



## Cabo Verde - Transport Sector Reform Project (P126516)

AFRICA WEST | Cabo Verde | Transport Global Practice |  
IBRD/IDA | Investment Project Financing | FY 2013 | Seq No: 14 | ARCHIVED on 17-Aug-2020 | ISR42783 |

Implementing Agencies: Ministry of Infrastructure and Maritime Economy, Ministry of Finance, Ministry of Finance, Project Coordination Unit

**Key Dates****Key Project Dates**

Bank Approval Date: 24-Jun-2013

Effectiveness Date: 17-Sep-2013

Planned Mid Term Review Date: 27-Jun-2016

Actual Mid-Term Review Date: 27-Jun-2016

Original Closing Date: 30-Jun-2019

Revised Closing Date: 31-Dec-2020

**Project Development Objectives**

Project Development Objective (from Project Appraisal Document)

The objective of the project is to support the Recipient's efforts to improve efficiency and management of its national road assets and lay the groundwork for transport sector State Owned Enterprise reform.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

**Components Table**

Name

Component 1: Road Asset Preservation:(Cost \$39.00 M)  
Component 2: Institutional Strengthening and Project Management:(Cost \$3.08 M)  
Component 3: Road Safety:(Cost \$2.00 M)  
Component 4: Inter-island Transport Strategy:(Cost \$6.92 M)  
Contingencies:(Cost \$7.00 M)

**Overall Ratings**

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Risk Rating	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial

**Implementation Status and Key Decisions**

**Road works.** The emergency works in Fogo and Santiago have been completed. Due to the COVID-19 pandemic and the halting of works, all the road works are experiencing delays. The progress on the road works in Santo Antao has been slow, following the delay of works, with 75% physical completion (July 2020). The expected completion date is now January 2021. Works on the Cidade Velha road is at 75% physical completion (July 2020) and is expected to be completed by December 2020. The Entre Picos de Reda road is at 60% physical completion (July 2020) and is expected to be completed by April 2021. The Boa Entradinha road is at 50% physical completion (July 2020) and is expected to be completed by April 2021. The Ribeira dos Picos road is at 25% physical completion (July 2020) and is expected to be completed by Oct. 2021. The Vila Nova Sintra/Nossa Senhora Do Monte road in Brava is at 30% physical completion (April 2020) and is expected to be completed by April 2021. All Resettlement Action Plans (RAPs) have been executed and compensation paid. Grievance Redress Mechanisms are in place.



**Axle Load Control.** The new law introducing axle load control was approved by the Council of Ministers in February 2020, and was published in the official gazette in June 2020 following approval by the President. This will be followed by an awareness and information raising campaign for road users to ensure effective implementation of the law starting in Q4 2020.

**New Highway Code.** The draft law establishing a new highway code is ready and could be adopted once the electronic platform for the management of driving licenses becomes operational (this activity has been delayed by the pandemic).

**Road Fund Study and Climate Change Studies.** The project is financing a study to increase the efficacy and effectiveness of the Road Fund (FAMR). Despite some delay to launch the study, the study is now ongoing and should be finalized by October 2020. Another study to assess the vulnerability of the road network to climate risks and propose an adaptation strategy to reduce these risks and enhance the resilience of the road network was completed. A virtual workshop was held with relevant stakeholders in May 2020. Finally, building on this work, a study has been launched to undertake a similar analysis for the aviation and maritime sectors using trust fund money.

## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Macroeconomic	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> High
Sector Strategies and Policies	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Technical Design of Project or Program	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Institutional Capacity for Implementation and Sustainability	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Fiduciary	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Environment and Social	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Stakeholders	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Other	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Substantial
Overall	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial

## Results

### PDO Indicators by Objectives / Outcomes

Support recipient's efforts to improve the efficiency and management of its national road assets				
▶ Roads in good and fair condition as a share of total classified roads (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	50.00	86.00	85.00	80.00
Date	08-Apr-2013	30-Sep-2019	30-Jun-2020	31-Dec-2020
Comments:	1 003 km in good and fair condition of 1 174 km of national roads			



► Share of the national road network maintained through performance based contracts (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	44.00	90.00	90.00	80.00
Date	08-Apr-2013	30-Sep-2019	30-Jun-2020	31-Dec-2020
Comments:	1,054 km of 1,174 km of national roads are maintained under REMADOR and SEMAC-EN contract (Serviços de Manutenção Corrente em Estrada Nacionais).			
► Direct project beneficiaries (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	102,300.00	139,090.00	120,000.00
Date	08-Apr-2013	25-Jun-2019	30-Jun-2020	31-Dec-2020
Comments:	The entire population at a distance of 2 km on either side of the roads targeted by the project was considered as benefiting from the project. The following populations have been taken into account for work already completed: 93,803 (Original Credit) + 10,994 (emergency works on Fogo under Additional Financing) + 34,293 (emergency works on Santiago under Additional Financing).			

Lay groundwork for transport sector state-owned enterprise reform				
► Realistic plans or strategies defined, adopted, and implemented to reform the transport sector including SOEs (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2.00	2.00	3.00
Date	29-Apr-2017	30-Sep-2019	30-Jun-2020	31-Dec-2020
Comments:	The strategies have been defined in the Government's program; and two measures have been implemented: Privatization of TACV (sales of 61% of the company); and concession of inter-island maritime transport, leading to the reform of Cabo Verde Fast Ferry.			

### Intermediate Results Indicators by Components

Component 1: Road Asset Preservation				
► Roads rehabilitated (Kilometers, Corporate)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	4.00	5.90	50.00



Date	21-Mar-2017	30-Sep-2019	30-Jun-2020	31-Dec-2020
<input type="checkbox"/> Roads rehabilitated - rural (Kilometers, Corporate Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	4.00	5.90	50.00
<input type="checkbox"/> Roads rehabilitated - non-rural (Kilometers, Corporate Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	0.00
<b>► Roads Rehabilitated and/or Maintained under project financed PBMCs (Kilometers, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	478.00	479.90	524.00
Date	08-Apr-2013	30-Sep-2019	30-Jun-2020	31-Dec-2020
Comments:	1,054 km of national roads are covered by maintenance contracts. Under Original Credit the REMADOR contracts covered 474 km of national roads, whereas only 139.7 km were rehabilitated (specific rehabilitation interventions) and financed by World Bank. FAMR ensured the current maintenance of the total 474 km. Under AF, REMADOR contracts covers 418 km of national roads, whereas only 58.7 km is rehabilitated (with complete rehabilitation) and financed by World Bank. FAMR ensures the current maintenance of the total 418 km. But there was a change in the calculation method at the time of AF approval. Now only km rehabilitated and financed by World Bank are accounted under AF (see AF project paper: "the change in target reflects PBMCs financed by the Bank and does not include government-financed PBMCs.")			
<b>► Amount of labor and material costs paid for the cobblestone road rehabilitation (Amount(USD), Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	894,000.00	531,405.00	1,850,000.00
Date	01-Apr-2017	30-Sep-2019	30-Jun-2020	31-Dec-2020
Comments:	The figure previously reported was incorrect. The current value of 558,120 USD is calculated as follows: number of cobblestones produced so far, multiplied by unit price of each stone (6 855 000 cobblestones x 7 CVE) + area paved so far multiplied by unit cost of applying stones (32 450 m2 x 180 CVE). Then the value in CVE is converted in USD with the rate of 1 USD=101,290 CVE.			
<b>► Number of jobs created through the cobblestone road rehabilitation (person-days) (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	28,568.00	120,728.00	25,000.00
Date	01-Apr-2017	30-Sep-2019	30-Jun-2020	31-Dec-2020
<input type="checkbox"/> Number of female jobs created through the cobblestone road rehabilitation (person-days) (Number, Custom Breakdown)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1,973.00	7,349.00	10,000.00
Date	29-Apr-2017	30-Sep-2019	30-Jun-2020	31-Dec-2020
<b>► Grievances responded and/or resolved within one month under the performance-based road contracts (Percentage, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	90.00	100.00	100.00	100.00
Date	11-Apr-2017	30-Sep-2019	30-Jun-2020	31-Dec-2020
Comments:	21 grievances have been received for all roads, of which 50% were limited to clarifications. All cases have been resolved and closed. There has been no Gender-Based Violence (GBV) related complaints.			
<b>► Annual reports on the condition of the national network and on priorities in terms of rehabilitation and maintenance (Yes/No, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	08-Apr-2013	30-Sep-2019	30-Jun-2020	31-Dec-2020
Comments:	<a href="http://www.ie.cv/index.php?option=com_content&amp;view=article&amp;id=219&amp;Itemid=656">http://www.ie.cv/index.php?option=com_content&amp;view=article&amp;id=219&amp;Itemid=656</a>			
<b>► Percentage of national road network where axle load control is enforced (Percentage, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	77.00
Date	08-Apr-2013	30-Sep-2019	30-Jun-2020	31-Dec-2020
Comments:	The law was approved by the Council of Ministers and published into the Boletim Oficial- I Série n.º 67 – 04-jun-2020. It is estimated that until its entry into force, in this second semester of 2020, there will be no chance of using scales on more than 10% of the national road network- just to the actual closing date 31-Dec-2020.			

#### Component 2: Institutional Strengthening and Project Management

##### ► Number of students benefiting from the training equipment to be acquired under the credit (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1,150.00	1,280.00	400.00
Date	08-Apr-2013	30-Sep-2019	30-Jun-2020	31-Dec-2020

#### Component 3: Road Safety



► Annual reports on accidents issued every year from the improved database and monitoring system (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	08-Apr-2013	30-Sep-2019	30-Jun-2020	31-Dec-2020
Comments:	It is planned to upgrade the entire SIGR platform by migrating it for technology used on the state network end of 2020.			
► The highway code is revised (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	08-Apr-2013	30-Sep-2019	30-Jun-2020	20-Dec-2020
Comments:	Should be finalized and approved by the Council of Ministers during second semester 2020			

Component 4: Inter-island Transport Strategy				
► Timely publication of annual Financial Audits (ENAPOR, ASA, TACV) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	2.00	2.00	2.00	3.00
Date	08-Apr-2013	30-Sep-2019	30-Jun-2020	31-Dec-2020
Comments:	ENAPOR and ASA.			
► Comprehensive Aggregate Annual Fiscal Risk Report on SOEs (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	08-Apr-2013	30-Sep-2019	30-Jun-2020	31-Dec-2020
► ENAPOR : Port tariffs are adjusted (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	08-Apr-2013	30-Sep-2019	30-Jun-2020	31-Dec-2020
Comments:	Published in Boletim Oficial : BO I Série N.º 34 25 Mar 2019 Port tariffs have been adjusted, on the basis of modernization and simplification without increasing the total cost of port cargo operation.			



<b>► A realistic loss reduction strategy has been defined, adopted, and implemented for TACV (Yes/No, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	29-Apr-2017	30-Sep-2019	30-Jun-2020	31-Dec-2020
Comments:	The Government has sold 61% of its shares in CVA. COVID-19 crisis has suspended the privatization process of the airline of the remaining 39% of the shares owned by the State of Cabo Verde. All passenger flights have ceased operations in the country (international and domestic).			
<b>► IMP : Regulatory Agency model, training and business plan is defined. (Yes/No, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	08-Apr-2013	30-Sep-2019	30-Jun-2020	31-Dec-2020
Comments:	Study finalized in December 2018 and recommendations under implementation, in particular, the new organization chart, new financial system, and new pricing system, among others.			

### Performance-Based Conditions

#### Data on Financial Performance

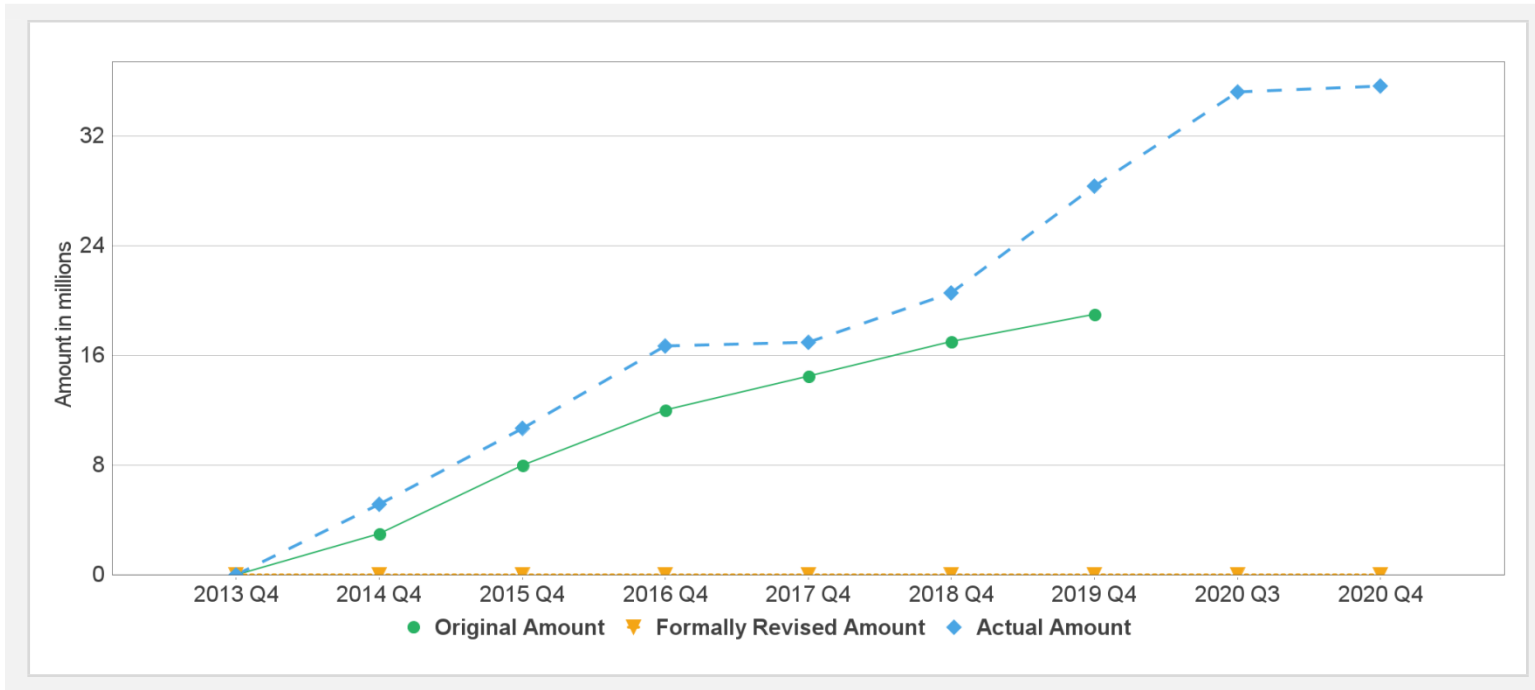
##### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P126516	IDA-52660	Closed	USD	19.00	19.00	0.00	18.56	0.00	100%
P126516	IDA-61000	Effective	USD	27.00	27.00	0.00	17.12	10.05	63%

##### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P126516	IDA-52660	Closed	24-Jun-2013	19-Jul-2013	17-Sep-2013	30-Jun-2019	30-Jun-2019
P126516	IDA-61000	Effective	15-Jun-2017	18-Aug-2017	14-Nov-2017	31-Dec-2020	31-Dec-2020

### Cumulative Disbursements



### PBC Disbursement

PBC ID	PBC Type	Description	Coc	PBC Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for PBC

### Restructuring History

There has been no restructuring to date.

### Related Project(s)

P161248-First Additional Financing to the Cabo Verde Transport Sector Reform Project