

**GLOBAL PARTNERSHIP FOR RESULTS-BASED
APPROACHES**

OPERATING PRINCIPLES AND ANNEXES

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GLOBAL PARTNERSHIP FOR RESULTS-BASED APPROACHES

OPERATING PRINCIPLES

1. Results-Based Financing (RBF) comprises a range of development financing mechanisms that focus on achieving results. The funds are supporting the achievement of results/indicators and disbursements are not solely linked to expenditures. Output-Based Aid (OBA) is a strategy for applying public money, through performance-based contracts, to subsidize the cost of delivering basic services and target these on the poor. OBA, which is one form of RBF, involves the delegation of service delivery to an operating entity, under arrangements that tie the disbursement of funding to pre-specified services or outputs that are delivered.

2. A multi-donor program - the Global Partnership for Results-Based Approaches ("GPRBA" or the "Partnership") (formerly known as Global Partnership on Output-Based Aid or "GPOBA") - was established by DFID and the World Bank in January 2003. Since then additional partners have joined the program. The goals of GPRBA are to facilitate increased access to reliable infrastructure and social services by the poor in developing countries, by developing best practice techniques for, and encouraging the broader use of, OBA and RBF approaches for the provision of these services, and to facilitate the sharing of best practice and experience among the broader stakeholder community. The Partnership will operate according to the following principles.

I. Partnership Objectives

1.1 The GPRBA aims to facilitate learning on the potential contribution of OBA and RBF approaches to the delivery of basic services by:

- Supporting the design, implementation and evaluation of a program of individual OBA and RBF schemes (pilots and scale-up);
- Facilitating the identification and dissemination of knowledge on issues relating to the role and application of OBA and RBF; and
- Contributing to the financing of OBA and RBF schemes.

1.2 These objectives are to be achieved by supporting a range of activities as described below, pursuant to a memorandum of understanding ("MOU") or GPRBA Trust Fund administration agreement ("Administration Agreement") entered into between each donor, IBRD and the International Development Association ("IDA") (together referred to as "World Bank").

II. Partnership Scope

Eligible OBA/RBF Schemes

2.1 GPRBA resources may be applied to a variety of approaches under which

funding (whether sourced from donors, loans or grants from international financial institutions, government budgets, non-governmental organizations, and private sector) supports the delivery of services through RBF schemes. Examples of schemes that might be supported by the Partnership include:

- Schemes intended to improve the affordability of access to services and consumption of services by low-income populations (whether by subsidizing ongoing consumption or the costs of connection to network services);
- Schemes intended to improve the efficient delivery of services that exhibit positive externalities;
- Schemes intended to facilitate the transition to cost-covering tariffs; and,
- Schemes using other forms of results-based financing approaches.

Eligible Services

2.2 GPRBA resources may be applied to RBF approaches to the delivery of the following services in accordance with donor specifications:

- The provision to consumers of basic infrastructure services (including energy, water, sanitation, irrigation, transport, telecommunication, urban infrastructure, and climate resilience); and
- The provision to consumers of education, healthcare and other social services.

2.3 Service providers may, subject to donor specifications, either be from the private sector (including both for-profit and not-for-profit entities) as well as the public sector, where the service provider is a municipality or other sub-sovereign entity, provided it is operating on commercial principles.

Eligible Activities

2.4 GPRBA resources may be applied to the following activities:

- **Window 1:** Financing studies and other inputs to assist in the design, implementation and evaluation of particular schemes intended to pilot or scale -up the application of OBA or RBF approaches to the delivery of eligible services. Those inputs may relate to, inter alia, the design of financing, contracting and administrative arrangements for specific schemes or other forms of results-based approaches that can contribute to or facilitate the mainstreaming of OBA or RBF in government systems, and support to awareness raising, consensus-building and capacity-building activities for specific schemes.

Window 2: Financing activities to help identify and disseminate emerging knowledge on issues relating to the role and application of

OBA and RBF approaches to the delivery of Eligible Services that are not specific to the design, implementation or evaluation of particular schemes. Those activities may include, inter alia, publications, workshops and conferences.

- **Window 3:** Contributing to the financing or co-financing of individual pilot or scale-up OBA or RBF schemes and national or sub-national OBA or RBF facilities. This will allow the Partnership to play a catalytic role vis-à-vis other funding sources.

Eligible Countries

2.5 GPRBA resources may be applied to activities undertaken in any member country of the World Bank Group in accordance with donor specifications.

Eligible Expenses

2.6 Subject to donor specifications, GPRBA resources may be applied to the following expenditures:

- Costs associated with identifying, supervising and delivering specific activities.
- Costs associated with the delivery of basic services under OBA and RBF arrangements.
- Costs associated with preparing and disseminating information produced by GPRBA.
- Costs associated with organizing workshops or conferences, including costs associated with participation by relevant international experts and, in appropriate cases, representatives of recipient governments.
- Costs associated with administering GPRBA.
- Other costs directly related to the fulfilment of GPRBA's objectives.

III. Partnership Participation & Fund Structure

Participation

3.1 The Partnership is open to participation by official donors, international organizations, non-governmental organizations, and private sector entities agreeing to make the prescribed minimum contribution to the Partnership (“Donors”).

3.2 Except as may otherwise be agreed in each Donor’s MOU or Administration Agreement, all Donors are required to make a minimum annual contribution to the Partnership equivalent to US\$250,000. For the purposes of this provision, “annual” shall mean each World Bank Group Fiscal Year (July 1- June 30 of each calendar

year).

3.3 The World Bank Group may meet the required minimum annual contribution to the Core Fund through a combination of administrative budget and in-kind contributions.

Fund Structure

3.4 Resources of the Partnership will be organized into a Core Fund and one or more Non-Core Funds.

3.4.1 Core Funds: Core Funds shall comprise resources available for any Eligible Activities connected with any Eligible OBA or RBF Scheme or Eligible Service in any Eligible Country or Countries. The funds provided under the Multi-Donor Trust Funds and the IFC Trust Fund for the Performance-Based Grants Initiative are Core Funds

3.4.2 Non-Core Funds: Donors may also establish Non-Core Funds that limit eligible expenditures to particular regions, sectors, or themes within the scope of this Partnership.

3.5 The DFID Challenge Fund, the Dutch GPOBA Water and Sanitation Fund and the DFID Phase 2 Fund have been established as Non-Core funds, on this basis as described below.

The DFID Challenge Fund

3.6 The DFID Challenge Fund will be open to general applications from other IFIs, bilateral donors, NGOs, public and private infrastructure providers, governments and the World Bank Group. Projects with World Bank involvement will only be allowed up to a maximum of 15% of total funds awarded under the Challenge Fund. The Challenge Fund will be used principally to fund activities under Window 3 of GPRBA.

The Dutch GPOBA Water and Sanitation Fund

3.7 The Dutch GPOBA Water and Sanitation Fund will be open to general applications from other IFIs, bilateral donors, NGOs, public and private infrastructure providers, governments and the World Bank Group. The Dutch GPOBA Water and Sanitation Fund will be principally used to fund activities under Window 1 and Window 3 of GPRBA in the Water and Sanitation sector.

The DFID Phase 2 Fund

3.8 The DFID Phase 2 Fund will be used to fund activities under Window 1, Window 2 and Window 3 in sectors with no or limited OBA or R B F experience, or facilitate scaling-up for sectors where there has been more substantial OBA experience.

IV. Governance & Administration

41 GPRBA will be governed by a Program Council made up of one representative from each Donor, including a representative of the World Bank who will serve as Chair of the Program Council. The Program Council will be responsible for:

- (a) Considering and defining GPRBA policies and strategies.
- (b) Approving an Indicative Annual Work Plan and financial plan.
- (c) Reviewing GPRBA performance.
- (d) Overseeing the Program Management Unit.

42 The Program Council will meet at least annually to approve an Indicative Annual Work Plan and review progress. The Head will submit the agenda and papers for Program Council meetings at least one week prior to the meeting. The Program Council will establish mechanisms to provide appropriate supervision of and guidance to the Program Management Unit between Program Council meetings.

43 GPRBA will be administered by the Social, Urban, Rural, and Resilience (SURR) Global Practice of the World Bank, which will designate a Head to lead the Program Management Unit. The Program Management Unit will report to the Program Council and carry out the GPRBA mandate and manage its day-to-day operations.

Project Selection

44 Project selection and approval will be in accordance with the provisions set out in Annexes 1 and 2. GPRBA's Project Review and Approval Process for Windows 1 and 2 is attached as Annex 1 and GPRBA's Project Review and

Approval and Implementation Process for Window 3 is attached as Annex 2. In considering funding proposals that draw from GPRBA resources, the Head will have regard to the following criteria:

- Consistency with the GPRBA's threshold eligibility criteria (Eligible Schemes, Eligible Services, Eligible Activities, Eligible Countries, Eligible Expenses).
- Consistency with Indicative Work Plans approved by the Program Council, or in the case of Non-Core Funds, with criteria specified by relevant Donors.
- In the case of individual OBA or RBF schemes, the commitment of the host government to the proposed scheme; the expected availability of funding for the RBF schemes; and the desirability of testing a variety of approaches to RBF in a variety of sectors and country contexts.
- Additionally: Funding should not be more readily available from other sources.
- Co-financing: GPRBA resources may cover up to 100% of the costs of an Eligible Activity. However, co-financing from other sources is encouraged.
- Value for Money: Activities should aim to ensure value for money, including adopting the lowest cost strategies consistent with appropriate standards of quality.

45 As far as the Window 3 is concerned, a Panel of Experts, made up of up to three recognized practitioners in the field of the provision of infrastructure services or, as the case may be, social services in developing countries, will be assembled and tasked with evaluating projects recommended by the GPRBA Head, and endorsing them or otherwise, prior to those projects being submitted for approval in accordance with the approval mechanisms specified by the Donors. Grants will be awarded by the GPRBA Head accordingly, and an authorized representative of the World Bank as administrator of GPRBA will enter into a Grant Agreement with the Recipient. The Program Management Unit may call on the Panel of Experts for advice throughout the project cycle. If approved projects, already under implementation, require substantial restructuring, the Head may request that the Panel of Experts review the proposals submitted by Task Team Leaders. If the Head requests the Panel of Experts to review proposals for project restructurings, the Task Team Leader will submit to the Head a Restructuring Paper providing the background, rationale, analysis, benefits, and risks of the restructuring. Further, the Program Management Unit may inform the Panel of Experts on changes in project design as appropriate.

46 Each expert must be approved by all donors. Any donor may propose one or more experts to serve on the Panel.

Program Reporting

47 The Program Management Unit will report to the Program Council on all approved activities. The agreed reporting and auditing arrangements are outlined below.

- Semi-annual reports on the progress of activities financed under Window 1, Window 2 and Window 3, including relevant approval and financial information, implementation status, and information on performance relative to approved criteria (prepared within 90 days of the end of each semi-annual period).
- Financial plans on anticipated future funding requirements to assist with the preparation of activities and scheduling of disbursements, whenever the need arises.
- An annual report with sections on trends in the use of OBA and RBF, the results of outreach efforts to other bilateral donors and international financial institutions on the use of OBA and RBF, and the extent of global replication of OBA and RBF schemes (prepared within 90 days after the end of the Fiscal Year).
- A budget for the following Fiscal Year including expected quantities and profile of activities financed under Window 1, Window 2 and Window 3.

Trust Fund Financial Reporting and Audit

48 The Bank will furnish to the Donors current financial information relating to receipts, disbursements and fund balance *in the holding currency* of the Trust Fund with respect to the Contributions via the World Bank's Trust Funds Donor Center secure website. Within six (6) months after all commitments and liabilities under the Trust Fund have been satisfied and the Trust Fund has been closed, the final financial information relating to receipts, disbursements and fund balance *in the holding currency* of the Trust Fund with respect to the Contributions will be made available to the Donors via the World Bank's Trust Funds Donor Center secure website.

49 The Bank will provide to the Donors, within six (6) months following the end of each Bank fiscal year, an annual single audit report, comprising (1) a management assertion together with an attestation from the Bank's external auditors concerning the adequacy of internal control over cash-based financial reporting for all cash-based trust funds as a whole; and (2) a combined financial

statement for all cash-based trust funds together with the Bank's external auditor's opinion thereon. The cost of the single audit will be borne by the Bank.

4.10 If a Donor wishes to request, on an exceptional basis, a financial statement audit by the Bank's external auditors of the Trust Fund, the Donor and the Bank shall first consult as to whether such an external audit is necessary. The Bank and the Donor shall agree on the appropriate scope and terms of reference of such audit. Following agreement on the scope and terms of reference, the Bank shall arrange for such external audit. The costs of any such audit, including the internal costs of the Bank with respect to such audit, shall be paid by the requesting Donor.

Use of World Bank Group Staff in Program Execution

4.11 The Head may use a portion of GPRBA contributions to fund the services of World Bank Group staff to assist in the identification, supervision, and implementation of Eligible Activities, provided that no more than 30 percent of GPRBA funding will be applied to those expenditures.

4.12 The World Bank will designate a Task Team Leader for each Eligible Activity.

Procurement under Window 1 and 2 Activities

4.13 For Window 1 and Window 2 activities, which will be World Bank executed, the selection and contracting of consultants and management of other related expenditures will be responsibility of the Task Team Leader, in consultation with the Head, and in accordance with applicable World Bank Group policies and procedures.

4.14 For Window 1 and Window 2 activities executed by other eligible recipients, the selection and contracting of consultants will be implemented in accordance with applicable World Bank Group policies and procedures.

Grant Agreements for Window 3 Activities

4.15 Funding for Window 3 activities will be awarded by the GPRBA Head, and the World Bank, as administrator of GPRBA, will enter into a Grant Agreement with the recipient agency or institution in the eligible country.

Dissemination Strategy

4.16 A critical component of the work of GPRBA is to disseminate OBA and RBF best practices and to encourage replication of OBA and RBF approaches globally. GPRBA's dissemination strategy will be provided annually during the Program Council Meeting.

V. AMENDMENT

5.1 Except as regards the Annexes hereto, these Operating Principles may be amended only with the written consent of all Donors. Each Annex hereto may be amended only with the written consent of all of the Donors contributing funds through the Window which is the subject of that Annex.

Annex 1: Project Review and Approval Process – Windows 1 and 2

1. The process for evaluating and approving proposals for GPRBA assistance has been designed to ensure consistency with Indicative Annual Work Plans. The evaluation and approval processes aim to strike a balance between speed, cost, comprehensiveness of evaluation, transparency and other considerations. The nature and rigor of the evaluation and approval process generally increases with the size of the support requested from GPRBA.
2. Proposals to GPRBA for activities under Windows 1 and 2 may be evaluated and approved either:
 - a. during annual meetings of the Program Council when Indicative Annual Work Plans are approved; or,
 - b. as part of formal submissions to donors by the Program Management Unit between meetings of the Program Council in accordance with the current agreed Indicative Annual Work Plan, criteria and processes.
3. Proposals may be funded by either Core Funds or Non-Core Funds. The expenditure of Core Funds and Non-Core Funds will be consistent with Indicative Annual Work Plans submitted to the Program Council and funds for projects in the amount of \$500,000 and under may be used for any purpose that is authorized by the GPRBA Head in accordance with the Operating Principles. Funding of over \$500,000 for projects to be funded by Core Funds or Non-Core Funds will be subject to approval on a 'no-objection' basis by the relevant donor funding the activities within 10 working days, with copy to the other donors who will not provide funds for said activity.

Applications

4. Proposals for GPRBA assistance may originate from any source. Consistent with the approval criteria, however, proposals relating to country-specific activities will require evidence of commitment from the government towards the project.
5. Proposals for GPRBA assistance are initiated by the completion of an application form that seeks to capture all key information required to assess the proposal. Application forms – together with supporting information – will be available on the GPRBA website

Initial Screening

6. The Program Management Unit will undertake an initial screening of all applications to ensure that they are complete and consistent with the threshold eligibility criteria and applicable Donor specifications. If required, the Program Management Unit may consult with the applicant to obtain additional

information.

7. Applications that meet the threshold eligibility requirements will be subject to more intensive scrutiny.

Technical Assessment

8. Activities to be funded by Core Funds or Non-Core Funds will be consistent with Indicative Annual Work Plans subject to Program Council approval. For proposals that are to be funded by the Core Fund or Non-Core Funds, the Program Management Unit may undertake the evaluation from its own resources but may request an independent technical assessment from one or more specialists with relevant expertise, including those on GPRBA donor staffs. The findings and recommendations of such assessors shall not be binding on the Program Management Unit but shall in all cases be recorded in the activity file and will be available to GPRBA donors. To ensure a rapid response capability, applications for Core Funds and Non-Core Funds shall be considered on a rolling basis as requests arise, without the need for a relative assessment of proposals through the periodic batching of proposals.
9. If the Program Management Unit is of the opinion that the proposed activity is technically sound but raises significant social, political or other sensitivities not fully addressed in the approval criteria, the Program Management Unit shall refer the proposal to the Program Council for further guidance.

Donor Coordination

10. Proposals that meet the threshold eligibility requirements and are consistent with other approval criteria will be researched to ensure they are not in conflict with the programs or activities of donors. The Program Management Unit shall make this assessment by undertaking a review against information reasonably available on donor programs and activities.
11. For activities over \$500,000 to be funded by the Core Fund and all activities to be funded by Non-Core Funds, individual donors may wish to consult further within their own organizations on related programs or activities that may be in conflict with GPRBA proposals. Donors may also have internal consultations undertaken by donor staff regarding the merit of the proposal. These consultations will usually be undertaken through electronic mail inviting nominated persons to register any concern within 10 working days.
12. If the above processes reveal any issue of donor coordination, the Program Management Unit shall endeavour to resolve such matters through appropriate consultation. Matters that cannot be resolved in this manner may be referred to the Program Council for further guidance.

Approval Notification to Donors

13. For activities \$500,000 and under to be funded by Core Funds or Non-Core Funds, the Head is authorized to approve the proposal without further reference to the donor funding the activities. However, the Head shall inform such donor of its approval through semi-annual reports.

Approval Notification to Proponent

14. Applicants will be notified immediately following the acceptance of their proposal. All approved applications will be posted on the GPRBA website. If a proposal is rejected, an explanation will be provided to the applicant.
15. Once an activity has been approved and GPRBA funds are allocated, the Task Team Leader will receive a formal award letter outlining terms and conditions of the award, as well as further assistance from the Program Management Unit required to initiate the project and initiate funding activities.

Annex 2: Project Review, Approval, and Implementation Process – Window 3

1. The process for evaluating and approving proposals for Window 3 projects will also ensure consistency with the Indicative Annual Work Plans. The project review and approval process for Window 3 projects requires greater information and more due diligence to be performed by the GPRBA Management Unit than is the case for Windows 1 and 2. It also has to take into account the greater uncertainty associated with the development and implementation of the service delivery projects to be funded under Window 3, and the need for GPRBA to ensure that scarce funds are not committed to projects that do not materialize.
2. Consequently, the process for approving projects for Window 3 involves two stages:
 - a. *Eligibility*: an initial assessment to ensure that the project is eligible for funding under Window 3, against the list of criteria set out below. Proponents of projects declared eligible would be informed that, assuming that the project is developed to fruition and the final project design is consistent with the eligibility criteria, then GPRBA will fund the project assuming resources are available at that stage.
 - b. *Funding Commitment*: a review of the project to determine that it is ready for implementation, and that the final structure and characteristics of the project meet the eligibility requirements of GPRBA.

3. Window 3 projects may be funded by either Core Funds or Non-Core Funds. The expenditure of Core Funds and Non-Core Funds must be consistent with Indicative Annual Work Plans and funds for projects of \$500,000 and under may be used for any purpose that is authorized by the GPRBA Head in accordance with the Operating Principles. Funding of over \$500,000 for projects to be funded by Core Funds or Non-Core Funds will be subject to the specific approval mechanism as determined by the relevant Donor and the processes described in this paragraph 3 and in paragraph 8.

The donor approval mechanism for Core Funds and Non-Core Funds under Window 3 is set out below:

Approval Mechanism	DFID	IF C	Dutch	MDTF
Eligibility	Donor team/country office reviews Concept	Donor Donor reviews Note– no objection 10 working days.	GPRBA Head approves	Donors providing funds to the MDTF

	Note– no-objection 10 working days			review Concept Note – no-objection 10 working days
Commitment	GPRBA Head approves	GPRBA Head approves	GPRBA Head approves	GPRBA Head approves

Criteria for Evaluating and Selecting Window 3 Projects

4. Window 3 applications will be evaluated and selected in accordance with the table below, as well as the criteria set out in paragraph 5.

Eligibility Criteria	DFID	IFC	Dutch
Contribution restricted to World Bank Group projects	Yes. Up to £8.65 million for WB projects under DFID Challenge Fund	Yes.	No
Eligible Countries	For DFID Challenge Fund: 60% for countries in columns 1 and 2 of OECD- DAC List 1. New connections to the poor and preference for frontier markets; 40% for countries in column 3 and 4 of OECD – DAC List 1. For DFID Phase 2 Fund, W3 activities should be implemented in Low	Preference for frontier markets/sectors and Fragile and Conflict-Affected Situations.	Preference for Africa.

	Income Countries ¹ , with a preference for South Asia.		
Eligible Sectors	Private and Public Sector Infrastructure DFID Phase 2 Fund pilot projects in untested sectors (e.g. transport, solid waste, irrigation). Scale up projects in mature sectors (e.g. water, energy)	Private Sector Infrastructure; and Private Sector Health & Education	Private and Public Sector Water and Sanitation
Amounts	No cap	Up to US\$7 million (more on exceptional basis)	No cap

5. All Window 3 proposed projects will be assessed to determine whether they are eligible for funding by GPRBA based on the following additional criteria:

- Well-conceived structure of the project and its OBA or RBF component so as to be sustainable in the long term, with, as applicable, (i) the operating performance risk transferred under contract to the operator at a reasonable rate of return; (ii) the subsidy to be designed at a minimum level to assure viable and sustainable project economics; and (iii) the subsidy term (for transition subsidies) not to exceed 7 years.
- Positive externalities as a result of the OBA or RBF scheme and/or the number of poor people (hitherto unserved or badly served) expected to receive services.
- Learning and demonstration benefits expected from the proposed project – i.e. new experiences given either the OBA or RBF structure or mechanism, the sector or sub-sector, service delivery mechanisms, region, or institutional capacities involved.
- Expectation of positive benefits in terms of one or more of the following aid effectiveness parameters:
 - a) Reduction in the subsidy required for connecting new consumers;

¹ Low Income Countries are those in columns 1 and 2 of OECD-DAC List 1.

- b) Reduction in the subsidy required for operation of a utility or provision of service, e.g. subsidy per kWh or cubic meter or per km of road, implying efficiencies through lower operating costs;
 - c) Improvement in service quality - e.g. quality of road surface, hours of water supply, number of electricity outages, technological improvements; improvement in environmental, social and health indicators;
 - d) Improvement in the targeting of the poor by donor funding provided, e.g. ratio of donor funding going to subsidize connections received by the poor; and
 - e) Mobilization of private resources for investment in these projects.
6. In order to assess eligibility under the above criteria, GPRBA will require applicants to provide the following information in a Concept Note in the form as developed by GPRBA:
- Background on the project (country, sector, region, locality or community within country).
 - Envisaged project structure and viability (sponsors, financing, basic project agreements, evaluation and risk assessment).
 - Preliminary scheme design: nature of OBA or RBF approach to be adopted, service providers to be used, overall cost of project, extent of payments required under RBF scheme and Window 3 funding required from GPRBA.
 - Criteria to justify support from GPRBA: income/poverty levels in regions and of consumers to benefit from scheme; expected volumes of private investment; innovation and potential for replication; expected benefits from scheme (increased connections, reduced subsidy requirements, improvements in reliability etc.); and consistency with the current Indicative Annual Work Plan as approved by the Program Council.
 - Commitment from host government and donors: initial assessment of (i) commitment from host government to OBA or RBF scheme, including sector reform required for implementation, and to use of GPRBA funding; and (ii) commitment from IFIs/donors to assist in the implementation of the project and follow-on funding for scaling-up.
 - Implementation schedule: timeline of activities, including schedule of payments to be required under the RBF scheme from GPRBA; resources required for project preparation, including from Window 1 of GPRBA; present stage of implementation; program of work to ensure that for (i) World Bank projects

World Bank procurement, financial management and other fiduciary safeguards are to be respected; and (ii) projects related to IFC, MIGA and other international institutions, organizations and donors procurement, financial management, and other fiduciary safeguards will be respected in accordance with applicable World Bank Group policies and procedures; and identification of the team managing and supervising project development.

7. When project preparation is at an advanced stage, GPRBA will require the proponents to submit to GPRBA a full information package in the form of a Project Paper in the form developed by GPRBA that will enable GPRBA to recommend commitment of funding in connection with the project, including:
 - Full information on scheme design related to the nature of services to be subsidized, targeting of subsidies, mechanisms for monitoring and verification of outputs, and overall investment levels.
 - Criteria to justify support from GPRBA, including income or poverty levels in regions and of consumers to benefit from the project; expected volumes of private investment; innovation and potential for replication; expected benefits from the project (e.g., increased connections, reduced subsidy requirements, and improvements in service reliability).
 - Commitment from the host government to the OBA or RBF scheme.
 - Timeline of implementation activities, including schedule and conditions of payments under the RBF scheme to be required from GPRBA; present stage of implementation; work program to ensure that World Bank procurement, financial management and safeguards policies and procedures will be complied. All projects will be required to present baseline data on applicable parameters to track accurately project impact.
8. All projects will be assessed in accordance with the relevant criteria set out in paragraphs 4 and 5. In order to provide an independent source of expertise and to ensure impartiality for awards, a Panel of Experts, made up of up to three recognized practitioners in the field of the provision of infrastructure services or, as the case may be, social services in developing countries will be tasked with reviewing all projects based upon the criteria set out in paragraph 5. GPRBA will adopt the following process:
 - a. Eligibility Phase
 - When applications are submitted by applicants, the Program Management Unit will assess projects in accordance with the criteria

set out in paragraphs 4 and 5.

- The Program Management Unit may, if necessary, seek additional information from applicants to determine whether or not a project is eligible for funding.
 - For those projects deemed eligible, the Head will send a Concept Note for each project to the Panel of Experts with its recommendation to endorse the projects as eligible.
 - The Panel of Experts will meet to consider the projects and endorse eligibility or otherwise; the Panel will be required to operate within a time-bound process.
 - Projects endorsed by the Panel of Experts will then be subject to the relevant approval mechanism set out in paragraph 3.
 - The Program Management Unit will advise applicants whether or not their projects have been approved as eligible; the Program Management Unit will require the applicants to keep GPRBA informed on a regular basis including any significant changes to the project or scheme (such as changes in overall investment, subsidy level or target of subsidy) that would have a material impact on eligibility and the ability of GPRBA to fund the scheme, and keep the proponents advised of any likely funding constraints.
- b. Funding Commitment Phase
- At the time of Funding Commitment, the Program Management Unit, if it is satisfied the relevant projects are still eligible for funding, may invite the Panel of Experts to review and provide technical advice on the projects.
 - Projects will be subject to the relevant approval mechanism set out in paragraph 3. The Program Management Unit will advise applicants whether or not their projects have received final clearance for funding.
 - For projects approved through the approval mechanism set out in paragraph 3 and the relevant World Bank procedures, grant agreements will be drafted and negotiated with the relevant agency/institution in the country where the project is located. The Head will ensure that any technical advice provided by the Panel of Experts during their review have been duly considered, prior to the authorized representative of the World Bank signing the grant agreement with the recipient.
9. The Program Management Unit shall obtain for each project all the relevant clearances from the World Bank's Country Management Unit.

10. To ensure a full flow of information to project proponents and donors, GPRBA will maintain on its website up-to-date information on the projects that have been determined to be eligible for GPRBA funding, including for each project the amount of funding, the expected timeline to reach the stage of funding commitment and the date of approval of funding commitment, subject to any relevant confidentiality requirements.
11. The Program Management Unit will make known to donors and governments the possibility of funding under Window 3, through electronic media as well as presentations and workshops, to ensure a wide spectrum of applications for funding. This will be repeated on a regular basis until in the view of the Program Council GPRBA funds will be exhausted by the projects committed and those deemed eligible.

Technical Assessment

12. The Program Management Unit may request an independent technical assessment from one or more specialists with relevant expertise, including those on GPRBA donor staffs, when assessing whether to declare projects eligible or to commit and approve funding. The findings and recommendations of such assessors shall not be binding on the Program Management Unit, but shall in all cases be recorded in the activity file and will be available to GPRBA donors.
13. In all cases, if the Program Management Unit is of the opinion that the proposed activity is technically sound but raises significant social, political or other sensitivities not fully addressed in the approval criteria, the Program Management Unit shall refer the proposal to the Program Council for further guidance.

Approval Notification to Proponents

14. Applicants will be notified immediately following the approval of their proposals. All approved applications will be posted on the GPRBA website subject to the World Bank Policy on Access to Information. If an application is rejected, an explanation will be provided to the applicant.

Supervision

15. GPRBA funds are allocated, the Task Team Leader will receive an award letter outlining the terms and conditions of the activity and financing, including supervision funding.
16. GPRBA will specify the reporting requirements for each project to ensure availability of relevant data on project implementation, results and impacts. GPRBA will assist Task Team Leaders and recipients in efforts to scale-up the projects and to secure additional assistance or funding from international financial institutions or bilateral donors where necessary.

Grant Closing

17. At the termination of the Grant Agreement, the Task Team Leader will prepare an Implementation Completion Report (ICR) in line with standard World Bank procedures. The Task Team Leader will ensure that standard project closing processes have been undertaken, including the return to GPRBA of grant funds advanced that have not been spent.