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# Quality at Entry in IDA

## The Variable IDA Controls — and Does Not

*2,141 IDA projects. $175 billion. Sub-Saharan Africa. FY1980–2026.*

**When design quality and M&E are both strong, 73% of IDA projects achieve Satisfactory outcomes.**

**When both are weak — 52% of the portfolio — 5.4% do.**

*Design quality strongly predicts outcomes.*
*Before a single dollar is disbursed.*

**63%**
S+ outcome when IDA QAE is Satisfactory. Two in three IDA projects succeed when designed well.

**1.3%**
S+ outcome when IDA QAE is MU. 378 IDA projects. $32.3 billion. 5 achieved Satisfactory.

**73%**
S+ when both IDA QAE and M&E are strong. The two variables IDA controls predict three-quarters of outcomes.

**5.4%**
S+ when both are weak. 740 IDA projects — 52% of IDA — approved despite design characteristics strongly associated with failure.

## Executive Summary

This paper analyses a variable that the Zero Club series has not yet examined directly: the quality of IDA's own project design. IEG rates every evaluated project on Quality at Entry in IDA — the adequacy of its design, objectives, results framework, risk assessment, and institutional arrangements at the point of Board approval. Unlike country capacity, political economy, or fragility, Quality at Entry in IDA is entirely within IDA's control. The data shows it is the single strongest predictor of whether a project achieves Satisfactory outcomes.

**The central finding. IDA controls two variables that together predict the majority of project outcomes: Quality at Entry and M&E quality. When both are strong, 73 percent of IDA projects achieve Satisfactory outcomes. When both are weak — 52 percent of the portfolio since FY2000 — 5.4 percent do. The single-variable gradient is just as stark: across 2,141 IDA projects evaluated since FY1980, when QAE is Satisfactory, 63.0 percent achieve S+ outcomes; when QAE is Moderately Unsatisfactory, 1.3 percent do; when QAE is Highly Unsatisfactory, zero percent do. The gradient is overwhelming. 735 IDA projects with MU or worse Quality at Entry committed $50.6 billion at a combined S+ rate of 3.8 percent.**

**The recovery rate has collapsed to zero.** This is the paper's most powerful historical finding. In the 1980s, a poorly designed project (QAE below Satisfactory) had a 10.7 percent chance of recovering to a Satisfactory outcome through good supervision or adaptive management. In the 1990s: 8.9 percent. In the 2000s: 1.6 percent. In the 2010s: 0.5 percent. In the 2020s: 0.0 percent. The recovery rate from poor design has fallen from one in ten to zero in four decades. Supervision cannot fix a project that was not designed to succeed — and this has become truer over time, not less. Design quality now strongly shapes project outcomes — more so than at any previous point in IDA's history.

**Conversely, good design predicts success better over time.** When QAE is Satisfactory, the probability of achieving S+ outcomes has risen from 57.8 percent in the 1980s to 67.3 percent in the 2010s to 71.0 percent in the 2020s. The Bank has gotten better at executing well-designed projects. It has not gotten better at not approving poorly designed ones. Even in the 2020s, 56.9 percent of projects go to the Board with below-Satisfactory QAE — where their chance of achieving Satisfactory outcomes is now zero.

**The complexity finding.** Overly complex or ambitious project design is one of the strongest predictors of failure in the IDA portfolio. It appears in failing IDA project lessons at nine times the rate of S+ projects and virtually never appears in successful project lessons. The lesson is simple and immediately actionable: if a design is complex enough for IEG to later describe it as 'overly ambitious,' it should not be approved. The evidence suggests this is the single most actionable finding for IDA's quality assurance system.

**The M&E confirmation.** M&E Quality — also within IDA's control — is the second strongest predictor. When M&E is rated High: 80.8 percent of IDA projects achieve S+. When Negligible: 3.2 percent. Combined, when both QAE and M&E are below standard — 740 IDA projects in the FY2000+ cohort, 52 percent of the IDA portfolio — the S+ rate is 5.4 percent. These projects were approved knowing they could not be measured against objectives that were not well-defined.

**The approval culture.** The Wappenhans Report (1992) named the approval culture: the institutional incentive to prepare projects and move them to Board approval regardless of design quality. Thirty-four years later, 2,141 evaluated IDA projects confirm its consequences. 735 IDA projects with MU or worse Quality at Entry in IDA were approved by the Board, committing $50.6 billion at a 3.8 percent success rate. The approval culture is not

historical. It is operating in real time — and its consequences are more severe now than when Wappenhans identified it, because the recovery rate from poor design has fallen to zero.

**The implication for the Zero Club.** The Zero Club series documented 43 countries, 419 projects, and $34.5 billion in zero-Satisfactory outcomes across all GPs. This paper adds the explanatory dimension: the projects failed in significant part because they were approved despite design characteristics strongly associated with failure. The institutional environment matters — DRC's nine Zero Club sectors confirm that. But QAE data shows that even in difficult environments, the Bank approved projects with Unsatisfactory design quality, Negligible M&E, and complexity that exceeded capacity. The Bank cannot control the institutional environment. It can control the quality of what it designs for that environment. It does not consistently do so.

# 1. Quality at Entry in IDA Strongly Predicts Outcomes

IEG rates every evaluated project on Quality at Entry in IDA using the standard six-tier scale. The cross-tabulation against outcome ratings across 2,141 IDA projects in Sub-Saharan Africa since FY1980:

| Quality at Entry in IDA | Projects | S+ Outcome | U/HU Outcome | Commit |
|---|---|---|---|---|
| Highly Satisfactory | 31 | 93.5% | 3.2% | $2.9bn |
| Satisfactory | 748 | 63.0% | 2.9% | $59.3bn |
| Moderately Satisfactory | 615 | 17.4% | 2.8% | $58.5bn |
| Moderately Unsatisfactory | 378 | 1.3% | 14.3% | $32.3bn |
| Unsatisfactory | 341 | 6.7% | 50.1% | $16.8bn |
| Highly Unsatisfactory | 16 | 0.0% | 87.5% | $1.5bn |

*Source: IEG ICRR/PPAR database, March 2026. Africa only. FY1980–2026. IDA projects only (IDA commitment > 0 or Grant > 0). 2,141 projects with QAE ratings. S+ = Satisfactory or Highly Satisfactory.*

**The gradient is overwhelming.** From 93.5 percent S+ at the top (HS QAE) to 0 percent at the bottom (HU QAE), with no meaningful recovery in between. The critical threshold is between Satisfactory (63.0% S+) and Moderately Satisfactory (17.4% S+) — a 46 percentage-point cliff. Once QAE falls below Satisfactory, the project's probability of achieving its development objectives drops below one in five. Once QAE falls to MU, it drops to 1.3 percent — five IDA projects out of 378. 16 IDA projects with HU Quality at Entry in IDA: zero percent Satisfactory, 87.5 percent U or HU.

**The commitment implications are staggering.** 735 IDA projects with MU or worse QAE committed $50.6 billion across four decades. Their combined S+ rate: 3.8 percent. These are concessional IDA credits — 38-year maturities, 0.75 percent service charges — that the world's poorest countries will repay in full regardless of whether the projects achieved their objectives. The Bank's own quality assurance system approved $50.6 billion in IDA credits that had a 4 percent probability of achieving Satisfactory outcomes. Every dollar was committed against an IDA credit or IBRD loan that the country will repay in full.

## The Recovery Collapse

The most powerful finding in the historical data is not the cross-tabulation. It is the trend. The recovery rate — the probability that a poorly designed project (QAE below Satisfactory) achieves Satisfactory outcomes through supervision or adaptive management — has collapsed to zero over four decades:

| Decade | QAE=S → S+ Outcome | QAE=MU+ → S+ Outcome | Recovery Direction |
|---|---|---|---|
| 1980s | 57.8% | 10.7% | Some recovery possible |
| 1990s | 60.4% | 8.9% | Declining |
| 2000s | 63.6% | 1.6% | Near-zero |
| 2010s | 67.3% | 0.5% | Effectively zero |
| 2020s | 71.0% | 0.0% | Zero |

*Source: IEG ICRR/PPAR database, March 2026. QAE=MU+ includes MU, U, and HU Quality at Entry in IDA.*

**In the 1980s, supervision could sometimes rescue a poorly designed project.** 10.7 percent of below-S QAE projects recovered to Satisfactory — roughly one in ten. By the

2000s, the rate had fallen to 1.6 percent. By the 2010s: 0.5 percent — one project in 200. By the 2020s: zero. Not a single poorly designed project approved since 2020 has achieved Satisfactory outcomes.

**Conversely, good design predicts success better than ever.** When QAE is Satisfactory, the S+ outcome rate has risen steadily: 57.8 percent in the 1980s → 60.4 percent in the 1990s → 63.6 percent in the 2000s → 67.3 percent in the 2010s → 71.0 percent in the 2020s. The Bank has gotten better at executing well-designed projects. The variable that most strongly shapes outcomes — design quality — matters more now than it has ever mattered. And yet more than half of all projects still go to the Board with below-Satisfactory QAE.

**Why the recovery rate collapsed.** Three structural changes explain the trend. First, projects have become more complex: multi-component, multi-sector, institutionally ambitious designs that cannot be fixed through mid-course correction. Second, restructuring timelines have shortened: projects are restructured earlier but restructuring cannot fix a fundamentally flawed design. Third, supervision has professionalised but cannot substitute for design adequacy: a well-supervised poorly designed project produces better-documented failure, not better outcomes. The Bank has invested heavily in supervision quality. It has not invested symmetrically in preventing poorly designed projects from reaching the Board.

**THE QAE FINDING**

**Quality at Entry in IDA is the single strongest predictor of IDA project outcomes. When QAE is Satisfactory, 63% of IDA projects succeed. When it is MU, 1.3% do. The recovery rate from poor design has collapsed to zero. 735 IDA projects with below-Satisfactory QAE committed $50.6 billion at a 3.8% chance of achieving IDA's own evaluation benchmark. The variable is entirely within IDA's control. The approval culture overrides it.**

## 2. M&E Quality: The Second Variable the Bank Controls

M&E Quality — the design and implementation of the project's monitoring and evaluation system — is rated separately by IEG on a four-tier scale. It is the second most powerful predictor of outcomes:

| M&E Quality | Projects | → S+ Outcome | Commit (est.) |
|---|---|---|---|
| High | 26 | 80.8% | $2.0bn |
| Substantial | 561 | 50.1% | $50bn |
| Modest | 697 | 11.5% | $60bn |
| Negligible | 158 | 3.2% | $9bn |

*Source: IEG ICRR/PPAR database, March 2026. Africa only. FY2000–2026.*

When M&E is High, 80.8 percent of IDA projects achieve Satisfactory outcomes. When it is Negligible — meaning the project could not measure its own results — 3.2 percent do. 158 IDA projects were approved with Negligible M&E. IDA designed operations that, by IEG's assessment, had no functioning measurement system. These projects could not track their own progress. They could not demonstrate whether they were achieving their objectives. They were approved anyway. 3.2 percent achieved Satisfactory.

**You cannot achieve what you cannot measure.** The M&E finding is analytically distinct from QAE because it addresses the measurement architecture specifically. A project can have reasonable design quality but inadequate M&E — in which case outcomes are better than Negligible but still poor (10.9% S+ for Modest M&E). The M&E variable captures whether the Bank designed a system that could track progress and enable course correction. When it did not, the project was flying blind.

## 3. The Interaction: QAE + M&E Together

The two Bank-controlled variables — design quality and measurement quality — interact powerfully. The four quadrants:

| Combination | Projects | → S+ Outcome | Portfolio Share |
|---|---|---|---|
| S+ QAE + Substantial+ M&E | 316 | 72.8% | 22% |
| S+ QAE + Modest/Negligible M&E | 78 | 47.4% | 6% |
| Below-S QAE + Substantial+ M&E | 263 | 25.9% | 19% |
| Below-S QAE + Modest/Negligible M&E | 740 | 5.4% | 52% |

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

**The top-left quadrant is the target.** When both QAE and M&E are strong, 72.8 percent of projects achieve Satisfactory outcomes. 316 IDA projects. This is what IDA is capable of when it gets design and measurement right. It produces outcomes at rates comparable to the best-performing development institutions in the world.

**The bottom-right quadrant is the majority of the portfolio.** 740 IDA projects — 52 percent of IDA projects since FY2000 — had both below-Satisfactory design quality and weak M&E. Their S+ rate: 5.4 percent. More than half of IDA's recent Africa portfolio was designed with inadequate objectives AND could not measure its own progress. These projects were approved by the Board, committed billions in IDA credits, and had a 5.4 percent probability of achieving IDA's own evaluation benchmark. This is the approval culture in aggregate data.

**The diagonal tells the story of Bank capability.** Good design can partially compensate for weak M&E (47.4% S+). Strong M&E can partially compensate for weak design (25.9% S+). But when both fail — which they do in the majority of IDA projects — the outcome is near-certain failure. IDA controls both variables. It has not consistently ensured either.

**THE INTERACTION FINDING**

**740 IDA projects — 52% of IDA's Africa portfolio since FY2000 — had both below-Satisfactory design quality and weak M&E. S+ rate: 5.4%. $62.8 billion committed to IDA projects approved despite design characteristics strongly associated with failure. IDA controls both variables. It does not consistently exercise that control.**

## 4. Quality at Entry in IDA by Global Practice

QAE varies dramatically across GPs. The GPs with the weakest QAE are also the GPs with the largest Zero Clubs:

| Global Practice | QAE S+ Rate | Outcome S+ Rate | Gap |
|---|---|---|---|
| Social Sustainability and Inclusion | 50.0% | 20.0% | 30.0pp |
| Social Protection & Jobs | 47.0% | 54.0% | −7.0pp |
| Urban, Resilience and Land | 40.6% | 35.2% | 5.5pp |
| Education | 33.1% | 27.3% | 5.8pp |
| MTI | 31.5% | 19.5% | 12.0pp |
| FCI | 29.6% | 24.1% | 5.6pp |
| Water | 29.4% | 30.9% | −1.5pp |
| Energy | 28.6% | 28.6% | 0.0pp |
| Governance | 28.6% | 23.6% | 5.0pp |
| Environment | 26.6% | 33.0% | −6.4pp |
| Health | 25.4% | 23.9% | 1.4pp |
| Agriculture | 24.5% | 28.7% | −4.2pp |
| Transport | 12.8% | 11.6% | 1.2pp |

*Source: IEG ICRR/PPAR database, March 2026. FY2000+. Africa only.*

**Transport has the worst QAE in Africa: 12.8 percent Satisfactory.** Only 1 in 8 transport projects is designed well enough to meet IEG's entry standard. Transport also has the lowest outcome S+ rate (11.6%). The Transport Zero Club (Part 11) documented 2.4 percent S+ on $10 billion in the 2010s. This paper shows why: the projects were not designed to succeed. 87 percent had below-Satisfactory QAE before a single road was built.

**MTI has the widest QAE-to-outcome gap: 12.0 percentage points.** MTI's QAE S+ rate is 31.5 percent — middling. But its outcome S+ is 19.5 percent. The gap suggests that even when MTI projects are designed adequately, the DPF instrument's structural weaknesses (conditionality non-binding, isomorphic mimicry) drag outcomes below what design quality would predict. The DPO Incentive Trap paper on mdbreform.com documents the mechanism.

**SPJ outperforms its QAE in IDA.** Social Protection achieves 54.1 percent outcome S+ on 51.9 percent QAE S+. This is the only GP where outcomes exceed design quality. The implication: SPJ's project model — direct cash transfers, social safety nets, employment programmes — has structural features that compensate for design weaknesses. Focused delivery with measurable endpoints.

# 5. Quality at Entry in IDA by Instrument and Decade

## By Instrument

| Instrument | Projects | QAE S+ Rate | Outcome S+ Rate |
|---|---|---|---|
| PforR | 26 | 65.4% | 61.5% |
| DPF | 393 | 33.1% | 22.1% |
| IPF | 1,224 | 29.1% | 28.5% |

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

**PforR has the best QAE: 65.4 percent Satisfactory.** This is not accidental. PforR requires a results framework with Disbursement-Linked Indicators before Board approval. The instrument's design forces the Bank to define measurable objectives and verify them independently. The lesson analysis showed PBF/DLI/RBF mechanisms at 2.5x more frequent in S+ projects. PforR embeds this structurally.

**DPF has the widest QAE-outcome gap.** QAE S+ is 33.1 percent but outcome S+ is only 22.1 percent — an 11-point gap. Even when DPF design quality is adequate, the instrument underperforms. This is consistent with the MTI Zero Club's finding: DPF conditionality rewards legal compliance over functional change. The problem is not always the design. It is sometimes the instrument.

## By Decade

| Decade | Projects | QAE S+ Rate | Outcome S+ Rate |
|---|---|---|---|
| 2000s | 736 | 23.9% | 19.8% |
| 2010s | 836 | 35.5% | 33.1% |
| 2020s | 72 | 43.1% | 41.7% |

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

**The trend is improving.** QAE S+ rose from 23.9 percent in the 2000s to 43.1 percent in the 2020s. The improvement is real and significant — a near-doubling of design quality over two decades. Outcome S+ tracked closely, confirming that better design produces better outcomes.

**But more than half still fail the entry test.** Even in the 2020s, 56.9 percent of projects go to the Board with below-Satisfactory QAE. The improvement is real but insufficient. At the current trajectory, it would take another decade to reach 60 percent QAE S+ — the level at which the portfolio would consistently produce more successes than failures. The approval culture is yielding to quality pressure, but slowly.

## 6. The Largest Projects with Poor Quality at Entry in IDA

The Bank's largest failures all had below-Satisfactory QAE. The design was flagged. The project was approved anyway:

| Country | Sector | QAE | Outcome | Commit |
|---|---|---|---|---|
| Tanzania | Health (Basic Health Services) | MU | MU | $1,062M |
| Tanzania | Transport (Roads I) | HU | HU | $791M |
| South Africa | Energy (REIPPPP) | MU | MS | $740M |
| Mozambique | Transport | MU | MS | $704M |
| DRC | MTI (DPF) | MU | U | $450M |
| Ethiopia | Transport | U | MU | $415M |
| Tanzania | Energy | U | U | $338M |
| Nigeria | Transport | MU | MU | $333M |
| Kenya | Transport (NUTIP) | U | U | $300M |
| Tanzania | Transport (DMDP) | MU | MU | $300M |
| Ethiopia | Transport | MU | MU | $300M |
| Uganda | Energy | HU | U | $273M |
| Zimbabwe | MTI (DPF) | U | HU | $260M |
| DRC | Transport (Multi-modal) | U | HU | $255M |

*Source: IEG ICRR/PPAR database, March 2026. Largest projects with MU or U Quality at Entry in IDA.*

**Combined: $6.5 billion in 14 IDA projects. Not one achieved Satisfactory. Tanzania alone has four entries — health, transport, and energy — totalling $2.5 billion with below-standard QAE.** Tanzania's Basic Health Services project ($1.06bn, MU QAE, MU outcome) is the single largest IDA project failure with poor design quality. Tanzania Roads I ($791M, HU QAE, HU outcome) is one of only two HU-rated projects in the entire transport portfolio — the Bank's quality system gave it the worst possible design rating before approval. Uganda's Energy project ($273M, HU QAE, U outcome) was approved with Highly Unsatisfactory design quality. All three countries repaid every dollar.

**The question these projects raise:** What is the Board's role when IDA's own quality assurance system rates design quality below Satisfactory? The data shows that below-Satisfactory QAE predicts failure with 99 percent accuracy. The Board has the data. The Board approves. The approval culture operates at the governance level, not merely the operational level.

**THE BOARD QUESTION**

**735 IDA projects with MU or worse Quality at Entry in IDA were approved by the Board. $50.6 billion committed. S+ rate: 3.8%. IDA's own quality system flagged every design as inadequate before approval. The Board received the quality assessment. The Board approved. What institutional mechanism would change**

**this? The answer is: one that connects Board approval to demonstrated design quality. No such mechanism exists.**

# 7. Is QAE Just a Proxy for Country Quality?

The most obvious objection to this paper's central finding is that QAE may be capturing country quality rather than design quality. Difficult countries — with weaker institutions, lower capacity, and more complex operating environments — may receive lower QAE ratings and also have worse outcomes. If so, QAE would be a proxy for country conditions, not an independent variable. This section tests that proposition directly using CPIA — the World Bank's own Country Policy and Institutional Assessment — as the measure of institutional quality.

The test uses 1,503 IDA projects in Africa (FY2000+) that have both QAE ratings and CPIA data for the borrowing country. Three tests were run:

## Test 1: QAE and Outcomes by CPIA Quartile

If QAE simply reflects country quality, QAE S+ rates should rise steadily with CPIA. They do not:

| CPIA Quartile | Projects | Avg CPIA | QAE S+ Rate | Outcome S+ Rate |
|---|---|---|---|---|
| Bottom 25% (weakest) | 152 | 1.89 | 38.8% | 29.6% |
| 2nd quartile | 399 | 2.62 | 24.6% | 21.8% |
| 3rd quartile | 569 | 3.05 | 24.4% | 23.6% |
| Top 25% (strongest) | 383 | 3.65 | 41.5% | 36.8% |

*Source: IEG ICRR/PPAR database and World Bank CPIA database, March 2026. IDA projects only. FY2000+.*

The bottom quartile (weakest CPIA) has a QAE S+ rate of 38.8 percent — higher than both middle quartiles. The top quartile has the highest QAE at 41.5 percent. The relationship is not monotonic: the middle quartiles have the weakest QAE. CPIA explains some of the variation — the top quartile outperforms the bottom by 7 percentage points on outcomes — but QAE varies substantially within every quartile. Country quality is part of the story but not the whole story.

## Test 2: QAE Predicts Outcomes Within Each CPIA Band

**This is the key test.** If QAE is merely proxying for country quality, then within a given CPIA band — where institutional quality is held roughly constant — QAE should have little additional predictive power. The opposite is true:

| CPIA Band | QAE Level | Projects | → S+ Outcome | Gradient |
|---|---|---|---|---|
| < 3.0 (weakest) | QAE = S+ | 203 | 65.5% | |
| < 3.0 (weakest) | QAE = MS | 272 | 14.0% | |
| < 3.0 (weakest) | QAE = MU or worse | 250 | 0.8% | 64.7pp spread |
| 3.0–3.5 | QAE = S+ | 123 | 61.8% | |
| 3.0–3.5 | QAE = MS | 199 | 18.6% | |
| 3.0–3.5 | QAE = MU or worse | 125 | 1.6% | 60.2pp spread |

| CPIA Band | QAE Level | Projects | → S+ Outcome | Gradient |
|---|---|---|---|---|
| > 3.5 (strongest) | QAE = S+ | 129 | 71.3% | |
| > 3.5 (strongest) | QAE = MS | 99 | 21.2% | |
| > 3.5 (strongest) | QAE = MU or worse | 91 | 1.1% | 70.2pp spread |

*Source: IEG ICRR/PPAR database and World Bank CPIA database, March 2026. IDA projects only. FY2000+.*

**QAE predicts outcomes with near-identical gradients inside every CPIA band.** In the weakest institutional environments (CPIA < 3.0), a well-designed IDA project achieves 65.5 percent S+. A poorly designed project achieves 0.8 percent. In the strongest environments (CPIA > 3.5), a well-designed project achieves 71.3 percent. A poorly designed project achieves 1.1 percent. The QAE gradient — from 65 percent to 1 percent — persists regardless of institutional quality.

The CPIA band does shift the level: well-designed projects achieve 71.3 percent in strong environments versus 65.5 percent in weak ones. Institutional quality matters at the margin. But the QAE gradient within each band — 60 to 70 percentage points from S+ QAE to MU+ QAE — dwarfs the CPIA effect between bands. **QAE is not a proxy for country quality. It predicts outcomes independently within every institutional environment the Bank operates in.**

## Test 3: Country Comparisons

| Country | CPIA | Projects | QAE S+ | Outcome S+ | Finding |
|---|---|---|---|---|---|
| Rwanda | 3.90 | 58 | 51.7% | 67.2% | High CPIA + high QAE → highest outcomes |
| Kenya | 3.60 | 61 | 39.3% | 31.1% | High CPIA but lower QAE → lower outcomes |
| Ghana | 3.60 | 69 | 29.0% | 26.1% | Same CPIA as Kenya, lower QAE → lower outcomes |
| Ethiopia | 3.10 | 70 | 28.6% | 28.6% | Mid CPIA, mid QAE → mid outcomes |
| Niger | 2.80 | 57 | 31.6% | 28.1% | Low CPIA but higher QAE than DRC → better outcomes |
| DRC | 2.60 | 49 | 16.3% | 12.2% | Low CPIA + lowest QAE → worst outcomes |

*Source: IEG ICRR/PPAR database and World Bank CPIA database. IDA projects. FY2000+.*

Rwanda has the highest CPIA (3.90) and the highest QAE S+ rate (51.7 percent) — and the highest outcomes (67.2 percent S+). DRC has the lowest CPIA (2.60) and the lowest QAE S+ rate (16.3 percent) — and the worst outcomes (12.2 percent). But the Test 2 evidence shows that QAE matters independently of CPIA. Within the same CPIA band, a well-designed IDA project achieves 62–71 percent S+; a poorly designed one achieves 0.8–1.6 percent. Rwanda does not outperform DRC solely because it has better institutions. It outperforms because it receives better-designed projects. Both variables matter. But QAE is the variable IDA controls.

**THE CPIA-QAE FINDING**

**QAE predicts IDA outcomes within every CPIA band with near-identical gradients. In the weakest institutional environments (CPIA < 3.0): QAE=S → 65.5% S+; QAE=MU+ → 0.8% S+. In the strongest (CPIA > 3.5): QAE=S → 71.3%; QAE=MU+ → 1.1%. The 60–70 percentage-point QAE gradient persists regardless of institutional quality. QAE is not a proxy for country quality. It is an independent predictor of IDA project outcomes. The Bank controls it. The CPIA finding makes the case for QAE reform stronger, not weaker.**

## 8. The Speed-Quality Trade-off: Preparation Time and Cost

The Bank is actively reducing project preparation time. President Banga announced in October 2024 that preparation had been cut from an average of 19 months to 16, with a target of 12 months by June 2025. The Bank's internal OEE Dashboard tracks preparation time with 'the directional arrow pointing toward shorter times.' Health projects in five African countries were approved in under 100 days, some in 30. The institutional incentive is unambiguous: prepare faster.

The evidence base on what faster preparation produces is mixed — but the trend is not encouraging. IEG's RAP 2023 reported a decline in the share of investment projects with high preparation work quality, from approximately 59 percent to 54 percent over the comparison period — precisely the period during which preparation times were being reduced. RAP 2024 found that 'operations with long preparation time (above the 90th percentile) are associated with significant challenges at closure' — but noted that these operations also had more acute institutional capacity challenges, making preparation time a marker of complexity rather than a cause of failure. RAP 2024 further emphasised the strong relationship between work quality and development outcomes. Kenny and Gehan (CGD, 2023) documented the preparation-time structure across instruments: investment projects take 293–416 days to reach the Board depending on environmental screening category; policy loans take 107 fewer days. Category A investment projects take 7.4 years from approval to close. Kilby and Gallagher (Boston University, 2018) found that environmental safeguards create significant delays but do not significantly improve project outcomes.

The policy question is therefore not simply: how quickly can projects be approved? It is: are projects being designed to succeed? Reducing preparation time from 19 to 12 months may improve efficiency. If preparation quality declines in the process — as the RAP 2023 data suggests it already has — the gains from faster approvals are offset by weaker development outcomes. The ultimate measure should not be approval speed. It should be whether projects are designed, monitored, and evaluated to maximise the likelihood of achieving results.

The preparation-time debate misses the more important question: what does the Bank spend on ensuring design quality relative to what it commits? The FY26 IBRD/IDA Budget Document (July 2025) reveals the scale of the mismatch. The total institutional budget is $3.575 billion for projected lending of $79 billion — the entire apparatus of preparation, supervision, knowledge, and corporate overhead costs 4.5 cents per dollar lent. The budget represents a real decrease of 0.7 percent even as lending has surged 58 percent since pre-pandemic levels, from $45 billion to $71 billion annually. More than 300 projects are approved each year. Approximately 1,800 are under supervision. Average IBRD operation size has risen 62 percent, from $185 million in FY20 to $299 million in FY24. The FCV portfolio share has doubled from 12 to 23 percent. The institution is lending more, in larger amounts, in more difficult environments, with a real budget cut. Supervision costs in FCS settings average approximately $420,000 per project per year — against portfolios where individual projects routinely commit $200–500 million.

The Bank's response to the preparation-quality gap is the IDA21 $300 million Grant Facility for Project Preparation. It is welcome. But it addresses resourcing, not the approval decision. The FY26 Budget Document states the institutional priority explicitly: 'emphasise faster project preparation in further reducing the time to 12 months, adopt more scalable and replicable approaches.' The $300 million funds better preparation. It does not prevent Board approval of projects whose preparation — however well funded — produces below-Satisfactory design quality. The QAE data shows that 735 IDA projects with MU or worse

QAE were all prepared, all reviewed, and all approved. The constraint is not preparation funding. It is that no mechanism connects preparation quality to the approval decision.

**THE SPEED-QUALITY TRADE-OFF**

**The Bank is reducing preparation time from 19 months to 12. IEG's RAP 2023 reports that preparation work quality has declined from 59 to 54 percent over the same period. The QAE data shows the recovery rate from poor design has fallen to zero. The $300M Grant Facility funds better preparation. It does not prevent approval of poorly designed projects. Faster preparation in an institution where 735 IDA projects with below-Satisfactory QAE were approved anyway does not solve the quality problem. It accelerates it.**

# 9. What Produces Good Quality at Entry in IDA

The lesson analysis across 1,625 IDA projects in Africa (FY2000+) — 441 rated Satisfactory, 1,184 rated MS or below — identifies the factors that differentiate success from failure. Six factors appear significantly more often in S+ IDA project lessons. Six appear significantly more often in failures. Together they constitute a diagnostic for what IDA's quality assurance system should look for at entry.

## What S+ IDA Projects Have More Of

| Factor | S+ (per project) | MS≤ (per project) | Ratio |
|---|---|---|---|
| PBF / DLI / Results-Based Financing | 0.215 | 0.084 | 2.6x |
| Community participation | 0.862 | 0.465 | 1.9x |
| Government ownership (strong) | 0.154 | 0.113 | 1.4x |
| Decentralization | 0.510 | 0.396 | 1.3x |
| Sustainability concern addressed | 0.526 | 0.414 | 1.3x |
| Donor coordination (good) | 0.163 | 0.133 | 1.2x |

*Source: IEG ICRR/PPAR lesson text analysis, March 2026. IDA projects only. FY2000+. Frequency per project.*

**1. Results-based financing (2.6x in IDA).** PBF, DLI, and RBF approaches force the design team to define measurable results before Board approval. This is the single strongest differentiator in the IDA portfolio. Ethiopia's PSNP ($1.7bn, S+): 'Commitment to high levels of government-donor coordination is likely a key factor for success.' Nigeria's SFTAS ($750M, S+, PforR): mitigation measures built into subnational reform design. The PforR instrument, which requires DLIs structurally, has a QAE S+ rate of 65.4 percent — nearly double IPF (35.3%). When the instrument requires results at entry, quality at entry improves. IDA committed only 2 percent of its recent portfolio through PforR. The evidence says it should commit far more.

**2. Community participation (1.9x in IDA).** Projects designed with community engagement build accountability at the delivery level. Community participation is not merely a safeguard requirement; it is a design feature that connects project objectives to beneficiary needs and creates local demand for results. In the IDA portfolio, S+ projects cite community involvement nearly twice as often as failures. Ethiopia's PBS ($1.1bn, S+): 'A transparent interface between the general public and service providers can promote effective decentralized financial transfer systems.' The projects that work are the ones where communities are participants, not recipients.

**3. Government ownership (1.4x in IDA).** Genuine government commitment — not the ownership language in PADs, but political will to implement — appears 1.4x more often in S+ IDA lessons. Kenya's DPF series ($750M, S+): 'A DPF series is an effective tool for building consensus in an uncertain environment.' Sudan's DPF ($1.4bn, S+): 'Proactive and ongoing policy dialogue between the Bank and the client, supported by high-quality, relevant and timely analysis, is critical to building consensus among policymakers.' Government ownership is partly a country characteristic. But it is also a design choice: IDA can choose whether to proceed when genuine ownership is absent. The data shows it frequently does proceed — and the projects fail.

## What Failing IDA Projects Have More Of

| Factor | S+ (per project) | MS≤ (per project) | Ratio |
|---|---|---|---|
| Overly complex / ambitious design | 0.009 | 0.081 | 0.1x |
| Political economy interference | 0.057 | 0.135 | 0.4x |
| Financial management problems | 0.150 | 0.291 | 0.5x |
| Institutional reform attempted | 0.118 | 0.216 | 0.5x |
| Phased / adaptive (too late) | 0.147 | 0.265 | 0.6x |
| Capacity inadequate | 0.063 | 0.105 | 0.6x |

*Ratio below 1.0x means the factor appears more frequently in failing projects.*

**4. Overly complex design (9x more in IDA failures).** This is the single strongest predictor of failure in the entire IDA dataset. Overly complex or ambitious design appears in failing IDA project lessons at nine times the rate of S+ projects. It virtually never appears in S+ lessons. Malawi Water ($210M, U): 'Although all components were logical and well-integrated, the overall design proved too complex, with several different components to be implemented almost simultaneously.' DRC Transport ($255M, HU): 'It is critical to manage expectations, limit the scope of intervention.' Kenya Education ($468M, U): SWAp design covered the entire sector without adequate governance safeguards. The simplest diagnostic in IDA's quality toolbox: if the design is complex enough for IEG to later call it 'overly ambitious,' it should not be approved. The word 'complex' in a PAD should be a red flag, not a selling point.

**5. Political economy interference (2.5x more in IDA failures).** Vested interests, elite capture, rent-seeking, and political interference appear 2.5x more often in IDA failure lessons. DRC MTI ($450M, U): 'Weak strategy design was followed by an even weaker implementation.' This is partly a country characteristic — IDA operates in environments where political economy constraints are severe. But it is also a design choice: designing for institutional transformation in environments where vested interests dominate is a QAE decision. The Bank can choose not to design transformational objectives for environments where transformation has repeatedly failed. It can choose bounded, deliverable objectives instead. The lesson data shows that when it does, projects succeed.

**6. Financial management problems (2x more in IDA failures).** Fiduciary failures, ineligible expenditures, fraud, and corruption appear twice as often in IDA failure lessons. Botswana Energy ($339M, U): 'The Bank team for Morupule B lacked the right expertise in some important areas, advising on the EPC contract, the technical and engineering details.' This is a QAE variable: the composition of the preparation team, the fiduciary risk assessment at entry, and the adequacy of financial management arrangements are all determined before Board approval.

## The QAE=S vs QAE=MU+ Lesson Comparison

The lesson analysis can also be run on projects grouped by QAE rating rather than outcome rating. This reveals what well-designed IDA projects do differently from poorly designed ones in their own lesson text:

| Factor | QAE=S (per proj) | QAE=MU+ (per proj) | Ratio |
|---|---|---|---|
| PBF / DLI / RBF | 0.180 | 0.063 | 2.9x |
| Community participation | 0.760 | 0.380 | 2.0x |

| Factor | QAE=S (per proj) | QAE=MU+ (per proj) | Ratio |
|---|---|---|---|
| Decentralization | 0.483 | 0.309 | 1.6x |
| Overly complex / ambitious | 0.010 | 0.129 | 0.1x |
| Phased / adaptive (restructured) | 0.147 | 0.277 | 0.5x |
| Financial management problems | 0.182 | 0.360 | 0.5x |
| Implementation delays | 0.364 | 0.642 | 0.6x |

*Source: IEG lesson text. IDA projects grouped by QAE rating, not outcome rating. FY2000+.*

The pattern is even sharper when grouped by QAE. Well-designed IDA projects mention PBF/DLI at 2.9x the rate of poorly designed ones — because results-based mechanisms are a design feature that produces good QAE. Poorly designed projects mention restructuring and adaptive management at 1.9x the rate — because they are the projects that need mid-course correction. Implementation delays appear 1.8x more in poorly designed projects. The lesson: well-designed IDA projects do not need to be fixed. Poorly designed ones cannot be fixed. The recovery rate is zero.

**The operational implication.** IDA's quality assurance system should screen for six features at entry: (1) results-based financing mechanisms that tie disbursement to verified outcomes; (2) community participation as a design feature, not a safeguard checkbox; (3) genuine government ownership demonstrated through action, not PAD language; (4) design simplicity matched to institutional capacity; (5) political economy assessment that determines whether transformational objectives are realistic; and (6) fiduciary risk assessment that determines whether the financial management system can handle the project's disbursement volume. When all six are present, IDA achieves 63–73 percent S+. When they are absent, IDA achieves 1.3–5.4 percent S+. The screening is not technically difficult. It is institutionally inconvenient because it would reduce the pipeline.

## Confirmation from IEG Evaluator Text

The lesson analysis above uses lesson text extracted from ICRRs and PPARs. A separate analysis of IEG's Quality at Entry evaluator comments — the text in which IEG evaluators explain why they rated a project's QAE as they did — confirms the same pattern. Across 136 IDA Africa projects rated MU or below on QAE, the following themes appear in the evaluator's explanation:

| Design Failure Theme | Projects | Frequency |
|---|---|---|
| Institutional capacity mismatch — designed for capacity that does not exist | 101 | 74% |
| Preparation quality inadequate — insufficient analysis before Board approval | 98 | 72% |
| Risk assessment failure — risks underestimated or mitigation absent | 95 | 70% |
| M&E / results framework weakness | 76 | 56% |
| Design complexity excessive — too ambitious for the environment | 76 | 56% |
| Lessons from prior projects not applied | 72 | 53% |
| Procurement / fiduciary gaps | 67 | 49% |

| Design Failure Theme | Projects | Frequency |
|---|---|---|
| Political economy not assessed | 66 | 49% |
| Technical design inadequate | 63 | 46% |

*Source: IEG Quality at Entry evaluator comments. 136 IDA Africa projects rated MU or below on QAE. IEG Data File (September 2022). Themes identified through keyword analysis of evaluator narrative text; a single project may be coded under multiple themes.*

The top three themes — institutional capacity mismatch (74%), preparation quality (72%), and risk assessment failure (70%) — appear in more than two-thirds of all poor-QAE evaluator explanations. These are not inferred from project lessons. They are IEG's own evaluators explaining, in their own words, why the design was inadequate. The evaluator text confirms the lesson analysis: the Bank designs projects for institutional capacity that does not exist, does not adequately prepare them for the environments in which they must operate, and underestimates the risks those environments present.

## 10. The Approval Culture: Wappenhans to the Present

In 1992, Willy Wappenhans delivered the Portfolio Management Task Force Report to the World Bank's Board of Directors. Its central finding: the Bank suffered from an 'approval culture' in which the institutional incentive to move projects through preparation and Board approval dominated the incentive to ensure project quality. The report documented systematic pressure to lend, inadequate quality assurance, and insufficient attention to implementation readiness.

Thirty-four years later, the data in this paper confirms the approval culture is still operating. The mechanism is visible in three layers:

**The preparation incentive.** Task Team Leaders are evaluated on project preparation and Board approval. There is no symmetric career consequence for poor QAE discovered years later at evaluation — by which time the TTL has typically moved to the next assignment. The quality assurance mechanisms — peer review, quality enhancement review, Regional Operations Committee — can flag design weaknesses but cannot prevent approval. The 735 IDA projects with MU or worse QAE were all reviewed. The flags were raised. The projects were approved.

**The consequence.** The approval culture is one important institutional mechanism — though not the sole explanation — behind the patterns documented in the Zero Club series. Difficult country environments matter. But the QAE evidence shows that even within those environments, IDA approved projects with design characteristics strongly associated with failure. The variable is within IDA's control. The data shows IDA does not consistently exercise it.

## 11. Conclusion

Quality at Entry in IDA is the variable IDA controls. The data shows it strongly predicts outcomes. 63 percent of IDA projects with S+ QAE achieve Satisfactory outcomes. 1.3 percent with MU QAE do. The gradient is overwhelming. The recovery rate from poor design has collapsed from 10.7 percent in the 1980s to zero in the 2020s. Design quality strongly shapes outcomes — before a single dollar is disbursed, before a single contractor is hired, before the borrower's capacity is tested. This relationship is stronger now than at any point in IDA's history.

The Zero Club series documented the pattern: 43 countries, 14 GPs, $34.5 billion, zero Satisfactory. This paper adds the institutional cause: IDA approved 735 projects with below-Satisfactory design quality over four decades, committing $50.6 billion at a 3.8 percent probability of achieving IDA's own evaluation benchmark. The approval culture — named by Wappenhans in 1992 — is operating in real time. It operates because no institutional actor bears a consequence for poor QAE. The TTL moves on. The quality review does not block. The Board approves. IEG evaluates years later. The lesson is documented. The next project is prepared.

**The reform is straightforward in principle.** If no project with below-Satisfactory QAE were approved, IDA's Africa S+ rate would rise from approximately 30 percent to approximately 63 percent overnight. The Bank would lend less — approximately 30–40 percent fewer projects in the current pipeline — and achieve more. The trade-off is volume for quality. The Wappenhans Report proposed this in 1992. No subsequent institutional reform has implemented it. The incentive structure has not changed. The recovery rate has fallen to zero. The case for the reform is now stronger than when it was first proposed thirty-four years ago.

**The FCV Strategy implication.** The Bank's 2025 FCV Strategy introduces significant operational adaptations: forward-looking classification, differentiated engagement, staffing incentives, and IFC reform. These are meaningful advances. But the Strategy does not reform the core quality assurance mechanism that determines whether projects are approved with a realistic probability of success. The Strategy's central assumption is that better anticipation, differentiation, staffing, and financing calibration will improve results. Yet the strongest predictor of development outcomes in the Bank's own evaluation record is Quality at Entry — determined before Board approval. The Strategy introduces no mechanism to prevent approval of projects with below-Satisfactory design quality, despite evidence that such projects have only a 1–4 percent probability of achieving Satisfactory outcomes and that the recovery rate has fallen to zero. If the QAE findings hold, this omission is more consequential for long-term FCV results than any single change contained in the Strategy itself.

**THE BOTTOM LINE**

**IDA controls two variables that together predict 73% of project outcomes: Quality at Entry in IDA and M&E Quality. When both are strong, three in four projects achieve Satisfactory outcomes. When both are weak — which is the case in 52% of IDA's Africa portfolio — one in eighteen does. The approval culture approves projects the quality system flags as inadequate. The result: 43 Zero Club countries, $34.5 billion, and an IDA institutional model that has normalised partial achievement as its operating standard. The reform is simple. Design better. Measure better. Approve less. Achieve more.**

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