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**INTERNATIONAL FINANCE CORPORATION**

**MULTILATERAL INVESTMENT GUARANTEE AGENCY**

**COUNTRY PARTNERSHIP FRAMEWORK**

**FOR**

**THE GABONESE REPUBLIC**

**FOR THE PERIOD FY23-FY27**

**October 12, 2022**

**Gabon Country Management Unit  
Africa West and Central Region  
The International Finance Corporation  
West and Central Africa  
The Multilateral Investment Guarantee Agency**

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**The date of the last Country Partnership Strategy was February 23, 2012**

### **CURRENCY EQUIVALENTS**

Currency Unit = CFA Franc (CFAF)  
US\$1.00 = 687 CFA (September 30, 2022)

### **FISCAL YEAR**

January 1 – December 31

### **ABBREVIATIONS AND ACRONYMS**

ADL	<i>Aéroport de Libreville</i> (Libreville Airport Concessionnaire)
AFD	<i>Agence Française de Développement</i> (French Development Agency)
ANINF	<i>Agence Nationale des Infrastructures Numériques et des Fréquences</i> (National Agency for Digital Infrastructure and Frequencies)
ANPI-Gabon	<i>Agence de Promotion des Investissements du Gabon</i> (National Promotion Investment Agency)
ARCEP	<i>Autorité de Régulation des Communications Electroniques et des Postes</i> (Posts and Electronic Communications Regulatory Agency)
ASA	Advisory Services and Analytics
CAB	Central African Backbone Project
CEMAC	<i>Communauté Economique et Monétaire d'Afrique Centrale</i> (Economic and Monetary Community of Central Africa)
CNTIPPEE	<i>Commission Nationale des Travaux d'Intérêt Public pour la Promotion de l'Entrepreneuriat et de l'Emploi du Gabon</i> (National Commission for Public Works and Promotion of Entrepreneurship and Employment in Gabon)
CPF	Country Partnership Framework
CPS	Country Partnership Strategy
DFI	Development Finance Institution
DPF	Development Policy Financing
ECCAS	Economic Community of Central African States
EITI	Extractive Industries Transparency Initiative
EU	European Union
FDI	Foreign Direct Investment
FY	Fiscal Year
GDP	Gross Domestic Product
GEF	Global Environment Facility
GFC	Gabon Fertilizer Company
GGFR	Global Gas Flaring Reduction Partnership
GoG	Government of Gabon
GPRSP	Growth and Poverty Reduction Strategy Paper
GRAINE	<i>Gabonaise des Réalisations Agricoles et des Initiatives des Nationaux Engagés</i> (Gabonese Initiative for Achieving Agricultural Outcomes with Engaged Citizenry)

HDI	Human Development Index
IBRD	International Bank for Reconstruction and Development
ICT	Information and Communications Technologies
IDF	Institutional Development Fund
IFAC	International Federation of Accountants
IFC	International Finance Corporation
IMF	International Monetary Fund
IT	Information Technology
MIGA	Multilateral Investment Guarantee Agency
MDGs	Millennium Development Goals
MENP	<i>Ministère de l'Economie Numérique et de la Poste</i> (Ministry of Digital Economy and Post)
MTEF	Medium-Term Expenditure Framework
NDC	Nationally Determined Contribution
NGO	Non-Governmental Organization
NHIP	National Health Insurance Program
NRM-DPL	Natural Resource Management Development Policy Loan
OHADA	<i>Organisation pour l'Harmonisation en Afrique du Droit des Affaires</i> (Organization for the Harmonization of Business Law in Africa)
ONE	<i>Office National de l'Emploi</i> (National Employment Office)
PAT	Plan d'Accélération de la Transformation
PER	Public Expenditure Review
PDIL	<i>Projet de Développement des Infrastructures Locales</i> (Infrastructure and Local Development Project)
PDO	Project Development Objective
PFM	Public Financial Management
PPIAF	Public-Private Infrastructure Advisory Facility
PPP	Public Private Partnership
PSD	Private Sector Development
PRSP	Poverty Reduction Strategy Paper
PSGE	<i>Plan Stratégique Gabon Emergent</i> (Emerging Gabon Development Strategy)
RAS	Reimbursable Advisory Services
RBF	Results Based Financing
REDD	Reducing Emissions from Deforestation and Forest Degradation
ROSC	Report on the Observance of Standards and Codes
SAI	Supreme Audit Institution
SCD	Systematic Country Diagnostic
SEEG	Société d'Energie et d'Eau du Gabon
SDG	Sustainable Development Goal
SETRAG	<i>Société d'Exploitation du TransGabonais</i> (Management Company for the Trans-Gabonais Railway)
SEZ	Special Economic Zone
SIHG	<i>Stratégie d'Investissement Humain du Gabon</i>

SME	Small and Medium Enterprises
TA	Technical Assistance
TVET	Technical and Vocational Education and Training
UN	United Nations
UNDP	United Nations Development Program
VAT	Value Added Tax
WB	World Bank
WBG	World Bank Group

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# FY23-FY27 COUNTRY PARTNERSHIP FRAMEWORK FOR GABON

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## I. INTRODUCTION

1. **This Country Partnership Framework sets out the WBG’s plan to support the Government of Gabon’s medium term development objectives notably a more diversified economy.** The CPF covers the period FY23-FY27 and replaces the previous country strategy, which ended in FY18.<sup>1</sup> Though an Upper-Middle Income Country, Gabon faces many challenges, including weak governance and institutions and a low level of human development as compared to other countries in its income group. Gabon is also vulnerable to climate change and will likely experience coastal erosion, soil degradation, flooding, and drought as a result. There are also opportunities. Gabon’s women and girls, in particular, have the potential to contribute more to the country’s overall development, building on recent advances in the legal framework. The country’s tropical forest is a global public good because of its role as a carbon sink and extensive biodiversity with significant economic potential for the country. The Government of Gabon’s (GoG) plan to build on these opportunities and tackle its challenges is set out, most recently, in the Accelerated Transformation Plan (PAT) which covers the years FY20-FY23. But despite efforts to diversify the economy away from oil dependence, a shift towards a more sustainable and inclusive form of economic growth has been slow to materialize.

2. **The CPF aims to identify those areas where the Bank Group can help support Gabon’s transition to a job-rich economy, capable of employing its young and largely urbanized population.** The strategic focus of the current proposed CPF is fully supported by the Government and well aligned with WBG policies and analysis and lessons from the last CPS. It supports the GoG ongoing efforts to manage the health and economic dimensions of the COVID-19 pandemic. A full but focused program is proposed to provide sight of specific instruments that are indicatively envisaged, as well as their approximate timing. It is also proposed that a PLR be scheduled at a relatively early stage (e.g. late FY24). The main reason for this is the uncertainty caused by the COVID-19 pandemic as well as the presidential elections scheduled for 2023, after which there will be an opportunity to take stock of progress and to realign priorities as needed. Gabon remains IBRD-only eligible. IBRD anticipates new lending commitments of approximately \$500 million over FY23-FY24 and IFC and MIGA may increase their exposure to Gabon subject to market conditions. The country has good access to external credit markets, although rates have increased recently.

## II. COUNTRY CONTEXT AND DEVELOPMENT AGENDA

### A. Sociopolitical and Institutional Context

3. **Governance in Gabon is weak.** The country is ranked 124th out of 180 countries by Transparency International’s 2021 Corruption Perceptions Index, with around 80 percent of the population believing corruption has worsened in recent years. It is ranked 80<sup>th</sup> out of 137 countries in the 2021 Bertelsmann Stiftung’s Transformation Index. A lack of transparency in the management of public resources led to Gabon’s removal from the Extractive Industries Transparency Initiative (EITI) in 2016. However, Gabon’s Development Plan, “Plan Stratégique Gabon Émergent (PSGE)” identifies fighting corruption as a priority for Gabon, and the country’s recent readmission to EITI is an indication of a potential positive change in the GoG’s approach to public resource management.

4. **Presidential elections are scheduled for 2023 and come after several years of rising political tensions.** The current President, President Ali Bongo Ondimba, was last elected in 2016. President

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<sup>1</sup> A draft CLR was completed in late 2018 in preparation for a new CPF at that time. However, preparation of the new CPF was held up pending finalization of the Gabon Systematic Country Diagnostic which was reviewed by management in December 2019. Preparation of the CPF was again delayed following the onset of the COVID-19 pandemic in line with a WBG-wide rescheduling of priorities at that time. The CLR was updated in early 2022 to reflect developments since 2018 and preparation of the CPF resumed once more.

Bongo first came to power in 2009 following the death of his father President Omar Bongo who was first elected in 1967. In early 2019 there was an attempted coup, just a month after the President was incapacitated by a stroke. Next presidential elections are scheduled to take place in August 2023. President Bongo has strongly signaled that he will declare his candidacy. It is unclear how effective an opposition he will face in those elections. However, it is likely that political tensions will increase in the run up to the elections and that Government focus on development priorities will diminish during that period. This will require careful management on the part of the WBG to mitigate the risks further discussed below.

## B. Recent Economic Developments and Outlook

5. **The COVID-19 pandemic caused a downturn in the Gabonese economy. Recent performance has been stronger although now subject to the global uncertainty caused by the war in Ukraine.** The human toll of the pandemic in Gabon so far amounts to 47,939 cases, including 305 deaths (as of July 5, 2022). The economic cost of COVID-19 is also significant. Prior to the pandemic, Gabon had anticipated 3.4 percent GDP growth in 2020, however the economy actually contracted by 1.8 percent. The worst affected sectors were the oil and oil services sectors because of the fall in oil prices. During 2021, the economy recovered somewhat, expanding by an estimated 1.5 percent. Gabon's agricultural sector has also remained robust over the pandemic, effectively providing a buffer against increased poverty in rural areas. The war in Ukraine also has fiscal implications as higher prices lead to increased fuel and food subsidies, threatening Gabon's fiscal consolidation objectives.

6. **Fiscal space remains constrained in Gabon.** Robust oil revenues stemming from higher production and a stronger US dollar, rising non-oil revenues from greater activity in mining and higher imports, and efforts to restrain non-priority spending contributed to a fiscal surplus in 2019. However, the balance subsequently fell to an overall deficit of 2.1 percent of non-oil GDP in 2020 because of lower oil prices, the downturn associated with COVID-19, and increased tax arrears related to cash flows constraints. The deficit widened further in 2021. The Government must ensure that its debt management is sustainable in the medium-term to avoid liquidity pressures that could push Gabon into debt spiral.

7. **Overall, while risks have moderated, Gabon's debt remains vulnerable to macroeconomic shocks, particularly a real GDP growth shock and a real exchange rate shock.** The debt level decreased from 78.3 percent of GDP in 2020 to 65.8 percent of GDP in 2021, reflecting mainly higher GDP with gross financing needs projected to decline to 4.3 percent of GDP in 2022, compared with 8.2 percent of GDP a year previously. Gross financing needs are projected to average 4.9 percent of GDP per year over 2022–27, below the historical average of roughly 8.8 percent of GDP over 2011–21. The debt service-to-revenue ratio, however, is projected at 48.9 percent in 2022 and 53 percent over the medium term. A credible debt management strategy, along with prudent fiscal policies, will be important for managing financing needs, building sufficient fiscal buffers (including by saving a large part of oil windfall), and creating sufficient fiscal space for priority spending over the medium term.

**Table 1: Macro-poverty Outlook Indicators**  
(annual percent change unless indicated otherwise)

	2020	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth at constant market prices	-1.8	1.5	2.7	3.0	3.1	2.4	3.1	2.9
Per capita GDP growth (real 2015 US\$)	-4.2	-0.9	0.4	0.7	0.9	0.2	0.8	0.6
Inflation (Consumer Price Index, year average)	1.6	1.1	3.5	3.2	2.5	2.2	2.2	2.2
Fiscal Balance (% of GDP)	-2.1	-1.8	1.2	2.4	2.7	2.7	2.8	2.9
Debt (% of GDP)	77.4	65.8	58.3	58.8	56.0	56.3	55.3	54.2

Source: World Bank, August 2022

8. **Gabon's economy is projected to grow by 2.7 percent in 2022 and 3.0 percent in 2023.** Medium-term growth is dependent on the government's commitment to fiscal consolidation, structural reforms, and economic diversification as part of the Transformation Acceleration Plan (PAT). The continued successful implementation of the IMF's Extended Fund Facility (EFF) and progress on its core objectives will be key for fiscal sustainability and investor confidence in Gabon.<sup>2</sup> Downside risks to the outlook include uncertainties related to the pandemic due to its protracted nature, a slow vaccination rollout and the economic effects of war in Ukraine. The war in Ukraine is directly affecting Gabon, via higher prices for oil, wheat, steel billets, and fertilizers. This benefits some industries, such as the country's oil industry, but harms others through higher prices and supply chain disruptions. Higher fertilizer prices will negatively impact Gabon's rural poor, with increases in the cost of harvesting, producing, and provisioning agricultural products, and undermining the country's food security. The war in Ukraine also has fiscal implications as higher prices lead to increased fuel and food subsidies.

### C. Poverty and Shared Prosperity

9. **Despite the country's wealth, a significant proportion of the Gabonese population lives in poverty.** Poverty rates in Gabon have been declining over time reaching 33.4 percent of the population living below the national basic-needs poverty line, set at CFAF 840,400 (US\$1458) per capita per year, down from 41.8 percent in 2005, according to the most recent household budget survey (Enquête Gabonaise pour l'Évaluation de la Pauvreté 2017, EGEP).<sup>3</sup> However the absolute number of poor increased by 38 percent over the same period due to population growth. Most of this increase has occurred in urban areas as Gabon has rapidly urbanized, indicating a poverty profile that is highly concentrated in absolute terms in cities such as Libreville and Port-Gentil. Whilst the rural poverty rate is twice that of the urban one (59.4 percent against 29.4 percent), more than three quarters of Gabon's poor live in urban areas. Poverty rates are also higher in large families, among those with no or only primary education and among older people. Extreme poverty, as measured by the international extreme poverty line of US\$1.90 per day, affected just 3.4 percent of the population in 2017.<sup>4</sup>

10. **Unemployment has remained high, serving as a fundamental barrier to poverty reduction and the negative impact of COVID-19 on Gabon's poor, including poor women, is significant.** Unemployment in Gabon is amongst the highest in Africa at 22 percent. Youth unemployment is pervasive and stands at 38 percent, partly due to the economy's dependence on the oil sector, which generates few jobs, as well as rigidities in labor regulations and skills mismatches.<sup>5</sup> In addition, Gabon's overall labor market participation employment rate has been low – lower than its structural and regional peers. Women's access to education and jobs is still less than in many other countries: only 39.6 percent of women participate in the labor market.<sup>6</sup>

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<sup>2</sup> In July 2021, the IMF Executive Board approved a 36-month arrangement under the Extended Fund Facility (EFF) for Gabon, with access equivalent to US\$553.2 million. It aims to support the short-term response to the COVID-19 crisis and lay the foundations for green and inclusive private sector-led growth and a strong and sustainable recovery that benefits all Gabonese. Reforms will focus on creating fiscal space for priority social spending, reducing debt vulnerabilities, strengthening governance and transparency, and enhancing financial inclusion. In June 2022, the Board completed the First and Second Review of the arrangement enabling disbursement of US\$115 million. Emphasis was placed on the importance of fiscal policy to support the economic recovery and structural measures including governance and corruption weakness as well as banking, financial and business environment reforms.

<sup>3</sup> Using the World Bank's data, some 32.2 percent of the population lived below the UMIC international poverty line of US\$5.50 per day in 2017. This is about 10 percentage points higher than for UMIC countries as a whole.

<sup>4</sup> The last comprehensive household survey was conducted in 2017 some 12 years after the previous survey in 2005.

<sup>5</sup> [Unemployment, youth total \(% of total labor force ages 15-24\) \(modeled ILO estimate\) - Gabon | Data \(worldbank.org\)](#)

<sup>6</sup> [Labor force, female \(% of total labor force\) - Gabon | Data \(worldbank.org\)](#)



11. **Efforts to stem the spread of COVID-19 has impacted employment too, which in Gabon is concentrated in services and largely characterized by informality.** These workers fall outside of the Government's social protection efforts and are unlikely to receive labor protection and any compensation if they lose their jobs. These new poor are more likely to be living in urban areas, be self-employed in service or sales occupations (where women are mainly present in Gabon) and live in a female headed household. It is expected that the share of Gabonese households living on less than US\$5.5 per day will be some 1.3 percentage points higher in 2023 than the immediately pre-pandemic poverty rate, reaching 33.7 percent. Assuming the economy grows by 3.5 percent in 2024, it is expected that the poverty rate will return to its pre-crisis level by 2024.<sup>7</sup>

12. **The drop in household income during the height of the COVID-19 pandemic led to an increase in the share of households experiencing food insecurity.** The share increased from 82.6 percent in November 2020 to 84.3 percent in April 2021, before declining to 73.3 percent in November 2021 with the lifting of Gabon's second lockdown. In addition, throughout 2021, over 40 percent of households experienced severe food insecurity. Such a high prevalence of severe food insecurity is likely to have affected children, with long-term implications for Gabon's human capital development. Overall, food insecurity seems to have been more pronounced in urban than rural areas during the pandemic.

#### **D. Development Priorities**

13. **Gabon has made some progress towards the Sustainable Development Goals (SDGs), although significant challenges remain.** According to the 2022 Sustainable Development Report, Gabon performs particularly strongly on the climate and energy agendas. In relation to SDG 13 (Climate Action), for instance, Gabon currently net absorbs just over 100 million tons of CO<sub>2</sub> equivalent (103 million tons of CO<sub>2</sub>eq) per year and should fully achieve the SDGs by 2030. It also performs strongly in terms of SDG 7 (Affordable and Clean Energy) with its population's access to energy, access to clean fuels and technology for cooking, and CO<sub>2</sub> emissions from electricity generation all on track to fully achieve SDG targets by 2030. Gabon has also made efforts to protect biodiversity under SDG 14 (Life Below Water) and SDG 15 (Life on Land). Gabon also scores well on SDG 1, i.e. eliminating poverty. Strong performance against these indicators means that, overall, Gabon ranks 113th out of 165 countries, better than most other countries in Sub-Saharan Africa, but held back by negative progress on some of the SDGs, such as SDG 16 (Peace, Justice, and Strong Institutions).

14. **Gabon is committed to reducing the country's dependence on oil, but progress has been slow.** The *Strategic Plan for an Emerging Gabon* aims at diversifying Gabon's economy for a post-oil era, and the Accelerated Transformation Plan for development sets the country's sights more specifically on sectors such as mining, timber, and agriculture. Oil's share of GDP has fallen from about 40 percent to about 30 percent in 10 years. However, the economy still relies on only a small number of companies in the rent-extracting oil, mining and utilities sectors, several of which are featured in Africa's Top 500. These firms are, to varying degrees, protected from competition through excessive monopoly power and a lack of transparency which raises barriers to entry. Privatization has sometimes simply replaced a state monopoly with a private one – for instance, water and electricity distribution and sales is the monopoly of the Société d'Energie et d'Eau du Gabon (SEEG) (although the GoG took steps to end the SEEG monopoly in 2016).

15. **The SCD laid out two mutually reinforcing pathways along which future progress is critical for reaching national development goals and promoting poverty reduction and shared prosperity.** The first pathway focuses on *sustained and diversified economic growth*, while the second seeks a

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<sup>7</sup> World Bank projections.

*more equitable access to opportunities and better human capital.* The SCD analysis, reinforced by more recent ASA such as the 2021 Private Sector Review and 2022 Pathways for Blue and Green Economic Diversification in Gabon, underline that economic diversification is key to the economic transformation that Gabon needs. Economic diversification needs to be coupled with more effective policies to equalize opportunities and expand human capabilities. Gabon's Human Capital Index (HCI) score is just 0.46 meaning that the average Gabonese person will realize less than half their potential (World Bank, 2020). This places Gabon 125th, which is again lower than comparable countries in terms of GNI per capita. This ranking reflects the low level of public expenditure in the social sectors relative to the country's GDP. Ensuring that all population groups, particularly youth, benefit from economic transformation, and finding a long-term solution to the problems of under- and unemployment, will require process along both SCD pathways.

16. **The SCD further identifies two sets of priorities:** (i) Foundational Priorities – i.e., those which are pre-requisites for higher and more sustained growth and faster job creation and which underpin other priorities (e.g. public finance and regulatory framework); and (ii) Transformational Priorities – i.e., key policy areas where concerted action over the next 5 years could unleash the potential for agglomeration and induce a transformative impact on the pace of progress towards poverty reduction and shared prosperity. These priorities are summarized below as well as two additional development priorities namely gender equality and women's empowerment and climate change and natural resources.

### ***Selected Priorities***

#### *Investment climate and economic governance*

17. **Weak governance and limited institutional capacities have inhibited the development of a business climate conducive to private investment in Gabon.** The dominance of powerful business groups, procedural barriers to firm entry, and delays in enacting business environment reforms have all resulted in low levels of competition. Nonetheless, it should be noted that Gabon has implemented several regulatory reforms in recent years, notably with respect to business entry, though many of these reforms are first generation and require broader inter-agency coordination and the use of e-Government services. It is therefore important that the GoG continues such reforms and takes steps to radically improve governance and accountability; ensure property rights through a reform of the land registry in order to enable investors to secure land titles for the development of projects; and shift towards a more realistic and consistent policy-making process that is better aligned with budgetary constraints. It will also be important to ensure that an ongoing review of the Investment Code and its application protects the important principle of a level playing field for prospective investors. While investor-specific fiscal exemptions may at times be justified to encourage key investors, there is a risk that ad hoc exemptions granted on a discretionary basis could ultimately undermine investor confidence in the investment climate as a whole, as well as diminishing fiscal receipts.

18. Poor alignment of education with the needs of the labor market also hinders business development in the context of one of the highest rates of unemployment in Sub-Saharan Africa. The discrepancy between the skills of job searchers and those required by hiring companies ranks among the top four constraints for developing a business in Gabon, hampering economic diversification and competitiveness. According to the National Office for Employment (Office National de l'Emploi, ONE) more than half of job offers sought applicants with technical skills, even as 64 percent of applicants surveyed possessed no relevant vocational training with many job seekers preferring educational paths more suitable for a career in the public sector.

#### *Improving urban management and inland connectivity*

19. **Gabon's cities could contribute more to economic growth if they were better planned and connected.** Gabon's urbanization process has taken place without sufficient regard for planning policies to support the process, resulting in inefficient cities. Strategic planning for urban development, land use and transport is either lacking, ineffectual or not implemented. There is therefore a need for improved land administration systems and urban planning in large cities that allocates land for future roads, amenities and water, sanitation, and electricity networks to improve livability and increase agglomeration economies. Other priorities include creating incentives to encourage micro and small businesses to formalize; improving connectivity within cities and other urban settlements, through better and greener, more climate resilient infrastructure; and improving market access to support increased economic activity in these cities more generally. Extending public services provision into lagging areas, improving the quality of power provision and building on the already impressive growth of digital infrastructure, as identified in the recent Digital Economy Country Assessment for Gabon, will all help to increase urban productivity and inland connectivity. Better transportation systems between Gabon's cities, as well as improved connections to its regional partners, could also help unlock economic diversification. Increasing connectivity between Gabon's urban centers, including potentially bridges to help overcome the fragmentation caused by Gabon's network of rivers and waterways, as well as more links to the outside world, will help spur economic growth and help lift the population out of poverty by providing opportunities for private sector development.

#### *Human Development*

20. **Gabon's human capital was already below potential prior to the COVID outbreak.** As noted in the Government's PAT, improved health and education can be drivers of development and growth. However Gabon's HCI score is held back particularly by its comparatively lower performance in educational measures (although not Harmonized Test Scores where it does relatively well, but perhaps not as well as it could do) and measures of life expectancy relative to other UMIC countries: the average Gabonese person expected to receive just eight years of schooling, falling to six in 'learning-adjusted' terms, compared with an average of ten and seven, respectively, for UMIC countries. Child and adult survival rates are both below those of comparator UMIC countries.

21. **Priorities for strengthening the education system in Gabon have evolved with COVID.** Post-COVID, pre-primary education is likely to have been hit hardest by COVID. On average across Sub-Saharan Africa, enrolment is expected to have declined by 7.9 percent for both boys and girls. Students living in poverty and marginalization and those affected by conflict and migration are likely to have been hit the hardest. In Gabon, a partnership comprising UNICEF, other UN agencies, and the World Bank has worked to help ensure continuity of education by introducing crucial WASH and hygiene measures into schools. UNICEF has led efforts to develop a remote learning strategy, convening partners, including the World Bank, WHO and AFD, to support the GoG's Back to School initiative.<sup>8</sup> Other priorities include: (i) expanding provision of early childhood development services to ensure that children are given the solid basis they need for further learning and development; (ii) improving the internal efficiency of the education system and increasing investment in education; (iii) developing specific initiatives to increase school attendance and education quality; (iv) improving the capability of feeders into the labor market through enhancing vocational and tertiary education; and (v) upgrading the skills of the existing workforce through strengthening the technical training system to align with world best practices.

22. **In health, COVID-19 has exposed the urgent need to address the agenda of health security and pandemic preparedness.** Gabon also does not have a formal multi-sectoral, multi-hazard national public health emergency preparedness and response plan and/or program to ensure the key capacities

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<sup>8</sup> [Gabon-COVID19-SitRep-26-August-2020.pdf \(unicef.org\)](#)

required under the International Health Regulations (2005). Further, there is a need for establishing health security policy and mechanisms within the government to address disease outbreaks, including the development of outbreak preparedness and response capacity, surveillance at points of entry and laboratory capacity. As the country sits in a subregion with high prevalence of infectious diseases further regional cooperation with neighboring and pan-African countries is necessary for prevention, control, and response to outbreaks, in order to transition from ad hoc response structures to cross sectoral coordination mechanisms.

23. **Gabon's pandemic preparedness will only be effective if it is bolstered by a well-functioning and modernized health system.** This will ensure that it can respond to the surge in demand for essential health services brought on by a crisis such as that of COVID-19. However, although Gabon has transitioned to Universal Health Coverage (UHC) with relative success and performs strongly in terms of reducing stunting in children aged under-5, there are still major shortcomings in the provision of healthcare services in Gabon. Its healthcare system is characterized by unequal coverage and quality of health services; a lack of drugs and basic equipment, including an adequate cold chain for vaccinations; a lack of statistical and epidemiological data; protracted waiting times associated with an insufficient number of healthcare practitioners to serve the population; high costs of consultation; and long distances to health facilities, particularly in rural areas. Hence, there is a need to fundamentally improve the quality and accessibility of primary healthcare systems in Gabon to better prepare the country for future crises, as well as to improve productivity and empower Gabon's poor.

24. **COVID-19 also exposed the limitations of the current system of social protection. Its current system is inefficient, underfinanced, and covers only a small fraction of the poor.** Social protection in Gabon is subject to two key problems. The first is high fragmentation of social assistance instruments – currently 19 programs over 7 target groups (largely limited to subsidized health insurance; other programs, including cash transfers, school feeding and livelihoods support, have been suspended due to lack of funding). Second, Gabon spends only 0.2 percent of GDP on (non-contributory) social assistance compared with 1.95 percent in UMIC and 1.65 percent in Africa as a whole. This has resulted in a significant negative economic and social impact of COVID-19 on Gabon's most vulnerable, including its women, as evidenced by the World Bank's poverty phone surveys. Building a more effective, comprehensive, and equitable social protection system is recognized as a priority in the PAT and will go a long way to protect human capital and tackle the increase in poverty and vulnerability that has been exacerbated by COVID.

#### *Gender and Women's Empowerment*

25. **Women's access to education and jobs is less than that of men.** The 2019 UNDP Gender Inequality Index (GII), which reflects inequality between women and men in terms of health, education and employment, still ranks Gabon 128th globally. Gabon's GII score mainly reflects disparities in educational outcomes and employment. According to the *Enquête Gabonaise pour l'Évaluation de la Pauvreté (2017)*, 24.1 percent of women aged 15 years and older had no education at all and 21.0 percent of those who have some education did not go beyond primary education, compared with, respectively, 19.7 and 15.0 percent of men. In Gabon, women have a lower participation rate in formal work and are more likely to work in the informal sector or in micro-enterprises. About 30 percent of women are unemployed, compared to just 17 percent of men, and of those in employment around 62 percent of women work in low-skilled jobs, compared to 46 percent of working men.

26. **However, women's status under the law has recently improved sharply.** During 2020-21, Gabon granted spouses equal rights to immovable property and equal administrative authority over assets during marriage. It allowed women to open a bank account in the same way as men and made access to credit easier for women by prohibiting gender-based discrimination in financial services.

Gabon no longer requires a married woman to obey her husband and allows women to be head of household in the same way as men. Gabon has also enacted legislation protecting women from domestic violence, now allowing women to choose where to live in the same way as men and has allowed a woman to get a job without permission from her husband. Overall, Gabon scores 82.5 out of 100 in the 2022 Women, Business and the Law Index, sharply up from its score of 57.5 two years previously. Gabon's overall score is now higher than the regional average for Sub-Saharan Africa (71.5).

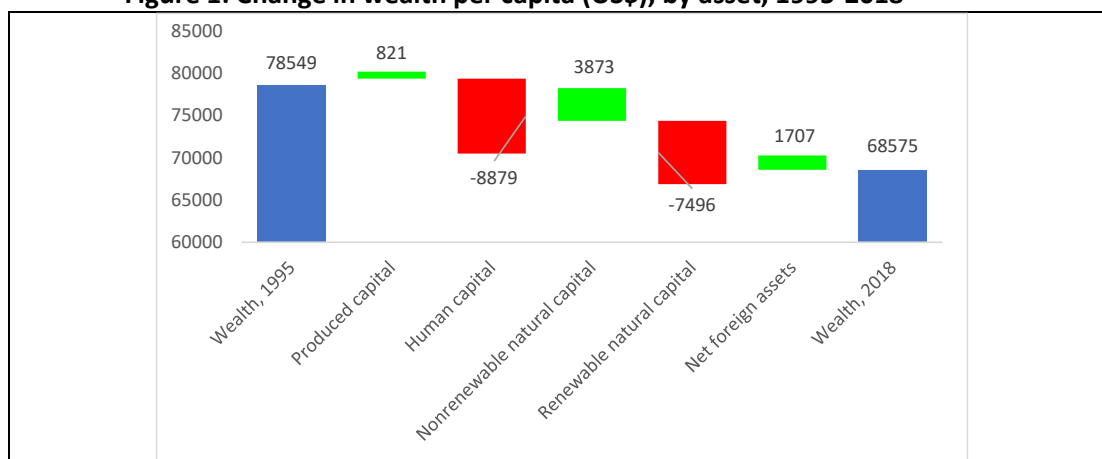
27. **Beyond the law, there is an increasing awareness of women's role and place in society, although there is still progress to be made.** Women are represented at the highest levels of Government, including the positions of Prime Minister, President of the Senate and President of the Constitutional Court. The *Social Institutions and Gender Index* (SIGI) measures the formal and informal laws, attitudes and practices that restrict women's and girls' access to rights, justice, and empowerment opportunities. The most recent SIGI data indicate that Gabon ranks 67<sup>th</sup> internationally, and 15<sup>th</sup> in Sub-Saharan Africa (OECD, 2019). This is a marked improvement on the previous SIGI data which placed Gabon 97<sup>th</sup> internationally and 31<sup>st</sup> in Sub-Saharan Africa.

28. **COVID-19 has likely exacerbated residual gender inequalities.** First, women traditionally bear the responsibility for child and elderly care. This situation likely worsened due to sick relatives as well as children staying home from school, resulting in increased time poverty. Second, access to education for girls likely decreased with quarantines and social distancing under COVID-19. Third, as in many countries around the world, quarantines and social distancing likely led to a rise in domestic violence, teenage pregnancies, hence urgent actions are needed in the COVID 19 context to better protect and support women. Finally, the labor force participation rate for women at 39.6 percent is already much lower than that of men (67 percent) and is likely to have been further depressed by the economic effects of COVID-19.

#### *Climate Change and Natural Resources*

29. **Gabon is exposed to global warming and natural hazards and will likely experience rising sea-levels, affecting populations through coastal erosion, increasing floods, and pollution.** Vulnerable groups, such as those with fewer economic opportunities and the elderly are particularly at risk to natural hazards and increasing impacts of climate change. Temperatures are already increasing and are projected to keep rising over the next century with be more extreme weather events likely in the near to medium term future. Hot days per year are projected to increase by between 25 percent and 75 percent by 2060. Approximately 21,000 people are annually affected by drought in Gabon, with the possibility of up to US\$185 million damage incurred each year due to drought. Rising temperatures alter the spread of vector-borne diseases such as the Zika virus, dengue fever, and malaria and are expected to affect the wider population health as well as water supplies and agriculture. Flooding, including coastal, urban and riverine, is a particularly high-risk hazard for Gabon. Over 70 percent of population live in coastal areas, which also are also home to the country's major economic activities including oil extraction operations. Life-threatening river floods are expected to occur at least once in the next 10 years affecting, on average, 0.21% of the total population.

**Figure 1: Change in wealth per capita (US\$), by asset, 1995-2018**



Source: World Bank, 2021. The Wealth of Nations.

30. **Gabon has also lost a significant share of its natural capital in recent years which has contributed to an overall decline in per capita wealth.** The exploitation of natural resources has constituted the main source of wealth accumulation in Gabon. Wealth per capita and natural capital per capita have been stagnant in Gabon over the last 20 years and were lower in 2018 than they were in 1995 (Figure 1). In 7 of the 11 Sub-Saharan African countries with declining or stagnant wealth per capita, the deterioration of renewable natural capital per capita is the main cause of the decline in total wealth per capita. Six of them, including Gabon, have the largest declines in renewable natural capital per capita world-wide, along with Belize, Guyana, and Moldova. In these countries, the loss of renewable natural capital reached at least 10 percent of total per capita wealth in 1995. The main causes of this decline include loss of forest assets and value of croplands.

31. **Restructuring its economy away from hydrocarbons in a post-Paris Agreement context and sustainably developing the non-oil sector, are thus central to Gabon's economic future.** Gabon was the first country in Africa to submit the first Nationally Determined Contribution. It has submitted a second NDC in which it plans a 40.4 percent reduction in GHG emissions in the agriculture sector by 2030 (relative to the base year 2005), a 14.7 percent reduction in GHG emissions in the forestry sector, and a 0.5 percent reduction in the energy sector. The absorption of emissions by Gabon's forest could reach 152 MtCO<sub>2</sub> eq by 2030. Gabon, whose oil fields as a whole are estimated to be more carbon intensive than the world average, would be particularly vulnerable to seeing its oil resources lose economic value faster than anticipated as they will be increasingly seen as polluting, environmentally unsustainable or unusable because of tighter regulations, changing market conditions or changing social norms (e.g., consumers preferring cleaner energy).

32. **The global agendas to tackle climate change and halt the loss of natural capital and biodiversity also strongly depend on Gabon's rainforest remaining intact and ecologically healthy.** The global consensus is clear that expanding healthy forests is one of the highest-impact solutions to addressing the intertwined crises of rapid climate change and biodiversity loss. The Congo Basin Forest is the only large rainforest that is still a strong carbon sink, absorbing four percent of the world's global climate emissions and taking more carbon out of the atmosphere than all of Africa's annual emissions. Gabon represents 18 percent of the Congo Basin Forest and a disproportionate amount of the ecosystem's wildlife.

33. **Gabon therefore presents a compelling case for development of the blue and green economies.** The challenge facing Gabon is ensuring that its vast blue and green resources are managed in such a way that they can generate wealth for the country in a sustainable manner. For example, Gabon controls one of the most productive areas for tuna species in the Eastern Atlantic. In

2017, it became a world leader in marine conservation with a marine protected area network increasing the formal protection of Gabon's waters from < 1 percent to 26 percent. Yet the fishing industry and blue economy are severely underdeveloped and national parks are generating a fraction of their potential economic impact compared to other peer countries (e.g., Rwanda, Costa Rica). On land, Gabon harbors around 60 percent of all of Africa's Forest Elephant population, has tremendously high-quality national parks (e.g., Loango) and has demonstrated its commitment to biodiversity conservation in a region characterized by widespread biodiversity declines. This impacts negatively on the national development agenda, but it also lessens the incentives for protecting marine and terrestrial forestry and biodiversity resources – vital to the global agendas on climate change, biodiversity preservation and ocean health.

34. **Gabon's Indigenous Peoples (IPs) also have an important role to play in managing the country's resources and combatting climate change.** Gabon's IPs are primarily located in the equatorial forests, where their socio-economic and cultural way of life is essentially based on hunting and gathering. In Gabon, these IPs represent a set of distinct ethnolinguistic groups which speak the following languages Akoula, Akowa, Baka, Bakoya, Bakouyi and Babongo. Living in the forests, they have a keen familiarity with its fauna and flora. The country could do more to leverage their skills and expertise in forest management while raising their living standards through these unique forestry job opportunities.

### **III. WORLD BANK GROUP PARTNERSHIP FRAMEWORK**

#### **A. Government Program and Medium-Term Strategy**

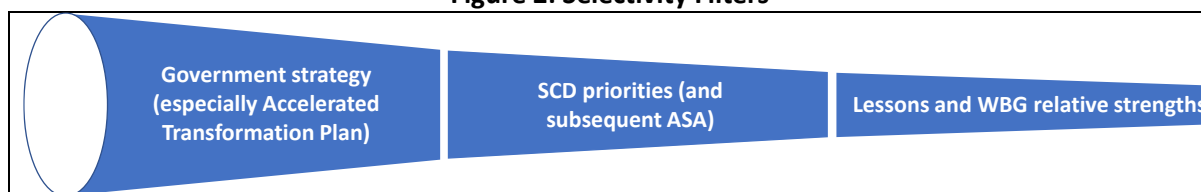
35. **Gabon's long-term development plan is contained within the 2012 Strategic Plan for an Emerging Gabon (PGSE).** The PGSE is built on three strategic pillars: (i) addressing the foundations of competitiveness; (ii) developing priority sectors with strong growth potential; and (iii) promoting shared growth. In 2020, the Government of Gabon launched an Economic Recovery Strategy, which aims at accelerating structural transformation, fostering inclusive prosperity and job creation to reduce inequality, strengthening public finances, and improving the external balance.

36. **The Economic Recovery Strategy (2020-2023) was further elaborated in the Accelerated Transformation Plan (2021-2023) which was built around three core axes.** The first axis comprises the managed reduction of the oil sector and fostering of new growth sectors. The second axis consists of creating a new "social pact", aiming specifically to align training with the needs of the private sector, improve Gabon's public health offer, and modernize and extend the social protection system. The third axis is cross-cutting and aims to create the necessary conditions to accelerate economic development and improve the living conditions of the people of Gabon. These three axes, notably the emphasis on diversification and private sector contribution, as well as public sector efficiency, form the basis for the proposed structure of the WBG CPF as set out below.

#### **B. Proposed WBG Country Partnership Framework**

37. **The FY23-FY27 Framework is highly selective to maximize the effectiveness of the resources available to the WBG in Gabon.** Key selectivity filters comprise: i) the Government's strategic priorities as set out above; ii) the pathways and priorities contained in the SCD the FY23-FY27 and summarized above as well as additional analysis (e.g. on barriers to private sector development and on the blue and green economies) completed more recently; and iii) lessons learned from the WBG's recent experience in Gabon including areas of comparative advantage and opportunities for greater synergies across the WBG (Figure 2). Not all priorities highlighted in the SCD are taken forward in the CPF. For example, Gabon's efforts to consolidate and strengthen the financial system is being supported by the IMF. Formal education reforms are being supported by AFD rather than the WBG.

**Figure 2: Selectivity Filters**



38. **Lessons from the previous CPF period, as well as those that have emerged since the CLR was completed, also inform the design of the proposed FY23-FY27 CPF.** The CLR found that progress towards the previous CPF's Development Outcomes was 'Moderately Unsatisfactory', due to a combination of a challenging environment in Gabon and delays in implementation. For this reason, the current CPF puts a strong weight on the lessons learned from the previous CPF period. These broad lessons from the FY12-FY18 Country Partnership Strategy include the following:

- Lesson 1: A selective focus on agendas that are strongly owned by the Government helps mitigate the effects of high turnover among ministers.** The Supreme Audit Institution (SAI) capacity building project is one example, where the involvement of beneficiaries at an early stage and during implementation ensured appropriate ownership of the project. The Statistical Development Project is also considered a priority by Government and helped support the production of key outputs such as the Statistical Yearbook, Agricultural Census, National Accounts and a household survey. By contrast the Access to Basic Services in Rural Areas suffered early delays as Government gathered momentum and a proposal to support a project in the forestry sector did not proceed due to insufficient Government support.

*Implication:* the proposed HLOs in the FY23-27 CPF will build on the priorities set out in the Government's latest strategic plans and the CMU will double down on ensuring credible Government ownership and capacity to deliver before supporting specific projects.
- Lesson 2: The Bank has been most successful where it has built on success.** For example, in the digital sector, the World Bank's CAB4 project triggered a dramatic increase in the geographic reach, usage, and affordability of regional broadband services by strengthening the enabling environment, implementing PPP and open access, and financing a 1,760-km fiber-optic terrestrial backbone network and cross-border interconnections with Cameroon, the Republic of the Congo, and Equatorial Guinea. The recently-approved Digital Gabon project builds on that success. The sequence of Infrastructure and Local Development Projects are another example.

*Implication:* The Bank will look to build on identified areas of strength - such as local infrastructure in urban and peri-urban settings - where there is a positive track record in order to maximize results.
- Lesson 3: The rapid increase in portfolio size in Gabon outstripped the capacity of Government to provide fiduciary services to the extent required.** An important mitigating factor was the functioning of a centralized implementation unit for Bank-financed projects which helped provide fiduciary capacity in a cost-effective way. This approach has generally worked effectively and CNTIPPEE has become a central provider of fiduciary services for all Bank-financed projects, and a "hub" to develop fiduciary capacity in the country. Nevertheless, the unit has faced a number of challenges including the need to keep abreast with changing bank policies and procedures, such as its Procurement Framework and Environmental & Social Framework where it faced considerable challenges; and weak engagement by sector ministries and Ministry of Economy.

*Implication:* The Bank will continue to rely on the CNTIPPEE for fiduciary due diligence and social and environmental safeguards while line ministries will remain responsible for ensuring sector specific quality. However the Bank will also support further reform and strengthening of the unit to ensure it is fit for purpose.



- **Joint working across the WBG was a hallmark of the 2012-18 CPF that carried through into a highly collaborative partnership.** The team was committed to a “One WBG approach”, in which MFD principles are applied to identifying opportunities for a “cascade approach” to crowd in greater private investment. IFC’s strategy in Gabon included the enhancement of the Doing Business indicators, direct investments in power generation, transport, especially in shared infrastructure related to the extractive industries, agribusiness (first WBG re-engagement in the palm oil sector) and promoting PPPs. MIGA has supported efforts to increase efficiencies in the management of Gabon’s ports through a political risk insurance cover for an investment in the “Société de Scanning du Gabon S.A.”. Together, the WBG collaborated well to promote economic diversification and transparency, a *modus operandi* that should carry through to the new CPF.
- **Implication:** The World Bank, IFC and MIGA will continue to seek out opportunities for close cooperation, notably in further modernization of the commercial law framework and collaboration similar to that between IFC and MIGA in financing and de-risking the Kinguele Aval hydro project.

39. **To avoid fragmenting the portfolio, the CPF focuses on achieving the most critical outcomes for the population, creating the conditions for employment and strengthening institutions.** Important factors that will shape Gabon’s future development trajectory include the extent of its access to external capital markets on reasonable terms and progress in establishing key institutions for economic and social development. While Gabon does have reasonable access to external credit markets, it is paying an increasingly high premium to do so reflecting external lenders’ assessments of the country’s credit worthiness. Moreover, as already noted above, Gabon’s overall governance is weak relative to its regional and income peers. Addressing the factors that are undermining Gabon’s credit worthiness and supporting efforts to build institutional strength, while delivering critical outcomes for the population, are therefore priorities for this CPF.

40. **The WBG will also minimize fragmentation by focusing on areas where it has particular strengths and collaborate closely with other partners in Gabon to maximize impact.** These include the IMF, African Development Bank, French Development Agency (AFD), the European Union and the United Nations with collaboration continuing closely during the COVID-19 pandemic. Within this group, the World Bank has been the dominant partner in economic diversification and connectivity, and a key partner in budget support, education and Water, Sanitation and Hygiene (WASH). In some cases, changing circumstances and lessons learnt from the engagement of the previous CPS have resulted in shifting areas of comparative advantage. AFD, for instance, is now the lead partner in the Education sector. Within the United Nations, UNICEF has been a partner (through the CERC component of the Access to Basic Services in Rural Areas and Capacity Building Project) in the prevention and control of Covid-19 in schools; WHO has collaborated in strengthening the technical, logistical and infrastructural capacities of the Gabonese government to respond effectively to the COVID-19 pandemic; UNESCO has worked on the production of school statistics under the Bank financed Statistics project; and FAO has worked on the General Census of Agriculture in Gabon, also through the Bank-support Statistics project with a focus on updating structural data on agriculture, livestock, fishing, aquaculture and forestry. Meanwhile, a host of other Development Partners (DPs) are now active in the environmental protection, motivating the Bank’s decision to reduce its focus here, despite its achievements in terms of transparency and sustainability of natural resource management during the previous CPF.

41. **IFC and MIGA have already engaged in infrastructure, notably power and transport, sectors among others.** Landmark investments included the IFC’s financing of the Société d’Exploitation du Transgabonais (SETRAG) and the concessionaire of the 650-kilometer Transgabonais rail line between Franceville and Libreville to increase the capacity of the rail network while also improving its reliability. IFC is also supporting the Kinguéle Aval hydroelectric power plant with a 180 million euro investment,

together with the African Development Bank and other financiers, to reduce the price of electricity and contribute to the economic development of Gabon. MIGA supported the Kingulé Aval project, as well, by providing political risk guarantees to equity and quasi-equity investments in the project.. The new power plant, which should be in service in 2024, will have a capacity of 35 MW and provide approximately 13 percent of Libreville's electricity needs. The plant will also contribute to the electrification of rural areas in the province of Estuaire. According to the authorities, the structure will contribute to the replacement of old obsolete thermal power plants and will save more than 150,000 tons of CO2 emissions per year. 800 direct jobs will be created on the site and local companies will be called upon as a priority.

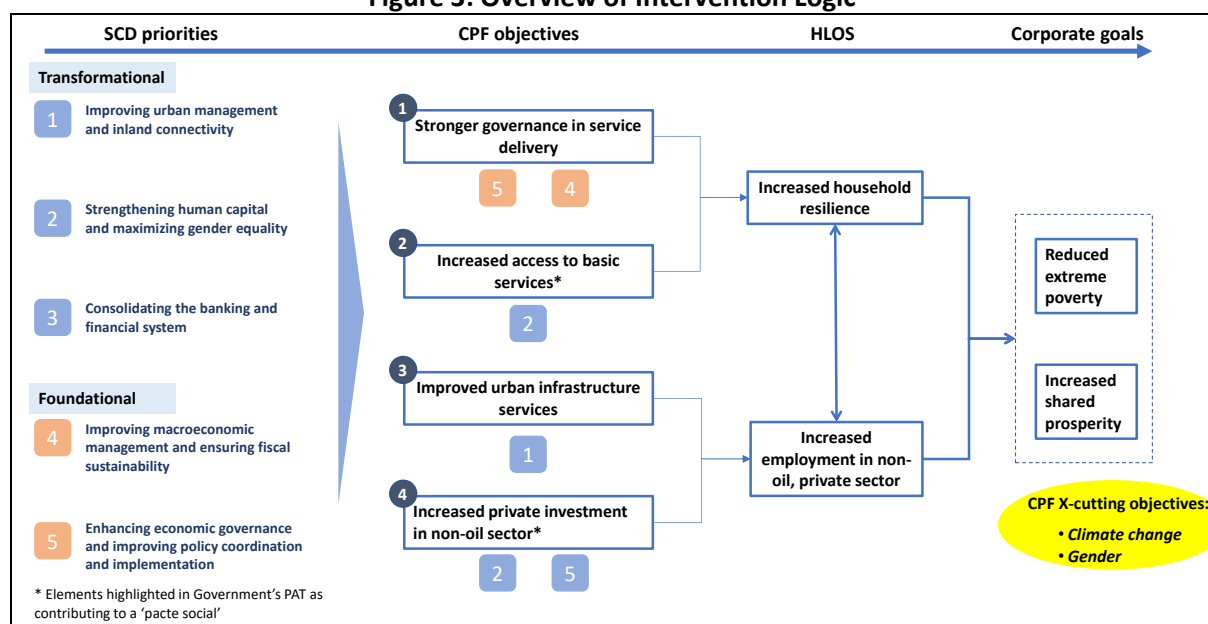
**42. To maximize private sector engagement in Gabon's development, IFC and MIGA will lead WBG efforts to catalyze commercial financing to deliver sustainable development in a cost-effective manner.** The WBG will support upstream reforms to address market failure; as well as identifying opportunities for risk instruments and credit enhancements to cover residual risk. IFC's strategy will focus on supporting and contributing to Gabon's inclusive growth agenda. This includes: (i) diversifying its economy ; (ii) strengthening its competitiveness; and (iii) promoting a conducive investment climate. However, due to rampant issues surrounding weak governance and transparency, IFC will focus on the mining and energy sectors, given their potential for generating non-oil revenues and the presence of international players, promoting economic diversification through linkages, while at the same time laying the foundations for further engagements in ICT, health, financial infrastructure development and agriculture through selected upstream and advisory interventions. Priority reforms that IFC will support include: in mining, introducing transparency measures to support and consolidate Gabon's readmittance to EITI and alleviating mining transactions accounts regulations; in energy, identifying power sector stakeholders and clarifying their respective roles and responsibilities; in digital, support the commercialization of deployment of the Gabonese administration network; and in health, development of Gabonese national PPP framework for healthcare. MIGA will work closely with the IFC to explore other opportunities to use its risk insurance instruments for promoting foreign investment into key development sectors, particularly infrastructure.

**43. The CPF will also aim to increase the climate co-benefits associated with the WBG's portfolio in Gabon.** IBRD co-benefits currently stand at just one percent of total IBRD commitments in Gabon, well below the average for the region. This rate is expected to increase substantially as several pipeline projects become active, notably Access to Water, Electricity and Sanitation Project, Urban Infrastructure and Rural Connectivity projects, all of which are expected to include high contributions to climate adaptation.

**44. Reflecting the above considerations, the CPF has a streamlined structure involving a limited WBG engagement that plays to its strengths.** The CPF comprises two Higher Level Outcomes, "Increased household resilience" and "Increased Employment in the Non-Oil Private Sector", both of which are underpinned by the Government's strategic vision for a post-oil Gabon as set out in the PAT to accelerate the emergence of new drivers of growth and to rethink the social model. Underpinning this vision are three 'pivots': (i) Economic, (i) Social and (iii) Cross-Cutting. The Social Pivot aims to nurture the conditions for a new social pact based on an increased contribution by the private sector, more efficient public sector services, and the maintenance of the country's principal social safety nets. The first two Objectives contribute to the first High-Level Outcome (HLO): "Increased household resilience". These are: (i) Stronger Governance in Service Delivery; ii) Increased Access to Basic Services. The remaining two objectives contribute to the second HLO namely "Increased Employment in the Non-Oil Private Sector". These are: iii) Increased Urban Resilience; and (iv) Improved Environment for Private Sector Investment in the Non-oil Sector. Two cross-cutting themes, Gender

and Climate Change, will help shape engagement under each objective. The entire CPF will contribute to WBG's Twin Goals of poverty reduction and shared prosperity (see Figure 3.)

**Figure 3: Overview of Intervention Logic**



## HLO1: Increased Household Resilience

45. **Objective 1: Strengthened Governance in Service Delivery.** This Objective aims at improving state and institutional governance to enable an efficient (and/or effective) and accountable public service delivery to citizens by the Gabonese state. Improvements in Gabon's transparency and governance is the foundation of the country's economic diversification and future economic prosperity. The WBG will partner with the Government to tackle core challenges linked to the allocation of public resources, public sector performance and productivity, and the accountability and transparency of public sector management. Addressing these challenges will contribute to the provision of stronger public services in Gabon, fostering trust in government, whilst addressing major constraints to economic and social development. It may also contribute to diversifying the country's assets away from natural capital, notably through better investment in human and physical capital. The CPF will support improvements in Gabon's governance, primarily through the e-transformation of Government services and optimizing public resource management. In this way, the CPF supports the Government's PAT 2021-2023 goals to accelerate digitalization of public services and improve the efficiency in the management of public resources.

46. **The GoG is now well placed to develop e-government as part of a broader public sector reform program.** The Government of Gabon (GoG) has prioritized digital development as an engine of growth and transformation in society. Gabon has made considerable progress in improving broadband connectivity, namely through the installation of a fiber-optic backbone network across the country to improve connectivity between major cities and link the country directly with the Republic of the Congo, Cameroon and Equatorial Guinea. The GoG's ambition for high-quality public services using digital solutions therefore builds on this considerable progress in developing high-speed broadband digital infrastructure. Digitizing and connecting public services are key e-Government objectives, with an ambition to implement more than ten transactional and integrated e-services by 2025. However, Gabon also faces a "digital divide" between the urban population and remote rural areas, reducing e-

participation and making it difficult for individuals and businesses to find and access the services they need.

47. **The Bank will continue supporting the Government's e-transformation of key public services through the Digital Gabon (P175987) project.** This will involve the application of holistic technological solutions to address key issues in the operations of Government to Government (G2G), Government to Citizens (G2C) and Government to Businesses (G2B). It will ultimately contribute to delivering more efficient and quality public services, improving public sector accountability and transparency, and developing public open data platforms for citizens and businesses. The Bank is currently supporting the digitalization of services in the health sector. It will now focus on helping GoG develop integrated and shared digital public platforms which can help improve efficiency and quality of broader public services for individuals and businesses, as well as governance and accountability. In particular, and based on discussion with the Government, it will specifically focus on reforms to legal ID systems; facilitating inter-operability of public digital platforms; reinforcing cybersecurity capacity data hosting; as well as improvements to specific Government services using digital technologies, including to social protection systems, civil service resource management, and public procurement.

48. **The Digital Gabon Project will also address several cross-cutting themes that are relevant to corruption and transparency.** For example secure interoperability between Government applications and databases, coupled with adequate protection for personal data and privacy, and a one-stop-shop access point have the potential to help reduce fraud; identifying each beneficiary of social protection programs using his or her NIP will help eliminate duplicate records, reduce potential sources of leakages, and benefit fraud; a more efficient HR and payroll management in the public sector could reduce irregularities such as ghost workers, double payments for one person or payment for those who passed away or retired; and digitization of public procurement processes represents an opportunity to increase the transparency and efficiency in the use of public resources.

49. **The Bank will also support the Government's efforts to optimize public resource management and accountability.** Although the GoG has prioritized the modernization of public services through digitalization, investments in e-Government to date have had limited impact on the uptake and the effectiveness of service delivery. Hence, e-Government is just one element of a broader public sector reform to improve accountability to Gabon's citizens. The Bank will therefore address other aspects of public sector reform through the development of the first Program-for-Results (PforR) operation in Gabon. Through this instrument, the Bank will support the Government's program to enhance domestic revenue mobilization, improve public financial management including through the consolidation of the program based budgeting reform, and support a more efficient management of public investments, expenditures, and human resources. Seeking opportunities to deploy e-Government for PFM will bolster the Bank's approach to this issue. Through improvements in public resource management and a targeted approach to key sectors such as education and health, the PforR program will strengthen fiscal sustainability and lead to improvements in the access to and quality of services which aim to enhance the conditions for a stronger social contract.

50. **The COVID-19 Strategic Preparedness and Response Project (SPRP) (P173927) seeks to complement these broader digitization and public financial management efforts with interventions to strengthen governance within the health sector in particular.** Within the context of COVID, the project aims to improve governance of the health system and re-orient delivery to better meet the population's health needs. It specifically aims to build the capacities of healthcare managers in order to better respond to national and global health risks. It forms an integral part of the country's plan for a well-functioning health system to prevent, detect and avert crises. As demonstrated by COVID-19, without pandemic preparedness and response, a crisis can quickly overwhelm health systems, rendering them unable to provide other essential, necessary lifesaving services.

51. **Objective 2: Increased Access to Basic Services.** The current Access to Basic Services in Rural Areas and Capacity Building Project (P144135) and its planned successor aim to support access to basic services, especially those relating to WASH and electricity. The current iteration is a cornerstone operation for broader rural water and electrification programs financed by the Government. It supports access to such services for rural areas that are too distant from urban and peri-urban areas to be connected to the water and electricity network. As such, it closes the gap in access between Gabon's urban areas and its rural areas, where such deficits in access compound and perpetuate existing deficits in monetary poverty. The future iteration of this Project will follow in a similar vein and continue to close gaps in access to key determinants of non-monetary poverty, particularly WASH. Improving access to water will also disproportionately benefit women and girls who often bear primary responsibility for fetching water.

52. **Investments in strengthening Gabon's current systems of social protection will also be explored during the duration of the CPF.** By helping to build a solid and flexible Social Protection system, the Bank will help strengthen Gabon's households' resilience against current and future shocks – including those similar in nature to COVID-19 – by better enabling their own investment in social services like education or health. This can help reduce unemployment, raise labor productivity and earnings, and respond to job or earnings losses. Well-designed and targeted safety nets, transfers, and other social programs can facilitate equity and social inclusion by empowering vulnerable population group, especially women. Through the Digital Gabon (P175987) project, the Bank is already supporting the Government to reform and digitize its national identification system, better enabling the Gabonese population to exercise their right to access critical services, including claims to social protection entitlements. Together with the ongoing Gabon Statistical Development Project (P157473), the Digital Gabon project is also improving the robustness of the Gabonais Economiquement Faibles (GEF) registry, which is the primary registry used for the targeting of social-assistance programs.

53. **The combined efforts of the Gabon Statistical Development Project and the Digital Gabon project will include the development of a new targeting methodology and its implementation.** This will include household surveys, with the aim of increasing the relevance of the GEF list for targeting, as well as deploying digital ID authentication in the context of social protection service delivery. The wider context of social protection service delivery in Gabon includes IMF support to the Government to implement a more efficient system of Cash Transfers for those on the GEF registry. The Bank will therefore explore opportunities to expand on its current programming and complement the activities of the IMF by implementing a Social Protection program. The Bank may also contribute ASA in the areas of beneficiary identification and policy dialogue on the social protection strategy and broader vision for the sector.

## **HLO2: Increased Employment in the Non-Oil Private Sector**

54. **Objective 3: Improved Urban Infrastructure Services.** This Objective aims at improving infrastructure ('building back better') in Gabon's urban areas in order to build resilience and unlock the country's full productive potential. Gabon's thriving natural resources sectors have triggered significant migration flows of rural population to urban centers, resulting in one of the highest urbanization rates in Africa. This presents both an opportunity and a threat to Gabon's development. From one perspective, the country's high rate of urbanization is a major comparative advantage relative to other countries in the West-Central Africa region, which, if harnessed properly, has the potential to spur economic development and diversification. From another, inadequate management of Gabon's urbanization is holding back development. Strategic urban planning to enable coherent development, land use and transport is either lacking, ineffectual or not implemented. Due to a lack of proper planning policies, urbanization has occurred in the form of unplanned settlements on

underserved land, leaving many urban households without access to basic urban service such as transport, clean water, sanitation, electricity, and health services. These problems diminish the benefits associated with spatial agglomeration. Moreover, urbanization has been characterized by an increasing concentration of the Gabonese population in a few cities along the coast – namely, Libreville and Port-Gentil – and an ever-sparser distribution of population in the rest of the country. There is therefore a need to ensure that the benefits of urbanization have a wider reach in Gabon, with investment in secondary cities to increase their participation in the national economy a core priority.

**55. The WBG will address urbanization issues through the Gabon Urban Development Project (P177372), which aims to promote integrated urban development.** The CPF will address such issues by promoting integrated urban development; exploring opportunities to expand the WASH agenda in Gabon's cities; and exploring opportunities through the private sector to increase transport connectivity between Gabon's cities, as well as with the outside world. Through these efforts, Gabon's urban population will be provided access to the essential goods and services they need now, and the infrastructure needed to encourage employment in the non-oil private sector (HLO1).

**56. It will do this by improving access to greener and more resilient urban infrastructure and basic services in underserved urban neighborhoods too.** The Project will finance greener and more resilient primary infrastructure in cities to improve connectivity and investments in underserved neighborhoods thus improving their integration into the urban fabric. By improving local roads in peri-urban settings this will benefit women traders operating alongside roadways while also requiring additional support to women traders to access finance and improve skills. This can disproportionately benefit young women, including mothers, by increasing economic independence. At the same time the Project also aims to strengthen the capacity of cities and national governments in their municipal management. There is no recent urban development policy in Gabon, and urban development has been unfolding largely without strategic planning – an issue that is exacerbated by a lack of a strong land administration system. Municipalities, particularly, lack financial and technical capabilities to develop and implement urban plans. Hence, the Project will provide assistance to build administrative, financial, and technical capacities in pursuit of an operationalizable Urban Master Plan (SDAU) elaborated through Land Use Plans (POS) at the city level.

**57. The CPF will also explore opportunities to expand the WASH agenda in Gabon's cities.** In recent years, many partners have supported Gabon in the provision of water services, for instance the AfDB's engagement in the Libreville Water Supply. However, very few of them support the management of wastewater and solid waste (Sanitation). As a result, water resources, even though abundant in Gabon, could be threatened by human activity. The Bank will therefore consider an opportunity to introduce a Water in Circular Economy and Resilience approach (Supply, Use, and Recovery) in its urban engagement as well as through an Access to Water, Electricity and Sanitation Project scheduled for FY23.

**58. The CPF will also explore opportunities to increase transport connectivity between Gabon's cities, as well as with the outside world, through the private sector.** It is well recognized that Gabon's road infrastructure is a constraint on private sector development. Its road network is currently sparse in comparative terms and of poor quality. Institutional arrangements to ensure a sustainable financing mechanism to maintain roads has weakened, including through an inoperative Gabon Road Fund. There is a need for the Bank to support the Government's efforts to increase connectivity. Future investments in Gabon's transport sector will depend crucially on institutional capacity to plan and manage large-scale infrastructure initiatives. The proposed CPF offers an opportunity for technical assistance and advisory services to strengthen institutional capacity, including through a potential

Transport Public Expenditure Review. This may then serve as a basis to further engage in the Gabon transport sector in the future.

59. **Objective 4: Improved Environment for Private Investment in the Non-Oil Sector.** Though the contribution of the non-oil sector to GDP has increased in recent history, broader private sector development is hampered by multiple constraints. These include poor transport infrastructure, unreliable and poor quality of power supply, skills shortages, and limited access to finance. Key sectors highlighted in the Government's diversification strategy include forestry, mining, agriculture and other sectors. Fundamental issues on the Government's side such as poor economic management and regulatory barriers to competition also contribute to an unfavorable business and investment climate. Addressing these challenges will help unlock the potential of the private sector and contribute to diversifying the country's economy, particularly in the areas of the Green and Blue Economies.<sup>9</sup>

60. **IFC will support this objective by supporting Gabon to: (i) diversify its economy (including blue and green sectors); (ii) strengthen competitiveness; and (iii) improve the investment climate.** The World Bank Group are working closely together in each of these areas. For example, IFC is working with the World Bank to advance the environmental and climate change agenda forward in a number of sectors: (i) carbon credits, (ii) fisheries and blue economy, (iii) commercial forestry governance and value-chains, and (iv) ecotourism development, national parks, and wildlife management. Furthermore, IFC and the World Bank are working closely on reform of the leasing framework. Building on previous experience and lessons learned from the Africa Leasing Facility I and II (2007-2017), the IFC team, in collaboration with the World Bank, will work closely with the Organization for the Harmonization of Business Law (OHADA) in Africa to improve the effectiveness of the collateral registry in OHADA program countries. It will do this by 1. improving the policy and regulatory framework to support upstream opportunities; and 2. introducing knowledge-based market tools (i.e. IFC Global Leasing Toolkit) to educate and improve technical skills through collaboration with business associations. At the policy/macro level, the program will work with the BEAC in Gabon, together with the Ministry of Finance to support improvements in the national legal and regulatory environment for leasing to support future upstream potential. At the mezzo/industry level, the program team will engage with relevant leasing stakeholders on the ground (business associations, government officials) to educate leasing practitioners and introduce transaction related market tools available for the leasing sector.

61. **Other immediate priorities for IFC and MIGA include the continued financing and guarantee support to the Kinguele Aval hydro project.** IFC is also executing the SETRAG II railway upgrading project and a MIGA guarantee covering an equity investment into the project is also being considered. The Kingulé Aval hydroelectric power plant (the "Project") is a proposed greenfield run-of-river 34.5 MW hydropower project which will have an average annual power production of circa 200 GWh. It will be located on the River Mbé, in the northwest of Gabon, about 90 km east of Libreville. Construction started in 2022, with commissioning planned for 2025. This would make it the first project-financed IPP in Gabon. The Project benefits from the full support of the Republic of Gabon which signed and granted the 30-year concession to the Project Company. The power generated by the Project will be purchased by the utility SEG through a Power Purchase Agreement. Working alongside IFC, MIGA has issued guarantees for equity/quasi-equity investments into the project. The 20-year guarantees totaling €25.3 million (approximately US\$28.7 million) provide protection against breach of contract, expropriation, transfer restriction and currency inconvertibility, and war and civil disturbance. The SETRAG II project comprises an additional financing to support the ongoing rehabilitation of the 648-kilometer single-track Transgabonais railway in Gabon. The railway is operated under a 30-year concession by "Société d'Exploitation du Transgabonais" ("SETRAG"). The rehabilitation works consist of (i) the rehabilitation of the existing infrastructure between Owendo

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<sup>9</sup> See also Pathways for Blue and Green Economic Development ASA (P177788).

and Franceville (including “below rail” and “above rail” components), and (ii) the acquisition of new rolling stock for the replacement and expansion of transport capacity. The ultimate goal of the rehabilitation is to restore the railway’s design transport capacity to 16 train pairs per day.

62. **This Objective also aims to support the Government’s efforts to diversify the economy through prioritizing digital development.** This will contribute to HLO 2 i.e. increased employment in non-oil, private sector activity. The ongoing e-Gabon Project (P132824) supports the digitization of services in the health sector (Objective 1), but also contributes to Gabon’s economic diversification by fostering the emergence of a digital innovation ecosystem. Results so far include the creation of a digital incubator (SING) in Libreville that has incubated 53 start-up projects and provided training to 1122 individuals as of October 2021. The Project has also organized two “hackathons” and one business plan competition that has rewarded top candidates with cash prizes and enabled them to go through robust formation, acceleration, and incubation phases to grow their start-ups. Lastly, the Project’s awareness campaigns and sensibilization efforts in Libreville, Port-Gentil and Franceville have contributed to a cultural shift and an increased perception of entrepreneurship as a viable career path. On the private sector side, MIGA’s support to the growth in the operations of the mobile money and digital financial services company, Airtel, in Gabon will contribute to developing the digital economy while promoting greater financial inclusion.

63. **On the supply-side, this Objective aims at strengthening and protecting its Gabon’s greatest asset for economic diversification - Human Capital.** This Objective’s focus will be particularly in the area of technical and vocational skills. This is an issue which currently constitutes a major constraint on private sector development. It has also led to a severe under-utilization of Gabon’s human capital, as evidenced by significant rates of unemployment amongst secondary and tertiary educated individuals. The Economic Diversification and Youth Skills and Employment Project, in particular, will develop the private sector including through fit-for-purpose technical education and skills development. Through the Project, which continues in the vein of the recent Skills Development and Employability Project (P146152), the Bank will address the skills mismatch between Gabon’s current educational offer and the needs of the private sector. Through these efforts, the mismatch between Gabon’s current educational offer and the specific needs of hiring companies will be addressed. This will foster an environment in which domestic and foreign private sector investment in Gabon becomes more viable, ultimately resulting in more job rich growth (**HLO2**). This will be underscored by IFC’s support to create a wider enabling environment in which the private sector can flourish in Gabon. MIGA’s support of several infrastructure projects is also expected to create positive demonstration effects and help catalyze further foreign private sector investment in the economy. This objective complements the support under Objective 4 which also aims to increase employment in the non-oil private sector and also contributes HLO 2 i.e. increased employment in non-oil, private sector activity as well as, indirectly, HLO 1 i.e. increased household resilience.

64. **The WBG will also explore how best to support Gabon’s efforts to protect and leverage the environment, building on the country’s leadership role in mitigating climate change.** Skills provision strategies, skills requirements, skills acquisition, and skills enhancement for Green Jobs could be explored during the CPF. Small and medium-sized forest enterprises account for more than 80 percent of forest employment in many developing countries and green jobs yield invisible multipliers across the labor market providing external benefits to workers in the entire economy. Green jobs created by adopting sustainable forest management (SFM) practices improve the quantity and quality of jobs when compared to business as usual. SFM employs more people per unit of output because it requires multiple activities such as forest inventories, identification of trees to be felled, and the establishment and maintenance of skid trails and log patios, which are not needed in unsustainable logging operations. While standard logging is migratory in nature as clearcutting operations move from one area to the next once forest resources are depleted, SFM provides permanent jobs since their plans



are for 25 to 30-year harvesting cycles. The WBG will assess the potential of supporting an increase in the number of green jobs in Gabon particularly in light of recent changes to Gabon's new legislative framework that increase the potential for carbon revenues via participation in carbon credit markets and, potentially, investment in eco-tourism and other economic activities. IFC is working with the Gabonese government to identify opportunities for the carbon credit market cooperation and monetizing carbon credits through sales of credits to the private sector and give Gabon the credit for managing its forests and biodiversity in a sustainable manner.

65. **Investment in the green and blue diversification agenda offers opportunities to support women-led SMEs.** This includes supporting green jobs through investment of the proceeds of carbon credit sales in green sectors in which women are disproportionately employed. It also includes supporting the fisheries processing sector, including through private investment leveraged through IFC participation, thus benefiting another sector in which are disproportionately employed.

### C. Implementing the FY23-FY27 CPF Program

66. **The World Bank anticipates new lending commitments of approximately \$500 million over FY23-FY24, comparable to the level available during the last few years.** The proposed CPF will likely see a marked reduction in the overall number of active projects in Gabon relative to its peak of 11 national and 2 regional projects in FY19 under the previous CPF, with a steady state level of engagement jointly agreed between the WBG and the GoG in time for the PLR. This is already being achieved by carefully targeted engagements that build on success and meet a clear demand on the side of Government. This reflects a reassessment of the country's absorptive capacity in light of the lessons learned through the CLR for the 2012-18 CPF (see Annex 5 of the CLR). Gabon remains eligible to borrow from the IBRD as well as benefiting from investment and guarantees available through IFC and MIGA, respectively. However, areas of engagement and actual IBRD lending volumes over the course of the CPF will depend on country demand, overall performance and global economic and financial developments, which affect IBRD's financial capacity as well as demand by other WBG borrowers.

67. **Overall performance of the World Bank's portfolio is improving, but the operational context remains challenging for project implementation.** The share of projects that are problem projects (both by number and in US\$ amount) is declining. Disbursement rates, having dipped in 2021, have bounced back in 2022. There have also been improvements in the operating context. A Public Procurement Code has been adopted and is operational. Two decrees, pursuant to this Code, have been adopted: (i) a decree setting thresholds for the compulsory competitive award of public contracts, and (ii) a decree fixing financial thresholds for the award of public contracts. Procurement therefore relies on the one hand on the Directorate General of Public Procurement (DGMP) for the *a priori* control of the award and execution of public contracts, and on the other hand on the Public Procurement Regulatory Authority (ARMP) for the handling of complaints/disputes in the context of non-judicial recourse. However, there is an urgent need to integrate the Procurement Plan (GPP) into public financial management by emphasizing the organizational changes resulting from the deconcentration of public spending authorization. The approval of government contracts should also be subject to similar deconcentration. (See Annex 8.)

68. **Internal financial control also needs to be improved.** There is an internal audit system that is being finalized in the ministries by the general inspections of the services responsible for internal control in each ministry. The nature of the audits carried out focuses on financial compliance or regularity inspection. The National Authority for Verification and Audit (ANAVEA) is supposed to coordinate all general inspections, but this process is not yet operational. Reflections are underway on the changes to be made to the internal control system. These include closer involvement of the

budgetary controller in the budget preparation and planning process or the introduction of selective expenditure control based on risk analysis. Consideration is also being given to the adoption of texts specifying the type of control to be carried out by the budgetary controller.

69. **Building on lessons learned under the previous CPS, the proposed CPF sets out a program that builds on the WBG's areas of strength while also proposing an early PLR to enable adjustments as needed.** An early PLR (e.g. late FY24) will help address the heightened level of uncertainty caused by the COVID-19 pandemic as well as the political uncertainty that is likely to increase as the country approaches presidential elections in 2023. While the proposed program, which is aligned with the Government's priorities, thus extends through the end of FY27 (Table 2) the PLR will be an opportunity to take stock and re-program as needed. ICRs for projects completed before the PLR as well as ongoing lesson-learning will inform the PLR itself.

**Table 2: Indicative IBRD Lending (US\$ million)**

	Active	FY23	FY24	FY25	FY26	FY27
<b>Current portfolio</b>						
eGabon	56					
Access to Basic Services in Rural Areas Project	60					
Gabon - Skills Development and Employability Project	63.12					
Wildlife and human-elephant conflicts management in the South of Gabon	9.06					
Gabon Statistical Development Project	50					
Gabon COVID-19 Strategic Preparedness and Response Project	21.0					
Digital Gabon Project	68.5					
<i>Total active</i>	<i>327.68</i>					
<b>Pipeline</b>						
Gabon Statistical Development Project (RI)		30				
Access to Water, Electricity and Sanitation Project			100			
Gabon Urban Development project			100			
Governance for Better Service Delivery & Fiscal Sustainability			50			
Support for Economic Diversification and Youth Skills and Employment Project			60			
Safety Net Project			50			
DPO1			75			
DPO2				75		

70. **The WBG will make use of a range of instruments in Gabon to meet the specific needs of the country and make best use of the WBG's comparative advantage.** Given the scale of its portfolio in Gabon, the WBG will provide a combination of: (i) policy, regulatory and institutional support; and (ii) lending in collaboration with other DPs including development policy financing and a combination of Investment Policy Financing (IPF) and risk, credit or guarantees from all WBG entities, including from MIGA, as well as IFC equity and lending finance. Policy support will include a set of policy notes to be prepared ahead of the forthcoming elections covering topics such as governance, natural resource management, quality of human capital and access to human capital services, resilience and the role

of the private sector. The World Bank will also support a range of macroeconomic reforms through a series of two DPOs with a view to strengthening the country's policy framework in selected areas including public financial management and sector-specific regulatory reforms e.g. in the areas of water and foreign direct investment. These will provide a fiscal cushion to protect social spending, while accelerating measures to diversify the country's economic base. Preparation of the DPOs will be closely aligned with Gabon's medium term expenditure framework, undertaken in collaboration with the IMF, and based on the results of Debt Sustainability Analysis.

**71. IFC and MIGA could increase their exposure in Gabon subject to market conditions.** Preliminary areas being explored by IFC include: an enhancement of the business environment; direct investment in power generation; transport; other shared infrastructure related to the extractive industries and agribusiness (including the first WBG re-engagement in the palm oil sector; and promoting PPPs. The IFC's strategy will focus on supporting and contributing to Gabon's inclusive growth agenda through (i) diversifying its economy; (ii) strengthening its competitiveness; and (iii) promoting a conducive investment climate. More transparency in the financial sector would bring significant opportunities for IFC to invest and to have impact. IFC will therefore also explore: extending lines of trade finance to selected banks and opportunities in the area of housing finance, drawing on a World Bank assessment of affordable housing needs and challenges. MIGA will seek to support private sector development through its political risk guarantees, in coordination with the WB and IFC. MIGA is seeing opportunities to support foreign investors in areas consistent with the CPF, particularly in the power sector (hydro).

**Table 3: Planned ASA**

Task Id	Task Name	Lead GP/Global Themes	Task Type	ACS FY	ACS Actual
REGIONAL ASAs					
P179082	Governance Programmatic ASA FY23-25: Cameroon, Central African Republic, Republic of Congo, Equatorial Guinea and Gabon	Governance	Advisory	2024	31-May-2024
P171537	CEMAC Long Term Finance	Finance, Competitiveness and Innovation	Advisory	2023	21-Dec-2022
P175208	AWCC1 Platform: Gender, GBV and Social Inclusion	Social Sustainability and Inclusion	Analytical	2023	31-May-2023
P177995	AWCC1 Economic Updates FY22-23	Macroeconomics, Trade and Investment	Analytical	2023	01-Jun-2023
P177546	CEMAC Human Development Policy Dialogue	Social Protection & Jobs	Advisory	2023	01-Mar-2023
GABON					
tbc	Policy Notes on governance, natural resources, and the private sector.	Governance & MTI	Advisory	2024	Planned
tbc	Human development PER and the Human capital agenda (education and social protection)	Health, Nutrition & Population	Advisory	2024	Planned
P176228	Promoting Investment-Enabling Environment in Gabon ASA	Finance, Competitiveness and Innovation	Advisory	2023	20-Feb-2022

72. **The World Bank's ASA program in Gabon will use a combination of technical assistance, policy notes and other reports.** These will support the lending program and underpin dialogue as well as serving to support the preparation of future operations where knowledge gaps exist. In particular knowledge products on governance (notably the regional Governance Programmatic ASA) and investment climate for diversification (Promoting Investment Enabling Environment in Gabon) are central to the WBG's proposed program in these areas. The proposed ASA program is set out in Table 3. The World Bank will also explore potential support to help verify the quality of Gabon's carbon credit offerings and provide formal quality assurance in future transactions. This support could include voluntary mechanism markets for maximizing the sale price for a defined number of carbon credits, as well as support to Gabon in developing a benefit sharing plan that can be transparently presented to potential carbon credit purchasers. This and other potential analytical work (along the lines of a mini-CCDR) will be undertaken early in the program to help shape adjustments at the PLR stage.

#### IV. MANAGING RISKS TO THE CPF PROGRAM

73. **The overall risk to the CPF is assessed as substantial with high political and macroeconomic risk offset to some degree by lower risk affecting sector strategies and project design Table 4).** Political risk remains high. Uncertainty surrounding the 2023 presidential elections could slow the Government's implementation of structural reforms toward economic diversification and thereby jeopardize future growth. In particular, there is a risk that ownership of the development agenda could be jeopardized depending on the outcome of the elections. Under one scenario where President Ali Bongo stands and is re-elected, it is likely that the broad thrust of current government policy will be maintained. The GoG has set out a reform agenda for the period 2021-23 in its Accelerated Transformation Plan which explicitly aims to strengthen the country's social pact as well as promoting economic diversification. The core thrust of the PAT is likely to be maintained under this scenario. However, this is likely to be accompanied by continued firm control over state institutions by the President and the PDG with little prospect in a sharp increase in governance indicators. Under a second scenario, where an alternative government is elected, there could be a fundamental shift in policies in directions that are as yet somewhat unclear. To mitigate these risks, the CPF has pushed back delivery of some projects, including the series of DPOs, until after 2023 to minimize pre-election interference in project preparation. A series of policy notes will help engage candidates across the political spectrum in a pro-poor agenda. The CPF also explicitly includes a pragmatic, yet important, objective of strengthening governance for more effective service delivery. In the event that CPF objectives are no longer aligned with Government priorities post-elections, a PLR will be brought forward.

74. **Macroeconomic risks are also high.** Lower global growth due to the war in Ukraine and resulting global geopolitical tensions could negatively affect inflation, the fiscal and external positions, and growth. A further slowdown in China, a key trading partner for Gabon, could negatively affect oil and manganese exports. Outbreaks of highly contagious COVID-19 variants -particularly in view of the slow vaccination uptake- could delay Gabon's recovery. Postponement of some external budget support would further widen the fiscal financing gap. Political stability could be challenged and pressure on public spending could increase ahead of the 2023 presidential election. On the upside, higher oil and manganese prices and accelerated reform implementation could improve the fiscal and external positions and boost growth. To mitigate the above negative risks, scheduling of the CPF program is designed to offset macroeconomic risks stemming from the planned 2023 elections. In relation to the continued threat from COVID-19, the Bank is providing support to prevent, detect and respond to the threat and strengthen national systems for public health preparedness in Gabon.

75. **Institutional risk is substantial.** The Government’s capacity to execute the investment budget, including Bank funded projects, remains limited. This may affect the smooth implementation of Bank projects. It also affects outcomes under the governance pillar specifically those relating to improved public financial management. This risk will be mitigated by pursuing only those activities for which the Government has expressed strong ownership, as highlighted under lessons learned above. Continuing to strengthen the CNTIPPEE remains a priority in order to enable it to undertake fiduciary responsibilities for the portfolio of Bank projects. In this context, the Bank is unlikely to offer Reimbursable Advisory Services under the new CPF due to difficulties obtaining prompt payment for these products under the previous CPF. Given the high-risk environment in Gabon, the Performance & Learning Review planned during the CPF will offer a critical opportunity to react to risks and change the nature and direction of the WBG’s program, if necessary.

76. **Fiduciary risk.** Gabon’s national public financial management system will require further strengthening to reduce fiduciary risk associated with Bank lending in general and to enable the introduction of results-based programs in particular. On the positive side, Gabon has in place, for example: a strategic framework in the shape of the PAT and other sectoral strategies; the beginnings of a performance-based approach to program management; and a multi-year approach to programming within the context of the Medium Term Strategy. However significant risks arise from continued weaknesses such as: insufficient ex-post assessment of program performance; and the need for tighter budgetary control, stronger treasury management and improved monitoring of expenditure by line ministries as well as better forecasting of revenues. The Bank will also support the Government to address weaknesses in the procurement system identified in the 2019 MAPS analysis including through technical assistance and capacity building (see Annex 8). To mitigate fiduciary risks specifically with respect to a results-based lending approach, the Bank has already scoped out and initiated a program of technical assistance.

77. **Environmental and social.** The global agendas for biodiversity and climate change strongly depend on Gabon’s rainforest remaining intact and ecologically healthy. The blue and green economic sectors are also important planks in Gabon’s diversification strategy. Yet awareness of the vulnerability of these natural assets across other sections of Government, and the management and safeguarding skills to address and mitigate these vulnerabilities, are not always sufficient. To mitigate the risk to WBG support for ecology-based economic diversification, the WBG will explore how best to ensure that economic diversification is sustainable and does not come at the expense of the blue and green economies, including through the addition of environment and social safeguards specialists in the CNTIPPEE. As part of risk mitigation, a vigorous E&S capacity strengthening is needed not only for the CNTIPPEE, but also for key stakeholders involved in projects’ activities implementation processes (“missions de contrôles”, consultants in charge of E&S instruments elaboration, NGOs, etc).

**Table 4: Systematic Operations Risk Rating Tool (SORT)**

<b>Risk Category</b>	<b>Rating (High, Substantial, Moderate, Low)</b>
1. Political and Governance	High
2. Macroeconomic	High
3. Sector strategies and policies	Moderate
4. Technical design of project	Moderate
5. Institutional capacity for implementation and sustainability	Substantial
6. Fiduciary	Substantial
7. Environment and Social	Substantial
8. Stakeholders	Moderate
<b>Overall</b>	<b>Substantial</b>

## Annex 1: Gabon (FY23-FY27) CPF Results Matrix

High Level Outcome 1 (HLO 1) – Increased household resilience		
This HLO replaces elements of the following pillars that formed part of the previous country partnership strategy: Pillar 1 (Governance and Public Sector Capacity) which included support for increased transparency and accountability in the extractives sector and strengthened public financial management. It also captures elements of Pillar 3 (Human Development and Environmental Sustainability) which related to improved access and quality of services and improved knowledge, tools and policies for social service delivery.		
High-level Outcome Indicators	Data Source	Current Value <sup>10</sup>
Individuals Using the Internet (% of Population)	Digital Development Database	62 percent (2020)
Incidence of Social Protection and Labor Programs – bottom 20 percent	ASPIRE Database	50.1 (2014)
Access to Electricity Urban and Rural (% of Population)	World Bank Global Electrification Database	<b>Urban:</b> 98.6 percent (2020) <b>Rural:</b> 27.8 percent (2020)
<b>Description</b> Gabon's resilience is at least in part reflected in its position at 128 <sup>th</sup> in the Notre Dame Global Adaptation Initiative Adaptation Capacity Sub-Index, the lowest ranking for an upper middle income country excluding SIDS. Increasing resilience is critical for households' ability to emerge from extreme poverty on a sustainable basis as well as for shared prosperity more broadly. To this end, the Bank will support efforts to increase access to and improve the quality of essential services, through greater digitization, in order to boost resilience. The effectiveness and efficiency of Gabon's public services will be reflected in improved delivery of essential services such as WASH, transport, electricity, and other infrastructure services as envisaged in the Government's strategy. Improved social protection also forms a central element of the Government's strategic focus on strengthening the 'Social Pact' in Gabon and of HLO1. During the CPF, the Bank will contribute to this sector through targeted investments to equalize opportunities and human capital for the poorest, especially through the Social Protection projects planned for FY25. The Bank will also support the Government to incorporate climate change as a factor in procurement decision making through its ASA program.		

<sup>10</sup> CPFs track the trajectories of HLO indicators but do not formulate target values.

**Associated SDGs**

- SDG 1 – No Poverty
- SDG 6 – Clean water and sanitation
- SDG 16 – Peace, Justice and Strong Institutions

**CPF Objective 1: Strengthened Governance in Service Delivery**

This is not a new objective. The previous CPS included an objective ‘Strengthened Public Financial Management’ which is partly reflected in the new formulation. In addition, the Bank’s support for the digital economy, which has evolved from supporting the laying down of infrastructure to digitization of public services, is now captured under this new objective.

**Relevant Lessons:** This objective builds on Lesson 2 above namely ‘The Bank has been most successful where it has built on success.’ One clear example of the Bank’s success during the previous CPF was in the area of digitization of public services, such as in the Health sector. To capitalize on this reform momentum, the current CPF continues to pursue digitization as an important means of strengthening governance in service delivery, whilst introducing several new areas of reform that benefit from clear Government support (Lesson 1), such as the forthcoming PforR as a means of supporting reform of public financial management.

**Intervention Logic**

Improved access to core government services such as health and education is key to increasing resilience in Gabon and, strengthened governance of these services, especially to achieve transparency and accountability, is key to their delivery. Gabon must tackle core challenges linked to the efficient allocation of public resources, public sector performance and productivity, and accountability and transparency in public sector management. Addressing these challenges together will contribute to the provision of stronger public services in Gabon, foster trust in Gabon’s political system, and address major constraints on economic and social development. It may also contribute to diversifying the country’s assets away from natural capital, notably through better investment in human and physical capital. To improve governance, the Government of Gabon has already begun to modernize the state through digitization.

During the CPF, the WBG will support increased improvements in Gabon’s governance and service delivery through: (i) the Digital Gabon Project (P175987) which continues in the vein of the recent e-Gabon (P132824) and aims at continuing the country’s e-transformation of public services; (ii) the COVID-19 Strategic Preparedness and Response Project (P173927) which, outside of the immediate emergency response, aim to strengthen Gabon’s healthcare system more generally; as well as (iii) a future Excellence in Public Resource Management operation that will pioneer results-based World Bank financing in Gabon, supporting improvements in public sector performance and

<p>efficiency of the management of public resources. Note: the World Bank will develop a specific indicator relating to the incorporation of climate change in public procurement decision-making between the CPF and PLR.</p> <p>By increasing access to and improving the quality of essential services, improvements in Governance and service delivery can contribute to urban resilience (HLO1). These efforts are also expected to help unlock Gabon's private sector development by strengthening economic governance, improving the business environment, and reducing regulatory barriers to competition (HLO2).</p>		
CPF Objective Indicators	Supplementary Progress Indicators	WBG Program
<p><b>Indicator 1.1. Economic transformation management effectiveness (Position)</b></p> <p>Baseline [2020]: 79 Target [2026]: 68 Source: BTI Economic Transformation Index 2022</p> <p><b>Indicator 1.2. Successful digital transactions initiated by individuals in the framework of public service delivery % female:</b></p> <p>Baseline [2020]: 0 Target [2026]: 100,000 Source: P175987</p> <p><b>Indicator 1.3. Government entities actively and securely exchanging data on the government interoperability platform</b></p>	<p>• <b>SPI 1.1.1: Adoption of a new procurement framework for all procurement</b></p> <p>Baseline [2022]: not adopted Target [2024]: adopted Source: Ministry of Finance</p> <p>• <b>SPI 1.1.2: Addition of E&amp;S technicians in CNTIPEE</b></p> <p>Baseline [2022]: 0 Target [2023]: 3 Source: CNTIPEE</p>	<p><b>Ongoing IBRD Operations</b></p> <ul style="list-style-type: none"> <li>• e-Gabon (P132824)</li> <li>• Digital Gabon Project (P175987)</li> </ul> <p><b>Ongoing and pipeline ASA</b></p> <ul style="list-style-type: none"> <li>• Policy note on governance (FY23)</li> <li>• Gabon Country Economic Memorandum</li> <li>• AWCC1 Economic Updates FY22-23</li> <li>• Pandemic Preparedness &amp; Human Capital TA</li> <li>• Policy note on natural capital (in relation to governance)</li> </ul> <p><b>Pipeline IBRD Operations</b></p> <ul style="list-style-type: none"> <li>• Governance for Better Service Delivery and Fiscal Sustainability</li> <li>• DPO series</li> </ul>



<p>Baseline [2020]: 0 Target [2026]: 5 Source: P175987</p> <p><b>Indicator 1.4. Climate change incorporated as a decision criterion in Public Procurement Code</b></p> <p>Baseline [2020]: not included Target [2024]: included Source: Procurement Code</p>		
<p><b>CPF Objective 2: Increased Access to Basic Services</b></p> <p>This builds upon an objective in the previous CPS. The previous CPS included an objective ‘Basic service delivery for health and social protection’ and focused primarily on developing a knowledge repository and statistical analysis in the health and social protection sectors.</p> <p><b>Relevant Lessons:</b> This objective builds upon all three lessons in the CPF. In terms of Lesson 1 (Government Ownership), for instance, the Digital Gabon project has formed a steering committee at prime ministerial level which will direct the project, ensuring a strong and high-level stewardship of the project to carry forward the mandate across different agencies and sectors. This approach will similarly be adopted for pipeline projects relating to safety nets and access to basic services. In terms of Lesson 2 (Building on Success), the Digital Gabon project is a natural continuation of and complements the Bank’s existing work via the Gabon Statistical Development to improve targeting of safety nets by including such targets in digital registers. Finally, recognizing that fiduciary risks are substantial, the new Digital Gabon project introduced enhanced implementation support by the World Bank and frequent fiduciary support missions, with similar approaches likely to be adopted in future programming under this Objective.</p> <p><b>Intervention Logic</b></p> <p>Gabon’s uneven coverage and quality of basic infrastructure and social services is undermining household resilience, in particular, and the country’s potential to achieve equitable development, in general. Individuals in cities such as Libreville and Port-Gentil are far more likely to access such services than their rural counterparts. The spatial differences in public service coverage and accessibility are widening urban-rural inequalities in capabilities and opportunities, putting increased pressure on Gabon’s urban areas through push-driven migration. These disparities, which are more obvious in Gabon than in comparator countries, severely depress human capital and worsen rural employment and earnings and living conditions. Poverty is indeed twice as high and three times deeper in Gabon’s rural areas. Nevertheless, most of Gabon’s poor live in urban areas, motivating a spatially neutral approach that ensures access to public services for all Gabonese wherever</p>		

they are. Indeed, whether urban or rural, Gabon's poor are hobbled by, among other deficits, limited resources, malnutrition and health problems, poor access to social services and health care, and low education and skills. They also lack income, save little for the future, are vulnerable to shocks, and have limited coping strategies. The foundation of inclusivity in Gabon therefore consists of universal provision of basic infrastructure and social services within its territory. Ensuring equal and universal access to basic social services and infrastructure for all urban *and* rural households is therefore central to the Bank's strategy for alleviating poverty and for inclusive development in Gabon.

During the CPF, the WBG will support this Objective primarily by investing in strengthening Gabon's systems of social protection. Helping Gabon to build a solid and flexible Social Protection system, the Bank will contribute to strengthening Gabonese households' resilience against current and future shocks by better enabling their own investment in social services like Education or Health. It can also help reduce unemployment, raise labor productivity and earnings, and respond to job or earnings losses, thus supporting Gabon's ambitions to boost its private sector. Well-designed and targeted safety nets, transfers, and other social programs can facilitate equity and social inclusion by empowering vulnerable population group, especially women. The primary instruments through which the Bank will make this contribution are the Digital Gabon and Gabon Statistical Development projects, which together support the Government to reform and digitize its national identification system and improve targeting.

The Bank will also support wider efforts to increase access to other basic and social services. It includes the provision of basic infrastructure such as WASH services, which a lack thereof is currently undermining Gabon's progress in human development. By supporting measures that address inequality and help to build human capital for the poorest, the CPF can contribute to strengthening household resilience of all Gabonese (**HLO1**). Likewise, these efforts are also expected to help unlock Gabon's private sector development and create jobs contributing to **HLO2**. The set of indicators below address selected basic service challenges including social protection and access to drinking water in rural areas. Better access to drinking water will also have a disproportionate impact on women. The latter are important aspects of increasing Gabon's preparedness for future pandemics and safeguarding against catastrophic setbacks. These indicators will be further revised and supplemented at the PLR including the addition of social protection indicators once the pipeline social protection project has been further developed.

CPF Objective Indicators	Supplementary Progress Indicators	WBG Program
<b>Indicator 2.1. Universal Healthcare Coverage Service Coverage Index</b>  Baseline [2019]: 49 Target [2026]: 55	<b>SPI 2.1 Social protection beneficiary records associated with a unique legal ID credential (Total and Female)</b>	<b>Ongoing IBRD Operations</b> <ul style="list-style-type: none"> <li>• Access to Water, Electricity and Sanitation Project</li> <li>• Digital Gabon Project</li> </ul> <b>Ongoing and pipeline ASA</b>

<p>Source: World Health Organization, Global Health Observatory Data Repository</p> <p><b>Indicator 2.2. People in targeted areas provided with access to improved water sources and sanitation</b></p> <p>Baseline [2022]: 0 Target [2026]: 60000 Source: Access to Water, Electricity and Sanitation Project (pipeline)</p> <p><b>Indicator 2.3. People in targeted areas provided with access to electricity</b></p> <p>Baseline [2022]: 0 Target [2026]: 90000 Source: Access to Water, Electricity and Sanitation Project (pipeline)</p>	<p>Baseline [2020]: 0 Target [2026]: 500,000 Source: P175987</p>	<ul style="list-style-type: none"> <li>• AWCC1 Programmatic Governance ASA: Cameroon, Gabon, Equatorial Guinea, CAR and Congo (P172301)</li> <li>• Governance Programmatic ASA FY23-25: Cameroon, Central African Republic, Republic of Congo, Equatorial Guinea and Gabon (P179082)</li> <li>• AWCC1 Platform: Gender, GBV and Social Inclusion</li> </ul> <p><b>Pipeline IBRD Operations</b></p> <ul style="list-style-type: none"> <li>• Access to Water, Electricity and Sanitation Project</li> <li>• Safety Net Project</li> </ul>
<b>High Level Outcome 2 (HLO 2) – Increased Employment in the Non-Oil Private Sector</b>		
This HLO is closely related to Pillar 2 (Competitiveness and Employment) in the previous country partnership strategy which included support for an improved investment climate and strengthened vocational skills-building system.		
<b>High-level Outcome Indicators</b>	<b>Data Source</b>	<b>Current value</b>
Employment rate, non-oil, private sector	World Development Indicators	52 percent (2020)
Vulnerable Employment, Total (% of Total Employment) Modeled ILO Estimate)	ILOSTAT, International Labour Organization	Total: 30 (2019) Female: 35 (2019) Male: 28 (2019)

Unemployment, Youth Total (% of Total Labor Force Ages 15-24) (Modeled ILO Estimate)	ILOSTAT, International Labour Organization	Total: 38.2 (2020) Female: 43.6 (2019) Male: 34.1 (2020)
<p><b>Description</b></p> <p>Gabon's economy has struggled to provide sufficient employment for its people. Unemployment in Gabon is amongst the highest in Africa at 22 percent and youth unemployment stands at 38 percent, partly due to the economy's dependence on the oil sector, which generates few jobs, as well as rigidities in labor regulations and skills mismatches. Gabon's overall labor market participation employment rate is also lower than its structural and regional peers. Only 39.6 percent of women participate in the labor market. Greater shared prosperity, in particular, will be difficult if not impossible to achieve in Gabon without more and better quality employment prospects in the non-oil private sector. Absolute numbers of people living in poverty will be difficult to reduce without targeting urban poverty. The WBG will therefore support improved urban infrastructure services to facilitate economic activity and hence employment and income generation in urban areas as well as investing in hard and soft services (infrastructure and skills) to facilitate further private investment in the non-oil private sector.</p> <p>Gabon has one of the highest urbanization rates recorded in Africa. This urbanization has been characterized by an increasing concentration of the Gabonese population in a few cities along the coast – namely, Libreville and Port-Gentil – and population in the rest of the country becoming ever sparser. However, Gabon's urbanization has taken place without proper planning policies to support the process. This has resulted in ill-functioning, hence inefficient cities, often surrounded by informal settlements that are inadequately covered by urban infrastructure, such as transport, clean water, sanitation, electricity, and health services. This affects not only the living standards and quality of life of Gabon's urban population, but it can also diminish the benefits of spatial agglomeration and reduce national productivity. Increasing urban resilience is therefore a third element of this HLO, with the Bank's efforts concentrated promote inclusiveness and spatial equity.</p> <p>In addition, despite sustained economic growth over the past decade, only just over half of Gabon's working-age population are economically active, i.e., employed, or unemployed and currently seeking employment. Of these, about half are engaged in the informal sector. The rest of the population is economically inactive as reflected, for example, in the higher than average rates of young people choosing to prolong their studies rather than face unemployment. Gabon's formal unemployment rate at over 20 percent is amongst the highest in Sub-Saharan Africa. Increased employment in the non-oil private sector will be a function of many factors taking place in Gabon over the longer-term. However, during the current CPF the WBG will concentrate its efforts primarily on reducing constraints to and increasing private investment in the non-oil sector, as well as improving technical education so that Gabon's youth are well-equipped to meet the needs of the formal private sector.</p> <p>The World Bank will develop targets for indicators where these are yet to be developed under Objectives 3 and 4 between the CPF and PLR.</p>		

**Associated SDGs**

- SDG 1 – No Poverty
- SDG 8 – Decent Work and Economic Growth
- SDG 10 – Reduced inequalities

**CPF Objective 3: Improved urban infrastructure services**

This is a new objective. The previous CPS included an objective ‘Improved Access and Quality of Services’ which captured the urban infrastructure components of the program, but without highlighting the spatial dimension. The SCD highlighted rapid population growth in Gabon’s main cities and their peri-urban areas, coupled with impending problems related to climate change and poor living conditions, resulting in a need for the integration of pro-poor oriented strategies in urban management and planning to promote faster poverty reduction and inclusiveness.

**Relevant Lessons:** As noted under the Lessons Learned section, the Bank seeks to build on identified areas of strength and positive track records in order to maximize results. This is especially true of projects supported under this Objective (e.g., Gabon Urban Development Agenda), which picks up the relatively successfully implemented agenda from the Local Infrastructure Development Project II.

**Intervention Logic**

This Objective aims at improving infrastructure in Gabon’s urban areas in order to help boost employment in urban centers where the large majority of Gabon’s population lives and hence contribute to HLO2. Gabon’s thriving natural resources sectors have triggered significant migration flows of rural population to urban centers, resulting in one of the highest urbanization rates recorded in Africa. This urbanization has been characterized by an increasing concentration of the Gabonese population in a few cities along the coast – namely, Libreville and Port-Gentil – and population in the rest of the country becoming ever sparser. However, Gabon’s urbanization has taken place without proper planning policies to support the process, resulting in ill-functioning, hence inefficient cities. Strategic planning for urban development, land use and transport is either lacking, ineffectual or not implemented. This is exemplified in particular by inadequate coverage and quality of urban infrastructure, in particular access to transport, clean water, sanitation, electricity, and health services. Moreover, urbanization issues impact not only urban living standards and quality of life, but also production efficiency and other benefits associated with spatial agglomeration, meaning that they are currently acting as a brake on national productivity. Well-managed urbanization will therefore serve as a key driver for Gabon’s structural economic transformation, led by the non-oil sector. To reap the benefits of an exceptionally high urbanization rate, its cities must become more productive and climate resilient (including having better access to all season roads) including through increased share of total travel through public transport modes. Investing in Gabonese urban areas will be critical to allow for economic diversification, and for urbanization to propel structural transformation of the Gabonese economy.

During the CPF, the WBG will address Gabon's urbanization issues and promote inclusiveness and spatial equity through (i) the Gabon Urban Development Project (P177372) which aims to promote integrated urban development by improving access to urban infrastructure and basic services in underserved urban neighborhoods and (ii) a second iteration of the Access to Basic Services in Rural Areas and Capacity Building Project (P144135) which is likely to be extended to urban populations. Women stand to benefit especially from the Bank's interventions, for instance, through the roads provided in Urban and Peri-Urban settings that can increase opportunities for women traders. A preliminary set of indicators has been selected from the pipeline Urban Development Project (scheduled for FY23).

CPF Objective Indicators	Supplementary Progress Indicators	WBG Program
<p><b>Indicator 3.1. Disaster risk management incorporated into urban planning guidance</b></p> <p>Baseline [2022]: not incorporated Target [2026]: incorporated Source: Gabon Urban Development Project (pipeline)</p> <p><b>Indicator 3.2: Number of people in urban areas provided with access to all-season roads within a 500 meter range under the project.</b></p> <p>Baseline: 0 Target: tbc Source: Gabon Urban Development Project (pipeline)</p> <p><b>Indicator 3.3: Women traders in urban areas provided with access to other infrastructure and services:</b> Baseline: 0 Target: tbc</p>	<p><b>SPI 3.1: Number of LUPs developed and technically approved at the municipal level</b></p> <p>Baseline: 0 Target: tbc Source: Gabon Urban Development Project (pipeline)</p>	<p><b>Ongoing IBRD Operations</b></p> <ul style="list-style-type: none"> <li>• None</li> </ul> <p><b>Ongoing/planned IBRD ASA</b></p> <ul style="list-style-type: none"> <li>• Policy note on governance</li> </ul> <p><b>Pipeline IBRD Operations</b></p> <ul style="list-style-type: none"> <li>• Gabon Urban Development Project</li> <li>• Access to Water, Electricity and Sanitation Project</li> </ul>

Source: Gabon Urban Development Project (pipeline)		
<b>CPF Objective 4: Improved Environment for Private Investment in the Non-Oil Sector</b>		
<p>This objective is a development of several previous Bank objectives. The previous CPS included the objectives ‘Improved Investment Climate’ and ‘Strengthened Vocational Skills Building System’, both of which are captured under the current new formulation.</p>		
<p><b>Relevant Lessons:</b> This objective reflects the lesson learned regarding Government ownership and a renewed commitment by the CMU to double down on ensuring credible Government engagement and capacity to deliver before supporting specific projects. Private investment in economic diversification is a key priority for the Government. This objective will also be the key opportunity for IFC and MIGA to contribute as outlined above in the main text</p>		
<p><b>Intervention Logic</b> – Encouraging private investment into the non-oil sector by improving the overall investment environment is key to boosting employment in the non-oil private sector. This objective thus contributes to HLO2 by supporting the Government’s efforts to upgrade the quantity and quality of both hard (rail transport and energy) and soft (technical skills) factors of production to incentivize additional private investment in a diversified non-oil sector capable of generating jobs. Since the early-2000s the diversification strategy (including via the <i>Plan Stratégique Gabon Émergent</i>) has begun to bear fruit in terms of a higher contribution of the non-oil sector to GDP and a slight acceleration of private sector development. However, the private sector also faces other significant constraints as indicated by Gabon’s poor performance in the <i>Global Competitiveness Index</i>. These constraints include critical gaps in transport infrastructure, deficient reliability and quality of power supply, shortages in labor skills, and limited access to finance. Gabon therefore must also intensify its efforts to improve in these dimensions too in order to create an environment that is more attractive to private investment and spur diversification. Additionally, diversification is constrained by foundational issues on the Government’s side, including Gabon’s poor economic management and public sector governance. Gabon therefore must also tackle fundamental challenges linked to public resources allocation, public sector performance and productivity, and the accountability and transparency of public sector management, with a citizen-centric approach in order to enable diversification and private sector development. Together, these reforms to the business environment will unlock private sector development and contribute to diversifying the country’s economy, particularly in the areas of the Green and Blue Economies, where in some cases jobs require less training than in other sectors.</p>		
<p>During the CPF, the WBG will support Gabon’s diversification efforts through (i) IFC’s continued support for Gabon’s private sector development in areas such as competitiveness and investment climate; and (ii) the Support for Economic Diversification and Youth Skills and Employment Project, which seeks, among others, to improve the effectiveness of private-sector oriented technical education, training, and skills development. Through these efforts, the operating environment for business will improve, helping businesses to thrive and employ more people, while the mismatch between Gabon’s current educational offer and the specific needs of hiring companies will be addressed. This will foster an environment in which domestic and foreign private sector investment in Gabon becomes more viable, ultimately resulting</p>		

in a more diversified economy (**HLO2**). This will be underscored by IFC's support to create a wider enabling environment in which the private sector can flourish in Gabon. Wider efforts to promote business growth and investment through digitization will also be explored, particularly in relation to supporting the emergence of a digital innovation ecosystem.

CPF Objective Indicators	Supplementary Progress Indicators	WBG Program
<p><b>Indicator 4.1: Completion of the Libreville-Franceville-Mwanda railway upgrade</b> Baseline: Incomplete Target (2025): Complete Source: IFC</p> <p><b>Indicator 4.2: Completion of the Kinguela Aval Hydro Power Plant</b> Baseline: Incomplete Target (2024): Complete Source: IFC</p> <p><b>Indicator 4.3: Share of youth having completed a training (apprenticeship or internship) supported by the project employed or self- employed one year after the end of the program</b> <b>% female:</b> <b>% green:</b> <b>% blue:</b> Baseline: 0 Target: tbc Source: Support for Economic Diversification and Youth Skills and Employment Project</p>	<p><b>SPI 4.1: Adoption of the Investment Code</b>  Baseline: Not adopted Target (2023): Adopted Source: IFC</p> <p><b>SPI 4.2: Adoption of Leasing Framework</b> Baseline: Not adopted Target (2023) Adopted Source: IFC</p> <p><b>SPI 4.3: Youth who have completed apprenticeship program</b> <b>% female:</b> Baseline: 0 Target: tbc Source: Support for Economic Diversification and Youth Skills and Employment Project</p>	<p><b>Ongoing IBRD Operations</b></p> <ul style="list-style-type: none"> <li>Skills Development and Employability Project</li> </ul> <p><b>Ongoing/pipeline IBRD ASA</b></p> <ul style="list-style-type: none"> <li>Promoting Investment-Enabling Environment in Gabon ASA</li> <li>Pathways for Blue and Green Economic Development</li> <li>Policy note on private sector development</li> </ul> <p><b>Pipeline IBRD Operations</b></p> <ul style="list-style-type: none"> <li>Support for Economic Diversification and Youth Skills and Employment Project</li> </ul> <p><b>Ongoing IFC Operations</b></p> <ul style="list-style-type: none"> <li>Kinguele Avale Hydro</li> <li>SETRAG II</li> </ul> <p><b>Ongoing IFC ASA</b></p> <ul style="list-style-type: none"> <li>Ohada Strengthening Credit Infrastructure Project</li> <li>Africa Leasing</li> </ul> <p><b>Pipeline IFC Operations</b></p> <ul style="list-style-type: none"> <li>tbc</li> </ul> <p><b>Ongoing/pipeline MIGA Operations</b></p> <ul style="list-style-type: none"> <li>Kinguele Avale Hydro</li> <li>Airtel Mobile Money</li> <li>Cotecna</li> </ul>



<p><b>Indicator 4.4: Number of Youth having started the implementation of income generation projects</b></p> <p><b>% female:</b></p> <p><b>% green:</b></p> <p><b>% blue:</b></p> <p>Baseline: 0</p> <p>Target: tbc</p> <p>Source: Support for Economic Diversification and Youth Skills and Employment Project</p>	<p><b>SPI 4.4: Youth who have completed internship program</b></p> <p><b>% female:</b></p> <p>Baseline: 0</p> <p>Target: tbc</p> <p>Source: Support for Economic Diversification and Youth Skills and Employment Project</p>	<ul style="list-style-type: none"> <li>• SETRAG II</li> </ul>
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Note: For each project, a comprehensive set of mitigation measures against procurement risks including capacity issues in procurement on Client side, will be put in place, such as the use of Hands-on Expanded Implementation Support in procurement as needed. The establishment of a task force or steering committee continues to be important for coordination and resolution of issues particularly in complex projects and where political ownership is low.

## Annex 2: Completion and Learning Review

**COUNTRY: The Republic of Gabon**

**COVERAGE: Country Partnership Strategy FY12-FY18**

**DATE OF PERFORMANCE AND LEARNING REVIEW: March 9, 2016**

### INTRODUCTION

1. **This Completion and Learning Review (CLR) reviews the World Bank Group's (WBG) program in Gabon during FY12-FY18** (see Annex 1 for Summary of CPS Program Self-Evaluation). The CLR was first prepared during FY19 in anticipation of a new CPF starting in FY20. However, delays in the preparation of a new CPF, caused in part by the onset of the Covid-19 pandemic in early 2020, also delayed finalization of the CLR. During this period, Bank support for reforms in Gabon have continued. These are summarized in Box 1 but do not form a part of the assessment of the FY12-FY18 program contained in this CLR.

2. **The FY12-FY18 CPS was approved by the Board of Executive Directors on February 23, 2013, in a relatively favorable macroeconomic context and was successfully implemented in some areas.**<sup>11</sup> By the start of 2016, however, Gabon's economic outlook had worsened dramatically relative to 2012. Oil prices were over 50 percent lower than they had been at the outset of the CPS, clearly jeopardizing implementation of the Government of Gabon's Strategic Plan for an Emerging Gabon (PSGE) and Gabon's progress toward emerging-economy status. Additional structural measures were needed to mitigate the impact of the economic shock on the poor, improve the effectiveness and efficiency of public spending and accelerate the diversification of the economy. WBG support for these measures was provided in the context of a wider regional adjustment in the CEMAC region to the oil shock through a Development Policy Finance (DPF) operation in FY18 and a second operation in FY19. As further discussed below, Gabon is a strong champion of climate action and was the first African country to submit its INDC (Intended Nationally Determined Contribution) well in advance of COP 21 in Paris. World Bank support for the Government's efforts to improve natural resource management and implement the country's ambitious climate change mitigation and adaptation plans have been broadly successful. The World Bank's (WB) support for improved macroeconomic management also had positive results despite a difficult economic environment. Its support for the development of the digital economy has also been successful, bringing about exceptional results. Progress in human capital services, on the other hand, has been disappointing.

3. **The FY12-FY18 WBG CPS covered a period during which the WBG's engagement in Gabon accelerated, ending with a substantial increase in projects and net commitments.** The FY12-FY18 CPS comprised a planned program of US\$581.8 million in support of the GoG's 2012-16 PSGE, which aimed to accelerate economic growth and diversify the economy, improve social outcomes through employment-generating and inclusive growth, and ensure sustainable management of natural resources. The CPS was built around three pillars: governance and public sector capacity; competitiveness and employment; and human development and environmental sustainability. It comprised a total of 8 objectives and 35 indicators. By the end of FY18, World Bank lending had resulted in actual commitments of just under US\$682 million – up from US\$68 million in FY12. Active

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<sup>11</sup> A PLR, presented to the Board of Executive Directors in March 2016, extended the CPS period by two years, through end-FY18 – see para 4 below. Due to delays in finalizing Gabon's first Systematic Country Diagnostic, and the knock-on effect on developing a new Country Partnership Framework, this CLR has also been delayed by nearly two years since the end of FY18.

projects increased from 2 in FY12 to 10 (including a DPO) in FY18. There was a steady increase in annual disbursements over the course of the CPS period from US\$2.9 million in FY12 to US\$49.1 million in FY18. The disbursement ratio increased from 7.2 percent in FY12 to 12.5 percent in FY18, still well below the Africa Region average of 20 percent in FY18.

### **Box 1: Selected WBG support for Gabon since the end of the FY12-FY18 CPS**

Since the formal end of the FY12-FY18 CPS, the WBG has continued to support the GoG's efforts under each pillar. Overall implementation has continued to improve. For example, problem projects as a share of the total as declined by more than 50 percent both in number of projects and by amount; projects at risk have also declined. The disbursement ratio has fluctuated between 12.8 percent in FY19 and 39.77 percent in FY22. Recent examples of WBG support include:

#### *Pillar 1: Governance and Public Sector Capacity*

- by supporting **fiscal and related social reforms**: (i) strengthening the fiscal balance, by increasing revenue mobilization, stabilizing the wage bill, and improving efficiency and transparency in public spending; (ii) enhancing competitiveness, by improving the business climate, strengthening ICT services, and starting to address skills mismatch; and (iii) protecting the poor, by improving the efficiency of health care delivery and social protection services.

#### *Pillar 2: Competitiveness and Employment*

- by **catalyzing private investment** in Gabon's private sector for example through IFC's investment in the agribusiness and transport sectors among others. Key investments have included the financing of the Société d'Exploitation du Transgabonais (SETRAG) and the concessionaire of the 650-kilometer Transgabonais Franceville to Libreville rail line which aims to increase the railway's transport capacity while also improving its reliability.
- by enhancing the adoption of select **digitalized public services** and increasing the number of persons with a legal identity credential that facilitates their access to services. Measures include supporting the GoG in: i) establishing the foundational enabling environment for digital government; and ii) improving access to public services by supporting social protection use cases and strengthening public administration with the focus on procurement and civil service management.

#### *Pillar 3: Human Development and Environmental Sustainability*

- by helping to prevent, detect and respond to the threat posed by **COVID-19** and strengthen national systems for public health preparedness in Gabon. The support has included: i) providing immediate support to limit local transmission through containment strategies in line with GoG's COVID19 Preparedness and Response Plan (PRP) in particular purchasing and deployment of vaccines; and ii) strengthening laboratory capacity to manage large-scale testing for COVID-19 as well as increased public information vaccination campaigns and monitoring of immunization.

4. **A Performance and Learning Review (PLR), presented to the Board of Executive Directors on March 9, 2016, proposed measures to address the economic crisis facing Gabon at that time.** To accommodate the proposed additional measures, to allow time for them to show results, and to enable the next CPF to incorporate the findings of an SCD, the 2016 PLR extended the FY12-FY16 CPS by two years, taking it to the end of FY18. This brought the total period covered by the CPS to six years. Underpinned by an effective process of engagement through Advisory Services and Analytics (ASA) and Reimbursable Advisory Services (RAS), lending picked up dramatically in FY16. By February 2016, the World Bank had a net commitment of US\$343.5 million in six projects, IFC's committed portfolio was US\$65 million comprising one client, and MIGA's net exposure amounted to US\$6.2 million to one client.

5. **This Review finds that the overall Development Outcome of the CPS was moderately unsatisfactory.** The CLR has drawn on discussions with Bank Group staff members involved in the delivery of projects and investments, ASA and advisory work, and a range of WBG documents as well as other reports and discussions with Government of Gabon (GoG) counterparts. It finds that the World Bank program comprised a coherent blend of ASA, projects and DPF lending complemented by investments by IFC. It was delivered in a challenging economic environment and has transformed the WBG's relationship with Gabon compared with where it was in FY12. Four out of eight objectives were mostly achieved, two were partially achieved and two were not achieved.<sup>12</sup> (See Annex 2 for detailed Results Matrix Evaluation.) There were some important successes, notably in the areas of macroeconomic management and support for the digital economy. The failure to increase access to basic services was a significant shortcoming, but one that reflected unrealistic targets in the results matrix as much as unplanned delays in the implementation of key projects. Consequently, the overall CPF Development Outcome is rated as moderately unsatisfactory. (See also Annexes 3 and 4 for a summary of planned versus delivered lending and ASA, respectively.)

6. **Overall WBG performance is rated as good.** The WBG program, including the extensive use of RAS's, was designed to help build a stronger relationship with the GoG after a period of very little engagement. Collaboration across the WBG, particularly in the energy sector, was a strongly positive features of the WBG's engagement in the country. The WBG also took steps through the PLR to respond to the macroeconomic crisis of 2015-16 and was particularly effective in this respect. While successful in contributing to achievements in several areas, however, the program was unrealistic in the targets it set for access to basic services. The PLR was a missed opportunity to correct this. In addition, the program arguably grew at too rapid a rate given counterpart capacity, creating excessive fiduciary and other implementation challenges, although the result is that there is now a solid program of ongoing activities for the next strategy period. For these reasons, Bank performance is rated as good.

## **PROGRESS TOWARDS CPS DEVELOPMENT OUTCOMES**

7. **Overall progress towards the CPS development outcomes was moderately unsatisfactory.** Four out of eight objectives were mostly achieved, two were partially achieved and two were not achieved.<sup>13</sup> There were some important successes, notably in the areas of macroeconomic management and support for the digital economy, but the failure to increase access to basic services was a significant shortcoming. The results of the World Bank's program in Gabon are further detailed below (see also Annex 2).

### **Pillar 1: Governance and Public Sector Capacity**

**Objective 1 ("increased transparency and accountability in the extractives sector") was partially achieved.** Under this objective, the World Bank supported the production of a gas development strategy, a mining code, and the design and implementation plan of a new cadaster. However, some capacity building goals relating to the Equatorial Mines Society (SEM) were not implemented due to procurement difficulties and time constraints. In addition, the first target under this objective, for Gabon to be readmitted as an EITI candidate country, was not achieved. Gabon lost its EITI candidate country status in 2013, following the late submission of its second Validation report. Gabon is now looking to regain its EITI candidate status. A second target under this objective, to develop a governance and debt management strategy, was achieved. The 'Debt Management Reform Plan' was

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<sup>12</sup> Outcomes are rated as 'mostly achieved' where most quantitative targets have been met; 'partially achieved' where some but less than half of quantitative targets have been met; and 'not achieved' where few if any targets have been met.

<sup>13</sup> Outcomes are rated as 'mostly achieved' where most quantitative targets have been met; 'partially achieved' where some but less than half of quantitative targets have been met; and 'not achieved' where few if any targets have been met.

completed following a DeMPA assessment of public debt management performance in 2012-2013 which drew attention to several issues including the need for improved coordination among the various entities involved in debt management, capacity building in debt issuance, and improved management of cash balances and better management of operational risks. Since the completion of this plan, however, Gabon has had one of the worst repayment records amongst IBRD borrowers with respect to timeliness, which has impacted, on multiple occasions, program disbursements. In addition, Paris Club creditors frequently and repeatedly report arrears from Gabon. These repayment issues suggest that debt management capacity remains weak and should remain an area of focus under the upcoming CPF.

**Objective 2 (“strengthen public financial management”) was mostly achieved.** During the FY12-FY18 CPS, the World Bank provided a wide range of support in public financial management including PFM, tax and more recent wage bill RAS’s. The PFM RAS (P146379), for instance, was highly instrumental in the development of a new Procurement Code, and the wage bill RAS (P163632) has helped underpin new recruitment and performance evaluation procedures. Through two tax RAS’s (completed in 2013 and 2017 respectively), the World Bank supported the GoG’s efforts to improve its management of tax incentives and to rebalance tax collection away from natural resource taxation towards other sources of domestic revenue taxation. The fiscal consolidation pillar of DPF 1 (FY18) built on all these examples of TA.

**Overall, World Bank support aimed to enhance the management and transparency of public finances, including revenue, expenditure, debt and audit. Specific results, as measured by the CPS indicators, were positive.** Procurement, commitment and treasury plans were developed in six line ministries, exceeding the target of three line ministries. This enabled timely development of the 2013 annual budget. Three performance audit reports were published in the form of Value for Money audits in the infrastructure and social sectors, which is in line with CPS targets (3 performance audit reports completed by December 2017). This improved the transparency and accountability of Gabon’s external audit function. In addition, an operational risk-based system for the selection of tax payments subject to audit was developed and implemented. Despite this success, some indicators were not achieved. For example, the PEFA target rating for investment budget execution (commitment basis) at 90 percent, a B PEFA PI 1, was not achieved; rather, the rating declined from a C to a D PEFA PI 1, at 85 percent.

**Objective 3 (“improved social and economic data”) was mostly achieved.** In 2010, the Government commenced the implementation of the PSGE. Among other priorities, this strategy articulates the need to strengthen the National Statistical System (NSS). The PSGE aims to reduce the country’s dependence on natural resource extraction by fostering economic diversification and position the country as an emerging market by 2025. The PSGE recognizes that infrequently collected data and untimely disseminated statistics are not conducive to the design and implementation of an evidence-based economic policy agenda. Therefore, the PSGE aims to: (a) consolidate the legal and institutional framework of the NSS and (b) strengthen its capacity to generate and disseminate good quality, timely, and policy relevant data and statistics. Gabon’s statistical system is far from meeting the needs of users and its overall capacity is very weak. A National Strategy for the Development of Statistics (NSDS) to improve statistical capacity was prepared for 2011-2015, but only partially implemented due to a 70 percent financing gap. Statistical capacity in Gabon is weak for an upper-middle-income country and has deteriorated over the past decade. In 2016, Gabon’s overall Statistical Capacity Index (SCI) score was 36.7, declining from 47.8 points in 2005. The low and declining SCI for Gabon reflects deepening gaps in source data and the lagging, low volume, and poor quality of official statistical production. The source data - a household income and expenditure survey - for measuring poverty and inequality, weighting the Consumer Price Index (CPI) basket, and informing development policy, is over a decade old. The National Accounts (NA) are also outdated and quality is low.

**World Bank support helped increase the availability of high-quality timely socioeconomic data in Gabon and its use in policy planning and implementation.** World Bank support helped to strengthen the statistical capacity of the Borrower, fill key data gaps, improve statistical production, and enhance statistical dissemination practices. Furthermore, the Statistical Agency (DGS), is now operational. Poverty and household data have improved, with the poverty survey completed in December 2017. A report on poverty and household socio-economics living conditions was completed in July 2018 and released in December 2018. The World Bank has also supported the improvement of national accounts, facilitating the production of accounts for 2011 to 2017, thereby filling large gaps that existed. 2017 accounts were available in 2019.

**There were, however, several shortcomings.** The base year of the national accounts is still 2001, even though it should be updated every five years. Several source data also remain incomplete, particularly those relating to enterprise and the informal sector. The process to start producing new CPI indices has started. Data collection for the new CPI base year began in March 2018, and was completed in December 2018. However, a complete set of base year prices, which were expected to be available starting in July 2019, are still not complete despite some progress being made. Overall, the objective was mostly achieved.

## **Pillar 2: Competitiveness and Employment**

**The World Bank provided a broad range of support under this pillar culminating in the second core component of DPF 1 (FY18) operation, which focused on competitiveness.** DPF 1 (FY18) built on, and was supported by, the Investment Promotion and Competitiveness Project (P129267), IFC CEMAC Investment Climate Program (June 29, 2017), E-Gabon Project (P132824), and CAB4 project (P158299). The Investment Promotion and Competitiveness Project helped design a One Stop Shop (OSS) concept and supported its online platform. CAB4 activities included the revision and adoption of laws on electronic transactions, electronic communications, privacy and data protection, and cybersecurity and cybercrime.

**Objective 4 (“improved investment climate”) was mostly achieved.** The World Bank worked closely with the Central African Economic and Monetary Community (CEMAC) and the Organisation for the Harmonization of Corporate Law in Africa (OHADA), among others, to support improvements in the investment climate. This facilitated progress against several ‘Doing Business’ indicators. For example, the cost of registering a business declined from 17 percent of per capita income in 2012 to 7.2 percent by 2018 (below the CPS target of 12.5%) and the time taken to register a business decreased from 58 to 31 days over the same period (though still above the CPS target of 28 days). Several infrastructure targets were also achieved. Coverage and use of regional broadband and network services have increased, with access to internet services (number of subscribers per 100 population) increasing from 14 percent to 101 percent, relative to the CPS target of 65 percent). The average monthly price of wholesale international E1 capacity links between the capital city, Libreville, and Europe decreased sharply from US\$10,500 to US\$390 (below the CPS target of US\$500); the monthly retail price of Internet Services decreased from US\$218 to US\$8 (per Mbit) (well below the CP target of US\$80); and the total extent of the fiber optic network increased from zero to 1,140 km, though this fell short of the target of 1,561km. One target that was not achieved, however, was the number of (digital economy) start-up projects incubated. This has remained at zero, well short of the CPS target of eight.

## **Box 2: The Transformative Effect of World Bank Support for the Digital Economy**

**In 2012, the Government set out its vision for the digital economy in Digital Gabon.** The four key objectives of this Vision were to: i) connect all 9 provincial capitals, all regional capitals and the borders of the country; ii) increase geographical reach and usage of regional broadband network services; iii) reduce their prices in the Gabonese Republic; and iv) pave the way for a successful deployment of flagship e-Government

applications. The successful and still ongoing delivery of this Vision has been a highlight in Gabon's efforts to increase the overall competitiveness of its economy. The World Bank has been supporting the Gabonese government to deliver this vision through two key projects, Central African Backbone APL4 or CAB4 (FY12 and AF in FY16), and eGabon (FY16 and AF planned in FY19).

**The successful implementation of CAB4 resulted in a considerable increase in the geographic reach, usage, and affordability of broadband services.** The project did so by strengthening the enabling environment and financing a fiber-optic backbone infrastructure that provides international broadband access and cross-border interconnections with Congo, Cameroon, and Equatorial Guinea. The efficient PPP framework created through CAB4 has facilitated the entry of international investors such as the Vivendi Africa Group (GVA). The entry of GVA in 2017 significantly contributed to the dynamism and competitiveness of the fixed broadband market, leading to increased innovation (e.g., fiber-to-the-home, triple play), a price decrease of more than 30% compared to existing Gabon Telecom fiber-to-the-home subscription prices, and an improvement in the service quality of retail broadband services.

**The World Bank is also supporting the Government to accelerate incorporation of ICT into the public sector beginning with the health sector.** Building on the partnership established through the implementation of the CAB4 project the Government of Gabon requested the support of the World Bank to: i) develop an ecosystem of digital innovation in Gabon e.g. through the establishment of incubators; and ii) strengthen the national health information system. Under the guidance of the Ministries of Digital Economy and Health, the project is still in its launch phase, but design of the NHIS is underway along with preparations for the competitive tendering of its delivery.

**Gabon's performance in the digital sector has been recognized internationally.** The country was ranked 6<sup>th</sup> among African countries by the International Telecommunications Union in 2017, and it received the "Sustainable ICT Prize" awarded in 2015 by the International Telecommunication Union. World Bank support is bringing connectivity to secondary cities and rural areas of Gabon, establishing a fully regional network, positioning Gabon as a connectivity hub in the region and bringing cheap international capacity to neighboring countries. As a result of World Bank support, access to Internet services has increased from 14 subscribers per 100 people in 2010 to 101 today, and the retail prices for Internet services have decreased significantly (by 63 percent in 2017 alone). Increased penetration and cheaper rates are in turn a consequence of cheaper wholesale prices: the average monthly price of wholesale international E1 capacity link from capital city to Europe fell from US\$10,500/month/2Mbps to US\$390/month/2Mbps; and international internet bandwidth (bits per second per person) increased from 4620 bits per second per person in 2010 to 20,079 by 2017.

**Objective 5 ("strengthened vocational skills-building system") was partially achieved.** Under this objective, World Bank support aimed to strengthen the vocational skills-building system. Despite some progress, however, most CPS targets were not met. Specifically, the World Bank sought to improve the effectiveness of vocational training, short term skills development, and entrepreneurship programs in key growth sectors. There has been mixed progress under this objective with one CPS indicator achieved and two not achieved. The number of participants in new skills development programs (apprenticeship, internships, entrepreneurship training) increased to 2,816, well over the target of 200. However, two targets were not achieved: increasing the number of participants in training sessions organized by incubators (digital economy) to 300; and increasing the number of public-private joint management agreements signed for Technical and Vocational Education and Training (TVET) institutions based on performance contracts to five. In part these shortfalls reflected delays in the implementation of projects under this objective, including the Skills Development Project.

### **Pillar 3: Human Development and Environmental Sustainability**

**Objective 6 ("improved access and quality of services") was not achieved.** World Bank support has aimed to support and develop improved access to services including water, electricity, internet, healthcare and transport infrastructure. In health, for example, with support under DPF 1, the GoG

has gradually developed technical ownership of Performance Based Finance reforms within the Ministry of Health and related ministries. Under DPF1, the World Bank also supported increased efficiency in social protection systems. Overall, however, only one out of seven targets were achieved under this objective, namely the number of localities with broadband internet, which increased from 3 to 25, surpassing the CPS target of 18. Other targets under the objective have not been achieved and remain at zero. This is because the two main projects through which the World Bank are supporting increased access and quality of services were not scheduled to deliver results until 2021 - i.e., beyond the end of the period covered by the FY12-FY18 CPS<sup>14</sup>. Consequently, most results under this objective have not been achieved.

**Objective 7 (“improved transparency and sustainability in natural resource management”) was mostly achieved.** There was significant progress in the sustainable management of national parks. The amount of protected land where a biological survey was completed increased from zero to 900,000 hectares, thus exactly achieving the CPS target. Biological inventories were completed for all targeted sites and data collected were compiled into a database and transmitted to the Ministry of Forests, with biological maps produced. In addition, there was an increase in management effectiveness in three national parks (700,000 hectares), as per the GEF Protected Area Management Tracking Tool (PAMETT). Management effectiveness increased from a score of 57 percent to 75 percent in Loango, 58 percent to 65.6 percent in Mayumba, and 50 percent to 71.9 percent in Moukalaba-Doudou. CPS targets were thus met in all three parks. Some targets, however, were not met. The number of ecosystem service valuations undertaken at selected sites, which should have increased to three, remained at zero. There was also an increase in the number of management plans prepared for forested wetlands at selected sites to reach the development stage up to two, in line with the CPS target. Furthermore, the number of elephants killed illegally, as a share of total elephant carcasses encountered by SMART or other patrols, in targeted national parks (Moukalaba Doudou, Loango, Mayumba, Waka) remained at 30 percent, against a target of 25 percent by FY18.<sup>15</sup>

**Gabon is one of a small group of countries that has already achieved net zero emissions.** Gabon’s NDC pledged to keep 2025 emissions to at least 50 percent below business-as-usual levels, which corresponds to a 3 percent increase in emissions relative to 2000 levels. This would be achieved primarily through improving land-use planning, reducing gas flaring, and boosting hydroelectricity production. Land-use change accounts for over 60 percent of Gabon’s greenhouse gas emissions. However, the country, which has the second highest forest cover in the world (88 percent of the national territory) has undertaken ambitious policies that have reduced emissions considerably. These include the creation of a network of 13 protected areas, the pursuit of forest management plans, and a ban of raw log exports. The Government estimates that these policies have helped reduce deforestation and emissions by about 475 million tons of carbon dioxide since 2000. This is a very significant contribution to sustainable development and global climate change mitigation, which Gabon has financed mostly on its own. With respect to gas flaring, all operators in Gabon currently have flaring reduction plans. Gabon also endorsed the World Bank Global Gas Flaring Initiative, which aims at achieving zero routine flaring by 2030. Gabon’s climate mitigation plans also included the gradual development of hydroelectricity and gas reserves, which would represent, respectively, 80 percent and 20 percent of energy production in 2025. Finally, in terms of climate adaptation, the Government has published a National Strategy on Coastal Adaptation to Climate Change and a draft National Coastal Adaptation Law has been submitted to Parliament.

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<sup>14</sup> Access to Basic Services in Rural Areas and Capacity Building Project (FY16); and Infrastructure and Local Development Program II (FY16).

<sup>15</sup> The results matrix erroneously reported a baseline of 15 percent in FY15 instead of 30 percent of elephants illegally killed.



**Objective 8 (“improved knowledge, tools and policies for social service delivery”) was partially achieved.** Under this objective, World Bank support was intended to improve the delivery of health services, electricity and water supplies. Key outputs included the completion of an infrastructure inventory in the rural areas of Gabon and cost estimates; the development of the operator’s subsidy and tariff regime; the development of an O&M contract model and bidding documents; and the organizational set up of an institution to oversee the rural electrification service. With regards to the health service, the World Bank supported improvements in the timeliness and availability of information. One target, the design of an RBF pilot, has been completed. However a second target, the roll out of a National Health Information Program (NHIP) has not been achieved due to procurement delays in the eGabon project.

## **WBG PERFORMANCE**

**Responding to the Government’s renewed appetite for WBG support, while simultaneously building its capacity - from a relatively low base - to absorb this support, required an exceptional effort by the WBG, but also created its own challenges.** As already noted, the WBG’s engagement in Gabon grew very rapidly under the FY12-FY18 CPS – the number of active projects, for example, increased from 2 in FY12 to 10 (including a DPO) in FY18. Implementation challenges in Gabon were already apparent during the FY05-FY09 CAS and included effectiveness and implementation delays, a lack of counterpart funding, problems with ownership, and resistance to reform. During the FY12-FY18 CPS, the WBG took steps to mitigate the impact of these issues although they remained challenges to some degree. For example, a substantial program of ASA, notably the RAS program, improved the Bank’s understanding of the relevant political economy and helped increase stakeholder support for reforms. A wide range of institutional capacity building during the FY12-FY18 CPS helped strengthen both the capacity of government institutions and project-specific implementation skills. The FY12-FY18 also minimized the use of multi-sector projects through simple project design and clear accountabilities, generally involving a single ministry. Across the WBG program there were strong examples of synergy within the WBG notably in the joint contribution to inclusive and more diverse economic growth as well as transparent management of resources. That said, the inclusion of several targets under Objective 6 that could not be achieved within the CPS timeframe effectively resulted in an overall rating for that objective of ‘unsatisfactory’ – an outcome that could have been avoided with a more proactive approach to revising the results matrix at the time of the PLR. Overall, given the challenging circumstances, including re-engagement after a long hiatus in WBG relations with Gabon, and an impressive response to the changing macroeconomic environment, the design and implementation of the program contributed to the achievement, at least in part, of most CPS objectives. Overall, WBG performance itself is rated as good. WBG performance is assessed below in relation to i) design and ii) implementation.

### **Design**

#### Relevance

**The pillars and objectives of the FY12-FY18 CPS were designed to align with the GoG’s 2011-2016 Strategic Plan for an Emerging Gabon (PSGE).** The objectives of the three CPS pillars (governance and public sector capacity; competitiveness and employment; and human development and environmental sustainability) and their associated indicators were thus well aligned with PSGE goals. The PSGE aimed to accelerate economic growth and diversify the economy, improve social outcomes through employment-generating and inclusive growth, and ensure sustainable management of natural resources. The relevance of project objectives completed during the CPS period was also generally rated as high or substantial.

#### Instrument design including ASA program design

The WBG employed an appropriate blend of instruments including investment lending, development policy support, analytical and advisory services and IFC and MIGA-led investments in the private sector including associated technical assistance. The choice of development policy support was particularly appropriate in the context of a CEMAC-wide macroeconomic crisis. The ASA program was a successful tool for building trust between the World Bank and GoG during the early stages of the FY12-FY18 CPS. The World Bank's delivery of a series of Reimbursable Advisory Services clearly helped underpin important policy advances in several areas, although the model of RAS's also created some difficulties, as further described below.

**RAS's provided important analytical underpinning for several policy reforms in public financial management.** As a result of support delivered through the first PFM RAS (completed in FY14) the 2013 budget included planning, commitment and budget execution tools in six pilot line ministries, including education and health (see further under 'implementation' below). Through two tax RAS's (completed in 2013 and 2017, respectively), the World Bank supported the GoG's efforts to improve its management of tax incentives and to rebalance tax collection away from natural resource taxation and towards other sources of domestic revenues. Under the Public Sector Wage Bill RAS (completed in 2016), the World Bank financed a study that brought to light important information about the scale of Gabon's public wage bill challenges. In several instances RAS's underpinned lending activity directly: for example, the Statistics Development RAS helped underpin the Statistical Development Project; and the PFM RAS's I and II helped set the stage for the Supreme Audit Institution Capacity Building Project.

**The ASA program, on occasion, suffered from the lack of an experienced Government counterpart. It also failed to address the issue of gender.** As the RAS product was new to many WB staff in Gabon, as well as GoG counterparts, the processing of RAS's often took too long, quality assurance was not delivered in a timely fashion, and there was a lack of mutual understanding of key processes. In some cases, this led to implementation delays. For example, the first Public Financial Management Reimbursable Technical Assistance (RTA) was delayed because of confusion over payment modalities; the Tax System Reform RAS was delayed by 16 months due to discussions around the requirement that the client pay ahead of delivery of advisory services. In the case of the RAS II Statistics Development programme, a lack of funding on the part of the client also delayed the timely implementation of the project. The ASA program also failed to identify opportunities for promoting gender equality, despite gender being highlighted as a cross-cutting theme in the CPS results framework.

**A strong program of ASA has been put in place to underpin delivery of the new CPF.** A Public Expenditure Review (PER) was completed during FY18 that addressed the overall framework for public financial management in Gabon; non-oil revenue mobilization; and expenditures, particularly in education, health and social protection. Early drafts were extensively discussed with the Government. The analysis helped inform a shift from input-based to performance-based financing in the health sector and was instrumental in informing the DPO series. The final document was disseminated during FY19. A Systematic Country Diagnostic was also prepared during FY18 and will provide part of the analytical basis for the development of the new CPF.

#### Monitoring and evaluation

**There were aspects of the results matrix that were inadequate.** Most important was the inclusion of targets under Objective 6 for 'improved access and quality of basic services' that had no chance of being achieved during the period of the CPF given the implementation schedule of the relevant World Bank projects. In addition, the CPS had eight objectives and 35 indicators. The number of indicators was thus excessive and indicated a lack of selectivity. In one instance, the objective (Objective 1) was changed from '*Improved governance, transparency, and accountability in management of the national budget, debt, and mining resources*' in the CPS to '*Increased transparency and accountability in the extractives sector*' in the PLR. However, the associated indicators were not revised accordingly, leaving

Indicator 1.2 *'Development of a governance and debt management strategy'* as part of an objective that was now exclusively focused on the extractives sector. Another problem was a lack of baseline and target instruments to deliver indicators, for example Indicator 2.2 *'Development of a public finance strategy'*. Some indicators also overlapped with one another, for example Indicator 1.2 *'Development of a governance and debt management strategy'* and Indicator 2.2 *'Development of a public finance strategy'*, leading to a lack of clarity in assessing the two indicators. An additional issue was that sometimes data were not available for Indicators, including 2.2, 3.3 and 8.2, meaning that it was not possible to assess these indicators and objectives and as a result these are rated as 'not achieved'.

## **Implementation**

### *Flexibility*

**The WBG responded and adjusted well to changing country circumstances, including a mid-course correction.** The key example was the global oil price shock in 2014. This led to a significant shift in Gabon's economic outlook due to its reliance on oil exports. From 2008 to 2013, real economic growth averaged 5–7 percent per annum. However, the decline in oil prices and subsequent loss of revenue led to a slowdown, with GDP growth falling to 3.9 percent in 2015, and 1.1 percent in 2017. As a result, public expenditures were cut sharply, impacting the implementation of the PSGE and progress towards CPS objectives.

**Following this macro-economic shock, the PLR reasserted the relevance and urgency of the CPS core themes while providing for new measures of support including a DPO series.** Building on a strengthened relationship between the Bank and the GoG, the PLR outlined an expansion and adjustment of WBG assistance. Examples included: an expansion of activities under Pillar 1, *'Governance and Public Sector Capacity'*, to include a two-part series of DPOs focused on Fiscal Consolidation and Inclusive Growth; improved poverty and economic statistics; civil service reform; and support for a return to EITI candidate status. The Bank Wage bill study (final report submitted to Government of Gabon in 2016); World Bank Public Expenditure Review of Gabon (2018); and Gabon CEMAC Policy Note (2017) were all important responses to the crisis. The wage bill study documents in detail the drivers of wage bill growth in Gabon, including the need for revamped recruitment and promotion control. Under Pillar 2 *'Competitiveness and Employment'*, additional measures under the two DPOs were planned as well as a closer collaboration between the Bank and IFC, and IFC investments in the transport sector, which were intended to strengthen the investment climate. The DPO series also included a focus on improved health and social protection under the third pillar of the CPF, *Human Development and Environmental Sustainability*. (See Annex 5 for details of the World Bank portfolio FY12-FY18.)

**The World Bank also showed flexibility in the delivery of its ASA program.** For example, consultations with the Ministries of Economy and Agriculture, as part of the Economic Diversification and Competitiveness TA, identified that an analysis of banana (plantain) and manioc value chains would be more relevant than the initially planned studies of coffee and cocoa. In addition, a few planned non-lending services were dropped, including a policy note on ICT, a port concession RAS, and an analytical note on human development to underpin the DPOs. This was reflective of changing priorities within the Government. (See also Annex 4.)

### *Joint working*

**The CPS emphasis on cross-WBG collaboration generally carried through into implementation of the CPS Program.** For example, there was a high degree of synergy between the World Bank's work to strengthen the institutional and regulatory framework for private sector development and IFC's contribution. Under the Investment Promotion and Competitiveness Project (FY14) the World Bank's objectives included strengthening the investment climate and rate of enterprise development which

resulted, following restructuring, in an ICR rating of ‘substantial’ for both objectives. The World Bank and IFC have continued to work together closely notably in supporting the GoG to develop a new Investment Code. (See Annex 6 for IFC and MIGA portfolios FY12-FY18.)

**IFC investment during FY12-FY18, focused primarily on strengthening natural resource value chains to promote inclusive economic opportunities.** The IFC portfolio comprised: a 2012 loan to the Gabon Fertilizer Company (GFC) to develop an integrated Ammonia-Urea Fertilizer Plant; a 2014 loan to Vaalco Gabon to finance the company’s oil exploration and development programs under the offshore Etame Permit; and a 2017 loan to the Operating Company of the Trans-Gabon Railway (SETRAG) intended to rehabilitate the existing infrastructure, primarily rail track, between Libreville and Franceville. CPS objectives supported in this way included Objective 1 (Increased transparency and accountability in the extractives sector) and Objective 4 (Improved investment climate). For example, as well as funding oil exploration, the 2014 loan to Vaalco Gabon supported the country’s objective of regaining its EITI candidate status, as targeted under Indicator 1.1. IFC’s requirement that investees, including the Vaalco Energy Company, publicly disclose payments to the GoG and principle contracts helped boost transparency and hence contributed to increasing the country’s overall standing with the EITI. In addition, IFC loans to SETRAG and GFC were intended to strengthen the economy and diversify it away from oil production. MIGA has had a more limited engagement in Gabon. Its current exposure comprises a guarantee, concluded in 2013, of an investment in the “Société de Scanning du Gabon S.A”. The project comprises a six-year build operate-transfer (BOT) contract to support the installation and operation of import inspection equipment, as well as related maintenance, training and technical assistance. The technology helps authorities to achieve greater port efficiency.

**External partnerships, which were emphasized in the CPS, helped support progress towards CPS objectives.** For example, the World Bank worked with the European Union (EU) and the French Development Agency (AFD) in the Wildlife and Human-Elephant Conflict Management Project (FY16). In addition, the IFC worked with the AFD to finance investment in SETRAG and improve transportation in this economic corridor. The World Bank also supported several regional initiatives in Gabon. For example, the Economic and Monetary Community of Central Africa (CEMAC) Financial Institutions Project (FY09) helped increase Gabon’s capacity in financial market oversight. In addition, as a member of the Organisation for the Harmonization of Business Law (OHADA), Gabon benefited from the IDA-funded Improved Investment Climate within OHADA Project (FY12). This supported the adoption of a Commercial Companies Uniform Act, an Insolvency Uniform Act, and an Accounting Standards Uniform Act; all of which have contributed to the improvement of Gabon’s investment and business climate. The project achieved highly positive results and, in July 2018, Additional Financing (AF) for the project was approved to continue increasing OHADA’s institutional capacity and sustainability.

#### Supervision of the portfolio

**In general, ISR ratings for project implementation and the achievement of development objectives have been good.** (See Annex 5 for details of the World Bank portfolio FY12-FY18.) Only one lending project – the Supreme Audit Institution Capacity Building Project - was approved and closed within the period under review. This achieved a satisfactory rating for both overall development and implementation ratings. Ratings for the nine lending projects that were (and still are) active during the CPS period, are, on balance, positive with three projects showing satisfactory progress towards the Development Objective (DO), and six moderately satisfactory progress. Implementation Progress (IP) has been satisfactory for one of these, moderately satisfactory for seven, and moderately unsatisfactory for one project namely the Skills Development and Employability Project. A centralized implementation unit for Bank-financed projects continues to provide fiduciary capacity in a cost-effective way (see further under lessons).

**A CPPR was organized in December 2017 which highlighted several issues notably in weak project management capacity.** As a result of the PFM RAS completed I 2014, budget credibility was enhanced, and its release wasn't delayed as in previous years. Under this RAS, and a second Public Financial Management RAS (completed in FY17), the World Bank supported improvements in the transparency and accountability of external audits, exemplified by the publication of three value for money (VFM) audits in the infrastructure and social sectors.

**In some cases, ISR ratings appear at odds with the achievements of the projects on the ground indicating an over-positive self-assessment in some cases.** For example, the Infrastructure and Local Development Project II (FY16), slow implementation of which negatively affected the achievement of Objective 6 of the CPS. Ratings for ASA, including RAS, were also broadly positive. Self-evaluations for ASA activities indicate that all were either moderately or fully effective with respect to both achievement of objectives and implementation progress.

#### Anticipation and Mitigation of Risks

**The range of risks and mitigating measures identified in the CPS was broadly apposite.** One important risk that was correctly identified in the CPS was Gabon's dependency on oil, its vulnerability to economic shocks, and the effect this might have on planned increases in capital spending. As mitigating measures, the CPS proposed support for governance and PFM, as well as analytical work and policy advice. Following the 2014 oil price shock, the PLR proposed additional measures including an expansion of Pillar 1, '*Governance and Public Sector Capacity*', to include improved poverty and economic statistics, civil service reform, and measures to support a return to EITI candidate status as well as a two-part series of DPOs.

**The CPS also highlighted institutional risks that could impede progress, including weaknesses in public procurement and poor coordination between ministries.** The CPS identified mitigating measures, including the use of project implementation units. In addition, the PLR noted that the relationship between the WBG and the GoG was relatively immature at the outset of the CPS and still developing. This resulted in a slow start to the CPS up till FY16 following which there was a rapid pick-up resulting, ultimately, in a transformation of the WBG's engagement in Gabon relative to FY12. Development of the new CPF will need to take account of the recent outbreak of Covid 19 and the economic consequences of the ensuing oil price collapse and wider global economic downturn.

#### **ALIGNMENT WITH CORPORATE GOALS**

**Although the FY12-FY18 CPS did not have access to up-to-date information on poverty, it included measures to address Gabon's weaker than expected human development indicators.** The latest household survey data available at the time of the approval of the FY12-FY18 CPS dated from 2005. Nor was updated poverty data available at the time of the 2016 PLR. Despite this the CPS correctly highlighted that Gabon's education and health indicators fell short of countries with a similar per capita income and that income inequality was marked. The PLR recognized that because of the macroeconomic crisis affecting Gabon following the collapse of oil prices in late 2015, there was a need to bolster support for human development and social protection. It also recognized the need to invest in building capacity to ensure environmental safeguards for infrastructure investments and to help foster Gabon's biodiversity and other environmental assets.

**Unfortunately, many of the World Bank's targets in improved access and quality of social services were not met.** The Access to Basic Services in Rural Areas and Capacity Building Project (FY16) was intended to deliver many of the targets under this objective. This is an innovative project, some aspects of which have encountered significant delays in obtaining Government approval. As a result, although the project is now making moderately satisfactory progress, it has not delivered results in time to meet the objectives of the CPS.

**By contrast World Bank support for the environment has been relatively successful.** The sustainable management of natural resources including forests, fisheries, biodiversity, mining, and agriculture, is a priority for the GoG. The World Bank's overall objective was to support improved transparency and sustainability of natural resource management, including the management of national parks, wildlife, and ecosystems. Key achievements included enhancing the conservation of biodiversity in selected National Parks and buffer zones, and strengthening the management capacity of selected conservation-related entities in Gabon. Other targets such as reducing elephant poaching and human-elephant conflicts in target zones and enhancing the protection of biodiversity in selected forested wetlands on the Ramsar list, were not achieved.

## LESSONS LEARNED

**The development of the Bank's portfolio in Gabon during the FY12-FY18 CPS, from a small base and after a long period of minimal activity, inevitably took time.** The lack of recent experience with Bank operations and procedures resulted in low capacity for preparing and implementing Bank projects. More broadly, it took time and flexibility for the relationship between the Bank and the GoG to mature. During this time effective use of ASA and RAS helped build trust and deepen knowledge. Key lessons learned during this time were:

- **A selective focus on agendas that are strongly and broadly owned by the Government is key to achieving transformative effects.**
  - A prime example is the digital economy where the Government has a clear vision for the sector in Digital Gabon and has prioritized its implementation. The successful and still ongoing delivery of this Vision has been a highlight in Gabon's efforts to increase the overall competitiveness of its economy (see Box 1). Effective collaboration and engagement with stakeholders (including 'bottom up' feedback from users), from conception through to delivery, is an important aspect of ensuring ownership. In the Supreme Audit Institution (SAI) capacity building project, for example, the involvement of beneficiaries at an early stage and during implementation ensured appropriate ownership of the project, as well as its sustainability following closure of the project.
  - Conversely, the Skills Development and Employment Project (FY16) has experienced delays in part because frequent changes in the Government have resulted in a lack of ownership and leadership from the administration with implementation further exacerbated by weak coordination capacity at PIU level. More effort should also be made to involve stakeholders in the design and delivery of the World Bank's ASA program to maximize ownership and impact. This may be particularly important in those areas of the RAS program where client demand for reimbursable services may not align fully with the World Bank's due diligence priorities - e.g., the need to strengthen social protection in the context of policy lending that could have negative impacts on vulnerable groups. The first DPO was also affected by a lack of alignment between the Ministries of Economy and Finance with respect to the role of social protection.
  - The development of the new CPF will look to ensure that the proposed program is suitably focused on areas for which GoG support is unequivocal.
- **The Bank has been most successful where it has built on success.** For example, in the digital sector, the World Bank has supported dramatic increases in the geographic reach, usage, and affordability of regional broadband services by strengthening the enabling environment and financing key infrastructure, such as 1,760-km fiber-optic terrestrial backbone network and its cross-border interconnections with Cameroon, the Republic of the Congo, and Equatorial Guinea. The recently-approved Digital Gabon project builds on that success. The sequence of

Infrastructure and Local Development Projects are another example. These projects successfully incorporated the feature of multisectorality. By contrast the E Gabon project (2016) initially struggled to bridge the ‘hard’ broadband components of the project overseen in one ministry with the ‘soft’ health elements overseen by the Ministry of Health. The Bank will look to build on identified areas of strength, - such as the relatively straightforward multisectoral approach to local infrastructure in urban and peri-urban settings that has been shown to work - where there is a positive track record in order to maximize results.

- **The rapid increase in portfolio size in Gabon outstripped the capacity of Government to provide fiduciary services to the extent required.** The *Commission Nationale des Travaux d'Intérêt Public pour la Promotion de l'Entrepreneuriat et de l'Emploi du Gabon* (CNTIPPEE) has become a central provider of fiduciary services for some Bank-financed projects, and a potential “hub” to develop fiduciary capacity in the country. This has facilitated project preparation and implementation. The implementation of fiduciary activities by a dedicated pool of fiduciary experts has also resulted in efficiency gains. More recently, however, performance of CNTIPPEE deteriorated considerably with the rapid increase in portfolio size (by a factor of 2.5 within one year) where 5 projects out of 10 are being implemented by CNTIPPEE representing more than 70 percent of the portfolio size. This is due to lack of appropriate human resources and capacity especially in areas of fiduciary and safeguards and lack of proper compliance with Bank procedures. These shortcomings have been exacerbated by the lack of: i) leadership in the coordination unit, it took almost 2 years to replace the Permanent Secretary who was no longer filling the job; ii) ownership and involvement of sector ministries; and iii) proper support from the Ministry of Economy and prospective. Recruitment over the past two years and appropriate training has resulted in some improvements. However, the problem of technical and fiduciary capacity and the lack of strong leadership remain concerns. This constitutes a significant risk to the new CPF under development and will be mitigated by: i) a more prudent overall level of lending in Gabon; and ii) putting in place additional fiduciary measures where required.
- **Development of the digital economy is generating positive spill-over effects across both private and public sectors of the economy.** As discussed in Box 1, the Gabonese economy has made rapid strides in laying the foundation of a digital economy, with mobile telecommunications networks more widely available to the public and lower retail prices for mobile telephony and internet. This in turn is laying the basis for more efficient delivery of public services and a more competitive environment for SMEs. Building on the Africa Region’s “Digital Economy for Africa” (DE4A) initiative that was launched at the 2019 Spring Meetings, and the results of the recently completed Digital Economy Country Assessment in Gabon, the new CPF will aim to build on the digital infrastructure that has been put in place and focus on digitalization of public sector services.
- **Understanding institutional incentive structures, engaging end users and communicating effectively are critical pre-conditions for effective delivery.** Experience supporting improved governance of the natural resources sector suggests that before proposing significant sectoral and institutional reforms, the WB should have an adequate understanding of the local ‘political economy’. Community engagement and sensitization during implementation are also important as illustrated in the Infrastructure and Local Development Program II where it was a key success factor. In particular, the use of demand-driven selection and participatory arrangements were most suited to upgrading infrastructure and addressing the sustainability of services in low income settlements. Neighborhood Development Plans were also found to be a useful tool for improving service delivery, municipal management, and decentralization more generally.
- **Joint working across the WBG was a hallmark of the 2012-18 CPF that carried through into a highly collaborative partnership.** The team was committed to a “One WBG approach”, in which MFD principles are applied to identifying opportunities for a “cascade approach” to crowd in greater private investment. IFC’s strategy in Gabon included the enhancement of the Doing

Business indicators, direct investments in power generation, transport, especially in shared infrastructure related to the extractive industries, agribusiness (first WBG re-engagement in the palm oil sector) and promoting PPPs. MIGA has supported efforts to increase transparency in Gabon's ports. Together, the WBG collaborated well to promote economic diversification and transparency, a *modus operandi* that should carry through to the new CPF.

- **Deficiencies in the results matrix that could, potentially, have been remedied in the PLR undermined the eventual assessment of Program outcomes, particularly as regards gender.** As already cited, several weaknesses in the results matrix that were noted in the PLR were not fully dealt with. Some of these, for example unrealistic target dates in local infrastructure delivery, have had a direct bearing on the rating assigned to achievement of Program objectives in this CLR. Another shortcoming in the CPS results framework, and amended PLR, was the lack of reference to the cross-cutting theme of gender. Although gender was highlighted as a cross-cutting theme in the CPS, the terms 'women', 'female' or 'girl' appear in just three indicators in the results framework, and the availability and collection of data on female beneficiaries was not mainstreamed through the monitoring of FY12-FY18 outcomes. The team is remedying this shortcoming with a thorough treatment of gender issues in the forthcoming CPF and the CPF results framework will feature gender-disaggregated results indicators.
- **It has become apparent – following the formal end of the CPF in 2018 – that Gabon is not sufficiently prepared to prevent, detect, and respond to epidemics on the scale of COVID-19.** Gabon's score on the Global Health Security Index is 20.0, ranking 186 out of 195 countries. This raises questions as to the reliability of information on the current extent of the COVID-19 outbreak. The country's capacity for rapid response is also very weak; Gabon scores just 20.6 against an average of 38.4, with a ranking of 178. Gabon completed a Joint External Evaluation of the implementation of International Health Regulations (IHR) (2005)<sup>6</sup> in July 2019 and it found very low capacity in several areas, including the legal framework, financing, coordination, biosafety and biosecurity, the national laboratory system, health workforce, points of entry, and emergency preparedness and coordination.



CLR Annex 1: Status of Gabon FY12-FY18 CPS Results Matrix (Summary Table)

Description	Status at CLR	Overall Rating
<b>CPF PILLAR ONE: GOVERNANCE AND PUBLIC SECTOR CAPACITY</b>		
<b>CPF Objective 1: Increased transparency and accountability in the extractives sector</b>		<b>PARTIALLY ACHIEVED</b>
1.1 Gabon readmission as EITI candidate	Not Achieved	
1.2 Development of a governance and debt management strategy	Achieved	
<b>CPF Objective 2: Strengthen public financial management</b>		<b>MOSTLY ACHIEVED</b>
2.1 Development of procurement, commitment and treasury plans to improve budget management and pave the way for program budgeting	Achieved	
2.2 Development of a public finance strategy	Mostly Achieved	
2.3 Investment budget execution (commitment basis)	Not Achieved	
2.4 Improved transparency and accountability of external audit by publication of 3 performance audit reports	Achieved	
2.5 Operational risk-based system for selection of tax payments subject to audit in place	Achieved	
<b>CPF Objective 3: Improved social and economic data</b>		<b>MOSTLY ACHIEVED</b>
3.1 Household and poverty data available for use in policy- and decision-making by December 2017	Partially Achieved	
3.2 The new Statistical Agency is operational by December 2017	Mostly Achieved	
3.3 Reducing the National Statistical Institute's backlog in producing provisional national accounts from 4 years to 1, by June 2018	Achieved	
3.4 The consumer price index uses a new base year and number of cities covered increases from 1 to 4 by December 2017	Partially Achieved	
<b>CPF PILLAR TWO: COMPETITIVENESS AND EMPLOYMENT</b>		
<b>CPF Objective 4: Improved investment climate</b>		<b>MOSTLY ACHIEVED</b>
4.1 Increased coverage and use of regional broadband and network services: access to internet services (number of subscribers per 100)	Achieved	

Description	Status at CLR	Overall Rating
4.2 Average monthly price of wholesale international E1 capacity link from capital city to Europe decreases from US\$10,000 to US\$500	Achieved	
4.3 Time to register a business reduces from 58 days to 28 days, by June 2018	Mostly Achieved	
4.4 Cost to register a business decreases from 17 percent of per capita income in 2012 to 12.5 percent of per capita income, by June 2018	Achieved	
4.5 Length of fiber optic network built (in km) increases from 0km in December 2011, to 1,561km, by December 2017	Partially Achieved	
4.6 Retail price of Internet Services (per Mbit/s per Month, in US\$) decreases from US\$218 in December 2011, to US\$80, by December 2017	Achieved	
4.7 Number of start-up projects incubated (digital economy) increase from 0 in December 2015 to 8 in December 2017	Not Achieved	
<b>CPF Objective 5: Improved access to local infrastructure</b>		<b>PARTIALLY ACHIEVED</b>
5.1 Number of public-private joint management agreements signed for TVET institutions based on performance contracts increases from 0 in 2015 to 5, by February 2018	Not Achieved	
5.2 Number of participants in new skills development programs (apprenticeship, internships, entrepreneurship training) increases from 0 in 2015 to 200, with 30 percent female, by 2017	Achieved	
5.3 Number of participants in training sessions organized by incubators (digital economy) increases from 0 in December 2015 to 300, by December 2017	Not Achieved	
<b>CPS PILLAR 3: HUMAN DEVELOPMENT AND ENVIRONMENTAL SUSTAINABILITY</b>		
<b>CPF Objective 6: Increased national availability of electricity</b>		<b>NOT ACHIEVED</b>
6.1 Number of people provided with access to electricity by household connections in target areas, including women increases from 0 in 2015 to 7,500, by June 2018	Not Achieved	
6.2 Number of new community electricity connections including communities, schools, and health clinics, water pumping systems electrified increases from 0 in 2015 to 30, by June 2018	Not Achieved	
6.3 Percentage of households in villages covered by project operations and maintenance operator having functional electricity and water services increases from 0 percent in 2015 to 90 percent, by June 2018	Not Achieved	
6.4 Number of people provided (under the project) with access to “improved water sources” in target areas, including women increases from 0 in 2015 to 7,500, by June 2018	Not Achieved	
6.5 Number of people in urban areas provided with access to all-season roads within a 500-meter range and other urban infrastructure and services increases from 0 in 2015 to 20,000, by February 2018	Not Achieved	

Description	Status at CLR	Overall Rating
6.6 Number of localities with broadband internet increases from 3 in December 2011 to 18, by December 2017	Achieved	
6.7 Working level achieved with the National Health Information system among health professionals (in percentage) increases from 0 percent in December 2015 to 30 percent, by December 2017	Not Achieved	
<b>CPF Objective 7: Improved transparency and sustainability in natural resource management</b>		<b>MOSTLY ACHIEVED</b>
7.1 National parks: Hectares of land for protection when a biological survey is completed increases from 0 in 2010 to 900,000, by 2013	Achieved	
7.2 Increase in management effectiveness in three national parks (700,000 hectares) per the GEF tracking tool	Achieved	
7.3 Number of ecosystem services valuations undertaken (selected sites) increases from 0 in 2013 to 3, by June 2018	Not achieved	
7.4 Development stage reached in management plans prepared for forested wetlands (selected sites) increases from 0 in 2013 to 2, by June 2018	Achieved	
7.5 Proportion of elephants killed illegally in four targeted national parks (Moukalaba Doudou, Loango, Mayumba, Waka) declines (absolute number stable).	Not achieved	
<b>CPF Objective 8: Improved knowledge, tools and policies for social services delivery</b>		<b>NOT ACHIEVED</b>
8.1 Begin roll out of National Health Information System (2017)	Not achieved	
8.2 Design of RBF pilot completed by December 2017	Not achieved	

CLR Annex 2: Gabon FY12-FY18 CPS Results Matrix Evaluation			
Cluster of objectives and objective indicators	Status and evaluation summary	Lending and non-lending activities that contributed to the objective	Lessons and suggestions for the new CPF
<b>CPS PILLAR 1: GOVERNANCE AND PUBLIC SECTOR CAPACITY</b>			
<p><b>Related country development goals:</b></p> <p><b>Strategic Plan for an Emergent Gabon (PSGE) Pillar Elements:</b> (i) Economic diversification; (ii) Reform and modernization of the state.</p> <p><b>Key Issues:</b> Poor governance and weak institutional capacity present challenges for Gabon's development. Indexes relating to perception of corruption remain weak. Need to improve efficiency and effectiveness in budget and public investment management to ensure both fiscal sustainability and external competitiveness in an environment of low oil prices, declining oil production, and hence lower national revenues.</p>			
<b>CPS Objective 1: Increased transparency and accountability in the extractives sector</b>			<b>PARTIALLY ACHIEVED</b>
1.1 Gabon readmission as EITI candidate.	<b>1.1 Not achieved.</b> <i>Baseline (FY12):</i> Non-EITI compliant. <i>Target (FY16):</i> Gabon to be readmitted as an EITI candidate country. <i>Actual (FY18):</i> Non-EITI compliant. Gabon lost its EITI status in 2013. <i>Source:</i> eiti.org/gabon	<b>IFC:</b> • IFC loan Vaalco Gabon (FY14) <b>ASA:</b> • Gabon DeMPA and Action Plan (FY13) • Gabon RTA Extractive Sector Technical Assistance Project (FY14) • Gabon RTA Public Financial Management I (FY14) • Gabon RTA Public Financial Management II (FY17)	<ul style="list-style-type: none"> <li>The GoG should improve coordination among the entities involved in debt management, capacity building in debt issuance, and the management of cash balances and operational risks.</li> <li>In order to maximize the benefits of RAS, it is important to link it to other WB programs. This would ensure that lending activities are based on strong analytical work and integrate the recommendations of the Bank's analytical work.</li> </ul>
1.2 Development of a governance and debt management strategy.	<b>1.2 Achieved.</b> <i>Baseline (FY12):</i> No strategy. <i>Target (FY13):</i> Strategy developed. <i>Actual (FY18):</i> DeMPA assessment in 2012/2013. Debt Management Reform Plan completed. <i>Source:</i> Completion Summary Gabon DeMPA and Action Plan (P130681).		
<b>CPS Objective 2: Strengthen public financial management</b>			<b>MOSTLY ACHIEVED</b>

CLR Annex 2: Gabon FY12-FY18 CPS Results Matrix Evaluation			
Cluster of objectives and objective indicators	Status and evaluation summary	Lending and non-lending activities that contributed to the objective	Lessons and suggestions for the new CPF
2.1 Development of procurement, commitment and treasury plans to improve budget management and pave the way for program budgeting.	<p><b>2.1 Achieved.</b>  <i>Baseline (FY12):</i> 0.  <i>Target (FY16):</i> three line ministries.  <i>Actual (FY18):</i> 6 line ministries.  <i>Source:</i> Completion Summary Gabon RTA Public Financial Management I (P130564).</p>	<p><b>LEN:</b>  • Supreme Audit Institution Capacity Building Project (FY16)</p> <p><b>ASA:</b>  • Review of Tax system (FY13)  • Gabon RTA Public Financial Management I (FY14)  • Gabon Policy Notes (FY15)  • TA on Public Sector Wage Bill (FY16)  • Gabon RTA Public Financial Management II (FY17)  • Tax System Reform TA (FY17)  • Gabon CEMAC Policy Note (2017)  • Public Expenditure Review (FY18)</p>	<ul style="list-style-type: none"> <li>• A wider reform of tax administration in Gabon should i) aim to improve the quality of tax information systems and ii) reduce the complexity of income tax, VAT, and customs procedures.</li> <li>• Fiduciary processes in RAS will need to be properly explained at the beginning of RAS programs, to avoid delays further down the line.</li> <li>• Continuous and close support has been essential in TA projects in Gabon, especially those with a challenging time frame.</li> <li>• In Gabon's SAI capacity building project, it was useful to have the involvement of project beneficiaries in the early stages and implementation of the project. This ensured appropriate ownership for project success and adequate follow up after project closure.</li> <li>• A lack of training and set up of appropriate internal control systems (including a procedures manual) reduced the impact of TA for the SAI in its capacity building project.</li> </ul>
2.2 Development of a public finance strategy.	<p><b>2.2 Mostly achieved.</b>  <i>Baseline (FY12):</i> none.  <i>Target (FY16):</i> strategy developed.  <i>Actual (FY18):</i> Although a 'strategy' per se was not developed, the second PFM RAS supported stronger public resource allocation including choice of investment projects while the first DPO deepened overall PFM reforms.  <i>Source:</i> na</p>		
2.3 Investment budget execution (commitment basis)	<p><b>2.3 Not achieved.</b>  <i>Baseline (FY13):</i> 87.5 percent or C PEFA PI 1.  <i>Target (FY17):</i> 90 percent or B PEFA PI 1.  <i>Actual (FY18):</i> 85 percent or D PEFA PI 1.</p>		

CLR Annex 2: Gabon FY12-FY18 CPS Results Matrix Evaluation			
Cluster of objectives and objective indicators	Status and evaluation summary	Lending and non-lending activities that contributed to the objective	Lessons and suggestions for the new CPF
<p>2.4 Improved transparency and accountability of external audit by publication of 3 performance audit reports</p> <p>2.5 Operational risk-based system for selection of tax payments subject to audit in place</p>	<p><i>Source:</i> Report on the performance of public financial management - Gabon PEFA 2017.</p> <p><b>2.4 Achieved.</b>  <i>Baseline (FY15):</i> 1  <i>Target (FY17):</i> 3 by December 2017.  <i>Actual (FY18):</i> 3 VFM audits completed in infrastructure and social sectors.  <i>Source:</i> Supreme Audit Institution Capacity Building Project (P152449)</p> <p><b>2.5 Achieved.</b>  <i>Baseline (FY15):</i> 0  <i>Target (FY17):</i> 1 by December 2017.  <i>Actual (FY18):</i> A risk-based audit strategy and model for risk-based audit case selection developed.  <i>Source:</i> Completion Summary Tax System Reform TA (P148329).</p>		
<b>CPS Objective 3: Improved social and economic data</b>			<b>MOSTLY ACHIEVED</b>

CLR Annex 2: Gabon FY12-FY18 CPS Results Matrix Evaluation			
Cluster of objectives and objective indicators	Status and evaluation summary	Lending and non-lending activities that contributed to the objective	Lessons and suggestions for the new CPF
3.1 Household and poverty data available for use in policy- and decision-making by December 2017.	<p><b>3.1 Partially achieved.</b>  <i>Baseline (FY15):</i> data not available for use.  <i>Target (FY17):</i> data for use in policy and decision making by December 2017.  <i>Actual (FY18):</i> Poverty survey data completed December 2017. Report on household socio-economics was completed in July 2018 and released in December 2018.  <i>Source:</i> ISR Gabon Statistical Development Project (P157473).</p>	<p><b>LEN:</b></p> <ul style="list-style-type: none"> <li>• Gabon Statistical Development Project (FY17).</li> </ul> <p><b>ASA:</b></p> <ul style="list-style-type: none"> <li>• Gabon RAS II Statistics Development (FY17)</li> </ul>	<ul style="list-style-type: none"> <li>• A lack of funding on the part of the client delayed timely implementation of the RAS II Statistics Development.</li> </ul>
3.2 The new Statistical Agency is operational by December 2017.	<p><b>3.2 Mostly achieved.</b>  <i>Baseline (FY15):</i> The Statistical Agency is not operational.  <i>Target (FY17):</i> The new Statistical Agency is operational by December 2017.  <i>Actual (FY18):</i> The Direction Generale de Statistiques (DGS) is operational but was established after the target date.  <i>Source:</i> Gabon RAS II Statistics Development (P149230)</p>		
3.3 Reducing the National Statistical Institute's backlog in producing provisional	<p><b>3.3 Achieved</b></p>		

CLR Annex 2: Gabon FY12-FY18 CPS Results Matrix Evaluation			
Cluster of objectives and objective indicators	Status and evaluation summary	Lending and non-lending activities that contributed to the objective	Lessons and suggestions for the new CPF
<p>national accounts from 4 years to 1, by June 2018.</p> <p>3.4 The consumer price index uses a new base year and number of cities covered increases from 1 to 4 by December 2017.</p>	<p><i>Baseline (FY15):</i> The National Statistical Institute's backlog in producing provisional national accounts is 4 years.</p> <p><i>Target (FY18):</i> Reduce the National Statistical Institute's backlog in producing provisional national accounts from 4 years to 1, by June 2018.</p> <p><i>Actual (FY18):</i> The 2016 accounts were available by June 2018.</p> <p><i>Source:</i> National Statistical Institute</p> <p><b>3.4 Partially Achieved.</b></p> <p><i>Baseline (FY15):</i> The consumer price index covers 1 city.</p> <p><i>Target (FY17):</i> The consumer price index uses a new base year and number of cities covered increases from 1 to 4 by December 2017.</p> <p><i>Actual (FY18):</i> Coverage of the CPI index has been extended to 3 cities plus rural areas. But the base year of the CPI had not been updated by the end of FY18.</p> <p><i>Source:</i> ISR Gabon Statistical Development Project (P157473).</p>		
<b>CPS PILLAR 2: COMPETITIVENESS AND EMPLOYMENT</b>			



CLR Annex 2: Gabon FY12-FY18 CPS Results Matrix Evaluation			
Cluster of objectives and objective indicators	Status and evaluation summary	Lending and non-lending activities that contributed to the objective	Lessons and suggestions for the new CPF
<p><b>Related country development goals:</b></p> <p><b>Strategic Plan for an Emergent Gabon (PSGE) Pillar Elements:</b> (i) Economic diversification; (ii) Development of infrastructure and regional planning; (iii) Improving the investment climate and private sector development; (iv) Development of human capital; (v) Fight against exclusion and vulnerability.</p> <p><b>Key Issues:</b></p> <ul style="list-style-type: none"> <li>• Low oil prices and dwindling production create the need for economic diversification</li> <li>• Slow growth in non-oil sectors</li> <li>• Poor business environment/ investment climate, including burdensome regulations involving lengthy procedures, thereby holding back economic growth and job creation</li> <li>• Capacity constraints of existing bandwidth infrastructure</li> <li>• High cost of access to international bandwidth</li> <li>• Out-dated TVET system and institutions</li> <li>• Skills mismatch</li> </ul>			
<b>CPS Objective 4: Improved investment climate</b>			<b>MOSTLY ACHIEVED</b>
4.1 Increased coverage and use of regional broadband and network services: access to internet services (number of subscribers per 100)	<p><b>4.1 Achieved.</b>  <i>Baseline (FY11):</i> 14 percent.  <i>Target (FY17):</i> 65 percent.  <i>Actual (FY18):</i> 101 percent  <i>Source:</i> ISR Central African Backbone APL4 (P122776)</p>	<p><b>LEN:</b></p> <ul style="list-style-type: none"> <li>• Economic &amp; Monetary Community of Central Africa (CEMAC) Financial Institutions Project (FY09)</li> <li>• Central African Backbone Project (APL4) – Gabon (FY12)</li> <li>• Investment Promotion and Competitiveness Project (FY13)</li> <li>• E-Gabon Project (FY16)</li> <li>• Access to Basic Services in Rural Areas and Capacity Building Project (FY16)</li> <li>• Infrastructure and Local Development Program II (FY16)</li> <li>• Central African Backbone Project (APL4) – Gabon AF (FY16)</li> </ul>	<ul style="list-style-type: none"> <li>• Neighborhood Development Plans were a useful tool for improving service delivery, municipal management, and decentralization more generally.</li> <li>• In the Economic Diversification and Competitiveness TA, effective stakeholder involvement was critical at the concept note stage and throughout its delivery to ensure the advisory delivered was relevant and translated into prompt follow up action.</li> <li>• A lack of coordination between institutions in the Economic Diversification and Competitiveness</li> </ul>
4.2 Average monthly price of wholesale international E1 capacity link from capital city to Europe decreases from US\$10,000 to US\$500.	<p><b>4.2 Achieved.</b>  <i>Baseline (FY11):</i> US\$10,500.  <i>Target (FY18):</i> US\$500  <i>Actual (FY18):</i> US\$390  <i>Source:</i> ISR Central African Backbone APL4 (P122776)</p>		
4.3 Time to register a business reduces from 58 days to 28 days, by June 2018	<p><b>4.3 Mostly achieved.</b>  <i>Baseline (FY12):</i> 58 days.  <i>Target (FY18):</i> 28 days.</p>		

CLR Annex 2: Gabon FY12-FY18 CPS Results Matrix Evaluation			
Cluster of objectives and objective indicators	Status and evaluation summary	Lending and non-lending activities that contributed to the objective	Lessons and suggestions for the new CPF
<p>4.4 Cost to register a business decreases from 17 percent of per capita income in 2012 to 12.5 percent of per capita income, by June 2018.</p> <p>4.5 Length of fiber optic network built (in km) increases from 0km in December 2011, to 1,561km, by December 2017.</p> <p>4.6 Retail price of Internet Services (per Mbit/s per Month, in US\$) decreases from US\$218 in December 2011, to US\$80, by December 2017.</p>	<p><i>Actual (FY18):</i> 31 days. <i>Source:</i> ISR Gabon Investment Promotion Competitiveness Project (P129267)</p> <p><b>4.4 Achieved.</b> <i>Baseline (FY12):</i> 17 percent of per capita income. <i>Target (FY18):</i> 12.5 percent of per capita income. <i>Actual (FY18):</i> 7.2 percent of per capita income. <i>Source:</i> World Bank Doing Business Gabon 2018</p> <p><b>4.5 Partially achieved.</b> <i>Baseline (FY12):</i> 0km. <i>Target (FY18):</i> 1,561km. <i>Actual (FY18):</i> 1,140km <i>Source:</i> ISR Central African Backbone APL4 (P122776)</p> <p><b>4.6 Achieved.</b> <i>Baseline (FY12):</i> US\$218 <i>Target (FY18):</i> US\$80 <i>Actual (FY18):</i> US\$8 <i>Source:</i> ISR Central African Backbone APL4 (P122776)</p> <p><b>4.7 Not achieved.</b></p>	<ul style="list-style-type: none"> <li>Fiscal Consolidation and Inclusive Growth DPL (FY18)</li> </ul> <p><b>IFC:</b></p> <ul style="list-style-type: none"> <li>IFC loan, Aéroport de Libreville</li> <li>IFC loan, SETRAG</li> <li>IFC loan Gabon Fertiliser Company (FY12)</li> </ul> <p><b>ASA:</b></p> <ul style="list-style-type: none"> <li>Improved Investment Climate within the OHADA, TA (FY12)</li> <li>Report on the Diversification and Competitiveness of Exports (FY15)</li> <li>Gabon Economic Diversification and Competitiveness TA (FY15)</li> <li>Electricity sector PPIAF grant, TA (FY15)</li> </ul>	<p>TA hindered delivered of the project and national strategy.</p> <ul style="list-style-type: none"> <li>In the Economic Diversification and Competitiveness TA, the inefficiency of payment options, including limited credit card acceptance, and small denominations of Central African CFA Francs was found to lead to lost revenue, and create a burden on tourists.</li> </ul>

CLR Annex 2: Gabon FY12-FY18 CPS Results Matrix Evaluation			
Cluster of objectives and objective indicators	Status and evaluation summary	Lending and non-lending activities that contributed to the objective	Lessons and suggestions for the new CPF
4.7 Number of start-up projects incubated (digital economy) increase from 0 in December 2015 to 8 in December 2017.	Baseline (FY16): 0. Target (FY18): 8. Actual (FY18): 0. Source: ISR eGabon (P132824)		
<b>CPS Objective 5: Strengthened vocational skills-building system</b>			<b>PARTIALLY ACHIEVED</b>
5.1 Number of public-private joint management agreements signed for TVET institutions based on performance contracts increases from 0 in 2015 to 5, by February 2018.	5.1 <b>Not achieved.</b> Baseline (FY15): 0. Target (FY21): 12. Actual (FY18): 0 Source: ISR Gabon Skills Development and Employability Project (P146152)	<b>LEN:</b> <ul style="list-style-type: none"> <li>Investment Promotion and Competitiveness Project (FY13)</li> <li>Skills Development Project (FY16)</li> <li>E-Gabon Project (FY16)</li> </ul> <b>ASA:</b> <ul style="list-style-type: none"> <li>Human Investment Strategy (2014)</li> <li>Report on the Diversification and Competitiveness of Exports (FY15)</li> </ul>	<ul style="list-style-type: none"> <li>The problem of lack of land availability (for construction of facilities) was a core bottleneck that was not anticipated as a major risk during preparation.</li> </ul>
5.2 Number of participants in new skills development programs (apprenticeship, internships, entrepreneurship training) increases from 0 in 2015 to 200, with 30 percent female, by 2017.	5.2 <b>Achieved.</b> Baseline (FY15): 0. Target (FY17): 200 Actual (FY18): 2816 Source: Skills Development Project (P146152) -MTR		
5.3 Number of participants in training sessions organized by incubators (digital economy) increases from 0 in December 2015 to 300, by December 2017.	5.3 <b>Not achieved.</b> Baseline (FY16): 0. Target (FY18): 300. Actual (FY18): 0. Source: ISR eGabon (P132824)		

CLR Annex 2: Gabon FY12-FY18 CPS Results Matrix Evaluation			
Cluster of objectives and objective indicators	Status and evaluation summary	Lending and non-lending activities that contributed to the objective	Lessons and suggestions for the new CPF
<b>CPS PILLAR 3: HUMAN DEVELOPMENT AND ENVIRONMENTAL SUSTAINABILITY</b>			
<b>Related country development goals:</b> <b>Strategic Plan for an Emergent Gabon (PSGE) Pillar Elements:</b> (i) Economic diversification; (ii) Development of human capital; (iii) Fight against exclusion and vulnerability. <b>Key Issues:</b> <ul style="list-style-type: none"> <li>• Weak human development and social indicators</li> <li>• Unlikely to meet MDG targets</li> <li>• Significant urban/rural differences in access and delivery of services</li> <li>• Lack of up-to-date statistical data and analysis in social sectors</li> <li>• Weak governance in natural resource management</li> <li>• Poor efficiency and equity in the use of public resources</li> </ul>			
<b>CPS Objective 6: Improved access and quality of services</b>			<b>NOT ACHIEVED</b>
6.1 Number of people provided with access to electricity by household connections in target areas, including women increases from 0 in 2015 to 7,500, by June 2018.  6.2 Number of new community electricity connections including communities, schools, and health clinics, water pumping systems electrified increases from 0 in 2015 to 30, by June 2018.	6.1 <b>Not achieved.</b> <i>Baseline (FY15): 0.</i> <i>Target (FY18): 7,500.</i> <i>Actual (FY18): 0.</i> <i>Source: ISR Access to Basic Services (P144135)</i>  6.2 <b>Not achieved.</b> <i>Baseline (FY15): 0.</i> <i>Target (FY18): 30.</i> <i>Actual (FY18): 0.</i> <i>Source: ISR Access to Basic Services (P144135)</i>  6.3 <b>Not achieved.</b>	<b>LEN:</b> <ul style="list-style-type: none"> <li>• Access to Basic Services in Rural Areas and Capacity Building Project (FY16)</li> <li>• E-Gabon Project (FY16)</li> <li>• Infrastructure and Local Development Program II (FY16)</li> <li>• Gabon Statistical Development Project (FY17/18)</li> <li>• Fiscal Consolidation and Inclusive Growth DPL (FY18)</li> </ul> <b>ASA:</b> <ul style="list-style-type: none"> <li>• Human Investment Strategy (2014)</li> <li>• Rural Electrification and Water Services Sustainability Mechanism (FY18)</li> <li>• Economic Update (2016)</li> <li>• Evaluation of the 2011–2015 National Health Sector Plan (2016)</li> <li>• Gabon CEMAC Policy Note (2017)</li> </ul>	<ul style="list-style-type: none"> <li>• In the Infrastructure and Local Development Program II rigid design and implementation meant that it couldn't adapt to changing political conditions during implementation.</li> <li>• In the Infrastructure and Local Development Program II, the use of demand-driven selection and participatory arrangements were most suited to upgrading infrastructure and addressing the sustainability of services in low income settlements.</li> <li>• Community engagement and sensitization during implementation was a key success factor for the Infrastructure and Local Development Program II.</li> </ul>

CLR Annex 2: Gabon FY12-FY18 CPS Results Matrix Evaluation			
Cluster of objectives and objective indicators	Status and evaluation summary	Lending and non-lending activities that contributed to the objective	Lessons and suggestions for the new CPF
6.3 Percentage of households in villages covered by project operations and maintenance operator having functional electricity and water services increases from 0 percent in 2015 to 90 percent, by June 2018.	<p><i>Baseline (FY15):</i> 0 percent.  <i>Target (FY18):</i> 90 percent.  <i>Actual (FY18):</i> 0 percent.  <i>Source:</i> ISR Access to Basic Services (P144135)</p>	<ul style="list-style-type: none"> <li>World Bank Public Expenditure Review of Gabon (2018)</li> <li>Gabon PBF feasibility study (2017)</li> </ul>	
6.4 Number of people provided (under the project) with access to “improved water sources” in target areas, including women increases from 0 in 2015 to 7,500, by June 2018.	<p><b>6.4 Not achieved.</b>  <i>Baseline (FY15):</i> 0.  <i>Target (FY18):</i> 7,500.  <i>Actual (FY18):</i> 0.  <i>Source:</i> ISR Access to Basic Services (P144135)</p>		
6.5 Number of people in urban areas provided with access to all-season roads within a 500-meter range and other urban infrastructure and services increases from 0 in 2015 to 20,000, by February 2018.	<p><b>6.5 Not achieved.</b>  <i>Baseline (FY15):</i> 0.  <i>Target (FY21):</i> 21,000.  <i>Actual (FY18):</i> 0  <i>Source:</i> ISR Infrastructure and Local Development Project II (P151077)</p>		
6.6 Number of localities with broadband internet increases from 3 in December 2011 to 18, by December 2017.	<p><b>6.6 Achieved.</b>  <i>Baseline (FY12):</i> 3.  <i>Target (FY18):</i> 18.  <i>Actual (FY18):</i> 25</p>		

CLR Annex 2: Gabon FY12-FY18 CPS Results Matrix Evaluation			
Cluster of objectives and objective indicators	Status and evaluation summary	Lending and non-lending activities that contributed to the objective	Lessons and suggestions for the new CPF
6.7 Working level achieved with the National Health Information system among health professionals (in percentage) increases from 0 percent in December 2015 to 30 percent, by December 2017.	<p><i>Source:</i> ISR Central African Backbone APL4 (P122776)</p> <p><b>6.7 Not achieved.</b>  <i>Baseline (FY16):</i> 0 percent.  <i>Target (FY18):</i> 30 percent.  <i>Actual (FY18):</i> 0 percent.  <i>Source:</i> ISR eGabon (P132824)</p>		
<b>CPS Objective 7: Improved transparency and sustainability in natural resource management</b>			<b>MOSTLY ACHIEVED</b>
<p>7.1 National parks: Hectares of land for protection when a biological survey is completed increases from 0 in 2010 to 900,000, by 2013.</p> <p>7.2 Increase in management effectiveness in three national parks (700,000 hectares) per the GEF tracking tool. <i>Baseline:</i> Loango: 57 percent; Mayumba: 58 percent; Moukalaba-Doudou: 50 percent. <i>Target (2013):</i> Loango: 65 percent;</p>	<p><b>7.1 Achieved.</b>  <i>Baseline (FY10):</i> 0.  <i>Target (FY13):</i> 900,000.  <i>Actual (FY13):</i> 900,000.  <i>Source:</i> ISR Strengthening capacity for managing national parks (P070232)</p> <p><b>7.2 Achieved.</b>  <i>Baseline:</i> Loango: 57 percent; Mayumba: 58 percent; Moukalaba-Doudou: 50 percent.  <i>Target (2013):</i> Loango: 65 percent; Mayumba: 65 percent; Moukalaba-Doudou: 65 percent  <i>Actual (Jan 13):</i> Loango: 75 percent; Mayumba: 65.56</p>	<p><b>LEN:</b></p> <ul style="list-style-type: none"> <li>• Gabon Natural Resource Management Policy Loan (FY06)</li> <li>• GEF Sustainable Management of Critical Wetlands Ecosystems Project (FY14)</li> <li>• GEF Wildlife and Human-Elephant Conflict Management Project (FY16)</li> </ul> <p><b>ASA:</b></p> <ul style="list-style-type: none"> <li>• Global Gas Flaring Reduction (GGFR) Trust Fund, TA (FY12)</li> <li>• Gabon Forestry TA (FY17)</li> </ul>	<ul style="list-style-type: none"> <li>• Before proposing significant sectoral and institutional reforms, the WB should have an adequate understanding of the local 'political economy'.</li> <li>• For the delivery of multi-sector DPOs, high-level coordination is critical.</li> <li>• A lack of common understanding of reforms for both parties hindered the implementation of the Gabon Natural Resource Management Policy Loan.</li> <li>• Inadequate assessment of technical capacity and TA of targeted Ministries hampered the implementation of policy reforms in the Gabon Natural Resource Management Policy Loan.</li> <li>• A lack of financial and human capacity at the Ministry of the</li> </ul>

CLR Annex 2: Gabon FY12-FY18 CPS Results Matrix Evaluation			
Cluster of objectives and objective indicators	Status and evaluation summary	Lending and non-lending activities that contributed to the objective	Lessons and suggestions for the new CPF
Mayumba: 65 percent; Moukalaba-Doudou: 65 percent	percent; Moukalaba-Doudou: 71.91 percent <i>Source:</i> ISR Strengthening capacity for managing national parks (P070232)		Environment (MoE) meant that activities on the ground to protect environment are insufficient. This affected the delivery of the Capacity building in environmental management of large infrastructure projects TA.
7.3 Number of ecosystem services valuations undertaken (selected sites) increases from 0 in 2013 to 3, by June 2018.	<b>7.3 Not achieved.</b> <i>Baseline (FY13):</i> 0. <i>Target (FY18):</i> 3. <i>Actual (FY18):</i> No valuations had been completed by June 2018. <i>Source:</i> ISR Gabon Sustainable Management of Critical Wetlands Ecosystems (P143914)		<ul style="list-style-type: none"> <li>The following factors were important for strengthening capacity in the managing national parks and biodiversity project: a strong rationale For World Bank lending assistance aligned to the country's strategic development objectives; the technical capacity to execute activities at the core of the project; and the capacity to manage the project.</li> </ul>
7.4 Development stage reached in management plans prepared for forested wetlands (selected sites) increases from 0 in 2013 to 2, by June 2018.	<b>7.4 Achieved.</b> <i>Baseline (FY13):</i> 0. <i>Target (FY18):</i> 2. <i>Actual (FY18):</i> 2. <i>Source:</i> ISR Gabon Sustainable Management of Critical Wetlands Ecosystems (P143914)		<ul style="list-style-type: none"> <li>High level contract management, linking World Bank, the country, and its processes was critical to the implementation readiness of the Strengthening capacity for managing national parks and biodiversity project.</li> </ul>
7.5 Proportion of elephants killed illegally in four targeted national parks (Moukalaba Doudou, Loango, Mayumba, Waka) declines (absolute number stable).	<b>7.5 Not achieved.</b> <i>Baseline (FY15):</i> 15 percent. <i>Target (FY18):</i> 25 percent/40,000. <i>Actual (FY18):</i> 30 percent		<ul style="list-style-type: none"> <li>The weak capacity of teams was a significant cause of the low disbursement rate and implementation progress in the first half of the Strengthening capacity for</li> </ul>

CLR Annex 2: Gabon FY12-FY18 CPS Results Matrix Evaluation			
Cluster of objectives and objective indicators	Status and evaluation summary	Lending and non-lending activities that contributed to the objective	Lessons and suggestions for the new CPF
	Source: ISR Wildlife and Human-Elephant Conflict Management Project (P157249)		managing national parks and biodiversity project. <ul style="list-style-type: none"> <li>In environment and natural resource management, effective capacity strengthening is a long-term, incremental endeavor. In the Strengthening capacity for managing national parks and biodiversity project, a 5-year operation was not sufficient.</li> </ul>
<b>CPS Objective 8: Improved knowledge, tools and policies for social service delivery</b>			<b>NOT ACHIEVED</b>
8.1 Begin roll out of National Health Information System (2017)	<b>8.1 Not achieved.</b> <i>Baseline (FY15):</i> no National Health Information System. <i>Target (FY17):</i> Begin roll out of National Health Information System. <i>Actual (FY18):</i> Roll out of National Health Information System has not yet begun. <i>Source:</i> eGabon (FY16)	<b>LEN:</b> <b>ASA:</b> <ul style="list-style-type: none"> <li>Gabon Country Status/Health Financing (FY14)</li> <li>Gabon PBF feasibility study (2017)</li> <li>Rural Electrification and Water Services Sustainability Mechanism (FY18)</li> <li>Public Expenditure Review (FY18)</li> </ul>	<ul style="list-style-type: none"> <li>To achieve universal health and universal health insurance coverage, the sustainability of public financing will be critical, additional resources will need to be mobilized, and existing resources will need to be allocated more efficiently.</li> <li>In the case of programs involving the GoG, ownership of the government is key for their success.</li> </ul>
8.2 Design of RBF pilot completed by December 2017.	<b>8.2 Not Achieved.</b> <i>Baseline (FY15):</i> no RBF pilot. <i>Target (FY18):</i> Design of RBF pilot completed by December 2017. <i>Actual (FY18):</i> RBF pilot delayed <i>Source:</i> eGabon (FY16)		



**Annex 3: Gabon Planned and Delivered IBRD Operations FY12-FY18 CPS (\$US millions)**

<b>CPS PLANS (08/20/2013)</b>			<b>STATUS</b>	
<b>FY</b>	<b>Project</b>	<b>Projected IBRD</b>		<b>Committed IBRD</b>
2012	Central African Regional and National Backbone Project – APL4	58	Actual (P122776)	58
	<i>Subtotal (FY12):</i>	<i>58</i>		<i>58</i>
2013	Electricity project	60	Dropped (P114076)	
	Economic Diversification and Competitiveness Project	30	Renamed as Investment Promotion and Competitiveness Project: Actual (P129267) and rescheduled to FY14	0
	<i>Subtotal (FY13):</i>	<i>90</i>		<i>58</i>
2014-16	Natural Resource Management Project	15-25	GEF Sustainable Management of Critical Wetland Ecosystems Projects: Actual (P143914) – grant only	7.5
	E-government Applications Project (CAB II)	10-15	Renamed and rescheduled to FY16 as E-Gabon (P132824)	
	Human Development Education Project	60	Renamed as Skills Development and Employability Project: Actual (P146152)	100
			Investment Promotion and Competitiveness Project (P129267)	18
			<u>Additional Actuals:</u>	
			Access to Basic Services in Rural Areas and Capacity Building Project (P144135)	60
			Infrastructure and Local Development Project II (P151077)	100
	<i>Subtotal (FY14-16):</i>	<i>85-100</i>		<i>285.5</i>
	<i>Subtotal FY12-16 (up to 02/2016)</i>	<i>233-248</i>		<i>343.5</i>

PLR ONWARDS				
03/16)	GEF Wildlife and Human-Elephant Conflict Management Project	9.3	Actuals (P157249)FY 16	9.06
	Central African Backbone Project (APL4) - Gabon AF	23	Actual (P122776)	23
			<u>Additional Actuals:</u> E-Gabon Project (P132824) advanced to FY16	56
2017-18	Statistical Development Project	50	Actual (P157473)	50
	NRM project (TBC)		Dropped	
	E-Gabon Project (FY17)	56	Delivered in FY16	
	HD focused DPF (1)	50	Actual Gabon Fiscal Consolidation and Inclusive Growth Operation (P159508)	200
	HD focused DPF (2)	50	Rescheduled to FY19	
	<i>Subtotal FY2016-2018 (from 03/2016):</i>	<i>229</i>		<i>338.06</i>
	<i>Total planned FY2012-2018</i>	<i>462-477</i>	<i>Total actual (FY12-FY18)</i>	<i>681.56</i>

**CLR Annex 4: Planned and Actual Deliveries of Non-Lending Services (FY12-FY18)**

<b>FY</b>	<b>CPS Plans (02/23/2012)</b>	<b>Actual deliveries</b>
<b>2012</b>	<p><u>RAS:</u>  <i>Debt management study, budget management, tax system assessment</i>  <i>Port concession</i>  <i>Sources of growth (tourism, financial services, agribusiness)</i>  <i>[IFC] business climate improvement (extension)</i>  <i>Oil and gas, and mining</i></p> <p><u>Other ASA:</u>  <i>Household Survey</i>  <i>Policy note: growth and employment</i>  <i>EITI support</i>  <i>Electricity sector TA (PPIAF)</i></p>	<p><u>RAS:</u>  Rescheduled and delivered individually during FY14-FY16  Dropped  Delivered</p> <p>Dropped</p> <p>Rescheduled to FY14</p> <p><u>ASA:</u>  Rescheduled to FY17  Delivered  Dropped (P109088)  Rescheduled to FY15</p> <p><u>Rescheduled/initially unplanned actuals:</u>  Improved Investment Climate within the OHADA, TA grant (FY12) (P126663)  Global Gas Flaring Reduction (GGFR) Trust Fund, TA (FY12) (P110310)</p>
<b>2013</b>	<p><u>ASA:</u>  <i>Policy note: export diversification and competitiveness</i>  <i>Policy Note: ICT</i>  <i>Health Sector Status Report</i></p> <p><i>Civil society capacity building</i></p>	<p><u>ASA:</u>  Rescheduled to FY15</p> <p>Dropped</p> <p>Renamed as Country Status/Health Financing and rescheduled to FY14 (P133825)</p> <p>Dropped</p> <p><u>Rescheduled/initially unplanned actuals:</u>  DeMPA and Action Plan (FY13) (P130681)</p>
<b>2014–16 (up to 02/2016)</b>	<p><u>ASA:</u>  <i>Policy note: Assessment of the fiscal decentralization system</i>  <i>Policy note: Human development challenges, obstacles for redistribution</i>  <i>Social Safety Nets Assessment</i></p>	<p><u>ASA:</u>  Dropped</p> <p>Country Status/Health Financing (FY14) (P133825)</p> <p><u>Rescheduled/initially unplanned actuals:</u>  PFM I RAS (FY14) (P130564)  Tax System Reform TA (FY14)  Electricity sector TA (PPIAF) (FY15)–  <i>rescheduled to FY15 from FY12</i>  Supreme Audit Institution Capacity Building Project (FY16) (P152449)  RTA Extractive Sector TA (FY14) (P130949)</p>

		Electricity Sector PPIAF Grant Diversification and Competitiveness of Exports TA (FY15) (P130700)
<b>2016 (from 03/2016)</b>	<u>RAS:</u> <i>Statistical capacity development</i>  <u>Other ASA:</u> <i>Forestry study</i> <i>Wage bill TA</i>	Rescheduled to FY17  Delivered [?] (P158511) Public Sector Wage Bill TA (P157509) Economic Update FY16 <u>Rescheduled/initially unplanned actuals:</u> <i>Policy Notes</i> <i>Evaluation of the 2011-15 National Health Sector Plan FY16</i>
<b>2017-18</b>	<u>RAS:</u> <i>Civil service reform</i> <u>Other ASA:</u> <i>Innovative approaches in social sector financing and delivery (TA)</i> <i>Update of PEFA and Boost to underpin DPF</i> <i>Analytical note on HD to underpin DPF</i> <i>Note on agriculture and fisheries to underpin potential new lending</i>	Rescheduled to after FY 18 (P163632)  Country Status/Health Financing  Financed by EU Country Status/Health Financing Dropped  <u>Rescheduled/initially unplanned actuals:</u> PFM II RAS (FY17) (P146379) Tax System Reform TA (FY17) (P148329) RAS II Statistics Development (FY17) (P149230) CEMAC Policy Note FY17 Public Expenditure Review FY18 PBF Feasibility Study Forestry TA Rural Electrification and Water Services Sustainability Mechanism (FY18) (P152126)

## CLR Annex 5: World Bank Portfolio FY12-FY18

GABON PORTFOLIO - FY12 - FY22													
Proj ID	Project Name	Date, Board App *	Proj Age in Yrs	Lst DO	Lst IP	Port Stat	Net Comm Amt (\$m)	Tot Disb (\$m)	Tot Undisb Bal (\$m)	% Disb	Tot Undisb Begin FY (\$m)	Disb in FY (\$m)	% Disb Ratio
<b>FY12</b>													
<b>Regional Operations</b>													
P099833	CEMAC Regional Institutions Support	12/04/2008	3.6	MU	MU	A	50.00	12.81	35.51	25.6%	39.03	3.53	9.0%
P126663	Improved Invest Climate within OHADA	06/26/2012	0.0			A	15.00	0.00	14.69	0.0%	0.00	0.00	0.0%
2							65.00	12.81	50.20	25.6%	39.03	3.53	9.0%
<b>Gabon</b>													
P070232	GA-Strengthening Cap. for Manag. NP&B	03/29/2006	6.3		S	A	10.00	7.91	2.09	79.1%	5.01	2.91	58.2%
P122776	Central African Backbone-APL - Gabon	03/28/2012	0.3			A	58.00	0.00	58.00	0.0%	0.00	0.00	0.0%
2							68.00	7.91	60.09	11.6%	5.01	2.91	58.2%
<b>FY13</b>													
<b>Regional Operations</b>													
P099833	CEMAC Regional Institutions Support	12/04/2008	4.6	MS	MS	A	50.00	16.90	31.39	33.8%	35.48	4.09	11.5%
P126663	Improved Invest Climate within OHADA	06/26/2012	9.0	MS	MS	A	30.00	17.44	11.30	58.1%	11.73	1.11	9.5%
2							80.00	34.34	42.68		47.21	5.20	
<b>Gabon</b>													
P070232	GA-Strengthening Cap. for Manag. NP&B	03/29/2006	7.3		S	I	10.00	9.14	0.86	91.4%	2.09	1.23	58.9%
P122776	Central African Backbone-APL - Gabon	03/28/2012	1.3	MS	MU	A	58.00	4.17	53.83	7.2%	58.00	4.17	7.2%
2							68.00	13.31	54.69	19.6%	60.09	5.40	9.0%
<b>FY14</b>													
<b>Regional Operations</b>													
P099833	CEMAC Regional Institutions Support	12/04/2008	5.6	MS	MS	A	50.00	23.55	25.24	47.1%	31.89	6.65	20.8%
P126663	Improved Invest Climate within OHADA	06/26/2012	9.0	MS	MS	A	30.00	17.44	11.30	58.1%	11.73	1.11	9.5%
1							80.00	40.99	36.54		43.62	7.76	
<b>Gabon</b>													
P129267	GA- Investment Promotion and Competitiv	03/11/2014	0.3			A	18.00	0.00	18.00	0.0%	0.00	0.00	0.0%
P143914	GA- Sustainable Mgmt Critical Wetlands	03/27/2014	0.3		S	A	7.72	0.00	0.00	0.0%	0.00	0.00	0.0%
P122776	Central African Backbone-APL - Gabon	03/28/2012	2.3	MS	MS	A	58.00	5.57	52.43	9.6%	53.83	1.40	2.6%
3							83.72	5.57	70.43	6.7%	53.83	1.40	2.6%
<b>FY15</b>													
<b>Regional Operations</b>													
P099833	CEMAC Regional Institutions Support	12/04/2008	6.6	MS	S	A	50.00	32.01	14.50	64.0%	22.96	8.46	36.9%
P126663	Improved Invest Climate within OHADA	06/26/2012	9.0	MS	MS	A	30.00	17.44	11.30	58.1%	11.73	1.11	9.5%
2							80.00	49.45	25.80		34.69	9.57	
<b>Gabon</b>													
P129267	GA- Investment Promotion and Competitiv	03/11/2014	1.3	MS	MS	A	18.00	1.66	15.74	9.2%	17.40	1.66	9.5%
P122776	Central African Backbone-APL - Gabon	03/28/2012	3.3	S	MS	A	58.00	10.42	47.58	18.0%	52.43	4.84	9.2%
P143914	GA- Sustainable Mgmt Critical Wetlands	03/27/2014	1.3		S	A	7.52	0.81	6.71	10.7%	7.52	0.81	10.7%
3							83.52	12.88	70.04	15.4%	77.35	7.31	9.5%
<b>FY16</b>													
<b>Regional Operations</b>													
P099833	CEMAC Regional Institutions Support	12/04/2008	7.2	MS	S	I	50.00	38.39	8.08	76.8%	14.46	6.38	44.1%
P126663	Improved Invest Climate within OHADA	06/26/2012	9.0	MS	MS	A	30.00	17.44	11.30	58.1%	11.73	1.11	9.5%
2							80.00	55.83	19.38		26.19	7.49	
<b>Gabon</b>													
P129267	GA- Investment Promotion and Competitiv	03/11/2014	2.3	MS	MS	A	18.00	4.00	13.05	22.2%	15.39	2.34	15.2%
P146152	GA- Skills Development and Employability	02/10/2016	0.4	S	S	A	100.00	0.00	100.00	0.0%	0.00	0.00	0.0%
P144135	GA-Access to Basic Srvces in Rural Areas	09/17/2015	0.8	S	S	A	60.00	0.00	60.00	0.0%	0.00	0.00	0.0%
P122776	Central African Backbone-APL - Gabon	03/28/2012	4.3	S	S	A	81.00	32.85	48.15	40.6%	47.58	22.44	47.1%
P132824	eGabon	06/03/2016	0.1			A	56.00	0.00	56.00	0.0%	0.00	0.00	0.0%
P151077	GA - Infrs. and Local Dev. Project II	12/10/2015	0.6	S	S	A	100.00	1.52	98.51	1.5%	0.00	1.27	0.0%
P143914	GA- Sustainable Mgmt Critical Wetlands	03/27/2014	2.3		MS	A	7.52	1.66	5.86	22.1%	6.71	0.86	12.7%
7							422.52	40.04	381.57	9.5%	69.69	26.90	38.6%

# CLR Annex 5: World Bank Portfolio FY12-FY18 (continued)

GABON PORTFOLIO - FY12 - FY22													
Proj ID	Project Name	Date, Board App *	Proj Age in Yrs	Lst DO	Lst IP	Port Stat	Net Comm Amt (\$m)	Tot Disb (\$m)	Tot Undisb Bal (\$m)	% Disb	Tot Undisb Begin FY (\$m)	Disb in FY (\$m)	% Dis Ratio
<b>FY17</b>													
<b>Regional Operations</b>													
P126663	Improved Invest Climate within OHADA	06/26/2012	9.0	MS	MS	A	30.00	17.44	11.30	58.1%	11.73	1.11	9.5%
<b>1</b>							<b>30.00</b>	<b>17.44</b>	<b>11.30</b>	<b>58.1%</b>	<b>11.73</b>	<b>1.11</b>	<b>9.5%</b>
<b>Gabon</b>													
P157473	Gabon Statistical Development Project	03/30/2017	0.3	S	S	A	50.00	0.00	50.00	0.0%	0.00	0.00	0.0%
P129267	GA- Investment Promotion and Competitiv	03/11/2014	3.3	MU	MU	A	18.00	6.50	9.94	36.1%	12.44	2.50	20.1%
P146152	GA- Skills Development and Employability	02/10/2016	1.4	S	MS	A	100.00	5.53	94.49	5.5%	99.78	5.28	5.3%
P144135	GA-Access to Basic Srvcs in Rural Areas	09/17/2015	1.8	S	MS	A	60.00	6.18	53.79	10.3%	59.82	6.03	10.1%
P122776	Central African Backbone-APL - Gabon	03/28/2012	5.3	S	S	A	81.00	46.88	34.12	57.9%	48.15	14.03	29.1%
P132824	eGabon	06/03/2016	1.1	S	S	A	56.00	8.08	48.00	14.4%	55.94	7.94	14.2%
P143914	GA- Sustainable Mgmt Critical Wetlands	03/27/2014	3.3		MS	A	7.52	2.61	4.91	34.7%	5.86	0.95	16.2%
P157249	GA-Wildlife &human-elephant conflict mgt	09/02/2016	0.8		S	A	9.06	0.25	8.80	2.8%	0.00	0.25	0.0%
P151077	GA - Infrass. and Local Dev. Project II	12/10/2015	1.6	MS	MS	A	100.00	11.13	88.79	11.1%	98.39	9.61	9.8%
<b>9</b>							<b>481.58</b>	<b>87.17</b>	<b>392.84</b>	<b>18.1%</b>	<b>380.37</b>	<b>46.59</b>	<b>12.2%</b>
<b>FY18</b>													
P126663	Improved Invest Climate within OHADA	06/26/2012	9.0	MS	MS	A	30.00	17.44	11.30	58.1%	11.73	1.11	9.5%
P161368	CEMAC -Institutional Strengthening	05/04/2018	3.2	S	MS	A	35.00	10.96	23.44	31.3%	24.99	2.65	10.6%
<b>2</b>							<b>65.00</b>	<b>28.40</b>	<b>34.74</b>		<b>36.72</b>	<b>3.76</b>	
<b>Gabon</b>													
P157473	Gabon Statistical Development Project	03/30/2017	1.3	S	S	A	50.00	11.84	38.97	23.7%	50.67	11.70	23.1%
P129267	GA- Investment Promotion and Competitiv	03/11/2014	4.3	MS	MS	A	18.00	10.59	5.26	58.8%	9.35	4.09	43.7%
P146152	GA- Skills Development and Employability	02/10/2016	2.4	MS	MU	A	100.00	7.70	92.57	7.7%	94.75	2.17	2.3%
P159508	FISCAL CONSOLIDATION & INCLUSIVE GRO	11/07/2017	0.6			A	200.00	199.23	0.00	99.6%	0.00	198.74	0.0%
P144135	GA-Access to Basic Srvcs in Rural Areas	09/17/2015	2.8	MS	MS	A	60.00	14.42	45.82	24.0%	54.06	8.24	15.2%
P122776	Central African Backbone-APL - Gabon	03/28/2012	6.3	S	S	A	81.00	55.90	25.23	69.0%	34.19	8.96	26.2%
P132824	eGabon	06/03/2016	2.1	S	S	A	56.00	10.64	45.61	19.0%	48.18	2.56	5.3%
P143914	GA- Sustainable Mgmt Critical Wetlands	03/27/2014	4.3		MS	A	7.52	4.04	3.48	53.7%	4.91	1.43	29.1%
P157249	GA-Wildlife &human-elephant conflict mgt	09/02/2016	1.8		S	A	9.06	1.78	7.28	19.6%	8.80	1.53	17.4%
P151077	GA - Infrass. and Local Dev. Project II	12/10/2015	2.6	MS	MS	A	100.00	20.83	80.07	20.8%	89.77	9.70	10.8%
<b>10</b>							<b>681.58</b>	<b>336.98</b>	<b>344.29</b>	<b>49.4%</b>	<b>394.68</b>	<b>249.13</b>	<b>12.8%</b>
<b>FY19</b>													
<b>Regional operations</b>													
P126663	Improved Invest Climate within OHADA	06/26/2012	9.0	MS	MS	A	30.00	17.44	11.30	58.1%	11.73	1.11	9.5%
P161368	CEMAC -Institutional Strengthening	05/04/2018	3.2	S	MS	A	35.00	10.96	23.44	31.3%	24.99	2.65	10.6%
<b>2</b>							<b>65.00</b>	<b>28.40</b>	<b>34.74</b>		<b>36.72</b>	<b>3.76</b>	
<b>Gabon</b>													
P157473	Gabon Statistical Development Project	03/30/2017	2.3	S	MS	A	50.00	14.94	35.97	29.9%	39.07	3.10	7.9%
P129267	GA- Investment Promotion and Competitiv	03/11/2014	5.2	MS	MS	I	18.00	15.04	0.00	83.5%	4.44	4.44	100.0%
P164201	Gabon second DPO	02/19/2019	0.4			A	200.00	198.91	0.00	99.5%	0.00	198.41	0.0%
P146152	GA- Skills Development and Employability	02/10/2016	3.4	MS	MU	A	63.12	14.46	49.63	22.9%	95.54	6.76	7.1%
P159508	FISCAL CONSOLIDATION & INCLUSIVE GRO	11/07/2017	1.0	MS	MS	I	200.00	199.23	0.00	99.6%	0.00	0.00	0.0%
P144135	GA-Access to Basic Srvcs in Rural Areas	09/17/2015	3.8	MU	MU	A	60.00	14.42	45.82	24.0%	45.82	0.00	0.0%
P122776	Central African Backbone-APL - Gabon	03/28/2012	7.3	S	MS	A	81.00	73.02	8.39	90.1%	25.51	17.12	67.1%
P132824	eGabon	06/03/2016	3.1	MS	MS	A	56.00	12.89	43.44	23.0%	45.69	2.25	4.9%
P143914	GA- Sustainable Mgmt Critical Wetlands	03/27/2014	5.3		S	A	7.52	5.06	2.46	67.3%	3.48	1.02	29.4%
P157249	GA-Wildlife &human-elephant conflict mgt	09/02/2016	2.8		MU	A	9.06	2.91	6.14	32.1%	7.28	1.13	15.6%
P151077	GA - Infrass. and Local Dev. Project II	12/10/2015	3.6	MU	MU	A	100.00	29.36	72.04	29.4%	80.57	8.52	10.6%
<b>11</b>							<b>844.70</b>	<b>580.24</b>	<b>263.90</b>	<b>68.7%</b>	<b>347.40</b>	<b>242.76</b>	<b>12.8%</b>

# CLR Annex 5: World Bank Portfolio FY12-FY18 (continued)

GABON PORTFOLIO - FY12 - FY22													
Proj ID	Project Name	Date, Board App *	Proj Age in Yrs	Lst DO	Lst IP	Port Stat	Net Comm Amt (\$m)	Tot Disb (\$m)	Tot Undisb Bal (\$m)	% Disb	Tot Undisb Begin FY (\$m)	Disb in FY (\$m)	% Disb Ratio
<b>FY20</b>													
<b>Regional Operations</b>													
P126663	Improved Invest Climate within OHADA	06/26/2012	9.0	MS	MS	A	30.00	17.44	11.30	58.1%	11.73	1.11	9.5%
P161368	CEMAC -Institutional Strengthening	05/04/2018	3.2	S	MS	A	35.00	10.96	23.44	31.3%	24.99	2.65	10.6%
<b>2</b>							<b>65.00</b>	<b>28.40</b>	<b>34.74</b>		<b>36.72</b>	<b>3.76</b>	
<b>Gabon</b>													
P164201	Gabon second DPO	02/19/2019	0.9			I	200.00	198.91	0.00	99.5%	0.00	0.00	0.0%
P157473	Gabon Statistical Development Project	03/30/2017	3.3	S	MS	A	50.00	23.36	27.60	46.7%	35.98	8.42	23.4%
P146152	GA- Skills Development and Employability	02/10/2016	4.4	MS	MS	A	63.12	33.75	31.31	53.5%	50.27	19.28	38.4%
P173927	Gabon COVID-19 Response Project	05/15/2020	0.1			A	9.00	6.25	2.95	69.4%	0.00	6.23	0.0%
P144135	GA-Access to Basic Srvcs in Rural Areas	09/17/2015	4.8	MS	MU	A	60.00	20.75	39.46	34.6%	45.80	6.33	13.8%
P122776	Central African Backbone-APL - Gabon	03/28/2012	8.3	S	MS	A	79.16	78.80	0.54	99.6%	8.39	5.78	68.9%
P132824	eGabon	06/03/2016	4.1	MS	MS	A	56.00	20.62	35.70	36.8%	43.50	7.73	17.8%
P143914	GA- Sustainable Mgmt Critical Wetlands	03/27/2014	6.3		S	A	7.52	6.25	1.27	83.1%	2.46	1.19	48.4%
P157249	GA-Wildlife &human-elephant conflict mgt	09/02/2016	3.8		MS	A	9.06	4.33	4.72	47.8%	6.14	1.42	23.1%
P151077	GA - Infras. and Local Dev. Project II	12/10/2015	4.6	MU	MU	A	100.00	29.36	72.04	29.4%	72.04	0.00	0.0%
<b>10</b>							<b>633.86</b>	<b>422.38</b>	<b>215.60</b>	<b>66.6%</b>	<b>264.58</b>	<b>56.39</b>	<b>21.3%</b>
<b>FY21</b>													
<b>Regional Operations</b>													
P126663	Improved Invest Climate within OHADA	06/26/2012	9.0	MS	MS	A	30.00	17.44	11.30	58.1%	11.73	1.11	9.5%
P161368	CEMAC -Institutional Strengthening	05/04/2018	3.2	S	MS	A	35.00	10.96	23.44	31.3%	24.99	2.65	10.6%
<b>3</b>							<b>65.00</b>	<b>28.40</b>	<b>34.74</b>		<b>36.72</b>	<b>3.76</b>	
<b>Gabon</b>													
P157473	Gabon Statistical Development Project	03/30/2017	4.3	MS	MS	A	50.00	29.81	21.87	59.6%	27.60	6.44	23.3%
P146152	GA- Skills Development and Employability	02/10/2016	5.4	MS	MS	A	63.12	36.83	28.57	58.3%	31.31	3.08	9.8%
P173927	Gabon COVID-19 Response Project	05/15/2020	1.1	S	S	A	9.00	8.53	0.85	94.8%	2.95	2.29	77.4%
P144135	GA-Access to Basic Srvcs in Rural Areas	09/17/2015	5.8	MS	MS	A	60.00	22.90	37.45	38.2%	39.46	2.14	5.4%
P132824	eGabon	06/03/2016	5.1	MU	MU	A	56.00	20.92	35.43	37.4%	35.70	0.30	0.8%
P157249	GA-Wildlife &human-elephant conflict mgt	09/02/2016	4.8		MS	A	9.06	6.22	2.83	68.7%	4.72	1.89	40.1%
<b>6</b>							<b>247.18</b>	<b>125.21</b>	<b>127.01</b>	<b>50.7%</b>	<b>141.75</b>	<b>16.14</b>	<b>11.4%</b>
<b>FY22</b>													
<b>Regional Operations</b>													
P126663	Improved Invest Climate within OHADA	06/26/2012	9.8	MU	MU	A	30.00	19.69	8.39	65.7%	11.30	2.26	20.0%
P161368	CEMAC -Institutional Strengthening	05/04/2018	4.0	S	MS	A	35.00	16.78	16.93	47.9%	23.44	5.81	24.8%
<b>3</b>							<b>65.00</b>	<b>36.47</b>	<b>25.32</b>		<b>34.74</b>	<b>8.07</b>	
<b>Gabon</b>													
P157473	Gabon Statistical Development Project	03/30/2017	5.1	MS	MS	A	50.00	34.52	17.48	69.0%	21.87	4.71	21.6%
P146152	GA- Skills Development and Employability	02/10/2016	6.2	S	S	A	63.12	45.82	20.28	72.6%	28.57	8.99	31.5%
P173927	Gabon COVID-19 Response Project	05/15/2020	2.0	S	S	A	21.00	9.34	12.09	44.5%	0.85	0.81	94.8%
P144135	GA-Access to Basic Srvcs in Rural Areas	09/17/2015	6.6	MS	MS	A	60.00	35.53	25.30	59.2%	37.45	12.63	33.7%
P132824	eGabon	06/03/2016	5.9	MU	MU	A	56.00	21.58	34.78	38.5%	35.43	0.66	1.9%
P175987	Digital Gabon	07/30/2021	0.8	MS	MS	A	68.50	0.00	68.50	0.0%	0.00	0.00	0.0%
P157249	GA-Wildlife &human-elephant conflict mgt	09/02/2016	5.7		MS	A	9.06	8.46	0.59	93.4%	2.83	2.24	79.0%
<b>7</b>							<b>327.68</b>	<b>155.25</b>	<b>179.03</b>	<b>47.4%</b>	<b>127.01</b>	<b>30.04</b>	<b>23.7%</b>

## CLR Annex 6: IFC and MIGA Portfolios FY12-FY18

### (i) IFC

FY12 – FY21 Gabon IFC Portfolio (\$US M)										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Committed	0.0	0.0	65.0	65.0	59.0	56.2	43.8	45.9	46.8	87.0
Outstanding	0.0	0.0	0.0	15.0	15.0	23.4	23.9	42.8	44.9	42.2

### (ii) MIGA

Management Sector	Contract	Effective Date	Expiry Date	Investor Name	Project Name	Business Sector	Region Name	Host Country	Investor Country
EEI	15786-01	12/15/2021	12/14/2041	Meridiam Infrastructure Africa Fund FIPS	Asonha Energie SA	Infrastructure	Sub-Saharan Africa	Gabon	France
EEI	16212-01	12/15/2021	12/14/2041	Meridiam Infrastructure Africa Parallel Fund FIPS	Asonha Energie SA	Infrastructure	Sub-Saharan Africa	Gabon	France
MAS	10732-01	06/27/2013	06/26/2023	Cotecna Inspection S.A.	Scanning of Imported Goods	Services	Sub-Saharan Africa	Gabon	Switzerland
Grand Total	3 Contracts								



## Annex 3: Map of Gabon

IBRD 3340



## Annex 4: Selected Indicators of Bank Portfolio Performance

### Selected Indicators\* of Bank Portfolio Performance and Management

As of Date 09/13/2022

Indicator	FY20	FY21	FY22	FY23
<b>Portfolio Assessment</b>				
Number of Projects Under Implementation <sup>a</sup>	9.0	6.0	7.0	6.0
Average Implementation Period (years) <sup>b</sup>	4.4	4.4	4.8	4.8
Percent of Problem Projects by Number <sup>a, c</sup>	22.2	16.7	14.3	0.0
Percent of Problem Projects by Amount <sup>a, c</sup>	36.9	22.7	17.1	0.0
Percent of Projects at Risk by Number <sup>a, d</sup>	66.7	83.3	57.1	50.0
Percent of Projects at Risk by Amount <sup>a, d</sup>	77.6	75.7	56.0	47.0
Disbursement Ratio (%) <sup>e</sup>	21.3	12.3	43.7	0.8
<b>Portfolio Management</b>				
CPFR during the year (yes/no)				
Supervision Resources (total US\$)				
Average Supervision (US\$/project)				
Memorandum Item	Since FY80		Last Five FYs	
Proj Eval by IEG by Number	16		4	
Proj Eval by IEG by Amt (US\$ millions)	333.1		132.7	
% of IEG Projects Rated U or HU by Number	56.3		50.0	
% of IEG Projects Rated U or HU by Amt	45.7		29.8	

a. As shown in the Annual Report on Portfolio Performance (except for current FY).

b. Average age of projects in the Bank's country portfolio.

c. Percent of projects rated U or HU on development objectives (DO) and/or implementation progress (IP).

d. As defined under the Portfolio Improvement Program.

e. Ratio of disbursements during the year to the undisbursed balance of the Bank's portfolio at the beginning of the year: Investment projects only.

## Annex 5: Operations Portfolio (IBRD and Grants)

Proj ID	Project Name	Date, Board App *	Rev Closing	Net Com m Amt (\$m)
<b>Regional Operations</b>				
P126663	Improved Invest Climate within OHADA	06/26/2012	12/30/2022	30.00
P161368	CEMAC -Institutional Strengthening	05/04/2018	07/04/2023	35.00
<b>2</b>	<b>TOTAL</b>			<b>65.00</b>
<b>Gabon</b>				
P157473	Gabon Statistical Development Project	03/30/2017	10/31/2023	50.00
P146152	GA- Skills Development and Employability	02/10/2016	12/30/2022	63.12
P173927	Gabon COVID-19 Response Project	05/15/2020	06/30/2024	21.00
P144135	GA-Access to Basic Srvces in Rural Areas	09/17/2015	11/30/2022	60.00
P132824	eGabon	06/03/2016	08/31/2022	56.00
P175987	Digital Gabon	07/30/2021	06/30/2026	68.50
P157249	GA-Wildlife &human-elephant conflict mgt	09/02/2016	01/31/2023	9.06
<b>7</b>	<b>TOTAL</b>			<b>327.68</b>

## Annex 6: Statement of IFC's Held and Disbursed Portfolio

### 1. Gabon Historical Investment Program Commitments by Fiscal Year (as of Jun 30, 2022)

	FY17	FY18	FY19	FY20	FY21	FY22 YTD	FY17-FY22
Long Term Finance (LTF)	3.0	0.0	0.0	0.0	124.5	145.0	272.6
of which IFC Own Account	3.0	0.0	0.0	0.0	42.3	47.7	93.0
of which Core Mobilization	-	0.0	0.0	0.0	82.2	97.3	179.5
Short Term Finance (STF)	-	-	-	-	-	-	-

### 2. Gabon Investment Portfolio by Industry Group (as of Jun 30, 2022)

Industry Group	MAS	INR	Total
Committed Exposure	-	115.1	115.1
Portfolio Outstanding	-	32.5	32.5
of which Loan Outstanding	-	32.5	32.5
of which Equity Outstanding	-	-	-
Undisbursed	-	82.6	82.6
Non-Performing Loans (NPLs)	-	-	-
NPL Ratio (%)	0.0%	0.0%	0.0%

### 3. Top 5 Portfolio Clients by Committed Exposure in Gabon (as of Jun 30, 2022)

Client	Industry	Industry Group Sector	Committed Exposure	Portfolio Outstanding
SETRAG	INR	Infrastructure	72.3	32.5
ASONHA ENERGIE SA	INR	Infrastructure	42.8	-

### 4. Top 5 Investment Pipeline Projects by Total LTF in Gabon (as of Jul 6, 2022)

Commitment Probability	Fiscal Year	Project	Industry	Industry Group Sector	IFC Own Account	Total LTF
LP	2023	Olam Palm Gabon	MAS	Agribusiness & Forestry	150.0	150.0

### 5. Gabon Advisory Services Portfolio by Industry (as of Jun 30, 2022)

Industry	Total Funds Managed by IFC

### A. Gabon Investment Portfolio by Sector and Client (as of Jun 30, 2022)

Client	Product	First and Most Recent Commitment FY(s)	Committed Exposure	NPL Amount
<b>INR Portfolio</b>				
<b>INR: Infrastructure</b>				
SETRAG	LN, RM	FY2016, FY2021	72.3	-
ASONHA ENERGIE SA	LN, RM	FY2022	42.8	-
<b>Total INR: Infrastructure</b>			<b>115.1</b>	<b>-</b>
<b>Total INR Portfolio</b>			<b>115.1</b>	<b>-</b>
<b>Total Gabon Portfolio</b>			<b>115.1</b>	

### B. Gabon Investment Pipeline by Project (as of Jul 6, 2022)

Probability	Project Short Name	Industry Sector 2	Industry Sector 3	IFC Own Account	Total LTF
<b>FY2023 Pipeline</b>					
<b>MAS Pipeline</b>					
LP	Olam Palm Gabon	Forest & Wood Products	Forestry	150.0	150.0
<b>Total MAS Pipeline</b>				<b>150.0</b>	<b>150.0</b>
<b>Total FY2023 Pipeline</b>				<b>150.0</b>	<b>150.0</b>
<b>Total Pipeline</b>				<b>150.0</b>	<b>150.0</b>

## Annex 7: MIGA's Guarantee Portfolio (September 2022)

Contract	Effective Date	Expiry Date	Investor Name	Project Name	Business Sector	Investor Country	Gross Exposure (\$USD)
15786-01	12/15/2021	12/14/2041	Meridiam Infrastructure Africa Fund FIPS	Asonha Energie SA	Infrastructure	France	19,235,104
16212-01	12/15/2021	12/14/2041	Meridiam Infrastructure Africa Parallel Fund FIPS	Asonha Energie SA	Infrastructure	France	6,411,702
17441-01	06/30/2022	06/30/2027	The Rise Fund II Aurora, S.A.R.L	Airtel Mobile Money Gabon	Financial	Luxembourg	27,630,000
10732-01	06/27/2013	06/26/2023	Cotecna Inspection S.A.	Scanning of Imported Goods	Services	Switzerland	4,789,733
4 Contracts							58,066,538

## Annex 8: Procurement Issues in Gabon

In 2019, Gabon undertook an assessment of its procurement framework using the Methodology for Assessing Procurement Systems (MAPS II) tool. The report identified systemic weaknesses. In particular, the lack of clarity of the legal framework for public procurement, the overlap of responsibilities between the regulatory function and the supervisory function and, non-compliance, circumvention of control rules. It also highlighted operational deficiencies that undermine system performance. The most common issues included: the lack of staff with sufficient qualifications in procurement and/or contract management to properly execute contracts, lack of efficient information technology and inefficient processes for budget execution when it comes to procurement. Delays (which are one of the reasons for low budget execution) continue to weaken the efficiency and transparency of the public procurement. In addition, many public procurement processes are perceived to be opaque, with many contracts awarded without due process, without competition or with extremely short tender times. Corruption and political interference have stagnated and can infiltrate at any point of the procurement processes, from the initial identification of procurement items needed under different categories (i.e., consulting services, non-consulting services, goods and works) through the bidding process (preparation, award) and implementation of related contracts. These ongoing challenges have resulted in delays and losses that have negatively affected the delivery of public services.

The above findings suggest that the national procurement system is not yet ready to be used in the implementation of WBG-financed projects in Gabon. As a result, projects financed by the WBG use dedicated project Implementing Units (PIUs), and most of the projects are being implemented by CNTTIPPEE which is seen or used as a centralized fiduciary unit. Lessons learned under this specific scheme include the difficulty of collaboration between PIU staff and technical staff at ministerial level, which has already hampered the delivery of results and PIU performance.

During the CPF period, the World Bank will support the modernization of the country's procurement framework through emphasis on: (a) the adoption of a new procurement framework for all procurement (Public Private Partnership (PPP) and delegation of public services (DSP) that is more flexible and efficient); (b) technical assistance in the establishment of anti-corruption legal mechanisms for the ease of business conduct for the mutual benefit of both the private and the public sectors; (c) professionalization of the procurement function to strengthen linkages between procurement, budget execution, and public investment management (national or external funds); and (d) development and implementation of e-governance procurement (E-GP) in all sectors. To this end, the Bank will support the GoG with a WBG-financed programmatic ASA and DPOs during the intervening period.

Currently, with strong technical assistance from the WBG, the Gabonese authorities are working on the elaboration of a new procurement code, a regulatory agency act, a Regulatory Body, and other requirements for their operationalization. Continuous efforts towards the finalization and adoption of the new legal frameworks will significantly contribute to enforce transparency, efficiency and accountability, enable local business environment including SMEs, and empower citizens to become more involved in procurement decisions, processes, and laws. It will also be a good basis for the need for a new training strategy to plug capacity/

capability gaps in procurement. Regarding the development of the (E-GP) system, it will be financed through the Digital Gabon project.

Through Bank-financed projects, WBG teams will provide PIUs with appropriate support throughout the procurement process, including frequent supervision missions and training programs, to ensure that goods, works, consulting services and non-consulting services that are to be procured, meet international best practice as reflected in the World Bank Procurement Regulations for IPF Borrowers (Regulations). Procurement operations/activities under such projects will use the Systematic Tracking of Exchange in Procurement (STEP) system which will provide with data on procurement activities, establish benchmarks, monitor delays, and measure procurement performance. Data collected will be used for different reports and for any appropriate corrective measure when and where required.

## Annex 9: Summary of consultations

GUIDING QUESTIONS	STAKEHOLDER ANSWERS PER OBJECTIVE OF THE COUNTRY PARTNERSHIP FRAMEWORK				
	1. Stronger governance and enhanced service delivery efficiency	2. Improved social benefits	3. Increased urban resilience	4. Increased private investment in the non-oil sector	5. Improved technical training
1) In your opinion, what are the key challenges that the World Bank should overcome to achieve its country objectives for the 2023-2027 period?	<ul style="list-style-type: none"> <li>▪ Governance of loan agreements;</li> <li>▪ Project management;</li> <li>▪ Monitoring of project funds execution;</li> <li>▪ SMEs' tendering capacities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Capacities of the State to execute its own public policies as regards social services;</li> <li>▪ Public servants' capacity to adjust to change and monitor it;</li> <li>▪ Geographic disparities in the availability of social service facilities and staff</li> </ul>	<ul style="list-style-type: none"> <li>▪ Capacity building of project managers;</li> <li>▪ Facilitation of the execution procedures of WB-funded projects;</li> <li>▪ Monitoring, assessment, and ensuring of the good use of the fund allocations</li> </ul>	<ul style="list-style-type: none"> <li>▪ Lack of transparency when implementing PPPs in Gabon.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Lack of interest of Gabonese people for certain opportunities open to them</li> </ul>
2) In relation to the objective of increasing private investment in non-oil sectors, in which sectors would private investments bring significant value addition?	<ul style="list-style-type: none"> <li>▪ Funding of SMEs/SMIs;</li> <li>▪ Business environment improvement;</li> <li>▪ Reinforcement of local transformation.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Orientation of their CSR, RMP on the reinforcement of basic social services;</li> <li>▪ Reinforcement of roads.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improvement of the public space in urban areas;</li> <li>▪ Road infrastructure;</li> <li>▪ Collective infrastructure;</li> <li>▪ Sports and recreation;</li> <li>▪ Upgrade bridges.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Agriculture;</li> <li>▪ Urban development;</li> <li>▪ Agroforestry;</li> <li>▪ Digital economy;</li> <li>▪ Environment;</li> <li>▪ Wood.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Construction of quality higher and secondary vocational training institutions such as the Ecole des Mines (School of Mining) of Moanda and Institut du Gaz et du Pétrole (Institute of Gas and Oil) of Port-Gentil.</li> </ul>
3) In your opinion, are there any factors other than those identified by the	<ul style="list-style-type: none"> <li>▪ The employment policy;</li> <li>▪ Poor public finance management;</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strengthening and equipment of basic social structures;</li> </ul>	<ul style="list-style-type: none"> <li>▪ Lack of statistics;</li> <li>▪ Lack of monitoring &amp; evaluation mechanisms</li> </ul>	<ul style="list-style-type: none"> <li>▪ Green economy;</li> <li>▪ Fishing;</li> <li>▪ Local transformation;</li> </ul>	<ul style="list-style-type: none"> <li>▪ Mismatch between the training supply and needs of Gabon's economy;</li> </ul>



<p><b>World Bank that are slowing down Gabon's progress towards emergence?</b></p>	<ul style="list-style-type: none"> <li>▪ Corruption and lack of transparency;</li> <li>▪ Lack of reliable decision-making tools (statistics);</li> <li>▪ Failure to consider the participatory approach when implementing development projects;</li> <li>▪ Public policy implementation;</li> <li>▪ Lack of development policy coordination and planning tools;</li> <li>▪ Operationalization of tools to fight against corruption and illicit acquisition of wealth;</li> <li>▪ Reinforcement of the State's status of owner;</li> <li>▪ Compliance with the Budget Law as adopted by the Parliament;</li> <li>▪ Definition of a clear fiscal policy.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Insufficient number of primary healthcare facilities in the urban perimeter of Greater Libreville;</li> <li>▪ Poor operationalization of health departments within the country;</li> <li>▪ Lack of operational health posts in remote areas;</li> <li>▪ Lack of infrastructure ensuring access to water and electricity in rural areas and squatter neighborhoods of the capital city;</li> <li>▪ Remoteness of some localities;</li> </ul>	<p>for public urban development policies;</p> <ul style="list-style-type: none"> <li>▪ Non-involvement of civil society;</li> <li>▪ Cost of living;</li> <li>▪ Delayed implementation of decentralization impeding on Gabon's progress towards emergence, as local authorities are unable to promote development at their level.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Infrastructure;</li> <li>▪ Issue of roads.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Poor management of training institutions;</li> <li>▪ Failure to ensure sustainable investments.</li> </ul>
<p><b>4) Are the two paths recommended by the World Bank to reduce extreme poverty and increase shared prosperity - namely economic diversification and equal opportunities</b></p>	<ul style="list-style-type: none"> <li>▪ Relevant, yes, but sufficient no, because:</li> <li>▪ Conditionalities on WB's support need to be reinforced;</li> <li>▪ Public services have low capacity for governance and change implementation;</li> <li>▪ Low level of result-oriented development planning;</li> </ul>	<ul style="list-style-type: none"> <li>▪ Relevant but not sufficient as they do not really focus on basic infrastructures.</li> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪ The paths are relevant but not sufficient:</li> <li>▪ suggestion to expand focus to:</li> <li>▪ inclusive development;</li> <li>▪ rural development;</li> <li>▪ anchor and basic social infrastructure;</li> </ul>	<ul style="list-style-type: none"> <li>▪ Relevant but not sufficient;</li> <li>▪ Infrastructure needs to be reinforced;</li> <li>▪ Acceleration of the national business improvement policy;</li> </ul>	<ul style="list-style-type: none"> <li>▪ Sufficient provided their practical applications contribute to making technical training a major lever of economic diversification</li> </ul>

and human development - relevant and sufficient?	<ul style="list-style-type: none"> <li>▪ Lack of assessment of public policies for sectoral development.</li> <li>▪</li> </ul>		<ul style="list-style-type: none"> <li>▪ Good governance and effectiveness of public service;</li> <li>▪ Address issue of hard-to-access neighborhoods and areas.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Employability of youth and women;</li> <li>▪ Public policy choices that do not promote competition;</li> <li>▪ Mismatch between training and jobs.</li> </ul>	
5) What do you think of the five country-support objectives of the World Bank under its 2023-2027 CPF in relation to the Transformation Acceleration Plan (PAT) and Strategic Plan for an Emerging Gabon (PSGE)?	<ul style="list-style-type: none"> <li>▪ They are aligned with PSGE and PAT but insufficient because:</li> <li>▪ There are no programs to support the governance of development;</li> <li>▪ The monitoring, evaluation, and control of the implementation of public policies and development projects.</li> </ul>	<ul style="list-style-type: none"> <li>▪ They are aligned with PSGE, but could be reinforced through:</li> <li>▪ Construction of basic infrastructure</li> <li>▪ To be strengthened;</li> <li>▪ The informal sector should be further structured and supported as it is an important lever for the country's economic growth.</li> </ul>	<ul style="list-style-type: none"> <li>▪ They are aligned with PAT and PSGE and accelerate development;</li> <li>▪ They are limited as they do not integrate the green economy – rural areas left out;</li> <li>▪ Weak response in terms of road infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>▪ They are relevant but there is room for improvement.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Priority should be given to:</li> <li>▪ The education and vocational training sector;</li> <li>▪ The basics of entrepreneurship in training programs.</li> </ul>
6) If you were asked to define one or two Program/ Project ideas under each pillar, what would you suggest?	<ul style="list-style-type: none"> <li>▪ Project to reinforce the community basic health system;</li> <li>▪ Project to support the improvement of the business environment and governance of SMEs/SMIs in Gabon;</li> <li>▪ Project in support of an improved match between training and employment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project in support of the reinforcement of the health facility coverage in rural, urban, and peri-urban areas;</li> <li>▪ Technical equipment of hospitals. Urban</li> </ul>	<ul style="list-style-type: none"> <li>▪ Urban development support project;</li> <li>▪ Urban development as well;</li> <li>▪ Institutional capacity building of public servants on WB procedures;</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project in support of the effectiveness of Corporate Social Responsibility (CSR) policies of private sector businesses;</li> <li>▪ Project in support of the reinforcement of</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project in support of the national governance capacity building of technical and vocational training centers through the development of manuals of procedures and the establishment</li> </ul>

		restructuring and integration project.	<ul style="list-style-type: none"> <li>▪ Project to reinforce Gabon's road network.</li> </ul>	PPP effectiveness in Gabon.	of a skills- and capabilities-based recruitment policy.
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