

Content and Structure of the Project Paper (PP) for Additional Financing

Length: The PP should not exceed the equivalent word count of eight pages in 12 point, single-spaced text, excluding the cover MOP and Data Sheet. The table below suggests the length for each section.

Content: Writers should follow the format below, but the text should be adapted to the specific circumstances of the project. Please note that in sections 6-10 below the typical questions to be answered differ or may not be applicable, depending on whether they deal with project cost overruns/financing gap, project restructuring, or project scale-up.

<i>Section Name</i>	<i>Typical Questions to be Answered in Each Section</i>	<i>Suggested Length</i>
1. Memorandum of the President	See the Annex	One page or less
2. Data Sheet	See Data Sheet	One page
3. Introductory Statement	<p>Use the following standard text and add the required information: This Project Paper seeks the approval of the Executive Directors to provide an additional [loan][credit][grant] in an amount of [] to [country name] [project name] [project ID number][loan/credit number].</p> <p>The proposed additional loan would help finance the costs associated with (briefly summarize the reasons for the proposed loan: [financing gap or cost overrun] or [modified activities included as part of project restructuring in response to circumstances that arise during implementation] or [scaled-up activities to enhance the impact of a well-performing project]. Also summarize the major changes being proposed, and the expected outcomes from the activities to be supported with additional financing.</p> <p>Partnership arrangements: What multi- or bi-lateral agencies are cofinancing the project, if any?</p>	One fourth to one half of a page
4. Background and Rationale for Additional Financing in the amount of \$ _____	<p>a. What was the original loan amount? When was the loan approved and when did it become effective? What were the project's original objectives, design, or scope? Have there been any changes to the original objectives, design, or scope?</p> <p>b. How has the project performed to date in regard to meeting its expected DOs and related outcomes, and to its outputs and IP ratings (refer to PAD, PSRs/ISRs, and other sources)? Is there substantial compliance with the loan covenants?</p> <p>c. What is the rationale and reasons for the borrower to request the additional loan: [financing gap or a cost overrun; modification of project activities in the context of restructuring (including an emergency, where applicable); or scale-up of activities to enhance development impact]</p> <p>Discuss all that apply:</p> <ul style="list-style-type: none"> ▪ country context ▪ sector policy or strategy ▪ foreseen risk factors ▪ unforeseen events ▪ availability of co-financing ▪ institutional or capacity issues ▪ opportunities from successful implementation 	One to two pages

<i>Section Name</i>	<i>Typical Questions to be Answered in Each Section</i>	<i>Suggested Length</i>
	<ul style="list-style-type: none"> ▪ greater than anticipated demand/absorptive capacity of eligible project beneficiaries ▪ project design ▪ any others 	
5. Proposed changes	<ol style="list-style-type: none"> a. What are the proposed changes, as applicable, to the project's DOs, design, and/or scope? b. What are the complementary changes, as applicable: institutional arrangements, project costs and financing plan [include summary table(s)], financial management, disbursement arrangements, procurement, closing date, implementation schedule? 	One page
6. Consistency with CAS or CPS	For modified or scaled-up activities, are the proposed changes consistent with the current CAS or CPS? If they depart from the current CAS or CPS in substantive respects, what are the implications for such CAS or CPS? How do the changes contribute to poverty reduction?	One fourth of a page
7. Economic Analysis of cost overrun or financing gap	For a cost overrun or financing gap, do the results of the economic analysis differ from the original economic analysis? Does the project remain economically justified?	Half a page
8. Appraisal of restructured or scaled-up project activities	<ol style="list-style-type: none"> a. When restructuring or scaling up a project, the economic, financial, technical, institutional, fiduciary, environmental, and social aspects of any modified, expanded or new activities are appraised. Provide a summary of the results of such appraisal. b. Do the proposed modified, expanded or new activities raise the environmental category of the project or trigger any new safeguard policies? If so, how will these impacts be addressed? c. Does the restructuring or scale-up involve any exceptions to Bank policies? If so, explain. 	One to two pages
9. Expected outcomes	For restructured or scaled-up projects, will the proposed changes affect the project's outcome indicators and expected outcomes? If so, how? What new indicators will be monitored?	One fourth of a page
10. Benefits and Risks	For modified or scaled-up activities, are there risks that could jeopardize the achievement of the project's DOs, including but not limited to political, policy-related, social/stakeholder-related, macro-economic, financial, or capacity-related risks? If so, how will such risks be mitigated?	One half to one page
11. Financial terms and conditions for the additional financing	<ol style="list-style-type: none"> a. Describe financial terms and conditions for the additional financing (which are set independently from the terms and conditions for the original loan/credit/grant). For IBRD borrowers, explain why has the borrower selected these terms? 	One quarter page