



1. Project Data

Project ID P163730	Project Name Lao NR13	
Country Lao People's Democratic Republic	Practice Area(Lead) Transport	
L/C/TF Number(s) COFN-C1610,IDA-62260	Closing Date (Original) 31-May-2023	Total Project Cost (USD) 36,816,408.41
Bank Approval Date 18-May-2018	Closing Date (Actual) 31-Mar-2025	
	IBRD/IDA (USD)	Grants (USD)
Original Commitment	40,000,000.00	0.00
Revised Commitment	37,627,403.00	0.00
Actual	36,816,408.41	0.00

Prepared by Chikako Miwa	Reviewed by Avjeet Singh	ICR Review Coordinator Avjeet Singh	Group IEGSD (Unit 4)
------------------------------------	------------------------------------	---	--------------------------------

2. Project Objectives and Components

a. Objectives

The Project Development Objective (PDO) was “**to improve the road condition, safety and climate resilience on critical sections of National Road (NR) 13**” (Financing Agreement, Schedule 1, page 5). The PDO statement was identical to that in the Project Appraisal Document (PAD, paragraph 16).

This Implementation Completion and Results Report (ICR) Review will assess the following objectives.



Objective 1. To improve the road condition on critical sections of NR 13

Objective 2. To improve the safety on critical sections of NR 13

Objective 3. To improve the climate resilience on critical sections of NR 13

b. Were the project objectives/key associated outcome targets revised during implementation?

No

c. Will a split evaluation be undertaken?

No

d. Components

The estimates and actual costs of components were based on the PAD and the ICR (paragraphs 16-18 and annex 3).

Component 1: Road Improvement and Maintenance (Estimate: US\$120.5 million; Actual: US\$85.3 million, including US\$32 million from the International Development Association (IDA), US\$36.9 million from the Asian Infrastructure Investment Bank (AIIB), US\$3.6 million from Nordic Development Fund (NDF), and US\$12.9 million from the Government of Lao People's Democratic Republic (GoL)) included two subcomponents.

- **Subcomponent 1.1: Road Improvement and Maintenance** supported implementation of road improvement, operation and maintenance works on the following road sections: (i) the Section Sikeut-Songpeuay Market that was upgraded from 2 to 4-lane road; and (ii) the Section Songpeuay Market-Phonhong that was improved along the existing 2-lane road. The road improvement and maintenance used an Output and Performance-Based Road Contract (OPBRC) approach. The subcomponent supported implementation of climate resilience measures, participation of women from local communities in paid jobs under OPBRC, and improvement of pedestrian facilities along the road.
- **Subcomponent 1.2: Land Acquisition** supported the acquisition of land needed for road works. As complimentary financing, Asian Infrastructure Investment Bank (AIIB) plans to allocate a special fund (grant) to MPWT to finance the Resettlement Action Plan (RAP) implementation support consultancy.

Component 2: Technical Assistance and Supervision (Estimate: US\$4.8 million, including US\$0.7 Million from IDA, US\$0.6 million from AIIB, US\$3.5 million from NDF; Actual: US\$7.2 million, including US\$2.8 million from IDA and US\$4.5 million from NDF) included three subcomponents:

- **Subcomponent 2.1: Traffic Safety, Overloading Control and Safeguards Monitoring** supported implementation of (i) traffic safety campaigns and other traffic safety enhancement measures; (ii) overloading control; and (iii) environmental and social monitoring.
- **Subcomponent 2.2: Management and Supervision of the OPBRC Implementation** supported the Ministry of Public Works and Transpor (MPWT) to manage and supervise OPBRC implementation through financing the consultancy for supervision of road improvement works during



the construction period and supervision of the initial post-construction maintenance and operation until project closure.

- **Subcomponent 2.3: Preparation of Future Investments** conducted technical assistance to prepare future investments on other selected sections of NR13: (i) AIIB financed preparation of conceptual design and related technical studies, and (ii) NDF financed preparation of related environmental and social documents.

Component 3: Project Management (Estimate: US\$2.7 million from IDA, Actual: US\$2.1 million from IDA) supported technical and operational assistance for output and performance based contracting, Project planning and execution, financial management, procurement, monitoring and evaluation, and technical and financial audits.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project Cost: The project was estimated to cost US\$ 128.0 million (PAD, table 1, page 14). The actual project cost was US\$93.8 million (ICR, annex 3, page 23).

Financing: The project was to be financed with US\$40 million credit from the IDA, US\$40 million from the AIIB, US\$9.5 million from NDF, and US\$38.5 million from the GoL. At closing, the project was financed by US\$36.9 million IDA credit, US\$8.1 million from NDF, US\$36.9 million from AIIB, and US\$13.0 million from GoL.

Borrower Contribution: At appraisal, GoL planned to contribute US\$38.5 million. At closing, the GoL contributed US\$13.0 million.

Dates: The project was approved on May 18, 2018, and became effective on January 22, 2019. The project was closed on March 31, 2025, which was 22 months late from the original closing date of May 31, 2023.

The project had two Level 2 restructurings as shown below.

- **Restructuring 1** (April 28, 2019) extended the AIIB co-financing effectiveness deadline three months from April 30, 2019, to July 31, 2019, to align with AIIB's internal approval and effectiveness timeline (ICR, paragraph 26). The deadline for the first technical audit report was adjusted to September 30, 2020, to align with the actual pace of road works implementation (ICR, paragraph 26).
- **Restructuring 2** (April 13, 2023) scaled up the scope of Component 1 to cover an additional 6 kilometers (km) of critical, flood-prone road from Sikeut to Sikhai (ICR, paragraph 27) and introduced the following changes:
 - **Results Framework:** The target value increased from 19 km to 24 km for the intermediate indicator, "road upgraded from 2 to 4 lanes, with climate resilience measures." The target values increased from 59 km to 64 km for the two intermediate indicators: "roads rehabilitated" and "roads transferred to performance-based O&M phase under OPBRC."
 - **Closing Date Extension, Disbursement Estimates, and Implementation Schedule:** The project's closing date was extended by 22 months, from May 31, 2023, to March 31, 2025. The disbursement estimates were updated to reflect the revised implementation timeline.
 - **Reallocation of Funds:** Given significant cost savings for civil works costs under Component 1, Special Drawing Rights (SDR) 0.92 million was reallocated from Category 1 to Category 2



to cover consultant services for supervision, environmental and social monitoring, project management, and road safety for the additional 6 km road section.

3. Relevance of Objectives

Rationale

Country and Sector Context. In 2018, Lao People’s Democratic Republic (PDR) was among the world’s fastest-growing economies, with average annual growth of 7.8 percent over the previous decade. The absolute poverty rate decreased from 24.6 percent to 18.3 percent between 2012 and 2018. However, rapid growth led to rising public debt, mainly from large infrastructure projects. The Government of Lao PDR (GoL) prioritized major transport infrastructure projects to boost regional connectivity. Although road sector funding increased to US\$107 million in fiscal year (FY) 2017, the Ministry of Public Works and Transport (MPWT) faced challenges in securing stable funding for road maintenance. Although the Road Fund grew significantly from US\$2 million in 2002 to over US\$80 million in 2016, its impact was limited by competing demands, weak prioritization, and slow administrative processes, leading to chronic underfunding and neglected road maintenance. National Road (NR) 13 North suffered from poor pavement, inadequate drainage and safety, frequent flooding, and traffic bottlenecks, especially between Sikhai and Sikeut. To address MPWT’s strategic priorities, an Output-and Performance-Based Road Contract (OPBRC) approach was adopted as an alternative to tolling.

Relevance to the Government Strategies. The PDO was in line with the Government’s National Green Growth Strategy (which emphasized addressing climate resilience and road safety) and the 9th National Socio-Economic Development Plan (NSED) 2021–2025. The NSED called for “Improving public governance and administration to be more modern, transparent and agile” (outputs 3.5) and developing “National infrastructure for regional and international integration and connectivity” (output 3.6).

Relevance to the World Bank’s Country Strategies. The PDO aligned with the World Bank’s Country Partnership Framework 2017-2021 for Lao PDR by improving infrastructure for growth and inclusion, enhancing rural access and road asset management, and supporting disaster risk management and climate resilience through climate-resilient road design.

In summary, the PDO was aligned with the strategies of the Government and the World Bank’s assistance to the country. The PDO statement was pitched at outcome level. Thus, the relevance of objectives is rated high.

Rating

High

4. Achievement of Objectives (Efficacy)



OBJECTIVE 1

Objective

To improve the road condition on critical sections of National Road 13

Rationale

Theory of Change (ToC). The PAD (paragraph 37) briefly described the ToC of the project in narrative. The ICR (figure 1, page 3) reconstructed the project's ToC with critical assumptions; however, the ToC was partially sound, as some causal links are aggregated without explicitly showing relationships among activities, outputs, intermediate outcomes, outcomes, and critical assumptions.

Based on the project's ToC, this ICRR presents a ToC of Objective 1 as follows. The ToC envisaged that activities such as acquiring lands for construction work, improving and widening roads along NR13, and implementing climate resilient designs would lead to outputs such as improving road and bridges with climate resilience measures. The ToC also envisaged that activities such as providing training on management and supervision of Output- and Performance-Based Road Contract (OPBRC) and implementing operation and maintenance contracts with gender considerations would lead to outputs such as rehabilitating road under OPBRC. Those outputs would result in intermediate outcomes such as reducing roughness of the roads that was measured by the International Roughness Index (IRI). The intermediate outcome would contribute to the outcome such as reducing travel times and vehicle operating costs (VOC). In the long-term, the outcomes would contribute to strengthening national and regional connectivity and increasing economic opportunities and mobility.

The ICR (paragraph 12) presented the following critical assumptions: (i) MPWT will continue to fund the OPBRC operations and maintenance (O&M) phase; (ii) contractors will continue to employ women in O&M phase after project closure; (iii) institutional capacity strengthening of the Government and the contracting community will reduce risk to development outcomes; and (iv) road users and trainees will continue to use the knowledge gained from road safety campaigns and technical training. This ICRR adds the following critical assumption: (v) the Government have adequate funding for maintenance of road networks.

Outputs:

- 25 km of roads were upgraded from 2 to 4 lanes with climate resilient measures, meeting the target.
- 39 km of roads were improved on 2 lanes with climate resilience measures, meeting the target.
- 64 km of roads were rehabilitated, meeting the target.
- 58 km of roads were transferred to performance-based O&M phase under OPBRC, not meeting the target of 64 km.
- 30 percent of women were employed in paid jobs in implementation of OPBRC, meeting the target.
- 98 Ministry of Public Works and Transport (MPWT) staff received training on OPBRC and related topics, exceeding the target of 40.
 - Number of MPWT female staff who received training on OPBRC and related topics was not reported by the ICR, thus considered as not meeting the target of 15.

Intermediate Outcome:



- The average International Roughness Index (IRI) was reduced from baselines of 7.0 m/km to actuals of 3.2 m/km for the original 58 km section and the additional 6 km, respectively, almost meeting the target of 3.0 m/km.

Outcomes:

- 20 percent reduction in vehicle operating costs (VOC) on the project road was achieved, meeting the target. VOC along the project corridor (64 km) fell from US\$0.36 per vehicle-kilometer, in the business-as-usual scenario, to US\$0.29 per vehicle-kilometer, under the project scenario, according to fuel consumption (survey) data collected during implementation.

Referring to the ToC, the VOC was reduced by 20 percent by improving road conditions. The changes in the road conditions were measured by reductions in IRI that largely met the target. The introduction of OPBRC enabled savings in construction costs. Thus, the efficacy of Objective 1 is rated high.

Rating

High

OBJECTIVE 2

Objective

To improve the safety on critical sections of National Road 13

Rationale

ToC. Based on the project's ToC (ICR, figure 1, page 3), this ICRR reconstructs a ToC of Objective 2 as follows. The ToC envisaged that activities such as improving pedestrian facilities and training contractors on ESHS, OHS, and GBV Code of Conduct would result in outputs such as constructing pedestrian facilities. The ToC also envisaged that conducting training and awareness raising campaigns on road safety would result in outputs such as changing community's perceptions on road safety. Those outputs would contribute to the outcome of improving the road safety of NR13. The long-term outcomes and critical assumptions are the same as those for Objective 1's ToC.

Outputs:

- 90 percent of adjacent markets improved pedestrian facilities with focus on safety of women traders and school children, meeting the target.
- 100 percent of contractor's workforce was trained on ESHS, OHS and GBV Code of Conduct, meeting the target.
- 100 percent of grievances registered related to delivery of the project were addressed with disaggregated data by gender, exceeding the target of 90 percent.

The following output was not measured by the Results Framework thus having no official target.

- A dedicated Road Safety Taskforce led awareness and enforcement measures, including 63 school campaigns reaching over 9,800 students (45 percent girls), 31 enforcement campaigns with local



police, and additional initiatives such as social media outreach, village loudspeaker announcements, radio messages, roadside billboards, portable warning signage, motorcycle safety training delivered to students in the schools along the roads, and strengthened road safety enforcement along the corridor.

Outcome:

- The average iRAP star rating of the project road increased from the baseline of 1 to the actual of 3, meeting the target. Road safety interventions carried out on the additional 6 km road section were similar to the original 58 km road section, although the iRAP survey was limited to the original road.

The following outcome was not included in the Results Framework thus having no official target.

- A post-construction beneficiary survey found 92 percent of respondents believed that the road was safer for pedestrians. The result was higher than for vehicle occupants (82 percent) and motorcyclists (77 percent).

The project contributed to improving the road safety of NR13, as evidenced by the improvements in the iRAP star rating and beneficiaries' perceptions regarding pedestrians' safety.

Rating

High

OBJECTIVE 3

Objective

To improve the climate resilience on critical sections of National Road 13

Rationale

ToC. Based on the project's ToC (ICR, figure 1, page 3), this ICRR reconstructs a ToC of Objective 2 as follows. The ToC envisaged that activities such as implementing climate resilient designs would lead to outputs such as improving road and bridges with climate resilience measures. The outputs would contribute to the outcome of improving the climate resilience of NR13. The long-term outcomes and critical assumptions were the same as those for Objective 1's ToC.

Outputs for Objective 3 were the same as the first two outputs listed under Objective 1.

The following intermediate outcome was not included in the Results Framework, thus having no official target.

- According to the technical audit findings, the road was designed and constructed to meet climate-resilient standards, which incorporate engineered solutions, with approximately 33.7 percent of total construction costs directly attributable to those measures.

Outcome:



- The project road was upgraded and improved with climate resilient measures, meeting the target. The project implemented measures to mitigate flooding risks by raising road profiles, improving drainage, and installing durable pavements and culverts, with further upgrades to crossings and slope protection. A shortcoming of this indicator was the unit of measurement (i.e., Yes/No) which did not quantify the extent, coverage or quality of the climate resilient measures were incorporated into the road infrastructure. The ICR also acknowledges that the project could have measured the completion rate of resilience interventions.

The following outcome was not included in the Results Framework thus having no official target.

- The project incorporated climate-resilient road design to reduce flood-related disruptions in low-lying areas, including raising road profiles, improving drainage, and installing Portland Cement Concrete (PCC) pavement. It further strengthened resilience across the corridor by enhancing water crossings and side drainage, reinforcing bridge approaches, providing slope protection, and fortifying culvert inlets and outlets. In response to increased flooding linked to the Lao-China Railway and Vientiane-Vang Vieng Expressway, the design was adjusted with added culverts and raised profiles, and these measures were implemented per specifications.

Referring to the ToC, the road infrastructure incorporated climate-resilient designs, contributing towards achieving the outcome of improving the climate resilience of NR13. Thus, the efficacy of Objective 3 is rated substantial.

Rating

Substantial

OVERALL EFFICACY

Rationale

Objective 1 and 2 was highly achieved, while objective 3 was substantially achieved. Thus, the overall efficacy is rated High.

Overall Efficacy Rating

High

5. Efficiency

Economic Analysis. At appraisal, the economic analysis showed an Economic Internal Rate of Return (EIRR) of 26.3 percent and a Net Present Value (NPV) of US\$121.97 million, based on project improvement costs over three years and operation and maintenance costs for the following seven years (PAD, paragraph 39).



At project closing, the expanded project (64 km from Sikhai to Phonhong) achieved an EIRR of 39.2 percent and a NPV of US\$180 million, both about 50 percent higher than appraisal estimates. This was mainly due to lower investment costs and significant benefits from upgrading an additional 6 km of high-traffic road. Strong market interests resulted in a 23 percent cost saving (US\$17.5 million) for the original civil work. Major benefits included reduced vehicle operating costs, shorter travel times, lower emergency repairs and maintenance, time savings for freight, and fewer road collisions. The ex-post EIRR used the same methodology at appraisal over the time horizon of 30 years (2018-2047). The key assumptions included: (i) the discount rate of 12 percent; (ii) the Standard Conversion Factor (SCF) of 0.92 for investment and 0.87 for maintenance; (iii) the project could help avoid some of the emergency maintenance due to the climate resiliency improvement; (iv) the speed improvement from 30 km/h to 60 km/h; and (v) traffic growth of 3 percent (until 2025, and 2 percent afterward).

Moreover, at project closing, the value for money analysis found that using the Output- and Performance-Based Road Contract (OPBRC) modality increased efficiency compared to traditional road contracting in Lao PDR. The EIRR for OPBRC was 39.2 percent, 5.6 percent higher than the conventional approach (33.7 percent). The Benefit-Cost ratio was also significantly better for OPBRC (4.5) versus conventional contracts (2.2).

Implementation Efficiency. Project management and implementation were efficient, with no major delays or cost overruns despite challenges like COVID-19, high inflation, and a new contracting approach. The project met its original scope and objectives ahead of the original closing date and under budget. The closing date was only extended to finish the 6 km of road improvement works (Sikhai–Sikeut section) that was added during the restructuring in 2023.

Given the high ex-post EIRR and the implementation efficiency, the project's efficiency is rated high.

Efficiency Rating

High

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal	✓	26.50	94.00 <input type="checkbox"/> Not Applicable
ICR Estimate	✓	39.20	91.00 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

The relevance of objective, efficacy and efficiency was high. Thus, the outcome is rated Highly Satisfactory.



a. **Outcome Rating**

Highly Satisfactory

7. Risk to Development Outcome

Financial Risk. There is a moderate risk that limited resources and high emergency repair costs might continue to challenge the full funding of road network maintenance (ICR, paragraph 87). According to a recent analysis, average annual investment in the country's road sector was US\$152.5 million over the past four years—less than half the optimal amount needed for the next five years (ICR, paragraph 87).

8. Assessment of Bank Performance

a. **Quality-at-Entry**

During project preparation, the World Bank helped Lao PDR's Ministry of Public Works and Transport (MPWT) overcome obstacles to the proposed toll road by supporting an alternative project design that aligned with national priorities and World Bank objectives. The project focused on improving road condition, safety, and climate resilience, while also advancing institutional development in maintenance. The project introduced the Output and Performance-Based Road Contracts (OPBRC) for the first time in Lao PDR, demonstrating innovation in road asset management. The World Bank effectively coordinated multiple financiers, including AIIB and NDF. It enabled the project to be the first World Bank-supported transport project in the East Asia and Pacific region to secure AIIB co-financing. The project featured robust technical design with climate adaptation, cost-effective pavement, early integration of safeguards, and gender-sensitive elements. Strong fiduciary systems and a practical results framework supported implementation within existing institutions, with key risks anticipated and addressed early. The complexities of the OPBRC model and land titling were anticipated and effectively managed through early design and institutional engagement. On the other hand, the Results Framework had minor shortcomings in design of indicators to capture outcomes of climate resilience as also acknowledged in the ICR. Overall, the quality at entry is rated Highly satisfactory.

Quality-at-Entry Rating

Highly Satisfactory

b. **Quality of supervision**

The World Bank's supervision of the NR13 project was proactive and technically strong, with close coordination among clients and partners, regular support missions, and effective joint engagement with co-financiers, contributing to timely project completion and achievement of outcomes. Consistent leadership and the World Bank Country Office's deep local knowledge enabled the project to shift from substantial risk to strong performance. Their long-term engagement and language fluency supported agile responses to challenges like procurement delays, safeguard issues, and external shocks (e.g., COVID-19, flooding),



ensuring momentum and effective coordination at all levels. Strategic restructurings and support for the OPBRC model expanded the project's impact, adding 6 km of road improvements and maximizing savings for greater economic benefits. The World Bank enhanced OPBRC bid quality by engaging an high-quality international expert and supported sustainability through the Sustainability and Maintenance Plans and institutionalizing OPBRC. The World Bank's role in ensuring transition arrangements was mostly adequate as the World Bank supported MPWT to strengthen its institutional capacity for long-term maintenance planning, predictable budgeting, and life-cycle asset management practices, although securing funding for road network maintenance remained as a challenge (ICR, paragraphs 51, 86-87). Overall, the quality of supervision is rated highly satisfactory.

The quality of Bank performance is rated highly satisfactory, based on the highly satisfactory quality ratings at entry and during supervision.

Quality of Supervision Rating

Highly Satisfactory

Overall Bank Performance Rating

Highly Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

The M&E design was strong, featuring a focused PDO, a clear results chain, and measurable indicators for all outcome areas. It used both quantitative (IRI, VOC, iRAP ratings) and qualitative (surveys, audits) evidence to monitor outcomes. The intermediate indicators were well-designed to monitor outputs, gender inclusion, institutional strengthening, and sustainability, with clear baselines and targets. Gender disaggregation reflected a focus on inclusivity. However, there were moderate shortcomings in the Results Framework that resulted in limiting assessments of achievements of Objectives 2 and 3, as described in Section 4. The Results Framework could have been strengthened by (i) tracking the coverage and quality of resilience interventions to verify outcome of Objective 3 (climate resilience) (e.g. % of road length meeting climate-resilient design standards, Number/percentage of critical flood-prone sections upgraded, Design return period achieved (e.g., 1-in-50-year flood), etc.) (ii) adding intermediate results indicators for traffic safety training and overloading control for Objective 2 (safety) (ICR, paragraph 70).

b. M&E Implementation

M&E implementation was consistent and technically sound, with regular data collection and reporting, updated indicators after project restructuring, and a functioning Grievance Redress Mechanism for social impact monitoring. Accurate monitoring, safeguards reporting, and field supervision provided a strong basis for assessing outcomes.



c. M&E Utilization

M&E data actively informed project management, enabling scope expansion and extension after cost savings. It supported safeguards compliance by tracking grievances and workforce training, reinforced accountability through performance-based indicators, and ensured results were well documented for completion reports.

The M&E system was designed, implemented, and used with moderate shortcomings. Hence, the M&E quality is rated substantial.

M&E Quality Rating

Substantial

10. Other Issues

a. Safeguards

Environmental Safeguards. The project was classified as Category A and triggered OP/BP 4.01 Environmental Assessment and OP/BP 4.04 Natural Habitats. An Environmental and Social Impact Assessment (ESIA) and Environmental and Social Management Plan (ESMP) were prepared and implemented. During the 2023 restructuring, the project scope was expanded to include a 6 km urban section. Environmental risks were managed with standard mitigation measures and monitored by relevant authorities, with no major incidents reported.

Social Safeguards. The project triggered OP/BP 4.11 Physical Cultural Resources, OP/BP 4.10 Indigenous Peoples, and OP/BP 4.12 Involuntary Resettlement. The Resettlement Action Plan was fully implemented along the 64 km corridor, with timely and policy-compliant compensation and relocation for over 5,200 affected households despite COVID-19 challenges. Engineering designs minimized land acquisition impacts, over 890 grievances were resolved, and the Ethnic Group Engagement Plan ensured culturally appropriate engagement. A minor shortcoming was the delayed finalization of land titling for affected households, requiring a post-completion action plan. Compensation was completed, and the delay did not affect supervision quality or development outcomes. Road safety was a major concern, with several collisions and fatalities from 2020 to 2022 led to investigations and corrective action plans. Issues identified included poor road conditions, inadequate signage and lighting, and driver negligence. The project responded by implementing enhanced safety measures, assigning a dedicated Road Safety Engineer, and incorporating traffic management plans into the ESMP.

b. Fiduciary Compliance

Financial Management. The project upheld sound financial management, keeping adequate records and submitting Interim Unaudited Financial Reports (IUFs) on time. All audits issued during implementation were unqualified, indicating compliance and reliability. Overall, financial reporting and controls were consistently robust.



Procurement. Procurement followed World Bank procedures, with the OPBRC competitively tendered. Although market volatility and currency depreciation caused some execution delays, they were addressed through contract amendments and close supervision. Overall, procurement was compliant.

c. Unintended impacts (Positive or Negative)

No unintended impact was reported by the ICR.

d. Other

Not applicable.

11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Highly Satisfactory	Highly Satisfactory	
Bank Performance	Highly Satisfactory	Highly Satisfactory	
Quality of M&E	High	Substantial	There were moderate shortcomings in the M&E design aspects.
Quality of ICR	---	Substantial	

12. Lessons

The ICR (paragraphs 88-90) provided three lessons, which are presented below with rephrasing.

Simple and flexible design, with scalable objectives and indicators, can make implementation easier and more responsive to changing needs. Under the project, using a few key contracts lowered transaction costs and helped the client focus on adapting to the OPBRC contract format and overcoming implementation challenges, which was crucial given limited capacity. The straightforward and scalable objectives and indicators allowed risk mitigation and the ability to take advantage of opportunities for expansion.

Strong client commitment, hands-on support, proactive training, strategic market engagement, and robust technical assistance are essential for successful OPBRC contracting. Under the project, ministerial-level ownership enabled rapid institutionalization through training, equipment acquisition, and a monitoring unit. Timely market outreach and contractor training improved understanding and feedback, strengthening market response. World Bank support, including expert mobilization, ensured high-quality bidding documents. These experiences



underscored the importance of tailored capacity-building, iterative contract refinement, and ongoing technical support.

Close coordination among development partners can enhance project design, implementation, and impact. For the project, joint financing and support from IDA, AIIB, and NDF enabled greater scale and effectiveness, while alignment with ongoing programs from ADB, JICA, and KfW ensured best practices in road safety and axle load control. Collaboration between the World Bank, AIIB, and NDF provided strong support to the implementing agency, demonstrating that coordinated development finance amplifies impact beyond physical outputs.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR presents a logical flow and coherent account of this project. The quality of analysis is adequate and internally coherent. The lessons in the ICR are supported by the evidence and findings presented. The ICR presents sufficient and credible evidence based on critical information to support the achievements reported. The length of the ICR was in line with the harmonized guidelines between OPCS and IEG. A shortcoming is that the ICR does not parse the PDO in the ToC (ICR, figure 1, page 3), hence does not clarify causal chains among activities, outputs, intermediate outcomes, and outcomes. Overall, the quality of ICR is rated substantial.

a. Quality of ICR Rating

Substantial