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CLR Review

Independent Evaluation Group

1. CAS/CPS Data

Country: Cabo Verde	
CAS/CPS Year: FY15	**CAS/CPS Period**: FY15 – FY17
CLR Period: FY15 – FY17	**Date of this review:** October 17, 2019

2. Ratings

	CLR Rating	IEG Rating
Development Outcome:	*Moderately Unsatisfactory*	*Unsatisfactory*
WBG Performance:	*Fair*	*Fair*

3. Executive Summary

i. This review of the World Bank Group's (WBG's) Completion and Learning Review (CLR) covers the period of the Country Partnership Strategy (CPS), FY15-17. There was no Performance and Learning Review (PLR).

ii. During the CPS period, Cabo Verde's economy grew annually by an average of 3.2%, an improvement over the average 0.83% growth during 2012-2014. The percentage of the population below the national poverty line fell from 58% in 2001 to 35% in 2015. Cabo Verde's UN Human Development Index rose from 0.647 in 2015 to 0.654 in 2017, and its rank increased from 132nd of 187 countries in 2013 to 125th of 189 countries in 2015. Development challenges during the CPS period stemmed from the continuing effects of the 2008-2009 global financial crisis. The government responded to the crisis with an ambitious counter-cyclical investment program, leading to increased deficits and reversing a previously declining trajectory of public debt. Major ongoing constraints included lack of human capital (workforce skills), insufficient connectivity (transport, communications, and electricity) among the country's ten islands; weak public sector performance; poor business climate; and lack of resilience to trade volatility and to climactic and geological hazards.

iii. The CPS had two pillars (or focus areas): (i) enhance macro-fiscal stability, setting the foundation for renewed growth; and (ii) improve competitiveness and private sector development. The CPS objectives were broadly congruent with Cabo Verde's Third Growth and Poverty Reduction Strategy Paper (GPRSP III), covering 2012-2016, which emphasized structural reforms to improve country competitiveness, including improving public investment, fostering private sector development, and strengthening the agriculture and fisheries sectors' linkages with tourism.

iv. At the beginning of the CPS period, IDA commitments were $92 million, comprising one Development Policy Financing (DPF) operation and three Investment Project Financing (IPF) operations. During the CPS period, IDA commitments amounted to $42 million covering one IPF, one DPF and one Additional Financing, against planned commitments of $50 million for seven operations. IFC did not commit any new investments during the CPS period. MIGA had no outstanding guarantee.

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v. IEG rates the CPS development outcome as **Unsatisfactory**. There was good progress on improving tax revenues and management of national road networks. However, there was only partial progress in improving electricity sector performance; and limited or no progress in improving public sector expenditure efficiency, enhancing investment climate, and increasing agricultural productivity and market linkages. Weak program results were due to shortcomings in program design including poorly specified objectives and indicators that did not match the level of Bank Group interventions or were outside the control of the Bank Group. In addition, some objectives and indicators were not retrofitted when supporting interventions did not materialize due to a change in government priorities.

vi. IEG rates WBG performance as **Fair**. The CPS design addressed the country's critical development challenges and aligned with Cabo Verde's GPRSP III and the Bank Group's twin goals. The combination of lending and ASA to achieve the CPS objectives was generally appropriate. However, the CPS time frame of three years was too short to achieve intended results. Selectivity was mixed. The results framework had shortcomings including broadly defined objectives and inadequate indicators. The risks of shifting government strategy, SOE liabilities, and rising public debt were underestimated. During the CPS period, the Bank Group showed flexibility and responded to changes in country conditions, macro fiscal developments, and government priorities by refocusing the program and dropping several planned interventions. However, the PLR, which could have provided the opportunity to adjust the results framework in line with the changes in program focus during the CPS period, was not undertaken. As a result, a number of CPS objectives were not achieved when the supporting interventions were dropped. The Bank Group harmonized its program through a division of labor among development partners by focusing on macro-economic stability, and support for competitiveness and infrastructure development. The CPS envisioned joint or complementary work across the three Bank Group institutions; however, there was little evidence of any collaboration. During the CPS period, no Inspection Panel case was recorded. There was no INT activity during the CPS period.

vii. The CLR highlighted six lessons: (i) increased Bank presence on the ground may facilitate dialogue with authorities and improve understanding of implementation challenges; (ii) strong ownership of structural reforms is essential, along with long-term engagement to reinforce that ownership; (iii) account must be taken of political economy challenges and limited institutional and technical capacity to implement reforms; (iv) extension of a CPS time frame and adoption of a flexible approach can allow results to mature and permit adjustment to emerging developments or implementation delays; (v) financial resources should be concentrated on fewer operations in key sectors; and (vi) increased government capacity and commitment is required in order to implement the SOE reform agenda and create space for more private sector activity.

viii. IEG adds the following lessons:

- Effective use of the PLR is crucial in the face of evolving country contexts and government priorities. In the case of Cabo Verde, not doing a PLR was a missed opportunity to reflect the course corrections that were taken in response to changing country conditions and government priorities, and to adjust the CPS results framework. As a result, shortcomings in the original design were not corrected and CPS objectives were not dropped when the supporting interventions did not materialize. The misalignment between CPS objectives and Bank Group interventions thus resulted in poor program results at the end of the CPS period. Going forward, the Bank needs to be more deliberate and systematic in its mid-course assessment under the new CPF.
- IFC can invest only where there are experienced sponsors with viable projects who have been given clear signals from the government in support of the privatization agenda. The CPS's expectations of IFC involvement in this case were premature. A focused assessment of likely areas attractive for private investment may be appropriate, and the government will have to cede space convincingly for private operators to enter key sectors.

4. Strategic Focus

Relevance of the WBG Strategy:

1. ***Congruence with Country Context and Country Program***. The CPS sought to enhance macro-fiscal stability and improve competitiveness. State-owned enterprises (SOEs) remain a long-standing source of contingent liabilities for the government due to their generally weak commercial and financial performance. Tourism is the main driver of growth, necessitating efforts to promote links between agricultural producers and the tourism sector. The CPS objectives sought to address the country's weakened fiscal and debt sustainability, as well as the sharp decline in economic growth that had resulted from the 2009 global crisis and the 2011 Eurozone debt crisis and contributed to the country's fiscal problems. The CPS objectives were also congruent with the country's Third Growth and Poverty Reduction Strategy Paper (GPRSP III, covering 2012-2016), which emphasized structural reforms to improve country competitiveness, including by improving public investment, enhancing the investment climate, fostering private sector development. However, the GPRSP III did not articulate specific measures towards fiscal stability, a central CPS objective. Moreover, the CPS could have improved congruence with the GPRSP III focus on the dynamics of private investment and access to finance, as well as statistical capacity building, both of which remain major development issues for Cabo Verde.

2. ***Relevance of Design***. The proposed interventions could be expected to achieve most objectives and contribute to selected goals under the government's GPRSP III. The CPS objectives would be supported through a combination of lending and knowledge products. A series of Poverty Reduction Strategy Credits (PRSCs) was to be the main instrument complemented by ongoing and new IPF operations on SOE management and tourism development. The CPS design also envisaged that the Bank, IFC, MIGA would undertake joint complementary programs in transport and energy sectors on PPPs, with the Bank focusing on policy agenda while IFC and MIGA on financing. In line with the division of labor, the Bank was expected to lead on macroeconomic stability. However, due to changed country conditions and government's priorities, several planned program interventions were dropped, without the accompanying adjustments in some CPS objectives that were to be supported by these interventions. The misalignment between CPS objectives and Bank Group interventions resulted in poor program results at the end of the CPS period. In addition, the PRSC series produced weak results due to ambitious design and weak government ownership.

Selectivity

3. The selectivity of the CPS was mixed: it had six objectives with 13 associated outcome indicators and seven planned new projects. Intended outcomes covered areas where the Bank has a comparative advantage (e.g., public sector governance, results-based management, competitiveness). The objectives were selected based on adequate diagnostics. For example, a poverty mapping exercise identified tourism growth as having the maximum potential to lift people out of poverty. Selectivity was also informed by the division of labor with other development partners with the Bank Group focusing on macro stability, competitiveness and infrastructure development. Other development partners were supporting activities related to human capital, including health and educational/vocational training. By the end of the CPS period, the number of approved IDA operations was reduced to three, from the original plan of seven operations. Two PRSCs were dropped due to a deterioration of the macroeconomic framework, while other planned projects (including governance and agriculture projects) were dropped due to a change in government priorities. While the number of approved projects was reduced, the number of CPS objectives was not adjusted to align with the reduced number of interventions. The PLR would have been the opportunity to make adjustments to the program, but this did not materialize.

Alignment

4. The CPS objectives were broadly aligned with the 2013 corporate twin goals of poverty reduction and shared prosperity. Focus Area 1 sought to enhance the efficiency of public spending and create fiscal space for investments in poverty reduction, although this did not materialize due to

rising macroeconomic constraints. Focus Area 2 focused on improving private investment (notably on tourism), infrastructure, and agriculture, which is expected to increase growth and benefit the bottom 40 percent of the income distribution.

5. Development Outcome

Overview of Achievement by Objective:

5. This assessment follows the IEG-WBG Shared Approach on Country Engagement and considers the degree to which CPS objectives (designated as outcomes in the CPS results matrix) were achieved.

Focus Area I: Enhancing Macro-Fiscal Stability – Setting the Foundation for Renewed Growth

6. Focus Area I had two objectives: (i) improve tax revenues, and (ii) improve public expenditure efficiency.

7. **Objective 1: Improve tax revenues.** IDA supported this objective through the FY14 and FY15 Poverty Reduction Support Credits (PRSCs) 8-9. This objective had one indicator:

- Domestic revenue to GDP ratio: Baseline: 21% (2012); Target: 24% (2017). The indicator includes tax and non-tax revenues and does not match the stated objective which refers only to tax revenues. The CLR reports that domestic revenue to GDP ratio was 25% in 2017. The ICR:MU of PRSCs 8-9 reports that the domestic revenue to GDP ratio increased from 21.6% in 2012 to 26.4% as of December 2015. Both tax and domestic revenues improved during the CPS period per the IMF Article IV report of 2019, which indicates that this ratio has been maintained, at 26.7% in 2018. *[Achieved].*

8. Together with short-term technical assistance from the IMF on tax administration, the Bank's intervention supported modest progress in tax policy reform, and contributed to the achievement of this indicator. However, the CLR reports that the country's public debt continued to increase despite increased tax revenues, raising the question of whether this objective contributed to enhanced macro-fiscal stability. On balance, IEG rates Objective 1 as **Achieved.**

9. **Objective 2: Improve public expenditure efficiency.** IDA supported this objective through the FY14 and FY15 PRSCs 8-9 and the FY14 Support to the Setting Up of the National Investment System (NIS) Project. Planned ASA, an Institutional Development Fund grant SOE policy note, was not delivered. This objective had four indicators:

- Reduction of government lending to SOEs as a percentage of GDP. Baseline: 8.8% (2013); Target: 6.7% (2017). The CLR reports that lending to SOEs was 0.4% in 2017. However, IEG could not verify this information. The IMF Article IV report of 2019 indicates that the government's support for the six largest SOEs increased from 13.9% of GDP in 2014 to 18.4% of GDP in 2017. A PRSCs 8-9 prior action contributed to this achievement. *[Not Achieved].*
- Number of SOEs with a results-based management system. Baseline: 1 (2013); Target: 5 (2017). The CLR reports that the government had entered into performance-based management contracts (PBMCs) with six SOEs as of December 2015, However, all but one of these contracts were cancelled by 2017 due to lack of political will and capacity. *[Not Achieved].*
- Percentage of new public investment projects in the budget approved by the National Investment System (NIS). Baseline: 0 (2013); Target: 50% (2017). The ICRR of PRSCs 8-9 reports that no public investments had been appraised and approved by the NIS as of December 2015, despite the National Planning Law having been adopted in 2015. Additional information from the 2017 African Economic Outlook indicates that the NIS was not yet operational in 2017. *[Not Achieved].*

- Timeliness and reliability of the yearly government's accounts as measured by the delay in presentation of audited accounts to Parliament after the end of financial year. Baseline: 24 months (2013); Target: 10 months (2017). This indicator was to be supported by the cancelled Economic Governance and Public Sector Efficiency Project. The SOE Related Fiscal Management Project is expected to support increased SOE audits and was only approved in FY18. *[Not Achieved].*

10. The indicators largely measured government expenditures on SOEs and investments rather than overall public expenditure efficiency per the stated objective. Targets were not achieved. IEG rates Objective 2 as **Not Achieved.**

11. Focus Area I is rated as **Moderately Unsatisfactory**. Of the two objectives, one was achieved and the other was not achieved. There was good progress on improving tax revenues. However, the objective of improving public sector efficiency was not achieved. In addition, the indicators do not sufficiently measure the stated objective. Evidence from the IMF suggests that little or no progress had been made on reducing government lending to SOEs by 2017, and intended reforms in results-based management of SOEs and public investment management were not implemented.

Focus Area II: Improve Competitiveness and Private Sector Development

12. Focus Area II had four objectives: (i) improve the investment climate; (ii) improve electricity sector performance; (iii) improve management of the national roads network; and (iv) increase agricultural productivity and improve linkages to markets.

13. **Objective 3: Improve the investment climate**. IDA supported this objective through the FY14 PRSCs 8-9 and the FY16 Tourism Development Project. ASA included a Financial Sector Development Strategy and TA on debt financing. This objective had three indicators:

- Number of investment projects through the single window investment facility. Baseline: 0 (2013); Target: 30 (2017). Through a prior action, PRSC 8-9 supported the establishment of a single window investment facility. The ICR of PRSCs 8-9 reports that 44 investment projects were processed through the single window as of December 2015. The single window for investment also reports that there were 34 approved projects between 2015-2017. In total, 67 projects were approved using the single window during the CPS period. *[Achieved].*

- Number of startups owned by women. Baseline: 0 (through project) (2013); Target: 50 (2017). The target was to be achieved through the FY15 Competitiveness for Tourism Development Project. However, the final design of that project did not include activities that would have resulted in ownership of startups by women. This indicator was not a relevant measure for the stated objective. *[Not Achieved].*

- Time to import. Baseline: 18 days (2013); Target: < 15 days (2017). The CPS baseline and target were based on the *Doing Business* (DB) 2015. The CPS indicator was not updated because there was no PLR. However, the DB methodology measuring time to import was changed in 2016 in two ways: (1) the indicator was split into two dimensions, documentary compliance and border compliance; and (2) the unit of measurement was changed from days to hours. According to *DB* reports for 2016 and 2018, the time to import declined from 48 hours in 2015 to 24 hours in 2017 for documentary compliance, and remained stable at 60 hours for border compliance. While the CPS indicator is not comparable to the *DB* series, the trend shows progress in reducing the time to import.. *[Achieved].*

14. IEG rates Objective 3 as **Partially Achieved.** Processing through the single window was achieved, though neither that indicator nor startup ownership by women were directly relevant to the objective to improve the investment climate. Time to import improved. Cabo Verde's "ease of doing business" score and rank in *Doing Business* deteriorated over the CPS period, from 57.94 (ranked

122nd) in the 2015 report to 55.28 (ranked 129th) in 2017. The score improved slightly in the 2018 report, to 56.24, but the rank remained essentially stagnant at 127th.

15. **Objective 4: Improve electricity sector performance**. IDA supported this objective through the FY12 Recovery and Reform of Electricity Sector Project. This objective had two indicators:

- Increased electricity generation. Sao Vicente: baseline: 66.01 Gwh/year (2011); target: 97 Gwh/year (2016); Santiago: baseline: 198.52 Gwh/year (2011); target: 267.77 Gwh/year (2016). According to the ICRR of the FY12 Recovery and Reform of Electricity Sector Project, in São Vicente, electricity generation reached 79.09 Gwh/year as of March 2018. In Santiago, it reached 241.8 Gwh/year as of March 2018. *[Partially Achieved].*
- Reduction of total electricity losses on Santiago Island. Baseline: 35.4% (2011); Target: 25.4% (2016). According to the ICRR of the FY12 Recovery and Reform of Electricity Sector Project, electricity losses on Santiago were 36.3% as of March 2018. *[Not Achieved].*

16. On balance, IEG rates Objective 4 as **Partially Achieved.** The stated objective is broad and refers to sector performance. However, the indicators defining the objective were narrowly focused on Sao Vicente and Santiago. There was limited progress in electricity generation, but no progress in the reducing losses in Santiago Island.

17. **Objective 5: Improve management of national road networks**. IDA supported this objective through FY13 Transport Sector Reform Project. This objective had one indicator:

- Roads in good and fair condition, as a percentage of all national roads. Baseline: 50 (2013); Target: 75 (2017). The percentage of roads in good and fair conditions increased to 62% as of August 2016 and 89% as of February 2018, according to the ISRs for the Transport Sector Reform Project. No information is available for 2017. *[Achieved].*

18. IEG rates Objective 5 as **Achieved.** Improvement in road conditions suggests that management of the road network has improved.

19. **Objective 6: Increase agriculture productivity and improve linkages to markets**. The CLR reports that planned support for this objective was dropped due to reorientation of government priorities toward addressing the macro situation and SOEs. This objective had two indicators:

- Average yield of key agriculture commodities. No baseline was provided in the CPS. The target was an increase of 15% by 2017. This indicator was not achieved as the supporting project was dropped. *[Not Achieved].*
- Number of beneficiaries of improved technologies. Baseline: 0 (through project). Target: 40% of female beneficiaries using improved technologies (2017). The indicator was not achieved as the planned project was dropped. *[Not Achieved].*

20. The program interventions that were expected to support this objective did not materialize due to changes in government priorities. IEG rates Objective 6 as **Not Achieved.**

21. Focus Area II is rated as **Unsatisfactory**. Of the four objectives, one was achieved, two were partially achieved, and one was not achieved. There was good progress in the management of the national road network. However, there was limited progress in the electricity sector, and limited evidence of achievement on improving the investment climate. The planned intervention in the agriculture sector was dropped, and therefore there was no progress on increasing agricultural productivity and improving market linkages that can be attributed to the program.

Overall Assessment and Rating

22. IEG rates the CPS development outcome as **Unsatisfactory**. Of the six objectives, two were achieved, two were partially achieved, and two were not achieved. On Focus Area I, there was good progress on improving tax revenues. The burden of lending to the major SOEs remained high, planned reforms in public management and auditing were not implemented, and there were no convincing measures of overall improvement in public expenditure efficiency that might have

contributed to macro-fiscal stability. On Focus Area II, road network conditions improved, indicative of improvements in management. Only one of the program indicators was an adequate measure of improved investment climate, and other data suggest that the business climate was stagnant, at best. Electricity sector performance gains were minimal, with losses increasing and generation not reaching program targets. Planned interventions in the agriculture sector were not implemented.

Objectives	CLR Rating	IEG Rating
Focus Area I: Enhancing Macro-Fiscal Stability – Setting the Foundation for Renewed Growth	*Moderately Unsatisfactory*	*Moderately Unsatisfactory*
Objective 1: Improve tax revenues	*Achieved*	*Achieved*
Objective 2: Improve public expenditure efficiency	*Not Achieved*	*Not Achieved*
Focus Area II: Improve Competitiveness and Private Sector Development	*Moderately Unsatisfactory*	*Unsatisfactory*
Objective 3: Improved investment climate	*Partially Achieved*	*Partially Achieved*
Objective 4: Improved electricity sector performance	*Partially Achieved*	*Partially Achieved*
Objective 5: Improved management of national roads network	*Achieved*	*Achieved*
Objective 6: Increase agricultural productivity and improved linkages to markets	*Not Achieved*	*Not Achieved*

6. WBG Performance

Lending and Investments

23. At the beginning of the CPS period, IDA total commitments were $92 million, with one Development Policy Financing (DPF) operation and three Investment Project Financing (IPF) operations. During the CPS period IDA commitments amounted to $42 million comprising three new operations in the form of one DPF operation (PRSC 9) and three IPF operations, including one Additional Financing in transport. The approved lending commitments during the CPS period were lower than planned in terms of volume ($50 million) and number of projects (new lending reduced from seven to three projects). The new lending portfolio reflected a marked departure from the planned portfolio in response to shifting government priorities, which moved away from SOE reform through the use of performance-based management contracts, toward a focus on reduction of fiscal risk, control of public sector balances, more fundamental restructuring and privatization of SOEs, and private sector participation in the economy. As a result, five planned operations were dropped, including two DPF operations (PRSC 10-11), two IPFs on governance and public sector efficiency and multisectoral infrastructure, and a West Africa Agricultural Productivity Program project. Risks related to SOE liabilities and rising public debt led to dropping the two PRSCs and a reallocation of resources toward fiscal and SOE reform. IDA leveraged its assistance with Trust Fund (TF) support for two small operations, one pre-existing operation supporting setting up the National Investment System ($0.7 million), and one new operation in solar energy systems ($1.0 million).

24. During the CPS period, Cabo Verde's portfolio at exit performed less well than the average for Africa and Bank-wide. Three projects validated by IEG were rated, Moderately Unsatisfactory for one and Unsatisfactory for the two PRSC series. Although based on a small sample, this is a significant underperformance compared to the average for Africa (70% of projects and 74% of commitments rated MS or better) and Bank-wide (75% of projects and 85% of commitments MS or better). The risk to development outcome rating was moderate in one of Cabo Verde's two closed projects, which represented only 22% of commitments, and significant for two. This reflected a higher risk in terms of commitments than the Africa portfolio (moderate or lower risk in 28% of projects reflecting 28% of commitments) and the Bank overall (40% of projects and 43% of commitments). The relatively high risk in terms of commitments combined with poor outcomes reflects that few outcomes were achieved,

and what little was achieved remained at risk at the end of the CPS period due to continuing challenges with the macro-fiscal and public debt situation.

25. Cabo Verde's active IDA portfolio performance as measured by percentage of projects at risk performed well. None of its three projects were at risk, compared with 25.8% of projects and 31.7% of commitments at risk in Africa, and 23.9% of projects and 22.6% of commitments at risk Bank-wide. However, while the absence of projects at risk may reflect better portfolio management, it may also indicate lack of realism in rating given the poor performance of closed projects. The CLR reports that, during the CPS period, there were difficulties obtaining timely approvals from the Bank for some project-financed activities; these delays were later resolved, though the CLR does not say how. According to the CLR, although Bank supervision missions were regular, they were sometimes repetitive and poorly planned. Earlier enhancements of presence on the ground could have helped address these difficulties.

26. During the CPS period, IFC did not have any new net investment commitment for the country. For FY18, IFC made a new net commitment of $6.2 million with its financial sector client for scaling up its SME business. IFC's advisory service (AS) engagement during the CPS period led to this new investment opportunity for IFC. During the review period, IEG did not evaluate any IFC projects by validating Expanded Project Supervision Reports (XPSRs) of IFC investment project by producing EvNotes.

27. MIGA did not underwrite any guarantee during the review period.

Analytic and Advisory Activities and Services

28. During the CPS period, eight ASA were completed, all of which were Technical Assistance (TA). TA covered important topics for Cabo Verde, especially to address rising macroeconomic/fiscal vulnerabilities, statistical capacity, access to financing for MSMEs, money laundering/terrorism financing, and tourism. However, one TA on social protection was not aligned with the lending portfolio or the division of labor among development partners. There are several verified instances of government use of ASA. For example, a Post-Disaster Needs Assessment in 2015 was done following a 2014 eruption on Fogo. in cooperation with the European Union (EU), Luxembourg, and UN agencies. Engagement under the PDNA led the government to request the Bank for a DPO with a Catastrophe Deferred Drawdown Option (Cat DDO, P160628 approved in FY18) to strengthen the institutional framework for disaster and climate-risk management and incorporate resilience factors into territorial and development planning. A 2017 Debt Management Performance Assessment and follow-on TA program helped the government identify areas for debt management reforms. However, some planned ASA/TA programs in rural and human development were not delivered, as the knowledge program was reoriented toward SOE and the debt agenda. None of the ASA was disseminated through the Bank's Open Knowledge portal.

Results Framework

29. The CPS results framework reflected well the link between the government's strategy, the CPS objectives, and the planned supporting interventions. The objectives addressed some of the more critical constraints facing the country. Most of the indicators were measurable, with baselines, targets, and associated dates. Nevertheless, the results framework had several shortcomings. First, the causal chain between the planned interventions and intended outcomes was not always clear and convincing, for example, on actions to improve overall expenditure efficiency. Second, outcome indicators were not consistently adequate measures of the objectives, such as those used to gauge the investment climate and electricity sector performance. Third, the results of other operations, including SME capacity building and two TF-supported operations, as well as planned IFC contributions, were not captured in the results matrix. Fourth, there were objectives without supporting interventions, such as the agricultural productivity objective.

Partnerships and Development Partner Coordination

30. The Bank and IMF partnered effectively on the tax revenue agenda. The Bank has been a member of the multi-donor Budget Support Group (BSG) which includes representatives from both

multilateral agencies, including the African Development Bank (AfDB) and EU, and bilateral partners (Luxembourg and Portugal). While the BSG is tasked with promoting a harmonized approach in supporting Cabo Verde through a division of labor among development partners, the OECD reported in 2018 that its energy and effectiveness declined following Cabo Verde's graduation from LDC status in 2007. Following the BSG's division of labor, the Bank focused on macroeconomic stability and support for competitiveness and infrastructure development, while other partners worked on human capital development. The Bank cooperated with the EU, Luxembourg, and UN agencies on the Post-Disaster Needs Assessment following the 2014 eruption on Fogo. It also worked with Denmark and Japan through the Small Island Development States Sustainable Energy Initiative Multi-Donor Trust Fund which supports the $1 million FY16 Distributed Solar Energy Systems project (P151979) to install renewable energy generation capacity and assess the market for distributed energy investments.

Safeguards and Fiduciary Issues

31. During the CPS period, one operation was closed and validated by IEG in the trade and competitiveness practice. The CLR does not discuss environmental and social safeguards compliance during the CPS. The project ICR and ICRR report satisfactory compliance with safeguards requirements. No Inspection Panel case was recorded during the CPS.

32. There was no INT activity during the CPS period.

Ownership and Flexibility

33. The alignment of the CPS objectives with the PSRSP III initially suggested strong government commitment to implement the CPS program. However, after elections in 2016 and in response to the urgent need to restore fiscal stability, the government pivoted away from performance-based management and public financial management reforms toward restructuring and privatization of SOEs. This shift in priorities prompted a reorientation and consolidation of the CPS portfolio toward SOEs, debt management, and binding constraints to private sector development. As a result of the program's reorientation, several planned projects (including PRSC 10/11) were dropped and new projects were prepared during the CPS, but were approved in FY 18 and 19, outside the CPS period under review. Results for these new operations are expected to materialize after this CPS period. PRSCs 8-9 which provided the centerpiece of Bank support to the government reform agenda did not produce results as envisaged due to design complexity and insufficient government ownership and commitment. The Bank terminated the PRSC 10 series as six of the 10 triggers were not met.

WBG Internal Cooperation

34. The CPS envisioned that the Bank, IFC, and MIGA would support joint or complementary programs in transport and energy, directly or through PPPs. There is, however, little if any substantive evidence of cooperation. The CLR notes that IFC worked closely with the Bank on the investment climate and Doing Business indicators, which led to a Doing Business Task Force and adoption of a national Action Plan for investment climate reforms. The CLR also notes that information sharing between the Bank, IFC, and MIGA was adequate, but that coordination on the MSME agenda and access to financing was weak.

Risk Identification and Mitigation

35. The CPS identified three substantial risks to the program's implementation: external (uncertain global economic scenario), domestic (national elections in 2016), and operational (institutional and technical capacity). Planned mitigation strategies included delivery of the PRSC series, the implementation of a broadly targeted communications strategy on the reform agenda, and capacity building support. According to the CLR, several of these strategies were carried out, including dialogue between the government and private sector to advance key privatizations, but some important elements – most notably, the communications effort targeting private sector and other entities – were not implemented. However, use of the PRSCs as mitigating measures to address ex ante risks to the program does not seem appropriate. In the event, PRSCs 8/9 did not perform well, and the planned PRSC 10/11 series was dropped. Support was provided for statistical capacity

development. However, although the Bank supported an assessment of reform options for two major SOEs (the airline and social housing), few steps were taken to develop the limited capacity of the relatively small government team to implement these major reforms simultaneously. Overall, risk mitigation strategies were both insufficient and under-implemented. Risks related to SOE liabilities, rising public debt, and insufficient incentives for the private sector to take a more active role in the economy were underestimated, necessitating a reshuffling of the portfolio midway through the CPS period.

Overall Assessment and Rating

36. IEG rates WBG performance as **Fair**. The CPS design addressed the country's critical development challenges and benefited from alignment with GPRSP III and with the twin corporate goals. The planned use of instruments was generally appropriate to address investment and policy needs. The WBG planned division of labor with other development partners through the Budget Support Group. However, CPS selectivity was mixed. The number of objectives was not reduced as planned interventions were dropped in response to changing government priorities. The CPS also had important design weaknesses. The causal chain between the planned interventions and intended outcomes was not always clear and convincing, and many outcome indicators were inadequate. Risk identification and mitigation measures were also inadequate and underestimated.

37. The CPS objectives were initially aligned with government strategy, but a mid-course shift in priorities prompted a reorientation and consolidation of the portfolio toward privatization of SOEs, debt management, and binding constraints to private sector development. The Bank did not conduct a PLR, missing the opportunity to adjust the CPS design and results matrix to reflect changes in country conditions, government priorities, and fiscal developments. Risk mitigation was both inadequate and under-implemented, underestimating risks related to SOE liabilities, rising public debt, and reluctance of the private sector to take a more active role. Actual IFC engagement was well below plans, and there was little evidence of substantive cooperation between the Bank and IFC. ASA covered important topics for the country, especially on debt management and access to finance for MSME. Division of labor with development partners was appropriate. During the CPS period, Cabo Verde's portfolio at exit performed less well than the averages for Africa and Bank-wide. While the active portfolio did not have projects at risk, there were some implementation challenges that may indicate lack of realism in ratings given weak performance of closed projects. Compliance with safeguards requirements was satisfactory with the proper application of due diligence activities. There was no INT activity during the CPS period.

7. Assessment of CLR Completion Report

38. The CLR provides a thorough and consistent assessment of the CAS development outcomes and Bank performance. It contains cogent analysis of the Bank's risk assessment and contribution to country outcomes, as well as the impact of not doing a PLR. Its discussion of the factors limiting IFC engagement during the CPS period is detailed and candid. However, the CLR does not provide verifiable evidence for all indicators, and it is not sufficiently analytical on the quality of the results framework and the adequacy of the indicators to measure achievement of the objectives. It also does not sufficiently address portfolio performance issues including safeguards issues.

8. Findings and Lessons

39. The CLR highlighted six lessons: (i) increased Bank presence on the ground may facilitate dialogue with authorities and improve understanding of implementation challenges; (ii) strong ownership of structural reforms is essential, along with long-term engagement to reinforce that ownership; (iii) account must be taken of political economy challenges and limited institutional and technical capacity to implement reforms; (iv) extension of a CPS time frame and adoption of a flexible approach can allow results to mature and permit adjustment to emerging developments or implementation delays; (v) financial resources should be concentrated on fewer operations in key

sectors; and (vi) increased government capacity and commitment is required in order to implement the SOE reform agenda and create space for more private sector activity.

40. IEG adds the following lessons:

- Effective use of the PLR is crucial in the face of evolving country contexts and government priorities. In the case of Cabo Verde, not doing a PLR was a missed opportunity to reflect the course corrections that were taken in response to changing country conditions and government priorities, and to adjust the CPS results framework. As a result, shortcomings in the original design were not corrected and CPS objectives were not dropped when the supporting interventions did not materialize. The misalignment between CPS objectives and Bank Group interventions thus resulted in poor program results at the end of the CPS period. Going forward, the Bank needs to be more deliberate and systematic in its mid-course assessment under the new CPF.
- IFC can invest only where there are experienced sponsors with viable projects who have been given clear signals from the government in support of the privatization agenda. The CPS's expectations of IFC involvement in this case were premature. A focused assessment of likely areas attractive for private investment may be appropriate, and the government will have to cede space convincingly for private operators to enter key sectors.

Annex Table 1: Summary of Achievements of CPS Objectives – Cabo Verde

	CPS FY15-FY17: Focus Area I: Enhancing Macro-Fiscal Stability–Setting the foundation for renewed growth	Actual Results	IEG Comments
Major Outcome Measures	1. CPS Objective: Improved tax revenues		
	Indicator 1: Domestic revenue to GDP ratio Baseline: 21.0% (2012) Target: 24% (2017)	The ICR:MU of PRSC VIII/IX reports that the domestic revenue to GDP ratio increased from 21.6% in 2012 to 26.4% as of December 2015. The CLR reports that domestic revenue to GDP ratio was 25% in 2017. Achieved	The objective was supported by the Poverty Reduction Support credit VIII and IX (P127411, FY14; P147015, FY16). There is a disconnect with the objective which relate directly to tax revenues in particular and not domestic revenue. Domestic revenues improved during the CPS period. The IMF reports that tax and non-tax revenues as a percent of GDP rose from 24.4% in 2015 to 24.9% in 2017 (2019 Article IV). The IMF estimates tax and non-tax revenue to be 26.7% in 2018. Similarly, tax revenue indicators improved between 2015 and 2017. The IMF also reports that tax revenues as a percent of GDP rose from 19.2% in 2015 to 20.7% in 2017 and is estimated to be 21.9% in 2018 (2019 Article IV).
	2. CPS Objective: Improved public expenditure efficiency		
	Indicator 1: Reduction of GoCV lending to SOEs as a % of GDP Baseline: 8.8% (2013) Target: 6.7% (2017)	The CLR reports that for 2017 lending to SOEs fell to 0.4% of GDP. However, IEG could not verify this information. The 2019 Article IV report of the IMF shows that central government liabilities resulting from on-lending to the six largest SOEs increased from 13.9% of GDP in 2014 to 18.4% in 2017. Not Achieved	The objective was supported by the Poverty Reduction Support credit VIII and IX (P127411, FY14; P147015, FY16). The ICR:MU of PRSC VIII/IX reports that total financing to SOEs were reduced from 14.4% in 2012 to 3.5% of GDP as of December 2015. The FY18 project SOE Related Fiscal Management Project (P160796) further reports that as of December 2017 this ratio was reduced to 3.10% of GDP (ISR: S). However, these ratios are for total financing which include on-lending.
	Indicator 2: Number of SOEs with a results-based management system	The ICR:MU of PRSC VIII/IX reports that 6 SOEs had results-based management contracts	The objective was supported by the Poverty Reduction Support credit VIII

	CPS FY15-FY17: Focus Area I: Enhancing Macro-Fiscal Stability–Setting the foundation for renewed growth	Actual Results	IEG Comments
	Baseline: 1 (2013) Target: 5 (2017)	(between the government and SOEs) as of December 2015. However, the CLR reports that by 2017 5 of the contracts had been cancelled. Not Achieved	and IX (P127411, FY14; P147015, FY16).
	Indicator 3: Percentage of new public investment projects in the budget approved by the NIS Baseline: 0 (2013) Target: Higher than 50% (2017)	The ICR:MU of PRSC VIII/IX reports that no public investments have been appraised and approved by the NIS as of December 2015 due to delays to work on the NIS, despite the National Investment Law being adopted. The 2017 African Economic Outlook report indicated that the NIS was yet to be operational in 2017 (AfDB) Not Achieved	The objective was supported by the Poverty Reduction Support credit VIII and IX (P127411, FY14; P147015, FY16) and the Support to the Setting up of the National Investment System (NIS) (P143962, FY14).
	Indicator 4: Timeliness and reliability of the yearly government's accounts measured by the delay in presentation of audited accounts to Parliament after the end of financial year. Baseline: 24 months (2013) Target: 10 months (2014)	The CLR reports that the indicator was planned to have been achieved through the cancelled Economic Governance and Public Sector Efficiency Project (EGPSE). Not Achieved	The supporting project SOE Related Fiscal Management Project (P160796, FY18) was approved only in FY18.

	CPS FY15-FY17: Focus Area II: Improving Competitiveness and Private Sector Development	Actual Results	IEG Comments
Major Outcome Measures	3. CPS Objective: Improved investment climate		
	Indicator 1: Number of investment projects through the single window investment facility Baseline: 0 (2013) Target: 30 (2017)	The ICR:MU of PRSC VIII/IX reports that 44 investment projects were processed through the single window for investment as of December 2015. The single window for investment (cvtradeinvest.com) also reports that there were 34 approved projects between 2015-2017. In total, 67 projects were approved using the single window during the CPS period.	The objective was supported by the Poverty Reduction Support credit VIII and IX (P127411, FY14; P147015). The establishment of a single window investment facility is part of PRSC VIII/IX as prior action 8.

	CPS FY15-FY17: Focus Area II: Improving Competitiveness and Private Sector Development	Actual Results	IEG Comments
		Achieved	
	Indicator 2: Number of startups owned by women Baseline: 0 through project (2014) Target: 50 (2017)	The CLR reports that this indicator was planned to be achieved through the Competitiveness for Tourism Development Project (P146666, FY15). However, project activities that would have resulted in startups owned by women were not included in the final project design. Not Achieved	
	Indicator 3: Time to import (Days) Baseline: 18 (2013) Target: Lower than 15 days (2017)	The ICR:MU of PRSC VIII/IX reports that it took 20 days to import as of December 2015. The CPS baseline and target were based on the Doing Business (DB) 2015. The CPS indicator was not updated because there was no PLR. However, the DB methodology measuring time to import was changed in 2016 in two ways: (1) the indicator was split into two dimensions, documentary compliance and border compliance; and (2) the unit of measurement was changed from days to hours. According to Doing Business reports for 2016 and 2018, the time to import declined from 48 hours in 2015 to 24 hours in 2017 for documentary compliance, and remained stable at 60 hours for border compliance. While the CPS indicator is not comparable to the DB series, the trend shows progress in reducing the time to import. Achieved	The objective was supported by the Poverty Reduction Support credit VIII and IX (P127411, FY14; P147015). .
	4. CPS Objective: Improved electricity sector performance		
	Indicator 1: Increase Electricity generation; net (Gwh/year) São Vicente:	The IEG ICRR: MS of P115464 reports that the electricity generation in São Vicente was increased to 79.1 GWh while	The objective was supported by the Recovery & Reform of Electricity Sector (P115464, FY12).

	CPS FY15-FY17: Focus Area II: Improving Competitiveness and Private Sector Development	Actual Results	IEG Comments
	Baseline: 66.01 (2011) Target: 97 (2016) Santiago: Baseline: 198.52 (2011) Target: 267.77 (2016)	generation in Santiago was increased to 241.8 GWh as of March 2018. Partially Achieved	
	Indicator 2: Reduce total electricity losses per year on Santiago Island (%) Baseline: 35.4% (2011) Target: 25.4% (2016)	The IEG ICRR: MS of P115464 reports that electricity loses on Santiago was 36.3 percent as of March 2018. Not Achieved	The objective was supported by the Recovery & Reform of Electricity Sector (P115464, FY12).
	5. CPS Objective: Management of National roads network improved		
	Indicator 1: Roads in good and fair condition as a share of total national roads (%) Baseline: 50 (2013) Target: 75 (2017)	The January 2017 ISR: MS of P1265616 reports that 62% of roads were in good or fair condition as of Aug 2016. By February 2018, 89% of the roads were in good or fair condition (May 2018 ISR: MS). No data is available for 2017. Achieved	The objective was supported by the Cabo Verde - Transport Sector Reform project (P126516, FY13). Target was achieved with a delay
	6. CPS Objective: Increased agricultural productivity and improved linkages to markets		
	Indicator 1: Average yield of key agricultural commodities increased by 15% using new technologies	The CLR reports that the project planned to support this objective was dropped due to reorientation of government priorities towards SOEs. Not Achieved	
	Indicator 2: Number of beneficiaries of improved technologies, of which 40% is female	The CLR reports that the project planned to support this objective was dropped due to reorientation of government priorities towards SOEs. Not Achieved	

Annex Table 2: Cabo Verde Planned and Actual Lending, FY15-FY17 ($, millions)

Project ID	Project name	Proposed FY	Approval FY	Closing FY	Proposed Amount	Proposed Amount	Approved IDA Amount
Project Planned Under CPS/PLR FY15-17					CPF	PLR	
P147015	PRSC IX	2015	2015	2016	10		10
P146666	Competitiveness forTourism Development	2015	2016	2021	10		5
Dropped	PRSC X	2016			10		
Dropped	WAAPP-1D	2016			5		
Dropped	Governance and PublicSector Efficiency	2016			5		
Dropped	PRSC XI (or newseries)	2017			9.5		
Dropped	Multisectoral Infrastructure	2017			TBD		
	Total Planned				50	-	15
Unplanned Projects during the CPS Period			Approval FY	Closing FY	Proposed Amount	Proposed Amount	Approved IDA Amount
P161248	1st AF to the Cabo Verde TSRP (P126516)		2017		10		27
	Total Unplanned						27
On-going Projects during the CPS/PLR Period			Approval FY	Closing FY			Approved IDA Amount
P127411	CV-DPL 4-PRSC VIII		2014	2015	10		15.5
P126516	Cabo Verde - Transport Sector Reform		2013	2021	11		19
P115464**	CV-Recovery&Reform of Electricity Sector		2012	2018	12		53
P107456	SME Cap Bldg and Economic Governance		2010	2015	13		4.5
	Total On-going						92

Source: Cabo Verde CPS, WB Business Intelligence Table 2a.1, 2a.4 and 2a.7 as of 2/2019
*LIR: Latest internal rating. MU: Moderately Unsatisfactory. MS: Moderately Satisfactory. S: Satisfactory. HS: Highly Satisfactory.
**IBRD
*** Rating from Parent Project

Annex Table 3: Advisory Services & Analytics for Cabo Verde, FY15-17

Proj ID	ASA	Fiscal year	Product Line	Practice
P129593	Cape Verde: Financial Sector Development Strategy	2015	TA	Finance, Competitiveness and Innovation
P132935	Institutional Arrangements to Promote Tourism Growth in Cabo Verde	2015	TA	Macroeconomics, Trade and Investment
P133627	Cape Verde Social Protection TA	2015	TA	Social Protection & Labor
P145962	Cabo Verde Debt Management Reform Plan	2015	TA	Macroeconomics, Trade and Investment
P146770	ROSC Implementation Support	2015	TA	Governance
P146771	Cape Verde PFM dialogue	2015	TA	Governance
P155596	Cabo Verde Post Disaster Needs Assessment Volcanic Eruption 2015	2016	TA	Social, Urban, Rural and Resilience Global Practice
P160168	CMC:Cabo Verde DeMPA follow-up	2017	TA	Macroeconomics, Trade and Investment

Source: WB ASA Standard Report Monitoring as of 2/4/19

Annex Table 4: Cabo Verde Grants and Trust Funds Active in FY15-17 ($, millions)

Project ID	Project name	TF ID	Approval FY	Closing FY	Approved Amount
P151979	Cabo Verde: Distributed Solar Energy Systems (SIDS DOCK)	TF A1811	2016	2019	1.0
P143962	Cape Verde - Support to the Setting up of the National Investment System (NIS)	TF 15564	2014	2017	0.7
	Total				1.7

Source: Client Connection as of 2/22/19
** IEG Validates RETF that are 5M and above

Annex Table 5: IEG Project Ratings for Cabo Verde, FY15-17 ($, millions)

Exit FY	Proj ID	Project name	Total Evaluated	IEG Outcome	IEG Risk to DO
2015	P107456	SME Cap Bldg and Economic Governance	4.5	MODERATELY UNSATISFACTORY	MODERATE
2015*	P127411	CV-DPL 4-PRSC VIII	25.6	UNSATISFACTORY	SIGNIFICANT
		Total	30.1		

Source: AO Key IEG Ratings as of 2/22/19
* Programmatic Series P147015 and P127411

Annex Table 6: IEG Project Ratings for Cabo Verde and Comparators, FY15-17

Region	Total Evaluated ($M)	Total Evaluated (No)	Outcome % Sat ($)	Outcome % Sat (No)	RDO % Moderate or Lower Sat ($)	RDO % Moderate or Lower Sat (No)
Cabo Verde*	30.1	3	0	0	22	50
AFR	13,577.7	201	75	70	31	29
World	68,817.9	709	85	76	47	41

Source: WB AO as of 9/10/18; *IEG Calculation
Note: Includes 2 PRSC series

Annex Table 7: Portfolio Status for Cabo Verde and Comparators, FY15-17

Fiscal year	2015	2016	2017	Ave FY13-17
Cabo Verde				
# Proj	3	3	3	3
# Proj At Risk	-	-	-	-
% Proj At Risk	-	-	-	-
Net Comm Amt ($M)	82.5	77.5	104.5	88
Comm At Risk ($M)	-	-	-	-
% Commit at Risk	-	-	-	-
AFR				
# Proj	458	474	502	478
# Proj At Risk	111	124	135	123
% Proj At Risk	24.2	26.2	26.9	25.8
Net Comm Amt ($M)	51,993.5	56,089.8	61,022.2	56,369
Comm At Risk ($M)	15,372.2	18,235.0	19,934.3	17,847
% Commit at Risk	29.6	32.5	32.7	31.7
World				
# Proj	1,402	1,398	1,459	1,420
# Proj At Risk	339	336	344	340
% Proj At Risk	24.2	24.0	23.6	23.9
Net Comm Amt ($M)	191,907.8	207,350.0	212,502.9	203,920
Comm At Risk ($M)	44,430.7	42,715.1	50,837.9	45,995
% Commit at Risk	23.2	20.6	23.9	22.6

Source: WB BI as of 2/22/19
Agreement type: IBRD/IDA Only

Annex Table 8: Total Net Disbursements of Official Development Assistance and Official Aid for Cabo Verde ($, millions)

Development Partners	2015	2016	2017
All Donors, Total	152.82	113.36	123
DAC Countries, Total	104.4	75.86	93.93
Australia	0.11	0.05	0.03
Austria	0.54	0.18	0.01
Belgium	0	0	-0.08
Canada	..	0.02	0.17
Czech Republic	0.02	0.04	0.06
France	6.81	4.19	25.28
Germany	0.29	0.61	0.12
Greece	0	0	0
Italy	0.24	0.34	0.27
Japan	18.19	10.13	8.12
Luxembourg	15.18	10.86	10.16
Poland	0	0.01	0.01
Portugal	50.14	30.79	24.27
Slovenia	0.01	0.06	0.07
Spain	-0.51	-0.53	0.18
Sweden	0.04	0.04	..
Switzerland	1.39	0.04	0.01
United Kingdom	0.18	0.1	0.37
United States	11.76	18.93	24.88
Multilaterals, Total	383.85	223.46	233.22
EU Institutions	21.44	35.79	30
International Monetary Fund, Total	-0.35	..	..
IMF (Concessional Trust Funds)	-0.35	..	..
Regional Development Banks, Total	2.31	-0.11	-2
African Development Bank, Total	2.31	-0.11	-2
African Development Bank [AfDB]	2.11	1.34	0.42
African Development Fund [AfDF]	0.19	-1.46	-2.42
United Nations, Total	4.74	4.36	5.39
IFAD	0.72	1.04	1.44
International Labour Organisation [ILO]	0.24	0.28	0.34
UNDP	0.63	0.53	0.45
UNFPA	1.02	0.51	0.5
UNICEF	1.03	1.21	1.7
World Health Organisation [WHO]	1.11	0.78	0.96
World Bank Group, Total	12.46	-3.74	-5.27

Development Partners	2015	2016	2017
World Bank, Total	12.46	-3.74	-5.27
International Development Association [IDA]	12.46	-3.74	-5.27
Other Multilateral, Total	7.54	0.21	-0.6
Arab Bank for Economic Development in Africa [BADEA]	5.08	..	..
Global Environment Facility [GEF]	1.82	1.43	0.65
Global Fund	2.12	0.25	1.09
Nordic Development Fund [NDF]	-0.12	-0.11	-0.11
OPEC Fund for International Development [OFID]	-1.37	-1.36	-2.22
Non-DAC Countries, Total	32.58	-0.45	-0.87
Israel	0	..	..
Kuwait	-0.22	0.96	1.54
Romania	..	..	0
Thailand	..	0	0.02
Timor-Leste	0.5	..	..
Turkey	..	0.01	..
United Arab Emirates	..	0.04	..

Source: OECD Stat. DAC2a as of 3/5/19

Annex Table 9: Economic and Social Indicators for Cabo Verde, FY15-17

Series Name				Cabo Verde	SSA	World
	2015	2016	2017	Average 2015-2017		
Growth and Inflation						
GDP growth (annual %)	1.0	4.7	4.0	3.2	2.2	2.8
GDP per capita growth (annual %)	(0.2)	3.4	2.7	2.0	-0.5	1.6
GNI per capita, PPP (current international $)	6,070.0	6,350.0	6,640.0	6,353.3	3,664.0	16,267.9
GNI per capita, Atlas method (current $)	3,160.0	3,070.0	3,030.0	3,086.7	1,583.7	10,438.1
Inflation, consumer prices (annual %)	0.1	(1.4)	0.8	-0.2	4.9	1.7
Composition of GDP (%)						
Agriculture, value added (% of GDP)	8.7	8.0	6.0		15.7	3.6
Industry, value added (% of GDP)	18.1	17.1	18.1		24.6	25.6
Services, value added (% of GDP)	60.5	61.8	62.0		52.7	64.8
Gross fixed capital formation (% of GDP)	..	..	..		21.1	23.3
External Accounts						
Exports of goods and services (% of GDP)	44.9	44.2	47.4	45.5	24.3	31.6
Imports of goods and services (% of GDP)	59.2	60.0	66.9	62.0	27.7	30.3
Current account balance (% of GDP)	(3.2)	(3.6)	(7.0)	-4.6		
External debt stocks (% of GNI)	100.4	97.9	104.4	100.9		

Series Name				Cabo Verde	SSA	World
	2015	2016	2017	Average 2015-2017		
Total debt service (% of GNI)	2.8	2.8	3.0	2.8	2.3	
Total reserves in months of imports	6.1	6.4	5.8	6.1	5.6	12.9
Fiscal Accounts /1						
General government revenue (% of GDP)	26.9	26.6	28.5	27.3		
General government total expenditure (% of GDP)	31.4	29.6	31.6	30.9		
General government net lending/borrowing (% of GDP)	(4.6)	(3.0)	(3.1)	-3.6		
General government gross debt (% of GDP)	126.0	127.6	125.8	126.5		
Health						
Life expectancy at birth, total (years)	72.6	72.8	..	72.7	60.2	71.9
Immunization, DPT (% of children ages 12-23 months)	93.0	96.0	96.0	95.0	72.0	85.3
People using safely managed sanitation services (% of pop)	..	..	..			39.3
People using at least basic drinking water services (% of pop)	86.5	..	..	86.5	57.6	88.5
Mortality rate, infant (per 1,000 live births)	16.9	15.9	15.0	15.9	53.2	30.3
Education						
School enrollment, preprimary (% gross)	70.4	71.6	70.7		29.9	48.9
School enrollment, primary (% gross)	98.3	96.7	95.9		97.2	103.6
School enrollment, secondary (% gross)	85.3	84.6	83.5		43.1	76.6
School enrollment, tertiary (% gross)	21.8	22.0	21.7		9.2	37.3
pop						
population, total	532,913	539,560	546,388	539,620	1,033,390,171	7,444,025,652
population growth (annual %)	1.2	1.2	1.3	1.2	2.7	1.2
Urban population (% of total)	64.3	64.8	65.3	64.8	39.0	54.4
Rural population (% of total pop)	35.7	35.2	34.7		61.0	45.6
Poverty						
Poverty headcount ratio at $1.90 a day (2011 PPP) (% of pop)	..	..	..			10.0
Poverty headcount ratio at national poverty lines (% of pop)	35.0	..	..			
Rural poverty headcount ratio at national poverty lines (% of rural pop)	..	..	..			
Urban poverty headcount ratio at national poverty lines (% of urban pop)	..	..	..			
GINI index (World Bank estimate)	..	..	..			

Source: WB World Development Indicators DataBank 1/30/19
*International Monetary Fund, World Economic Outlook Database, October 2018

Annex Table 10: List of IFC Investments in Cabo Verde ($, millions)

Investments Committed in FY15-17

Project ID	Cmt FY	Project Status	Primary Sector Name	Project Size	Net Loan	Net Equity	Net Comm
39745	2018	Active	Finance & Insurance	6.1	6.2	-	6.2
39816	2017	Active	Finance & Insurance	2.0	-	-	-
			Sub-Total	8.1	6.2	-	6.2

Investments Committed pre-FY15 but active during FY15-17

Project ID	CMT FY	Project Status	Primary Sector Name	Project Size	Net Loan	Net Equity	Net Comm
				-	-	-	-
			Sub-Total	-	-	-	-
			TOTAL	8.1	6.2	-	6.2

Source: IFC-MIS Extract as of 1/31/19

Annex Table 11: List of IFC Advisory Services in Cabo Verde ($, millions)

Advisory Services Approved in FY15-17

Project ID	Project Name	Impl Start FY	Impl End FY	Project Status	Primary Business Line	Total Funds Managed by IFC
602482	BCN Advisory Services	2018	2020	ACTIVE	FIG	0.20
	Sub-Total					0.20

Advisory Services Approved pre-FY15 but active during FY15-17

Project ID	Project Name	Impl Start FY	Impl End FY	Project Status	Primary Business Line	Total Funds Managed by IFC
	Sub-Total					-
	TOTAL					0.2

Source: IFC AS Portal Data as of 2/28/19

Annex Table 12: IFC net commitment activity in Cabo Verde, FY15 - FY17 ($, millions)

	2015	2016	2017	Total
Long-term Investment Commitment				
Total IFC Long Term Investment Commitment	-	-	-	-
Total Short-term Finance/Trade Finance / Average Outstanding Balance (GTFP)	-	-	-	-

Source: IFC MIS as of 3/7/19
Note: IFC began reporting average outstanding short-term commitments (not total commitments) in FY15 and no longer aggregates short-term commitments with long-term commitments. IEG uses net commitment number for IFC's long-term investment. For trade finance guarantees under GTFP, average commitment numbers have been used.

Annex Table 13: List of MIGA Projects Active in Cabo Verde, FY15-17 ($, millions)

Contract Enterprise	Project Status	Sector	Max Gross Issuance
NO Active MIGA Projects			
Total			-

Source: MIGA 3/8/19 w/ Project Briefs