The Bank’s own CPIA shows no aggregate institutional improvement. The Bank’s own PEFA shows the form-function split in every country.

The DPO paper (March 2026) identified the mechanism: isomorphic mimicry driven by prior actions that reward legal compliance over functional change. The power architecture paper (April 2026) identified the institutional driver: a career pipeline that systematically produces economist Country Directors who allocate disproportionate IDA resources to the instrument with the weakest outcomes. The Zero Club provides the 14-country empirical test of both theses.

The finding is not that these countries are ungovernable. Several have functioning fiscal systems and capable finance ministries. The finding is that the standard MTI DPF model does not produce Satisfactory outcomes as measured by IEG. When the same instrument is redesigned with focused objectives and clear results chains, it produces Satisfactory outcomes in Benin and Rwanda. The evidence suggests the problem is structural, not contextual.

### THE BOTTOM LINE

*The Zero Club is not 14 separate country failures. It is one institutional pattern repeated 99 times. The instrument rewards legal compliance over functional change. The career architecture protects the GP that produces it. The CPIA confirms no institutional improvement. The PEFA confirms the form-function split. The pipeline continues because no institutional mechanism connects MTI’s outcome performance to its lending authority. Until that mechanism exists, the pattern documented here is likely to persist.*

### The Case Study Series

**Nigeria Water:** Project failures ([mdbreform.com/nigeria-water/](https://mdbreform.com/nigeria-water/))

**Angola DPF:** Policy failures ([mdbreform.com/angola/](https://mdbreform.com/angola/))

**South Africa ESKOM:** Energy failures ([mdbreform.com/south-africa-eskom/](https://mdbreform.com/south-africa-eskom/))

**Ghana FCI:** Competitiveness failures ([mdbreform.com/ghana-fci/](https://mdbreform.com/ghana-fci/))

**DRC Portfolio:** Portfolio failures ([mdbreform.com/drc-portfolio/](https://mdbreform.com/drc-portfolio/))

**DRC Inga:** Mega-project failures ([mdbreform.com/drc-inga/](https://mdbreform.com/drc-inga/))

**Somalia:** Constrained delivery ([mdbreform.com/somalia/](https://mdbreform.com/somalia/))

**Rwanda:** Scaled success ([mdbreform.com/rwanda/](https://mdbreform.com/rwanda/))

**The Zero Club:** MTI institutional failure ([mdbreform.com/zero-club/](https://mdbreform.com/zero-club/))

**DPOs — Policy Without Performance:** Isomorphic mimicry ([mdbreform.com/dpos-policy-without-performance/](https://mdbreform.com/dpos-policy-without-performance/))

**MTI Power Architecture:** Economist dominance ([mdbreform.com/mti-power-architecture/](https://mdbreform.com/mti-power-architecture/))

## Selected References

- IEG (2026). ICRR/PPAR Lessons and Ratings Database, March 2026. Washington, DC: World Bank.*
- World Bank (2024). Country Policy and Institutional Assessment (CPIA), 2005–2024. Washington, DC.*
- PEFA Secretariat (various). Published PEFA Assessments, 2016–2025 framework.*
- Brar, P. (2026). Policy Without Performance: Isomorphic Mimicry and the DPO Incentive Trap. mdbreform.com.*
- Brar, P. (2026). Institutional Power Architecture and Portfolio Distortion at the World Bank. mdbreform.com.*
- Brar, P. (2026). Why the System Does Not Learn: A Game Theory Analysis of the World Bank’s Institutional Equilibrium. mdbreform.com.*
- Brar, P. (2026). The Rwanda Model. mdbreform.com/rwanda/.*
- Andrews, M., Pritchett, L. & Woolcock, M. (2013). Escaping Capability Traps through Problem Driven Iterative Adaptation. World Development.*
- IEG (2021). Strengthening Results Frameworks in Development Policy Operations. Washington, DC: World Bank.*
- IEG (2018). Maximizing the Impact of DPF in IDA Countries. Washington, DC: World Bank.*
- World Bank (2022). Development Policy Financing Retrospective: Facing Crisis, Fostering Recovery. Washington, DC.*
- International Budget Partnership (2024). Open Budget Survey 2023. Washington, DC.*
- International Budget Partnership and UNICEF (2024). Harnessing Open Budgets for Fiscal Stability in Sub-Saharan Africa. Washington, DC.*

*Parminder Brar is the founder of mdbreform.com and a former World Bank Country Manager and Lead Governance Specialist.*

## **Annex: The Fourteen Zero Club Countries**

Each profile summarises the MTI portfolio, the IEG diagnosis, and the failure mode. Full IEG lesson text for all 99 projects is available in the companion data annex on [mdbreform.com](http://mdbreform.com).

## Angola — \$2,190M, 6 projects, 0% S+

*Resource-rent state · Oil-cushion immunity*

Two phases. Phase 1 (FY1999–2011): two small TA projects (\$40M) rated U and MU. Phase 2 (FY2017–2023): four DPF operations (\$2.15bn) — one U (\$450M Fiscal Management DPL), three MU (\$1.7bn Growth and Inclusion series).

Project ID	Name	FY	Rating	Commit
P000037	ECON FIN MGMT I	FY1999	U	\$23M
P072205	AO-Econ Mgmt TA	FY2011	MU	\$17M
P153243	Fiscal Management DPL	FY2017	U	\$450M
P166564	Growth & Inclusion DPF 1	FY2021	MU	\$500M
P168336	Growth & Inclusion DPF 2	FY2022	MU	\$700M
P169983	Growth & Inclusion DPF 3	FY2023	MU	\$500M

Source: IEG ICRR/PPAR database, March 2026.

**Diagnosis.** Oil revenues made DPF conditionality non-binding. MoF commitment was ‘strong in areas of its direct interest; much less so in other areas.’ The results framework could ‘only track the adoption of laws and regulations but not their effective implementation.’ When the first DPF was rated U, the successor was larger, not smaller.

**Failure mode.** Oil-cushion immunity. The government had no fiscal incentive to reform. The Bank designed for visibility, not feasibility.

**Learning evidence.** No. Word-for-word identical IEG lessons across three consecutive operations.

## DRC — \$1,670M, 6 projects, 0% S+

### *Post-conflict administrative vacuum*

Three U-rated post-conflict credits (\$740M, FY2003–2007) followed by one MS private sector project (\$180M) and two MS ‘Foundational Governance’ DPFs (\$750M, FY2023–24).

Project ID	Name	FY	Rating	Commit
P057293	Economic Recovery Credit	FY2003	U	\$450M
P082443	Post-Reunification Recovery	FY2006	U	\$200M
P091990	Transitional Support Credit	FY2007	U	\$90M
P071144	Private Sector Dev & Competitiveness	FY2014	MS	\$180M
P177460	Foundational Econ Governance 1	FY2023	MS	\$250M
P179141	Foundational Econ Governance 2	FY2024	MS	\$500M

*Source: IEG ICRR/PPAR database, March 2026.*

**Diagnosis.** The anti-corruption strategy was ‘not well designed, had very little political support, and never got implemented.’ Procurement reform ‘stalled by lack of trained staff and weak information systems.’ Every institution created by the DPFs failed to become operationally effective.

**Failure mode.** State absence. DRC lacks the administrative apparatus to implement the reform agenda that DPF conditionality requires.

**Learning evidence.** Partially. The FY2023–24 series shows adaptation. But \$750M committed to MS suggests volume pressure persists.

## Niger — \$1,647M, 15 projects, 0% S+

*Sahel fragility · Scaling without learning*

The densest MTI record in the Zero Club: 15 operations over 28 years. CPIA scores deteriorated on every MTI-targeted criterion.

Project ID	Name	FY	Rating	Commit
P035591	Economic Recovery	FY1995	U	\$50M
P069569	Public Expenditure Adj. Credit	FY2003	MS	\$70M
P083275	Public Expenditure Reform Credit	FY2006	MS	\$40M
P117286	Growth Policy Reform Op. II	FY2012	MU	\$52M
P129793	GPRC-2 Supplemental	FY2012	MU	\$15M
P125272	Shared Growth Credit I	FY2013	MU	\$50M
P132757	Second Shared Growth Credit	FY2014	MU	\$50M
P145251	Third Shared Growth Credit	FY2015	MU	\$70M
P151487	1st Public Invest. Reform	FY2017	MS	\$80M
P159969	2nd Public Invest. Reform	FY2018	MS	\$50M
P163318	Fostering Rural Growth DPO	FY2019	MS	\$120M
P166124	Second DPO Series	FY2020	MS	\$150M
P169830	1st Laying the Foundation	FY2021	MS	\$350M
P173113	2nd Laying the Foundation	FY2022	MS	\$250M
P175256	Building Institutions DPO	FY2023	MU	\$250M

Source: IEG ICRR/PPAR database, March 2026.

**ICRR Deep Dive: P175256 — Building Institutions and Human Capital (\$250M, MU).** The most recent Niger DPF illustrates the form-function gap in operational detail. Six prior actions — all ministerial decrees or orders. Eight results indicators — four rated Negligible by IEG.

### Prior actions — all ‘stroke of the pen’ measures:

PA	What Was Conditioned	Instrument Type
PA1	SOE governance: two decrees placing SOEs under MoF supervision	Ministerial Decree
PA2	Public investment: committee creation + selection criteria	Ministerial Order

PA3	Water/sanitation: licensing and financing mechanisms	Decree
PA4	Teacher deployment criteria + recruitment standards	2 Ministerial Orders
PA5	TVET financing rules + apprentice allowances	2 Joint Min. Orders
PA6	Reproductive health education in secondary schools	Joint Min. Order

**Results indicators — four of eight rated Negligible:**

Indicator	Target	Actual	IEG Rating
SOE coverage in annual report	80%	48.9%	Modest
SOE performance agreements signed	8	1	Negligible
Public investments assessed	30%	45.9%	High
Sanitation infrastructure with PPP	4	0 operational	Negligible
Teacher deployment consistency	0.9	0.76 (deteriorated)	Negligible
TVET beneficiaries trained	83,000	87,905	High
Contraceptive use girls 15–19	6.5%	18.7%	High
Schools with health education	15%	No data provided	Negligible

Source: IEG ICRR0024172, P175256.

**The IEG diagnosis is precise:** ‘The PDO was set at a much higher level than the operation’s prior actions, complicating the articulation of a credible results chain.’ DPF supervision missions ‘focused on the preparation of the next operation and getting the disbursement released within the annual budget cycle — the implementation progress of the RIs was not systematically monitored.’ ‘Half of the indicators were compromised by inaccurate or incomplete data or unclear definitions.’ The MoF’s SOE Directorate, tasked with implementing PA1 across 164 state-owned enterprises, ‘consisted of only one person.’

**The teacher deployment indicator deteriorated** from the baseline of 0.8 to 0.76. The prior action (a ministerial order setting transfer criteria) was met. The functional outcome (teachers actually deployed to remote areas) worsened. This is the isomorphic mimicry mechanism in a single results indicator: the form was adopted, the function moved backwards.

**Diagnosis.** IEG: ‘The wide range of reform measures stretched weak governmental coordinating capacity beyond its limits.’ ‘The DPF disbursed \$600 million within a short period of time’ despite ‘limited absorptive capacity.’ IEG warned: ‘to avoid perceptions that budget support is semi-automatic, especially when the overall Bank portfolio is increasing rapidly.’ The lesson text for three consecutive Shared Growth Credits (FY2013–15) is word-for-word identical across all three evaluations.

**Failure mode.** Scaling without learning. Commitment grew from \$50M to \$250M per operation over 28 years. The diagnosis grew more sophisticated. The results did not improve. The CPIA went backwards on every MTI-targeted criterion.

**Learning evidence.** No. The most recent operation (FY2023) was rated MU. A successor \$350M programmatic series was approved in December 2022 before the July 2023 coup halted preparation of the second operation.

## Madagascar — \$924M, 11 projects, 0% S+

*Political fragility · SOE capture (JIRAMA)*

Two U-rated PRSCs coincided with the 2009 political crisis. JIRAMA has been a DPF conditionality target for over a decade. CPIA Cluster D deteriorated from 3.4 to 2.7.

Project ID	Name	FY	Rating	Commit
P001582	SAC I	FY1998	MS	\$204M
P057378	SAC II	FY2003	MS	\$150M
P096102	Third PRSC	FY2008	MU	\$40M
P099420	PRSC	FY2009	U	\$40M
P105135	Fifth PRSC	FY2010	U	\$50M
P083351	Integrated Growth Poles	FY2015	MS	\$130M
P150503	Reengagement DPO	FY2016	MS	\$45M
P153084	Resilience DPO	FY2017	MS	\$55M
P160866	Public Finance Sustainability 1	FY2019	MS	\$65M
P164137	Public Finance Sustainability 2	FY2019	MS	\$45M
P166752	Fiscal & Energy DPF	FY2021	MU	\$100M

*Source: IEG ICRR/PPAR database, March 2026.*

**Diagnosis.** IEG: ‘Governance at JIRAMA was weak.’ Four DPFs addressed JIRAMA; ‘the long-term result remains elusive.’ Tax expenditure reduction: ‘vested interests remained formidable.’ A new government ‘dropped the public investment decision framework’ after programme closure.

**Failure mode.** Political fragility + SOE capture. JIRAMA governance is the binding constraint outside MoF control.

**Learning evidence.** Partially. The FY2021 operation recommended tranche disbursements conditional on results targets. But JIRAMA remains unresolved.

## Zambia — \$840M, 10 projects, 0% S+

*Debt-service lending · Institutional incentive distortion*

Six adjustment-era operations (\$750M) including two U-rated. Four PRSC-era operations (\$90M, all MS).

Project ID	Name	FY	Rating	Commit
P003222	Econ & Social Adjustment	FY1996	MS	\$170M
P003224	Second Econ & Social Adj.	FY1998	U	\$90M
P003240	Econ Recovery & Investment	FY1998	MU	\$140M
P035641	PSREP (ESAC III)	FY2001	MU	\$170M
P039016	Fiscal Sustainability Cr. I	FY2002	MS	\$140M
P040631	Econ Mgmt & Growth Credit	FY2006	U	\$40M
P074445	2nd Econ Mgmt & Growth	FY2009	MS	\$10M
P107218	PRSC 1	FY2011	MS	\$20M
P117370	PRSC 2	FY2012	MS	\$30M
P126349	PRSC 3	FY2013	MS	\$30M

*Source: IEG ICRR/PPAR database, March 2026.*

**Diagnosis.** The PPAR (30498, 2004): ‘The volume and frequency of IDA’s adjustment lending were influenced by the desire to keep the Borrower current on its external debt service obligations.’ Lending exceeded agreed allocations by 136 percent. ‘Never was this goal mentioned among stated objectives.’

**Failure mode.** Debt-service lending. The only case where IEG explicitly documented the Bank’s own incentive distortion as the primary cause of failure.

**Learning evidence.** The adjustment-era distortion was corrected. But none achieved S+.

## Nigeria — \$812M, 7 projects, 0% S+

*Federal fiscal fragmentation · Sub-national DPO constraint*

Two federal TA projects (\$62M) and five sub-national DPFs — Lagos (\$600M, 3× MS) and Edo State (\$150M, 2× MS).

Project ID	Name	FY	Rating	Commit
P002167	Economic Management	FY1999	U	\$21M
P065301	Econ Mgmt Capacity Building	FY2008	MS	\$41M
P117237	Lagos State DPO 1	FY2012	MU	\$200M
P123353	Edo State DPO 1	FY2014	MS	\$75M
P123352	Lagos State DPO 2	FY2015	MS	\$200M
P151480	Edo State Fiscal Improvement	FY2017	MS	\$75M
P151947	Lagos State DPO 3	FY2017	MS	\$200M

*Source: IEG ICRR/PPAR database, March 2026.*

**Diagnosis.** IEG: ‘Sub-national operations should carefully consider the degrees of dependence on the central government.’ Lagos fiscal targets depended on inter-governmental revenue transfers outside state control.

**Failure mode.** Federal-state tension. The Bank designed operations as though Lagos were an independent country.

**Learning evidence.** The programmatic approach maintained continuity. But the federal-state design flaw was never resolved.

## Togo — \$742M, 13 projects, 0% S+

*Mixed · SOE capture + pockets of innovation (NOVISSI)*

Three U-rated operations. Five MS-rated grants. Two MU and three MS DPFs. NOVISSI digital cash transfer was ‘100% digital, operational in 10 days.’ CPIA improved +1.2 Cluster D.

Project ID	Name	FY	Rating	Commit
P035991	ERAC	FY1999	U	\$50M
P110618	Econ Recovery & Gov. Grant 1	FY2009	MS	\$175M
P113456	Econ Recovery & Gov. Grant 2	FY2010	MS	\$20M
P117282	Econ Recovery & Gov. Grant 3	FY2011	MS	\$16M
P122806	Econ Recovery & Gov. Grant 4	FY2012	MS	\$28M
P126897	Econ Recovery & Gov. Credit 5	FY2013	MS	\$14M
P122326	Private Sector Dev Support	FY2016	U	\$13M
P132208	Econ Recovery & Gov. Credit 6	FY2016	U	\$14M
P159844	Fiscal Reform Credit	FY2019	MS	\$52M
P166739	2nd Fiscal Mgmt & Infra	FY2020	MS	\$40M
P169867	1st Fiscal Mgmt & Energy	FY2021	MU	\$150M
P174376	Emergency Covid-19 DPO	FY2022	MS	\$70M
P172023	2nd Fiscal Mgmt & Infra	FY2023	MU	\$100M

Source: IEG ICRR/PPAR database, March 2026.

**Diagnosis.** Procurement reform target of 80 percent compliance ‘within six months was extremely ambitious and unrealistic.’ But NOVISSI shows genuine capability exists.

**Failure mode.** Mixed. Pockets of innovation coexist with DPF design overreach. Togo is the closest Zero Club country to escaping.

**Learning evidence.** Partially. The strongest CPIA improvement in the Zero Club.

## Zimbabwe — \$650M, 2 projects, 0% S+

*Political collapse · Isomorphic mimicry*

Two adjustment-era operations: SAP (FY1994, \$390M, MS) and SAC II (FY1998, \$260M, HU).

Project ID	Name	FY	Rating	Commit
P003313	SAP	FY1994	MS	\$390M
P003322	SAC II	FY1998	HU	\$260M

*Source: IEG ICRR/PPAR database, March 2026.*

**Diagnosis.** The Bank ‘should not have relied so much on commitments with technocrats in absence of political dialogue and consensus.’ ‘The Bank should release tranches on the basis of results, rather than promises.’

**Failure mode.** Political collapse. Technocratic compliance masking political rejection. The clearest single case of isomorphic mimicry.

**Learning evidence.** N/A. No subsequent MTI operations.

## Guinea — \$448M, 7 projects, 0% S+

*Vested interest capture · Reform reversal under political pressure*

One U-rated SAC IV. Four MS-rated DPLs. One MU and one MS recent DPFs. The September 2021 coup suspended the safety net programme.

Project ID	Name	FY	Rating	Commit
P065128	SAC IV	FY2002	U	\$50M
P122807	DPL 1	FY2012	MS	\$78M
P151794	Emergency Macro & Fiscal Support	FY2015	MS	\$50M
P156629	Macro & Fiscal Mgmt Op.	FY2017	MS	\$40M
P161796	2nd Macro & Fiscal Mgmt	FY2019	MS	\$60M
P166322	1st Fiscal Mgmt & Competitiveness	FY2021	MU	\$90M
P174063	COVID-19 Crisis Response DPG	FY2022	MS	\$80M

Source: IEG ICRR/PPAR database, March 2026.

**Diagnosis.** The government reversed the VAT increase ‘after consumers and firms mounted large demonstrations’ — a risk ‘not flagged at appraisal.’ IEG: ‘Overstretching clients’ capacity has a proven record of making success elusive.’

**Failure mode.** Vested interest capture + reform reversal. The Bank’s prior action model cannot account for democratic accountability.

**Learning evidence.** IEG recommended political economy assessment. The design model was not modified.

## Congo-Brazzaville — \$241M, 3 projects, 0% S+

*Resource-rent state · Post-conflict state absence*

One adjustment credit (FY1995, MU) and two U-rated post-conflict credits sharing the same PPAR text as DRC.

Project ID	Name	FY	Rating	Commit
P000567	ERC	FY1995	MU	\$173M
P073316	Post Conflict Econ Rehab Credit	FY2004	U	\$38M
P083627	Economic Recovery Credit	FY2007	U	\$30M

*Source: IEG ICRR/PPAR database, March 2026.*

**Diagnosis.** Identical diagnosis to DRC: anti-corruption strategy ‘never got implemented.’ Oil wealth made conditionality non-binding.

**Failure mode.** Oil-cushion immunity + state absence.

**Learning evidence.** No subsequent MTI operations evaluated.

## The Gambia — \$146M, 7 projects, 0% S+

*Vested interest capture · Legislative veto*

One U-rated budget support. Three MU. Two MS fiscal reform DPFs (FY2021–23).

Project ID	Name	FY	Rating	Commit
P057995	Capacity Building for Econ Mgmt	FY2009	MS	\$15M
P107398	Budget Support	FY2010	U	\$7M
P123679	Budget Support DPL 1	FY2013	MU	\$6M
P114240	Growth & Competitiveness	FY2016	MU	\$12M
P163285	Emergency DPO	FY2018	MU	\$56M
P164545	1st Fiscal Mgmt, Energy & Telecom	FY2021	MS	\$30M
P173150	2nd Fiscal Mgmt, Energy & Telecom	FY2023	MS	\$20M

Source: IEG ICRR/PPAR database, March 2026.

**Diagnosis.** The National Assembly ‘passed a weaker law, stripped of the provisions dismantling exemptions’ after Cabinet approved the Public Procurement Bill. Vested interests defeated the reform at the legislative stage.

**Failure mode.** Vested interest capture. The executive complied; the legislature stripped the reform of substance.

**Learning evidence.** The FY2021–23 series shows more focused design. But the procurement reform was defeated.

## Lesotho — \$87M, 5 projects, 0% S+

*External dependency · SACU revenue constraint*

Three PRSCs (all MS, \$59M) and two standalone operations (MS + MU, \$28M). CPIA Fiscal Policy deteriorated from 4.0 to 2.5.

Project ID	Name	FY	Rating	Commit
P102302	PRSC 1	FY2009	MS	\$16M
P112817	PRSC 2	FY2011	MS	\$25M
P122783	PRSC 3	FY2012	MS	\$18M
P088544	Private Sector Competitiveness	FY2013	MS	\$8M
P128573	Growth & Competitiveness DPG	FY2014	MU	\$20M

*Source: IEG ICRR/PPAR database, March 2026.*

**Diagnosis.** IEG: ‘Lesotho’s economy is fragile and very dependent on SACU revenues.’ DPF conditionality is structurally irrelevant when the main fiscal variable is externally determined.

**Failure mode.** External dependency. The Bank designed operations as though Lesotho controlled its own fiscal trajectory.

**Learning evidence.** The lesson text explicitly identifies the SACU dependency. No subsequent MTI operations.

## Comoros — \$25M, 5 projects, 0% S+

*Capacity floor · Small island state*

Five small DPGs (\$3–10M each, all MS). The mildest failure in the Zero Club.

Project ID	Name	FY	Rating	Commit
P117229	Development Policy Grant 1	FY2011	MS	\$3M
P122941	Development Policy Grant 2	FY2014	MS	\$5M
P131688	Econ Governance Reform Grant 1	FY2015	MS	\$4M
P150924	Econ Governance Reform Grant 2	FY2017	MS	\$3M
P174260	Emergency DPO Covid-19	FY2022	MS	\$10M

Source: IEG ICRR/PPAR database, March 2026.

**Diagnosis.** IEG: ‘In low capacity settings, objectives on economic management and governance are likely to materialise slowly.’ One positive: private telecom licensing ‘contributed significantly to expand access.’

**Failure mode.** Capacity floor. MTI DPFs meet prior actions (all MS) but cannot achieve S+ because institutional follow-through is structurally absent.

**Learning evidence.** Operations remained small and pragmatic. But the structural ceiling persists.

## Djibouti — \$15M, 2 projects, 0% S+

*Instrument mismatch · Oligopolistic market structure*

One fiscal consolidation credit (FY2004, MS, \$10M) and one U-rated food crisis DPG (FY2009, \$5M).

Project ID	Name	FY	Rating	Commit
P065790	Fiscal Consolidation Credit	FY2004	MS	\$10M
P112017	Food Crisis Response DPG	FY2009	U	\$5M

*Source: IEG ICRR/PPAR database, March 2026.*

**Diagnosis.** The food crisis DPG: ‘The food market in Djibouti is dominated by a small group of importers, facilitating collusion.’ The Bank ‘did not seek sufficient information about market structure.’

**Failure mode.** Instrument mismatch. A DPF was used to address oligopolistic market structure it was not designed to fix.

**Learning evidence.** N/A. Only two operations.