



Bangladesh Investment Promotion and Financing Facility Project II (IPFF II) (P159429)

SOUTH ASIA | Bangladesh | Finance, Competitiveness and Innovation Global Practice |
IBRD/IDA | Investment Project Financing | FY 2017 | Seq No: 9 | ARCHIVED on 24-Dec-2021 | ISR48526 |

Implementing Agencies: Bangladesh Bank, Ministry of Finance

Key Dates**Key Project Dates**

Bank Approval Date: 05-Apr-2017

Effectiveness Date: 22-Jan-2018

Planned Mid Term Review Date: 19-Oct-2020

Actual Mid-Term Review Date: 20-Dec-2020

Original Closing Date: 30-Jun-2022

Revised Closing Date: 30-Jun-2022

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The PDO is to increase long-term financing for infrastructure and to build capacity of the local financial institutions for promoting private sector-led infrastructure financing in Bangladesh.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components Table

Name

Long-Term Infrastructure Financing Component:(Cost \$403.70 M)
Technical Assistance Component:(Cost \$13.00 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Risk Rating	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

Implementation Status and Key Decisions

Following the Mid-term Review (MTR) mission in early 2021, the World Bank supported Bangladesh Investment Promotion and Financing Facility II (IPFF II) Project underwent several new steps to accelerate the pace of implementation, which got delayed caused by the initial implementation lag following the Board approval in April 2017 and fallout of COVID that hit the businesses starting from March 2020. Over the last several months the IPFF II Project Cell in Bangladesh Bank and the World Bank task team took steps for: (i) streamlining the environmental and social safeguards due diligence review protocol for medium risk sub-projects in the pipeline aiming accelerated turnaround of the safeguards documents; (ii) strengthening the quality assurance and hand-holding support on safeguards for the private sponsors and the participating financial institutions (PFIs); and (iii) enhanced construction monitoring through bi-weekly review meetings and monthly field visits.

While the renewed momentum generated from the new measures taken, a virtual implementation review mission has been arranged to take place on January 2 - 4, 2022 to assess adjustments needed for the construction timeline of different sub-projects. Based on the assessments during the mission, the Finance Division's request for closing date extension of the project will be worked on. It may be noted that World Bank supported IPFF II Project, effective from January 2018, has so far disbursed approximately US\$154 million against sub-projects in Information and Communication



Technology (ICT), Private Industrial Park, Port, Renewable Energy and Waste Management sectors, accounting for a disbursement ratio of 42 percent.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	□ Substantial	□ Substantial	□ Substantial
Macroeconomic	□ Moderate	□ Substantial	□ Substantial
Sector Strategies and Policies	□ Low	□ Low	□ Low
Technical Design of Project or Program	□ Moderate	□ Moderate	□ Moderate
Institutional Capacity for Implementation and Sustainability	□ Moderate	□ Moderate	□ Moderate
Fiduciary	□ Moderate	□ Moderate	□ Moderate
Environment and Social	□ Substantial	□ High	□ High
Stakeholders	□ Moderate	□ Moderate	□ Moderate
Other	□ Low	□ Low	□ Low
Overall	□ Moderate	□ Moderate	□ Moderate

Results

PDO Indicators by Objectives / Outcomes

Increasing long-term financing for infrastructure & building capacity of the local fin. institutions				
► Equity investments from private sector entrepreneurs under IPFF II (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	35,000,000.00	45,000,000.00	95,000,000.00
Date	30-Jun-2017	12-Jan-2021	15-Dec-2021	30-Jun-2022
Comments:	Given the pipeline sub-projects now under application review process, total private sector Equity investments is on track for surpassing US\$ 100 million.			
► Long term debt financing for infrastructure under IPFF II (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	0.00	67,000,000.00	120,000,000.00	406,700,000.00
Date	30-Jun-2017	12-Jan-2021	15-Dec-2021	30-Jun-2022
Comments:	Considering the scheduled disbursement of long-term debt financing pending completion and clearance of the Environmental and Social Impact Assessment (ESIA) the end target is very much achievable.			
► Total investments in infrastructure under IPFF II (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	150,000,000.00	250,000,000.00	610,000,000.00
Date	30-Jun-2017	12-Jan-2021	15-Dec-2021	30-Jun-2022
Comments:	This indicator combines all debt and equity financing mobilized and crowded in from all private and public sector sources through the IPFF II Project platform. Given the pipeline sub-projects accounting for total investments over US\$1.0 billion, it is expected that the total investments mobilized by IPFF II will be over US\$700 million by the project closing date.			
► Private Capital Mobilized (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	50,000,000.00	90,000,000.00	260,000,000.00
Date	30-Jun-2017	30-Jun-2020	15-Dec-2021	30-Jun-2022

Intermediate Results Indicators by Components

Long-Term Infrastructure Financing Component				
► Financing volumes through innovative financial instruments deployed for financing of infrastructure (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	30,000,000.00
Date	30-Jun-2017	12-Jan-2021	15-Dec-2021	30-Jun-2022
► At least 20 domestic financial institutions use IPFF II credit line (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	17.00	18.00	20.00
Date	30-Jun-2017	12-Jan-2021	15-Dec-2021	30-Jun-2022
► Female beneficiaries from IPFF II (Number, Custom)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	90.00	105.00	200.00
Date	30-Jun-2017	12-Jan-2021	15-Dec-2021	30-Jun-2022
► Affected citizens' satisfaction with infrastructure subprojects (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	60.00	65.00	75.00
Date	30-Jun-2017	12-Jan-2021	15-Dec-2021	30-Jun-2022
Comments:	The formal satisfaction survey has been delayed due to COVID-19 pandemic. Results of feedback through alternative a survey is currently being designed and its results will be reflected in the following ISR.			
► PFIs maintain eligibility criteria (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	100.00	100.00
Date	30-Jun-2017	12-Jan-2021	15-Dec-2021	30-Jun-2022

Technical Assistance Component				
► The capacity of financial institutions participating in IPFF II to undertake financial analysis of infrastructure projects is strengthened - number of staff trained (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	50.00	80.00	200.00
Date	30-Jun-2017	30-Jun-2020	30-Sep-2021	30-Jun-2022
► Environmental assessments are undertaken for all infrastructure projects financed under the facility in coordination with the DoE (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	100.00	100.00
Date	30-Jun-2017	30-Jun-2020	30-Sep-2021	30-Jun-2022
► E&S capacity developed; staff trained (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	55.00	70.00	200.00
Date	30-Jun-2017	30-Jun-2020	30-Sep-2021	30-Jun-2022



Performance-Based Conditions

Data on Financial Performance

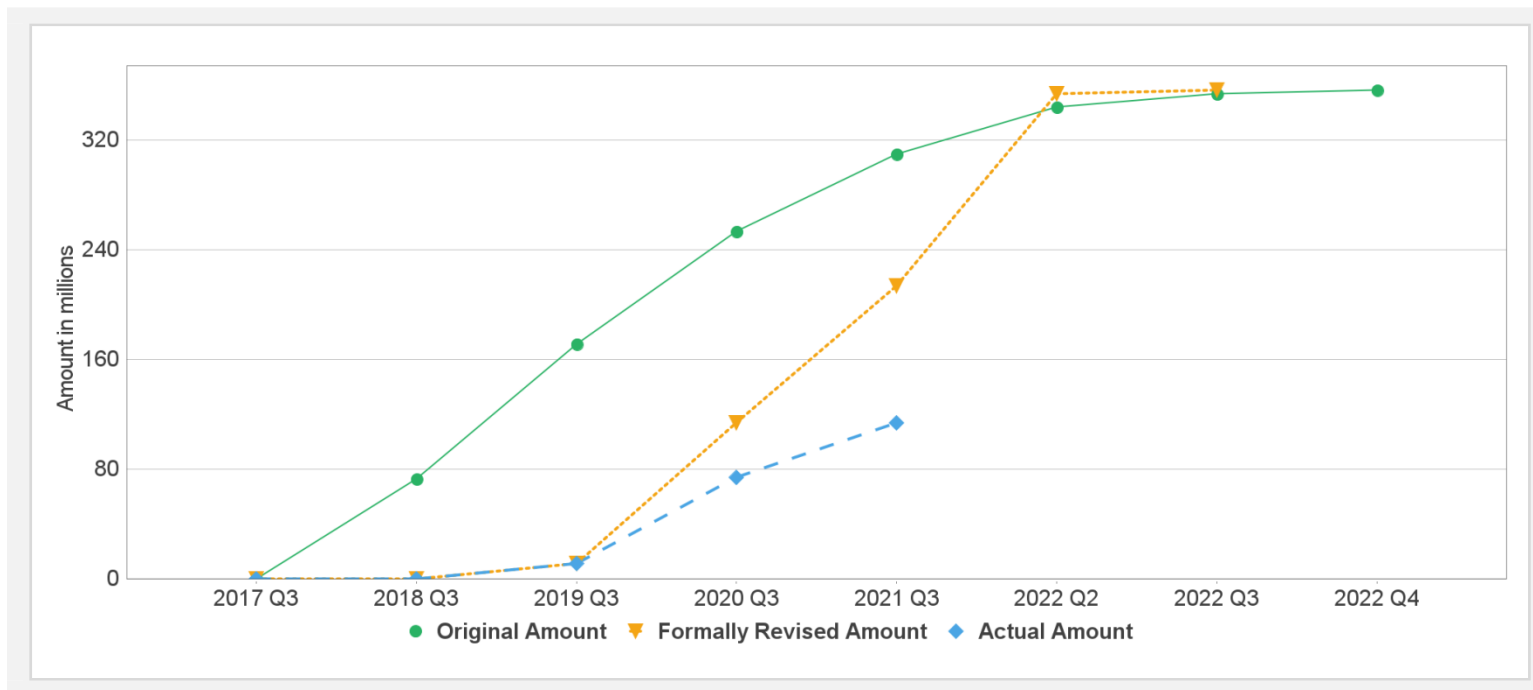
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P159429	IDA-60040	Effective	USD	100.00	100.00	0.00	42.52	64.86	40%
P159429	IDA-60050	Effective	USD	256.70	256.70	0.00	111.32	154.12	42%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P159429	IDA-60040	Effective	05-Apr-2017	05-Nov-2017	22-Jan-2018	30-Jun-2022	30-Jun-2022
P159429	IDA-60050	Effective	05-Apr-2017	05-Nov-2017	22-Jan-2018	30-Jun-2022	30-Jun-2022

Cumulative Disbursements





PBC Disbursement

PBC ID	PBC Type	Description	Coc	PBC Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for PBC
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Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.
