

Delivery Challenges Taxonomy & Examples

Category: Coordination & Engagement	
Subcategories	Examples
<p>Roles & Responsibilities <i>Challenges that emerge when roles and responsibilities of different stakeholders are not clearly defined.</i></p>	<ul style="list-style-type: none"> • In this project, all line ministries implemented HIV/AIDS workplace plans, but uneven progress and lack of coordination hampered efforts. • High-level and sustained borrower commitment and clarity about the roles and responsibilities are needed to overcome problems • Clearly delineated roles and responsibilities of center and states and follow up to ensure that these roles and functions are being adequately executed will ensure better results.
<p>Stakeholder Engagement <i>Challenges stemming from failure to adequately and actively engage beneficiaries or relevant stakeholders.</i></p>	<ul style="list-style-type: none"> • Keeping key political and bureaucratic stakeholders in the loop is essential so that when the time comes they will provide crucial support. • The experience stresses the need for an implementing agency that, in addition to strong ties to the research community, has effective private industry ties. • In middle-income countries with highly skilled government counterparts, it is critical to adopt a social participatory and consultative process in the preparation of operations.
<p>Awareness & Communication Strategy <i>Challenges stemming from inability to raise awareness or unwillingness/inability to share relevant information with beneficiaries and/or the general public.</i></p>	<ul style="list-style-type: none"> • The "rules of the game" need to be fully and clearly explained to the participants in community-managed projects. Delays in explaining the rules may make beneficiaries reluctant. • A dialogue which is not sufficiently rigorous or frank, can result in the neglect of critical constraints to sector performance. • An awareness-raising component can build better communication between project committees, municipal authorities, and beneficiaries.
<p>Bureaucratic Structure <i>Administrative barriers or bureaucratic structures that impede and/or slow down coordination or engagements.</i></p>	<ul style="list-style-type: none"> • Complex structures and processes that slow activities and disbursements should be avoided. • Avoid intermediate management layers. • The Bank's rather ponderous procedures for approval and supervision of projects.
<p>Inter & Intra-governmental Relations <i>Challenges caused by the difficulty of coordinating among different levels and structures of government with differing priorities and/or mismatches of resources, responsibilities, and/or expectations.</i></p>	<ul style="list-style-type: none"> • Decentralization does not leave all municipalities equally able to implement projects. • Support to multiple decentralized entities with varying institutional and technical capacities. • It is important to cover all relevant levels of government in seeking decentralization. This operation improperly excluded an intermediate level of government.

Delivery Challenges

Taxonomy & Examples

<i>Category: Commitment & Leadership</i>	
<p>Change in Leadership & Administration <i>Challenges caused by leadership change in the government or relevant stakeholders.</i></p>	<ul style="list-style-type: none"> • Reform programs that rely excessively on a key few individuals are at risk if governments or personnel change. • Slowdown in the project because of change in leadership in the Ministry. • Changes of governments along with changes in key players may result in slow physical and financial implementation.
<p>Opposition or Lack of Consensus <i>Inability to find a solution that is acceptable to all major stakeholders, or opposition from stakeholder groups or individuals to a proposed intervention.</i></p>	<ul style="list-style-type: none"> • Strong resistance from the Borrower to hiring foreign firms. • Government ownership is essential, especially concerning implementation of unpopular but necessary programs. • A well prepared and far-reaching civil service reform program was derailed following opposition from trade unions.
<p>Change in Priorities or Lack of Commitment <i>Issues caused by sudden changes in organizational priorities or the degree of commitment to a particular intervention.</i></p>	<ul style="list-style-type: none"> • There was no Government commitment and in real value terms no progress was made. • In the few areas where government commitment was lacking implementation was delayed. • Ensuring sustainability for politically sensitive projects that require continuing political support.

<i>Category: Human Resources & Organizational Capacity</i>	
<p>Skilled Human Resources <i>Challenges caused by lack of appropriately skilled project staff.</i></p>	<ul style="list-style-type: none"> • Successful project implementation depends upon dedicated agencies adequately staffed by skilled personnel. • For cost control and timely implementation procurement and safeguards personnel need engineering experience. • Inadequacy of the staff in the centralized procurement agency.
<p>Skill Transfer <i>Challenges caused by difficulty of imparting or acquiring new skills needed.</i></p>	<ul style="list-style-type: none"> • In order to improve the quality of instruction, there is need to place greater emphasis on the quality of training programs. • Ample investment in training is important to enable a shift. • An approach is likely to be effective when implementers are provided needed technical and pedagogical support.
<p>Staff Turnover <i>Challenges caused by short tenure of staff on projects.</i></p>	<ul style="list-style-type: none"> • Lack of continuity on the Bank side compounded matters. • High rates of turnover of political and ministry leadership and personnel. • Public financing of advanced training overseas involves high risks that the trainees will not return or will leave the service.
<p>Organizational Capacity <i>Challenges caused by inability of an organization to execute interventions due to its overall institutional arrangements.</i></p>	<ul style="list-style-type: none"> • Governance and institutional capacities are very weak. • Limited NGO capacity and difficulties in contracting procedures remain major constraints to expanding service coverage of high-risk groups, and the efficacy of NGO-delivered interventions has not been evaluated. • A country with weak capacity in public service.

Delivery Challenges

Taxonomy & Examples

Cluster: Context

<i>Category: Legislation & Regulations</i>	
Subcategories	Examples
<p>Lack of Regulation & Legislation <i>Challenges stemming from lack of or inadequate laws, regulations, or an appropriate legal framework.</i></p>	<ul style="list-style-type: none"> • This Project was doomed to fail for lack of an enabling legal and regulatory environment that could promote financial and institutional autonomy that could make the project sustainable. • A clear regulatory sector framework is still absent. • Social enforcement activities involving women's groups and NGOs are good options in the absence of an effective legal environment.
<p>Unsupportive Legal & Regulatory Process <i>Challenges that result from excessive and complicated legal or regulatory processes.</i></p>	<ul style="list-style-type: none"> • Judicial reform is a long-term process, fraught with difficulties • Passage of laws that mandate extensive reform may encounter resistance. • Do not underestimate the complexity of introducing new laws and enabling legislation or the time required for this to occur.

<i>Category: Conflict & Instability</i>	
Subcategories	Examples
<p>Crime & Violence <i>Challenges stemming from criminal violence and insecurity.</i></p>	<ul style="list-style-type: none"> • Attempts to pilot market-assisted approaches to reform are unlikely to work when the government is unable or unwilling to protect rights and there is escalating rural violence. • Post-election violence and coalition government consensus-building efforts took a long time to settle and resulted in unnecessary delays, while fiduciary weaknesses and leakages in government adversely affected procurement schedules. • The context is extraordinarily difficult and risky, with violence increasing and no end in sight.
<p>Civil Unrest & Armed Conflict <i>Challenges caused by protests, contentious mobilization, disputes, or active conflict within a country.</i></p>	<ul style="list-style-type: none"> • Areas of civil unrest risking difficult security situations should not be included as project component. • Civil unrest may compromise the capacity of a project for learning, even if other elements of the project continue in execution. • The outbreak of the war could not have been anticipated at the time of project approval.
<p>Post-Conflict Situation <i>Challenges stemming from instability after armed conflict.</i></p>	<ul style="list-style-type: none"> • In a post-conflict situation, a quick and flexible response is needed to country situations. • In low-capacity post-conflict countries delivery of basic services is an issue. • The project should have been restructured after the conflict to more clearly delineate the revised scope of the project from one laying the foundation for a follow up project to one that simply helped to keep the system together in a post-conflict environment.

Delivery Challenges Taxonomy & Examples

<i>Category: Governance & Politics</i>	
Subcategories	Examples
<p>Voice & Accountability <i>Challenges caused by the inability of citizens to actively express their opinions and/or insufficient mechanisms to ensure transparency and hold service providers accountable.</i></p>	<ul style="list-style-type: none"> • Allocating resources in strict adherence to a pre-agreed map can help to ward-off political pressures and promote transparency. • Agreed-upon actions for improving implementation may not take place in the absence of an accountability mechanism. • Flexible and decentralized procedures for channeling funds can improve accountability.
<p>Corruption & Patronage <i>Challenges stemming from the abuse of public power for private gain and/or favoritism toward patrons/clients/associates.</i></p>	<ul style="list-style-type: none"> • To avoid conflicts of interest do not involve the persons affected in the valuation of assets. • Despite the understandable desire to channel funds as quickly as possible in a crisis environment, only careful and deliberate preparation can prevent both inefficiency and the possibility of fraud and corruption. • Though controls have been tightened on resources within the formal PFM system, informal patronage systems are still the route for significant resources.
<p>Political Interference <i>Challenges caused by steering decisions or projects for political purposes.</i></p>	<ul style="list-style-type: none"> • Clear and concise guidelines for accessing funds helps guard against political manipulation. • Programs provide limited leverage vis-à-vis is deeply entrenched vested interests. • Planned reforms may be significantly altered by lobbying from various interest groups, undermining their intended objectives.
<p>Electoral Cycles <i>Challenges caused by elections and electoral processes.</i></p>	<ul style="list-style-type: none"> • The Bank and donors knew from experience of previous elections that the governments will to reform declines significantly in pre-election circumstances. • The Bank team should have been aware that to proceed without a supporting legal framework at election time would a risky strategy. • The government's election-year agenda also prevented the Bank from waiting until a similar pilot had been completed.
<p>Rule of Law <i>Challenges caused by stakeholders not abiding by the rules and/or issues with contract or regulation enforcement, including judiciary problems.</i></p>	<ul style="list-style-type: none"> • Different approaches may be necessary in countries with a large number informal producers and distributors, and/or with weaker regulatory capacity. • When engaging technically in concession system reform in countries with weak regulatory and enforcement capacity. • A project designed to enhance the influence of market forces has little chance of success in a poor business environment characterized by weak corporate governance, inadequate enforcement of the rule of law, weak financial sector regulation, and inflexible factor markets.

Delivery Challenges

Taxonomy & Examples

Category: Social & Cultural	
Subcategories	Examples
<p>Gender <i>Challenges related to gender issues, discrimination, or disagreement over appropriate gender roles.</i></p>	<ul style="list-style-type: none"> • Studies showed how girls in certain social settings were highly disadvantaged. To capture this, Programs need to nest the tracking of female participation and outcomes within ethnic or income groups. • The Bank needs to move beyond the first step of mandatory representation of women and include more systematic gender awareness and women's leadership training programs to raise the voices of women. • Women's representation at meetings does not necessarily translate into women's empowerment or investments that benefit them.
<p>Language <i>Difficulties caused by language barriers with partners or beneficiaries, or issues with linguistic discrimination.</i></p>	<ul style="list-style-type: none"> • Better results are achieved through strategies that respect local languages and customs. • Countries in which few children speak the metropolitan language, often find it difficult to implement established policies of using national language of instruction. • In a multilingual environment where there are relatively few dominant native languages, large coverage can be gained by focusing on them.
<p>Culture, Religion & Ethnicity <i>Challenges caused by prevailing group practices or accepted social norms.</i></p>	<ul style="list-style-type: none"> • In an ethnically diverse country Bank should consider efforts to mitigate inequalities, a patient and painstaking dialogue can yield substantial benefits in reform progress. • When there is no tradition in involving communities in management, it may be hard to convince stakeholders. • When working with diverse indigenous groups, it is critical to work with and strengthen indigenous organizations, respecting the culturally-defined decision-making mechanisms of each ethnic group.

Category: Disasters & Emergency Response	
Subcategories	Examples
<p>Natural Disasters <i>Challenges stemming from natural disasters.</i></p>	<ul style="list-style-type: none"> • Response to natural disasters. • Hurricane Mitch also played an important role in detracting Government's attention from the ambitious and complex reform program. • Major floods occurred.
<p>Man-made Disasters <i>Challenges stemming from man-made disasters.</i></p>	<ul style="list-style-type: none"> • Unexpected and catastrophic accidents at the Hydropower Plant, Bank's flexibility in amending a project's legal agreements in a timely manner can significantly contribute to a project's satisfactory outcome. • All risks, including man-made should be fully and properly assessed, and appropriate response scenarios should be evaluated and rated realistically.
<p>Epidemics</p>	<ul style="list-style-type: none"> • There is need for greater pragmatism and flexibility during emergency projects especially if there is a threat of a disease outbreak.

Delivery Challenges

Taxonomy & Examples

<i>Challenges stemming from disruptions caused by epidemics.</i>	<ul style="list-style-type: none"> • If emergency situations such as cholera outbreaks are linked to a seasonal cycle, it is important to be proactive and train health workers before potential outbreaks might occur in order to raise awareness within communities.
--	---

<i>Category: Business Environment</i>	
Subcategories	Examples
Private Sector Regulation <i>Challenges caused by the absence of regulations, or restrictive regulations, in the private sector.</i>	<ul style="list-style-type: none"> • Programs must address the many interrelated constraints to private sector development including an environment conducive to private enterprise and the entry of new firms.
Weak Private Sector <i>Challenges stemming from the insufficient volume and/or lack of service delivery capacity of private sector entities, or the unestablished situation of the overall private sector.</i>	<ul style="list-style-type: none"> • Training is likely to be successful only where the country has an established, diversified private sector. • There needs to be a sufficiently large number of businesses in poor regions with the capacity to design and deliver training, and with the absorptive capacity to provide employment opportunities. • Cost recovery mechanisms in place are rarely sufficient to cover all costs because a stable tariff market does not exist.
Informal & Illegal Markets <i>Challenges caused by distortions of high informality and shadow/parallel markets.</i>	<ul style="list-style-type: none"> • Different approaches may be necessary in countries with a large number of informal producers and distributors, and/or with weaker regulatory capacity • These include awareness about illegal sellers and managers. • Financial and procurement procedures may need to be adjusted to adapt to the reality of informal markets.

<i>Category: Environment & Geography</i>	
Subcategories	Examples
Geographic Access <i>Challenges stemming from problems accessing populations due to geographical barriers and remoteness.</i>	<ul style="list-style-type: none"> • Geographical constraints to project implementation need to be factored into the project planning. • Delivery to the populations of small islands may involve inherent inefficiencies that cannot be remedied. • Deploying NGOs in new and sparsely populated areas understandably requires certain start up investments.
Ecosystem <i>Challenges specific to the ecological makeup of an area.</i>	<ul style="list-style-type: none"> • The Basin perspective is critical to address the key environmental issues of large systems.

<i>Category: Macroeconomic Environment</i>	
Subcategories	Examples

Delivery Challenges Taxonomy & Examples

<p>Trade Barriers <i>Challenges caused by international or domestic restrictions on cross-border exchange of goods or services.</i></p>	<ul style="list-style-type: none"> • The Bank needs to be proactive to mitigate the adverse impacts of contracting under third-party economic sanctions: The interconnection project raised an important constraint in light of a force majeure event, such as the economic sanctions imposed on the Contractor's country of origin by a third country. • The UN sanctions constituted an impediment to the smooth implementation of the project since they impacted the transfer of funds for project activities.
<p>Financial Instability <i>Challenges stemming from disruptions in the financial system.</i></p>	<ul style="list-style-type: none"> • Projects can achieve little in the absence of macroeconomic stability. • Sudden economic and financial crises in a country could negatively impact power demand and void development plans. • When unforeseen events arose such as the financial crisis and during the extended MP-mandated phase-down steps.
<p>Market Deterioration <i>Challenges stemming from the shrinking of market size, or the price anomalies/distortions caused by systematic market failures.</i></p>	<ul style="list-style-type: none"> • Elimination of market distortions and price dis-equilibriums can lead to higher than expected price increases in operations and maintenance. • Failed privatization efforts of the company show that lack of market demand can undermine privatization efforts, even when there is full commitment on the part of the government.
<p>Forex Volatility <i>Challenges caused by sudden currency devaluation/depreciation or restrictions relating to transfer of forex.</i></p>	<ul style="list-style-type: none"> • To monitor project costs in US dollars, it is important that any significant shifts in exchange rates are taken into account. • Local utilities, may not be suitable entities to bear the foreign exchange rate risk of a loan where there is a high risk of devaluation and where the revenue stream is in local currency. • The weakness of the currency and persisting high real interest rates were testimony to the prevailing lack of confidence in the durability of a stable climate.

Category: Basic Infrastructure	
Subcategories	Examples
<p>Information & Communication Technology <i>Challenges stemming from deficiencies or mismatches in ICT.</i></p>	<ul style="list-style-type: none"> • Good management information systems are important in determining whether stakeholders are serving where they are supposed to. • Managing a large-scale decentralized program transparently and efficiently requires strong management information systems, good information technology infrastructure and adequate instruments to compile data on implementation and outcome. • It is important to consider and mitigate the risks associated with internet connectivity and ICT capacity.
<p>Energy & Electricity <i>Challenges caused by constraints on implementation because of lack of energy and electricity supply.</i></p>	

Delivery Challenges

Taxonomy & Examples

<p>Transportation</p> <p><i>Challenges stemming from under-developed transportation systems and logistical networks.</i></p>	<ul style="list-style-type: none">• Road rehabilitation had been neglected in the past and required urgent attention, the uprising made village access roads even more critical.• In a post-conflict setting constraints in terms of geographical coverage or transportation links are particularly common so these should also be factored in.• Because of very difficult roads and mountainous terrain, living within 5 km of a health facility does not guarantee physical access.
---	---

Delivery Challenges Taxonomy & Examples

Cluster: Project

Category: Project Design	
Subcategories	Examples
<p>Overambitious Objectives <i>Challenges caused by setting targets that are unrealistically ambitious, or making the project design overly complex.</i></p>	<ul style="list-style-type: none"> • Avoid unrealistic project designs. A complex design with many activities is bound to ensure failure. • Projects need not be overly complex given the multitude of implementing entities. • A very simple and limited design would have been more suitable.
<p>Time Allocation or Task Sequencing <i>Challenges related to insufficient/excessive duration of a component, or inappropriate timing and sequence of task.</i></p>	<ul style="list-style-type: none"> • Initiatives should be sequenced properly. • The long time it takes to recruit a private operator for a project, either prior to project approval, or during implementation, needs to be factored into project design. • The initial project period was patently unrealistic.
<p>Stakeholder Selection <i>Challenges caused by problems identifying/selecting appropriate stakeholders to engage.</i></p>	<ul style="list-style-type: none"> • When civil society organizations have the technical, the Bank could consider using them as a potential partner. • When available, use local experts and let them lead technical assistance work. Doing so ensures continuity, ownership and recommendations that government agencies tend to accept more easily. • It is better to enhance the Ministry's normal services and have them execute the functions of the PIU and other implementing institutions, rather than establish the PIU as an independent body.
<p>Beneficiary Targeting <i>Challenges with ensuring that the appropriate beneficiary group is targeted.</i></p>	<ul style="list-style-type: none"> • The project could have formulated better targeting selection criteria. • Methods for allocating project resources to the poor and other vulnerable groups need to be monitored to ensure that resources flow to intended target groups. • Projects need to be flexible in their choice of target groups.

Category: Project Finance	
Subcategories	Examples
<p>Procurement <i>Challenges caused by issues with procurement management systems, including poor contract management and delays.</i></p>	<ul style="list-style-type: none"> • Some Bank procurement guidelines are incompatible with local procurement law. • Conflicting procurement procedures cause confusion and a large number of donor-specific audits represents repetitive effort that may be highly disruptive of regular operations. • Failure to consider adequately the procurement environment significantly impacted early implementation.
<p>Financing Mechanism <i>Challenges related to the choice of financing mechanism or instrument.</i></p>	<ul style="list-style-type: none"> • Project demonstrated that design weaknesses can be effectively addressed during implementation by using other Bank instruments. • The Bank should avoid adjustment loans with process conditions.

Delivery Challenges Taxonomy & Examples

	<ul style="list-style-type: none"> For effective use of a budget support strategy, tranche release must be explicitly linked to policy change, framed in a robust macro framework and grounded in a long-term sector policy and financial plan.
<p>Budgeting <i>Challenges related to insufficient/inappropriate budget allocation, or caused by complex budget processes and management.</i></p>	<ul style="list-style-type: none"> When civil works are added to a project the recurrent costs implications have to be estimated in order to assess and plan for the future burden on the sector. There was much cost underestimation during appraisal. A broad project scope can put the outcomes of secondary objectives and small components at risk since they may not be provided sufficient funding and government attention.
<p>Financial Management & Reporting <i>Challenges related to disbursement, financial control, and financial reporting.</i></p>	<ul style="list-style-type: none"> The weak financial management and disbursement documentation were important causes of project implementation delays. The financial management design should be kept as simple as possible. All of the delays in the grant implementation were due to the different computer systems used by the Bank's accounting and disbursement departments.
<p>Auditing <i>Challenges caused by weak auditing processes, or excessive auditing procedures.</i></p>	<ul style="list-style-type: none"> Excessive reporting and audit. Development of an effective audit function requires full cooperation and involvement of all levels of government. Some audit disallowances have still not been resolved.

<i>Category: Project Data & Monitoring</i>	
Subcategories	Examples
<p>Indicators <i>Challenges caused by lack of realistic indicators, or duplicating/overlapping indicators, or poorly designed indicators that are misaligned with project objectives.</i></p>	<ul style="list-style-type: none"> Project indicators for output need to be defined at the outset. None of the monitor-able indicators measured impact. Project design needs to define clear performance indicators which are closely connected to project objectives and interventions. Further, performance indicators of policy interventions in the area of innovation are often hard to identify because a long lag time is required before results and positive spillovers can be fully observed.
<p>Data Availability & Baselines <i>Challenges that stem from a lack of current or accurate data, as well as inability to produce baselines.</i></p>	<ul style="list-style-type: none"> End-of-project data is meaningless for appreciating project performance and outcome in the absence of baseline data. The importance and reliability of data and its collection should be agreed upon in detail and up-front with implementing agencies. Available data/service statistics were inadequate for program monitoring and mid-course corrections.
<p>Reporting & Supervision <i>Challenges caused by obstacles in capturing relevant information and reporting it in a timely fashion.</i></p>	<ul style="list-style-type: none"> Proactive Bank supervision and judicious project restructuring can pay off in terms of ultimate development impact. There should have been greater Bank management oversight. Subprojects should routinely include a maintenance plan.